



"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

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October 19, 2015

The Finance and Administration Committee of the Sewerage and Water Board of New Orleans met on Monday, October 19, 2015 at 3:05 PM in the Board Room, 625 St. Joseph Street to consider the following matters.

ATTENDANCE

Present:

Scott Jacobs, Chair
Joseph Peychaud, Vice-Chair
Dr. Tamika Duplessis

Absent:

Kerri Kane
Kimberly Thomas

Others:

Alan Arnold

Also in attendance were Cedric S. Grant, Executive Director; Robert Miller, Deputy Director; Joseph Becker, General Superintendent; Nolan Lambert, Special Counsel; Harold Marchand, Deputy Special Counsel; Yolanda Grinstead, Legal Counsel; Robert Jackson, Community & Intergovernmental Relations Administrator; Rosita Thomas, Finance Administrator; Willie Mingo, Purchasing Administrator; Tiffany Carter, EDBP Administrator; Steven Klepeis, Risk Management Administrator; Anna White, Black & Veatch Corporation; Peiffer A. Brandt, Raftelis Financial Consultants, Inc.

ACTION ITEMS

Item 1 General Superintendent's Recommendations

Mr. Peychaud moved to accept the General Superintendent's Recommendations for award of contracts for the items listed below. Dr. Duplessis seconded and the motion carried.

Bids:

- R-174-2015 – Furnishing and Delivering Lubricant Petroleum Products to Retif Oil & Fuel for the total amount of \$102,319.73.
- R-175-2015 – Rebuilding and Installing Automotive Remanufactured Engines and Related Parts to La. Utilities Supply for the total amount of \$47,794.00.
- R-176-2015 – Furnishing Sewer Repair Couplings to La. Utilities Supply for the total amount of \$208,199.20.
- R-177-2015 – Furnishing Full Circle Stainless Steel Repair and Tap Clamps and Transitional Couplings for Cast Iron and Transite Pipe to La. Utilities Supply for the total amount of \$208,199.20.
- R-178-2015 – Furnishing Hot Mix Asphalt to Barriere Construction Company, LLC for the total amount of \$301,250.00.
- R-179-2015 – Furnishing Meter Boxes and Meter Box Parts to Cimsco, Inc. for the total amount of \$683,607.00.
- R-180-2015 – Furnishing and Delivering Combination Sewer Cleaner Trucks to Covington Sales & Service for the total amount of \$1,002,000.00.
- R-181-2015 – The Sale of Junk Meters, Scrap Wires, Junk Metals and Junk Locomotives to Lot C, to Louisiana Scrap Metal for the total amount of \$1.11 per pound.
- R-182-2015 – Contract 8144 – Repaving Open Cuts in Streets, Driveways, Sidewalks resulting from the Repair to the Sewerage and Water Board of New Orleans Underground Utilities to Wallace C. Drennan for the total amount of \$1,666,300.00.

Contract Renewal:

- R-183-2015 – First Renewal of Contract for Furnishing Chemical Control of Foliage at Specified Sewerage and Water Board Locations within the City of New Orleans to Louisiana Vegetation Management, Inc. for the total amount of \$156,450.00.

Contract Final Acceptance:

- R-184-2015 – Contract 3661 – Modification to the East Bank Wastewater Treatment Plant Flood Protection System to Cajun Contractors for the total contract bid \$24,391,466.00 and Total Contract Expenditure for \$29,426,437.15.

Item 2 Change Orders

Mr. Peychaud moved to accept the Ratification of Change Orders as described in resolutions, R-194-2015, R-195-2015, R-196-2015, and R-197-2015. Dr. Duplessis seconded and the motion carried.

Item 3 Public Officials and Employee Liability Insurance Policy for Operations

Mr. Grant recommended renewing the Public Officials and Employees Liability Insurance policy for its operations for the period November 20, 2015 through November 20, 2016.

Mr. Peychaud moved to approve the Public Officials and Employee Liability Insurance Policy for Operations Contract as described in resolution, R-171-2015. Dr. Duplessis seconded and the motion carried.

Item 4 Approval of Agreement between the Sewerage and Water Board of New Orleans and the Federal Emergency Management Agency and the Louisiana State Historic Preservation Officer for the Project Worksheet 11317 Repair to Station “D”

Dr. Duplessis moved to approve the Agreement between the Sewerage and Water Board of New Orleans and the Federal Emergency Management Agency and the Louisiana State Historic Preservation Officer for the Project Worksheet 11317 Repair to Station “D” as described in resolution (R-172-2015). Mr. Peychaud seconded and the motion carried.

Item 5 Ratification of Contract for Web Payment Processing Service

Mr. Miller recommended for the Board to approve the Ratification of Contract for Web Payment Processing Service to update or replace all of the Sewerage and Water Board’s major legacy software systems to the Cogsdale CSM System within for a net cost of approximately \$118,200 per year, which represents a cost savings over the current contract of approximately \$87,000.00 per year.

