



**"RE-BUILDING THE CITY'S WATER SYSTEMS FOR THE 21<sup>ST</sup> CENTURY"**

# **Sewerage & Water Board OF NEW ORLEANS**

MITCHELL J. LANDRIEU, President

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December 18, 2017

The Finance and Administration Committee met on Monday, December 18, 2017 in the S&WB's Second Floor Board Room located at 625 St. Joseph Street, New Orleans, LA. The meeting convened at approximately 9:02 AM.

## **Present**

Joseph Peychaud  
Stacy Horn Koch  
Tamika Duplessis, Ph.D.

## **Absent**

Robin Barnes

## **Other Board Members Present**

Lewis Sterling III

## **ACTION ITEMS:**

### **1. General Superintendent's Recommendations**

#### **Contract Final Renewal:**

- **R-163-2017 – First and Final Restoration of Contract 30203 -- Restoration gravity flow sanitary sewers by point repair of sewer mains at various sites throughout the City of New Orleans**

Director Dr. Tamika Duplessis moved to accept the General Superintendent's Recommendation as listed above. Director Stacy Horn Koch seconded. The motion carried.

- **R-164-2017 – First and Final Renewal of Contract 30204 -- Restoration of existing gravity flow sanitary sewers by excavation and replacement from manhole to manhole, CIPP lining from manhole to manhole, CIPP lining of service laterals and point repair at various sites throughout the City of New Orleans**

Director Stacy Horn Koch moved to accept the General Superintendent's Recommendation as listed above. Director Ralph Johnson seconded. The motion carried.

**Contract Final Acceptance:**

- **R-169-2017 – Contract 30009 -- Restoration of existing gravity sewer mains by excavation and replacement from manhole to manhole at various sites throughout Orleans Parish**

For the record, the DBE participation on Contract 30009 exceeded 49% and was not 36% as previously stated. Also, going forward, the wording in the contracts will be changed to "city-wide" as opposed to "various sites throughout Orleans Parish".

Director Stacy Horn Koch moved to accept the Superintendent's Recommendations as listed above. Director Dr. Tamika Duplessis seconded. The motion carried.

**2. Change Order(s) R-153-2017 through R-173-2017**

- **R-153-2017 – Ratification of Change Order 12, Final Acceptance and Closeout of Contract #1351 – Hurricane Katrina Related Repairs to A&B Pumps and Auxiliaries at the Carrollton Water Purification Plant/Power Complex**

Director Stacy Horn Koch moved to accept ratification of Change Order No. 12 as described in R-153-2017. Director Ralph Johnson seconded the motion. The motion carried.

- **R-154-2017 – Ratification of Change Order No. 6, Final Acceptance and Closeout for Contract #2105 – Line Replacement of Mains Damage by Hurricane Katrina within the Central Business District and French Quarter**

Director Dr. Tamika Duplessis moved to accept ratification of Change Order No. 6 as described in R-154-2017. Director Stacy Horn Koch seconded the motion. The motion carried.

The closeout is 67.9% higher than the cost of the original contract due to issues with delays caused by high water in the river and unchartered and/or abandoned utilities in the Quarter. The Committee requested an update on change orders in terms of what is still outstanding that needs to be addressed. Interim General Superintendent, Mr. Bruce Adams, indicated that the staffing level in the Networks/Engineering group where the data is collected needs to be addressed. This department needs to hire more personnel to be able to collect the data.

- **R-155-2017 – Final Acceptance and closeout of Contract #1387 – Painting and Repair of 4 – Four Million Gallon Water Storage Tanks at the main Water Purification Plant (REBID of Contract #1379)**

Director Dr. Tamika Duplessis moved accept closeout of Contract #1387 as described in R-155-2017. Director Ralph Johnson seconded the motion. The motion carried.

A submarine was used to do the inspection of the tanks. The work was done by the in-house engineering group and is expected to last 15-20 years.

- **R-156-20217 – Final Acceptance and Closeout of Contract #301103 – Installation of Emergency Discharge Connections at Horace, Huntlee, Holiday and Eton Sewage Pumping Stations**

Director Stacy Horn Koch moved to accept closeout of Contract #301103 as described in R-156-2017. Director Dr. Tamika Duplessis seconded. The motion carried.

Some emergency discharge connections were added at the sewer pump stations on the West Bank to make all pump stations consistent. The same procedure has been done on the East Bank. Director Peychaud asked that going forward, any additional information be added to the packet to give a more thorough overview of what is being requested.

- **R-157-2017 – Final Acceptance and Closeout of Contract #1371 – Hazard Mitigation Grant Project – Structural General Contract Retrofit Power Plant Main Water Purification Plant Power Complex**

Director Stacy Horn Koch moved to accept closeout of Contract #1371 as described in R-157-2017. Director Dr. Tamika Duplessis seconded the motion. The motion carried.

Mr. Bruce Adams explained that the cost of change order is greater when the work is buried as opposed to when the work is exposed. Also, plans are being made for the Board members to meet with the DBE staff to discuss what their process is internally and how they make their recommendations based on the DBE participation so that all Board members would have a better understanding of what that process is.

