



"RE-BUILDING THE CITY'S WATER SYSTEMS FOR THE 21ST CENTURY"

Sewerage & Water Board of NEW ORLEANS

MITCHELL J. LANDRIEU, *President*
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March 3, 2015

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, March 3, 2015 at 8:00 AM in the Board Room at 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, February 3, 2015 was received. Upon a motion of Ms. Barnes and seconded by Mr. Jacobs, the report was approved.

Item 2 GENERAL SUPERINTENDENT'S RECOMMENDATIONS

R-043-2015 - CONTRACT 6251 – PURCHASE OF REPLACEMENT TRANSFORMERS T2 AND T3 AT THE CARROLLTON WATER PLANT

Mr. Becker recommended award of a contract Boland Marine & Industrial, LLC for the total amount of \$250,000 for the purchase of replacement transformers T2 and T3 at the Carrollton Water Plant.

Upon a motion by Mr. Jacobs and seconded by Ms. Barnes, contract 6251 was awarded to Boland Marine & Industrial, LLC.

R-044-2015 – FINAL ACCEPTANCE AND CLOSE OUT TO CONTRACT 3691 – RESTORATION OF EXISTING GRAVITY SEWER BY POINT REPAIR AND CIPP LINING SEWER MAINS AT VARIOUS SITES THROUGHOUT ORLEANS PARISH

Mr. Becker recommended final acceptance by the Sewerage & Water Board of New Orleans of contract 3691. Total contract expenditure is \$3,506,569.32.

Upon a motion by Ms. Barnes and seconded by Mr. Jacobs, staff's recommendation for final acceptance and close out of contract 6251 was approved.

Item 3 CHANGE ORDERS

R-038-2015 – RATIFICATION OF CHANGE ORDER NO. 7 FOR CONTRACT 1351 – HURRICANE RELATED REPAIRS TO A & B PUMPS AND AUXILIARIES AT THE MAIN WATER PURIFICATION PLANT POWER COMPLEX

Mr. Becker recommended the ratification of change order no. 7 for contract 1351 – Hurricane Related Repairs to A & B Pumps and Auxiliaries at the Main Water Purification Plant Power Complex in the amount of \$437,574.86. This brings the total for change orders to 0.2% of the original contract.

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

R-039-2015 – RATIFICATION OF CHANGE ORDER NO. 6 FOR CONTRACT ME 11-0017- EMERGENCY REPAIRS TO PANOLA STREET STATION AT MAIN WATER PURIFICATION PLANT - POWER COMPLEX

Mr. Becker recommended an additional 60 days to the contract. This change order added \$0.00. Previous change orders total is \$1,253,699.67 or 171.39% of the original contract value.

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

R-040-2015 – CHANGE ORDER NO. 6 FOR CONTRACT 5221 – HURRICANE KATRINA RELATED REPAIRS TO PONTCHARTRAIN BOULEVARD DRAINAGE UNDERPASS PUMPING STATION

Mr. Becker recommended the ratification of change order no. 6 for contract 5221 – Hurricane Katrina related repairs to Pontchartrain Boulevard Drainage Underpass Pumping Station in the amount of \$56,347.64. This brings the accumulated contract change orders to 121.7% or \$402,454.55 of the original contract.

Ms. Barnes asked for the reason DBE percentage decrease. Mr. Becker explained equipment will be replaced rather than repaired and the purchase of equipment does not lend itself to DBE participation. Mr. Becker further stated that the next two contracts (contracts 5222 and 5226) will be affected the same way.

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

R-041-2015 – CHANGE ORDER NO. 5 FOR CONTRACT 5222 – HURRICANE RELATED REPAIRS TO CANAL BOULEVARD DRAINAGE UNDERPASS PUMPING STATION

Mr. Becker recommended the ratification of change order no. 5 for contract 5222 – Hurricane Related Repairs to Canal Boulevard Drainage Underpass Pumping Station in the amount of \$32,890.00. This brings the accumulated contract change orders to 137.4% or \$588,081.88 of the original contract.

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

R-042-2015 - RATIFICATION OF CHANGE ORDER NO. 6 FOR CONTRACT 5226 – HURRICANE KATRINA RELATED REPAIRS TO FRANKLIN AVE. DRAINAGE UNDERPASS PUMPING STATION

Mr. Becker recommended the ratification of change order no. 6 for contract 5226 – Hurricane Katrina Related Repairs to Franklin Ave. Drainage Underpass Pumping Station in the amount of \$74,362.51. This brings the accumulated contract change orders to 144.8% or \$475,250.50 of the original contract.

