



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

Sewerage & Water Board OF NEW ORLEANS

MITCHELL J. LANDRIEU, President
WM. RAYMOND MANNING, President Pro-Tem

625 ST. JOSEPH STREET
NEW ORLEANS, LA 70165 • 504-529-2837 OR 52W-ATER
www.swbno.org

June 2, 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, June 2, 2015 at 8:00 a.m. in the Board Room, 625 St. Joseph Street to consider the following matters.

ATTENDANCE

Present:

Mr. Wm. Raymond Manning, Chair
Ms. Kerri Kane
Ms. Robin Barnes
Mr. Scott Jacobs

Absent:

Mr. Mark Moody

Also in attendance were Cedric S. Grant, Executive Director; Robert Miller, Deputy Director; Joseph Becker, General Superintendent; Madeline Goddard, Deputy General Superintendent; Harold Marchand, Deputy Special Counsel; Robert Jackson, Community & Intergovernmental Relations; Hazel Bell, Chief Accountant; Dexter Joseph, Budget Director; Emanuel Lain, Sr., Michele Holley, Budget Dept.; Joe Sensebe, Arcadis; Angela Roberts, CH2M Hill; Renee' Lapeyrolerie, CDM Smith; Raoul Chauvin, Infinity Engineering.

ACTION ITEMS

- Item 1** Mr. Scott Jacobs moved to accept the May 5, 2015 Finance Committee Report. Ms. Robin Barnes seconded and the motion carried.
- Item 2** Mr. Scott Jacobs moved to accept the General Superintendent's Recommendations (5-Bids, 2-Contracts, 2-Professional Service Contract Agreements, and 4-Award of Professional Service Contracts) listed below. Ms. Robin Barnes seconded the motion and the motion carried.

Bids

- R-104-2015 – REQ. NO. YW150007 – Furnishing & Delivering Hand Tools, Hardware Supplies, Paint & Paint Supplies to Assorted Products, LLC for the total amount of \$360,281.
- R-105 -2015 – REQ. NO. YW150008 – Furnishing & Delivering Hoses & Accessories to Atlas Hose & Gasket, Co. for the total amount of \$168,813.
- R-106-2015 – REQ. NO. YW150009 – Furnishing & Delivering Safety Supplies to Southeast Safety & Supply for the total amount of \$138,766.05.
- R-107-2015 – REQ. NO. SU150003 – Furnishing Janitorial Services for the SWB Main Office Building 625 ST. Joseph Street, 830 Julia Street Annex and 4021 Behrman Place, Suite M2 Annex to KSM Janitorial Services LLC for the total amount of \$120,000.00
- R-108-2015 – CONTRACT 3795 – Modification to the Return activated Sludge PS & Pipeline at the East Bank Sewer Treatment Plant to Industrial and Mechanical Contractors, Inc. for the total amount of \$1,677,000.00.

Contract Renewal

- R-109-2015 – REQ. NO. YW140030 – First & Final Renewal of Contract for Furnishing #1 All Purpose Rag Wipers to Assorted Products in the total amount of \$81,000.00.
- R-110-2015 – REQ. NO. YW140028 – First & Final Renewal of Contract for Furnishing Safety Shoes to Cintas Corporation in the total amount of \$105,650.00.

Professional Service Contract Amendment

- R-112-2015 – Ratification to the existing agreement with CH2M Hill for additional work required as part of their program management and design services for an additional amount not to exceed \$4,970,065.00.
- R-113-2015 – Ratification to the existing agreement with Waldemar S. Nelson and Company for additional work required to perform additional engineering services for a total amount of \$136,570.00.

