

July 1, 2014

REVISED

TO THE HONORABLE PRESIDENT AND MEMBERS OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

The Finance Committee of the Sewerage and Water Board of New Orleans met on Tuesday July 1, 2014 at 8:00 A.M. in the Board Room, 625 St. Joseph Street to consider the following matters.

ACTION ITEMS

Item 1 APPROVAL OF PREVIOUS REPORT

The report of the Regular Finance Committee Meeting held on Tuesday, May 6, 2014 was received. Upon a motion of Ms. Kane and second by Ms. Barnes, the report was approved.

Item 2 GENERAL SUPERINTENDENT'S RECOMMENDATIONS

R-123-2014 – FURNISHING SAFETY SHOES REQ. NO. YW140028

Mr. Becker recommended Cintas Corporation in the amount of \$105,650.00.

R-124-2014 –FURNISHING #1 ALL PURPOSE RAG WIPERS – REQ. NO. YW140030

Mr. Becker recommended Assorted Products in the amount of \$81,000.00.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane the above contracts were approved.

R-125-2014 – EMERGENCY LETTER BIDS FOR FURNISHING ROOF REPAIRS TO CENTRAL CONTROL AT CARROLLTON WATER PURIFICATION FACILITY REQ. NO. PM140039

Mr. Becker recommended Juneau Odenwold, Inc. in the amount of \$38,300.00.

Upon a motion by Ms. Barnes and seconded by Ms. Kane the above contract was approved.

CONTRACT RENEWAL

R-126-2014 – FIRST AND FINAL RENEWAL OF CONTRACT FOR FURNISHING SEWER REPAIR COUPLINGS REQ. NO. YW130013

Mr. Becker recommended that the Board approve this first and only renewal to LA Utilities Supply Company in the amount of \$97,568.00 and H. D. Supply Waterworks in the amount of \$40,305.00.

R-127-2014 – FIRST AND FINAL RENEWAL OF CONTRACT FOR REBUILDING AND REINSTALLING AUTOMATIC TRANSMISSIONS IN AUTOMOBILES AND SMALL TRUCKS – REQ. NO. GI130035

Mr. Becker recommended that the Board approve this first and only renewal to Crescent Ford Truck Sales, Inc. in the amount of \$37,290.00.

R-128-2014 – FIRST AND FINAL RENEWAL OF CONTRACT FOR REBUILDING AND INSTALLING AUTOMOTIVE REMANUFACTURED ENGINES AND RELATED PARTS REQ. NO. YW130055

Mr. Becker recommended that the Board approve this first and only renewal to Crescent Ford Truck Sales, Inc. in the amount of \$362,425.00.

R-129-2014 – FIRST OF THREE ONE-YEAR RENEWALS OF CONTRACT FOR FURNISHING SOLID WASTE DISPOSAL SERVICES REQ. NO. PM130010

Mr. Becker recommended that the Board approve this first of three one-year renewals to Richards Disposal, Inc. in the amount of \$109,356.00.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane the above contracts were approved pending review by the Operations Committee.

REPORT OF FINAL ACCEPTANCE

R-130-2014 – FINAL ACCEPTANCE AND CLOSE OUT TO CONTRACT 3697 – RESTORATION OF EXISTING GRAVITY SEWER MAINS DAMAGED BY HURRICANE KATRINA BY EXCAVATION AND REPLACEMENT FROM MANHOLE TO MANHOLE, CIPP LINING FROM MANHOLE TO MANHOLE AND POINT REPAIRS AT VARIOUS SITES THROUGHOUT ORLEANS PARISH

Mr. Becker recommended that the Board authorize final acceptance to close out contract 3697 for BLD Services, LLC.

Upon a motion by Ms. Barnes and seconded by Ms. Kane the final acceptance was approved pending review by the Operations Committee.

Item 3

R-136-2014 - AMENDMENT - TO WATERLINE REPLACEMENT CONTRACT WITH TRIGON

Ms. Goddard presented a slide presentation on the Waterline Replacement Program. She request Board authorization to amend the agreement with Trigon Associates, LLC for the Waterline Replacement Program Management Services. Fees for the new and original scope of work shall reflect the FEMA Project Worksheets (PW's).

Upon a motion by Ms. Kane and seconded by Ms. Barnes the authorization to amend the agreement was approved.

Item 4

R-132-2014 - AMENDMENT TO SEWER SYSTEM EVALUATION AND REHABILITATION PROGRAM MANAGEMENT WITH MWH

Ms. Goddard presented a slide presentation on the Sewer System Evaluation and Rehabilitation Program Management and Engineering Services. She request Board authorization to amend the agreement with MWH Americas, Inc. for additional efforts associated with the sewer collection system hydraulic models for the East and West Banks. The total fee is not to exceed \$2,507,700.00.

There was a lengthy discussion on how contracts are awarded.

Mr. Manning stated he did not agree with the Board in 2010 participating in the procurement process used to select the vendor. He wanted to make it clear that the present Board members are not involved in the procurement process in awarding contracts.

Ms. Barnes suggested this project would be the ideal time to consider green infrastructure elements that pertain to SELA since we are in the survival stage.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane the authorization to amend this agreement was approved. (Pending clarification of the resolution and adding history on how staff recommendations was made on this contract in 2010)

Item 5 **R-122-2014 AMENDMENT TO SELA PROGRAM WITH BCG ENGINEERING AND CONSULTING, INC.**

Mr. Becker request Board authorization to amend the agreement with BCG Engineering and Consulting, Inc. (formerly, Brown, Cunningham & Gannuch, Inc.), for the SELA program for expedited development of final plans and specifications for improvements to the De Gaulle Canal from Wall Boulevard to Behrman Place for an amount not to exceed \$1.5 million.