- **R-159-2017 – Award of Contract to Provide Design and Engineering Services for DPS #4 Canopy and Bridge Crane Addition**

Director Stacy Horn Koch moved to award contract as described in R-159-2017. Director Ralph Johnson seconded the motion. The motion carried.

Ms. Valerie Rivers, Deputy Director of Logistics, explained the language used in DBE contracts and the reason for the language. The DBE staff is preparing an annual report to be presented in January with details of percentages attained, firms, and scope of work done.

- **R-160-2017 – Contract #1402 – Removal of Silt from the new River Intake Station**

Director Ralph Johnson moved to accept Contract #1402 as described in R-160-2017. Director Stacy Horn Koch seconded the motion. The motion carried.

- **R-161-2017 – Final Acceptance and Closeout of Contract #3737 – Carrollton area Sewer Rehabilitation, Mistletoe St. 15-inch Sewer Main Replacement**

Director Dr. Tamika Duplessis moved to accept closeout of Contract #3737 as described in R-161-2017. Director Ralph Johnson seconded. The motion carried.

- **R-171-2017 – Ratification of Change Order No. 1 for Requisition Co 17-0014 Emergency Repairs of Turbine #5 at the Carrollton Water Plant**

Director Ralph Johnson moved to accept ratification of Change Order No. 1 as described in R-171-2017. Director Dr. Tamika Duplessis seconded the motion. The motion carried.

- **R-172-2017 – Contract Amendment No. 1 to the Agreement Between The Sewerage and Water Board of New Orleans and Veolia Water North America-South, LLC for Emergency Professional Agreement for Facilities Condition Assessment**

Director Ralph Johnson moved to accept Contract Amendment No. 1 as described in R-172-2017. Director Stacy Horn Koch seconded the motion. The motion carried.

Ms. Katie Dignan explained that the Committee had already approved the amount last month as a Budget Amendment and is now merely rectifying the contract Amendment.

- **R-173-2017 – Contract Amendment No. 1 to the Agreement Between The Sewerage and Water Board of New Orleans and CH2M Hill Engineers, INC. for Emergency Program Management and Staff Augmentation of Operations Maintenance and Recovery**

Director Ralph Johnson moved to accept Contract Amendment No. 1 as described in R-173-2017. Director Stacy Horn Koch seconded the motion. Director Dr. Duplessis opposed and gave the reason as to why she was in opposition. The motion carried.

### **3. Acceptance of the Report on Operations for 2016 (R-151-2017)**

Director Dr. Tamika Duplessis moved to defer Acceptance of the Report on Operations for 2016 since the report was not in the Finance & Administration Committee packet. Director Stacy Horn Koch seconded. The motion carried.

### **4. 2018 Operating Budget and 2018 Capital Budget Blanket Appropriations Resolution (R-158-2017)**

Chief Financial Officer, Ms. Marina Kahn, and Budget Director, Mr. Dexter Joseph, presented the 2018 Operating Budget. Mr. Joseph's staff provided handouts of PowerPoint presentation. During the discussion on staffing positions, the Committee requested that someone follow up on the Class Comp Study. Ms. Kahn stated that her staff would follow up and report back to the Board and inform the Committee members.

Special Counsel, Ms. Jade Brown Russell, recommended an amendment to add an agenda item. Director Dr. Tamika Duplessis moved to add an agenda item to examine the 2018 Capital Budget. Director Ralph Johnson seconded the motion. The motion carried.

Ms. Katie Dignan presented the 2018 Capital Budget Blanket Appropriations. There were no other concerns brought before the Committee prior to calling for the motion. Director Dr. Tamika Duplessis moved to accept 2018 Capital Budget Blanket Appropriations Resolution that needed to be prepared. Director Stacy Horn Koch seconded the motion. The motion carried.

Director Stacy Horn Koch moved to accept R-158-2017. Director Ralph Johnson seconded. The motion carried.

## **5. 2017 Independent Financial Auditing Services**

Director Dr. Tamika Duplessis moved to defer the resolution to the full Board for consideration. Director Stacy Horn Koch seconded. The motion carried. This resolution would be a pullout.

## **6. Flood Authorization East CEA {Oral Presentation}**

Special Counsel, Ms. Jade Brown Russell, gave an oral presentation of the Flood Authorization East CEA. Director Stacy Horn Koch moved to defer this item to the full Board and asked that more details be provided. Director Ralph Johnson seconded the motion. The motion carried.

## **7. Update on Customer Billing Issues**

Director Dr. Tamika Duplessis moved to defer the Customer Billing Issue until the Board is able to hear the presentation. Ms. Marina Kahn had to leave the meeting to attend another meeting and therefore was unable to make the presentation. Director Stacy Koch seconded the motion. The motion carried.

## **8. 2018 Operating Budget (R-174-2017)**

Director Stacy Horn Koch moved to accept (R-174-2017). Director Dr. Tamika Duplessis seconded. The motion carried.

## **PRESENTATION ITEMS:**

### **9. Financial Results through October 2017**

Ms. Rosita Thomas, Finance Administrator, presented the Financial Results through October 2017.

## **INFORMATION ITEMS:**

Information items 10, 11, and 12 were received.

## **ADJOURNMENT:**

There being no further business to come before the Finance & Administration Committee, the meeting adjourned at approximately 12:43 PM.

Respectfully submitted,

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Joseph Peychaud, Chair