Award of Professional Services Contracts

- R-114-2015 – Arcadis to provide engineering services, including geotechnical investigation, to provide the design for replacement of the Sycamore Filter Gallery Backwash Pumps located in the East Bank Water Purification Plant for an amount not to exceed \$654,000.00.
- R-115-2015 – Integrated Logistical Support, Inc. to provide design services related to water line replacement work in the above neighborhoods. ILSI will contract for a FEMA approved percentage of construction for design of water line replacement (including repair of replacement of drain lines as approved by City Department of Public Works) for the Desire Area, Desire Development, Gentilly Terrace and Milneburg neighborhoods, including supplemental services, engineering services, program/project management services for coordination efforts in an amount not to exceed 18% less the monies appropriated to date.

- R-116-2015 – Evans Graves Engineers Inc. to provide design and engineering services for the replacement of Sewer Pumping Station 1. The scope of services shall include providing all related design and bidding services for the replacement of the structure and pumps, required piping and appurtenances, all for an amount not to exceed \$262,120.00.

R-117-2015 – Historic Faubourg Tremé Association to design, implement, maintain and monitor four rain gardens at the corner of St. Ann and N. Robertson for an amount not to exceed \$98,772.00.

Item 3 Mr. Scott Jacobs moved to approve the Change Orders listed below. Ms. Robin Barnes seconded the motion and the motion carried.

- R-099-2015 – Ratification of Change Order No. 1 for Contract 3986 – Lower 9th Ward Area Sewer Rehabilitation No. 5
- R-100-2015 – Ratification of Change Order No. 2 for Contract 2105 – Replacement of CBD/FQ Water Lines Damaged by Hurricane Katrina
- R-101-2015 – Ratification of Change Order No. 1 for Contract 3696 – Cleaning and CCTV Sanitary Sewer Mains at Scattered Sites Throughout Orleans Parish.
- R-102-2015 – Ratification of Change Order No. 12 for Contract 1350 – Hurricane Related Repairs to Turbine 4 At the Carrollton Water Purification Plant – Power Complex
- R-103-2015 – Ratification of Change Order No. 12 for Contract 3661 – Modifications to East Bank Wastewater Treatment Plant Flood Protection System

Item 4 Mr. Robert Miller recommended the approval of Preliminary Authorizing Resolutions for Water Revenue Service Bonds and Sewer Revenue Service Bonds not to exceed One Hundred Million Dollars (\$100,000,000) each of the City of New Orleans, Louisiana for the purpose of paying a portion of the Cost of Capital Improvements, funding a debt service reserve fund, if required, and paying the cost of issuance associated therewith. The Bonds shall be issued in one or more series, shall bear interest at a rate not to exceed seven percent (7.0%) per annum.

Mr. Scott Jacobs moved to approve the Preliminary Authorizing Resolutions (**R-118-2015 and R-119-2015**) for Water Revenue Service Bond and Sewer Revenue Service Bond. Ms. Kerri Kane seconded and the motion carried.

PRESENTATION ITEMS

Item 5 Mr. Joey Richard and Ms. Brandy Smith of Postlethwaite & Netterville presented the 2014 Comprehensive Annual Financial Report and Management Letter. There were no new policies for 2014 with the exception of the implementation of GASB 67 which are the new and expanded disclosures related to the Pension Plan. There were two findings of significant

deficiency related to accounting for FEMA receivables and closing out construction work in progress to fixed assets.

Item 6 Mr. Grant talked about By Law Changes. Some of the proposed changes are to reduce the structure of committees down to three (3); minimize the transaction on the nature of the Board's business; and to delegate certain authority for procurement to executive management.

Item 7 Mr. Miller presented the Financial Results through April 2015. Revenues show favorable to prior year; and expenses are low compared to budget. Reimbursements expected at the end of 2014 have been received from FEMA. The reimbursements have been placed back into the Bond Funds.

Item 8 Under topics for future discussion, the Committee decided to change the meeting time from 8:00 a.m. to 9:00 a.m. beginning next month.

Items 9 -12

The Committee received all information items.

ADJOURNMENT

Mr. Scott Jacobs moved for adjournment and Ms. Kerri Kane seconded. The Finance Committee adjourned at 9:25 a.m.

Respectfully submitted,

Mr. Wm. Raymond Manning, Chair