Ms. Barnes suggested this project would be the ideal time to consider green infrastructure elements that pertain to SELA since we are in the survival stage.

Staff agreed to include this in the design of the infrastructure of the improvements at the General De Gaulle Canal.

Upon a motion by Ms. Kane and seconded by Ms. Barnes, authorization to amend the agreement was approved.

Item 6 **R-121-2014 – RENEWAL OF AGREEMENT FOR MS4 STORMWATER ANNUAL REPORT/WATER SAMPLEING SERVICES WITH VEOLIA WATER NORTH AMERICA-SOUTH, LLC**

MS. Godard request Board authorization to execute the renewal of the agreement with Veolia Water North America-South, LLC to extend MS4 Stormwater Annual Report and Sampling Services. The amendment would extend the contract from February 18, 2014 to February 17, 2015 for a total amount of \$62,500.00.

Upon a motion by Ms. Kane and seconded by Mr. Jacobs the authorization to execute the renewal was approved.

Item 7 **R-134-2014 – AUTHORIZATION TO AMEND CONTRACT WITH CH2M HILL, INC. FOR PROGRAM MANAGEMENT SERVICES FOR HURRICANE RELATED WATER RESTORATION PROJECTS**

Ms. Goddard request Board authorization to amend the program management services agreement with CH2M Hill, Inc. for hurricane related water restoration projects for the total amount of \$9,466,493 and extending the time for the performance of the agreement to December 1, 2016.

Upon a motion by Ms. Kane and seconded by Ms. Barnes the authorization to amend the contract was approved.

Item 8 R-131-2014 – COMMERCIAL FLOOD INSURANCE POLICY FOR FACILITIES

Mr. Klepeis recommended renewal of the Flood Insurance as presented by the Kennedy Financial Group for a total premium of \$295,117.00.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane the renewal was approved.

Item 9 R-133-2014 – AUTHORIZATION TO ISSUE CONTRACT TO QUICK & ASSOCIATES PURSUANT TO RFQ FOR FORENSIC ENGINEERING SERVICES

Mr. Stewart recommended the Board authorize staff to enter into a contract with Quick & Associates to provide forensic engineering services for the Napoleon Phase III SELA Project for the total cost of \$203,594.54 and \$925,568.50.

Upon a motion by Ms. Barnes and seconded by Mr. Jacobs the authorization was approved.

Item 10 R-135-2014 – APPROVAL OF LAW FIRMS TO PROVIDE PROFESSIONAL SERVICES

Mr. Lambert recommended the Board authorize acceptance of the Statement of Qualifications and proposals submitted by the law firms to provide services for the Board.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane the authorization of acceptance was approved. (Pending changes discussed on the resolution).

Item 11 EXECUTIVE SESSION

It was moved by Ms. Kane and seconded by Mr. Jacobs to move to Executive Session to discuss matters under litigation.

The motion carried and the Committee went into closed session at 9:55 am.

The committee returned from closed session at 10:05 am. It was motioned by Ms. Kane and seconded by Mr. Jacobs to move back to regular session. The motion carried.

It was recommended that the committee accept the staff recommendations regarding the Espadron case.

Upon a motion by Ms. Kane and seconded by Ms. Barnes, it was moved to accept the recommendations of the legal staff.

INFORMATION ITEMS

Item 12 FINANCIAL RESULTS THROUGH MAY 2014

Mr. Miller stated that YTD operating revenues and expenses are below budget. Non-Operating revenues are low because of slow FEMA reimbursements. As of May 2014 we have 90 days cash on hand. Cash on hand is low due to spending on capital projects. The Board adopted a resolution in September 2013 authorizing staff to proceed with spending on capital projects as the Board will be reimbursed.

The Budget Department will be providing the year end forecast of expenses beginning next month.

The Board successfully sold bonds and is preparing for the pre-closing to execute the monetary transfers. With the completion of the sale, the water and sewer capital programs will be fully funded.

Item 13 COMMERCIAL INSURANCE POLICY FOR FIDUCIARY LIABILITY

Mr. Miller explained to the Board that this insurance is a 3 year policy benefit plan approved last to cover the employee retirement plan, deferred compensation, Blue Cross Blue Shield, and Workers Compensation.

Item 14 CHANGE ORDER ANALYSIS

Ms. Goddard explains that the change order analysis measure the performance of the program.

Item 15 FEMA PROJECT WORKSHEET STATUS

Ms. Goddard explains that the project worksheet status report shows estimated cost and the obligated amount.

Item 16 2014 COMMITTEE/BOARD MEETING SCHEDULE

The committee received the report.

Item 17 ANY OTHER MATTERS

None

Item 18 REFERENCE MATERIAL (IN BINDERS)

- A. Sewerage & Water Board By-Laws
- B. 2014 Operating & Capital Budgets
- C. Strategic Plan
- D. Tracking Tool for Commitments to the City Council
- E. Bond Rating

Item 19 ADJOURNMENT

Adjourned at 10:25 am

ATTENDANCE

Present:

Mr. Mark Moody
Mr. Wm. Raymond Manning
Ms. Kerri Kane
Ms. Robin Barnes
Mr. Scott Jacobs

Absent

None

Also in attendance were Robert Miller, Interim Executive Director; Joseph Becker, General Superintendent; Madeline Goddard, Deputy Superintendent; Nolan Lambert, Special Counsel; Dexter Joseph, Budget Director; Michele Holley, Budget Analyst; Steven Klepeis, Utility Sr. Services Manager; Robert Jackson, Utility Sr. Services Manager; Kathleen LaFrance, Executive Director Analyst; Charles Kennedy Jr., The Kennedy Financial Group; Randy Smith, Royal Engineers; Brenda Thornton, Communirep Inc.

Respectfully submitted,

Mr. Mark Moody, Chair