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

Item 4 R-034-2015 – AUTHORIZATION FOR THE SECOND RENEWAL TO AN AGREEMENT WITH BLACK & VEATCH CONSULTANTS FOR PREPARATION OF THE REPORT ON OPERATIONS FOR 2014

Mr. Miller recommended the authorization for the second and final renewal to an agreement with Black & Veatch Consultants for preparation of the Report on Operations for 2014. The renewal cost is \$107,000.

Upon a motion by Mr. Jacobs and seconded by Ms. Barnes, R-034-2015 was approved.

Item 5 R-036-2015 – LOUISIANA COMPLIANCE QUESTIONNAIRE

Mr. Miller recommended approval of R-036-2015 for Louisiana Compliance Questionnaire. The Louisiana Legislative Audit's Office requires this to be completed.

Upon a motion by Mr. Jacobs and seconded by Ms. Barnes, R-036-2015 was approved.

Item 6 R-037-2015 – OPERATING AND CAPITAL MANAGEMENT INVESTMENTS POLICY

Mr. Miller recommended approval of R-037-2015 – Operating and Investments Policy.

Upon a motion by Mr. Jacobs and seconded by Ms. Barnes, R-037-2015 was approved.

Item 7 EXECUTIVE SESSION

Upon a motion by Mr. Jacobs and seconded by Ms. Barnes and vote, the Finance Committee went into executive session for the stated purpose of reviewing the following matter: Deanna Ladd v. Joseph Ward and SWB, CDC No. 2013-03920, Div. L, Section 6. The Finance Committee came out of executive session upon a motion by Mr. Jacobs and seconded by Ms. Barnes and vote.

Upon a motion by Ms. Barnes and seconded by Mr. Jacobs, the committee accepted the recommendation from the executive session.

PRESENTATION ITEMS

Item 8 FINANCIAL RESULTS THROUGH JANUARY 2015

Mr. Miller presented the Financial Report through January 2015, noting that the audit for 2014 was proceeding without incident and that the results through January 2015 were consistent with budgeted and prior year results.

Item 9 TOPICS FOR FUTURE DISCUSSIONS

None.

Item 10 RESPONSE TO QUESTIONS

None.

INFORMATION ITEMS

**Item 11 QUARTERLY CASH MANAGEMENT & INVESTMENT REPORT ENDING
DECEMBER 31, 2014**

The committee received the report.

Item 12 CHANGE ORDER ANALYSIS

The committee received the report.

Item 13 FEMA PROJECT WORKSHEET STATUS

The committee received the report.

Item 14 2015 COMMITTEE/BOARD MEETING SCHEDULE

The committee received the report.

Item 15 ANY OTHER MATTERS

Ms. Barnes asked what impact the State's budget would have on the Sewerage & Water Board. Mr. Grant explained that he anticipated no impact at this time. Ms. Barnes wanted to know if there would be an impact on the Sewerage & Water Board concerning the new flood risk management standards. Mr. Grant stated that some buildings would be affected.

ADJOURNMENT

Mr. Jacobs moved for adjournment and Ms. Barnes seconded. The Finance Committee adjourned at 8:35 a.m.

ATTENDANCE

Present:

Mr. Mark Moody
Ms. Robin Barnes
Mr. Scott Jacobs

Absent

Mr. Wm. Raymond Manning
Ms. Kerri Kane

Also in attendance were Cedric S. Grant, Executive Director; Robert Miller, Deputy Director; Joseph Becker, General Superintendent; Madeline Goddard, Deputy General Superintendent; Nolan Lambert, Special Counsel; Harold Marchand, Deputy Special Counsel; Robert Jackson, Community & Intergovernmental Relations; Rosita Thomas, Interim Finance Administrator; Dexter Joseph, Budget Director; Emanuel Lain, Sr., Budget Dept.; Jason Higginbotham, Emergency Management; Kevin Garrison, Budget Dept.; Irma Mahan Nuar, Internal Audit; Willie M. Mingo, Jr., Purchasing Director; Brenda Thornton, Communirep, Inc.

Respectfully Submitted,

Mr. Mark Moody, Chair