Mr. Peychaud moved to approve the Ratification of Contract for Web Payment Processing Service to the Cogsdale CSM System for a net cost of approximately \$118,200.00 per year as described in resolution, (R-186-2015). Dr. Duplessis seconded and the motion carried.

Item 6 Sewerage and Water Board Millages for the Fiscal Year 2016

- **Roll Back of Sewerage and Water Board Millages**
- **Roll Forward of Sewerage and Water Board Millages**

Mr. Miller presented draft resolutions for the Board to recommend to the City Council the Roll Back and the Roll Forward of Drainage Millages for the fiscal year 2016. The total millage is 15.71 mills and currently consists of:

- Three Mill Tax (Adjusted) – 4.46 mills LA Revised Statue 33:4124
- Six Mill Tax (Adjusted) – 4.50 mills LA Revised Statue 33:4137
- Nine Mill Tax (Adjusted) – 6.75 mills LA Revised Statue 33:4147

Upon adoption of this action by the Board this Drainage Millage resolution would be forwarded to the City Council by October 21, 2015 for them to set the rate which is required by the provisions of Article VII, Section 23 of the Louisiana Constitution to set millages for certain tax recipient bodies within the Parish of Orleans, the Sewerage and

Water Board of New Orleans, and to levy Ad Valorem taxes on behalf of itself of such other tax recipient bodies in the Parish of Orleans.

Mr. Peychaud moved to approve the recommendation to Roll Back of Sewerage and Water Board Millages as described in resolution, (R-187-2015). Dr. Duplessis seconded and the motion carried.

Dr. Duplessis moved to approve the recommendation to Roll Forward of Sewerage and Water Board Millages as described in resolution, (R-188-2015). Mr. Peychaud seconded and the motion carried.

Item 7

Water and Sewer Revenue Bonds, Series 2015

- **Water 2nd Supplemental Resolution**
- **Sewer 2nd Supplemental Resolution**
- **Bond Feasibility Reports – Finance and Rates**
- **Bond Feasibility Report – Operating and Engineering**

Mr. Miller presented the second supplemental resolutions authorizing Water and Sewer Revenue Bonds not to exceed \$100,000,000. The purpose of the Series 2015 bonds is to pay the costs of constructing system improvements, extensions, betterments and repairs to the water and sewerage systems.

Mr. Peiffer A. Brandt of Raftelis Financial Consultants, Inc. presented an overview of the findings contained in the financial feasibility evaluation of the water and sewer systems.

Ms. Anna White of Black and Veatch Corporation presented an overview of findings contained in the engineering feasibility of the water and sewer systems.

Dr. Duplessis moved to approve the Water 2nd Supplemental resolution, as described in R-185-2015. Mr. Peychaud seconded and the motion carried.

Dr. Duplessis moved to approve the Sewer 2nd Supplemental resolution, as described in R-190-2015. Mr. Peychaud seconded and the motion carried.

Item 8

Authorization to Enter into an Agreement with Black & Veatch Consultants for Preparation of the Report on Operations for 2015

Mr. Miller recommended authorization of a one-year contract with Black & Veatch Consultants with four optional one-year renewals to perform the Report on Operations for 2015 for a cost of \$118,000.00. He noted that Black & Veatch plans to utilize services of Bruno & Tervalon Certified, Public Accounts to assist in the financial section of the report and Julien Engineering & Consultants Services to assist in the evaluation of the Board's facilities. The DBE participation will be approximately 47%.

Dr. Duplessis moved approval of the authorization to enter into an agreement with Black & Veatch Consultants for the preparation of the Report on Operations for 2015 as described in resolution, (R-170-2015). Mr. Peychaud seconded and the motion carried.

Item 9 Biometric Screening & Disease Management

Mr. Miller presented an initiative to identify and help employees and retirees manage certain chronic health conditions, such as diabetes, coronary artery disease, congestive heart failure, and hypertension. He noted this is an effort to control costs while improving the health of the employees and retirees of the Sewerage and Water Board of New Orleans, and management recommends implementation of the Biometric Screening and Disease Management program.

Dr. Duplessis moved to approve the Biometric Screening and Disease Management Program as described in resolution, (R-199-2015). Mr. Peychaud seconded and the motion carried.

PRESENTATION ITEMS

Item 10 Mr. Miller presented a summary of financial results through August 2015 for the water, sewer, drainage and total system funds.

Items 11– 18 The Committee received all presentation and information items.

ADJOURNMENT

There being no further business to come before the Committee, the meeting adjourned at 4:20 PM.

Respectfully submitted,

Mr. Scott Jacobs, Chair