



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

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

LATOYA CANTRELL, PRESIDENT

625 ST. JOSEPH STREET  
NEW ORLEANS, LA 70165 • 504-529-2837 OR 52W-ATER  
[www.swbno.org](http://www.swbno.org)

June 12, 2019

The Finance and Administration Committee met on Wednesday, June 12, 2019 in the Board Room located at 625 St. Joseph Street, New Orleans, LA. The meeting convened at approximately 9:20 A.M.

## **Present:**

Director Lynes Sloss  
Director Alejandra Guzman  
Director Joseph Peychaud  
Director Janet Howard

## **Absent:**

Director Ralph Johnson

## **Other Board Members Present:**

Director Dr. Duplessis

## **PRESENTATION ITEMS** - None

## **ACTION ITEMS**

### **General Superintendent's Report**

- **Resolution (R-104-2019)** Furnishing and Delivering Gasoline and Diesel Fuel Services Contract No. YG19-0001
  - General Superintendent Robert Turner explains, of the two bids received, GSO accepted the lowest bid offered from Lard Oil in the amount of \$1,308,852.76. This contract will also include two one-year renewal periods if accepted.
  - Director Joseph Peychaud moved to accept R-104-2019. Director Alejandra Guzman seconded. The motion carried.

- **Resolution (R-100-2019) Ratification of Change Order No. 5 for Contract 1368** - Hazard Mitigation Grant Program – Rehabilitation of Oak Street Pumping Station (Mech Engr)

- This change order consists of seven (7) different field change orders 32 through 36, 38, and 39.

32 – Asbestos remediation found on existing motors, cost of \$11,695.24.

33, 34 – Defective asphalt replacement.

35 – Installation on a specialized pipe flange that was required doing the course work.

36 – Repairs of rehab to existing concrete slab within pumping station.

38 – Provide temporary power to flowmeters. The installation involved three (3) flow meters, unfortunately doing the course of work, two of the old meters failed and there's only one left in service. Temporary power was used to energize the only functioning flow meter in order to obtain correct chemical dosage out of the water plant.

39 – Rehab of existing telecommunication equipment within the pumping station. During the process of removing obsolete telecommunications equipment, it was noted this equipment was also functioning with other equipment within plant which would enable said equipment services. Thus, requiring contract scope expansion.

Total amount of requested change orders is \$299,261.24, bringing the accumulated contract change order total to \$4,722,482.54.

General Superintendent Robert Turner explained there is a report on change orders section B in the GSO report. He apologizes because on this item, it's not the proper description. The resolution has the correct resolution number but it's a carryover from the last meeting that never got changed. Mr. Turner stated the correction will be made before the Board meeting.

- **Resolution (R-088-2019) Ratification of Change Order No. 1 for Contract 6249** – Hazard Mitigation Grant Project – Design Build Retrofit Power Distribution Network (Elec Engr)

**AND Resolution (R-089-2019) Ratification of Change Order No. 2 for Contract 6249** – Hazard Mitigation Grant Project – Design Build Retrofit Power Distribution Network (Elec Engr)

- Contract involves Rehabilitation and replacement of some of the feeders in the network system. These resolutions are a design-built project which deals with the feeder system that carries the electricity from the Carrollton water plant to various pump stations and other facilities.
- These two resolutions were housekeeping issues that was done several years ago but never acted upon.
- Change Order No. 1 is contracted with Brady Crawford in the amount of \$27,798,000. After contract was let, engineers realized a grounding conductor was needed to mitigate any hazardous conditions when testing feeder in the future. Total amount of change order is \$286,171.77, approximately 1.03%.
- Change Order No. 2 Feeder routes crossed canals and were on bridges. During installation of replacement feeders, burrows within the conduit would strip the insulation of feeders. Contractor conducted an analysis to determine if replacing the

conduit would be more cost efficient than changing the type of feeder cable used. Engineer team determined it would be more efficient to replace cable with a more robust insulation component at a cost of \$86,929.40.

- Director Dr. Duplessis asked when a change order is made, the board will like to know who requested these change orders.
- **Resolution (R-099-2019) Ratification of Change Order No. 5 for Contract 6249** – Hazard Mitigation Grant Project – Design Build Retrofit Power Distribution Network (Elec Engr)
  - The resolution contains five Field Change Orders:
    - FCO 016- Sluice Gate Water Line Relocation.
    - FCO 017- New Electrical Service at Central Yard.
    - FCO 018- Electrical Design Work.
    - FCO 019- FDR 416 Cable Installation (Emergency Work)
    - FCO 020 FDR 516 Cable Installation (Emergency Work)
  - Total cost for Change Order No.5 is \$319,498.68; total revised contract amount is \$29,302,756.74.
- **Resolution (R-103-2019) Ratification of Change Order No. 1 for Contract 30204** – Restoration of Existing Gravity Flow Sanitary Sewers by Excavation and Replacement from Manhole to Manhole, CIPP Lining and Point Repairs at Various Sites Throughout Orleans Parish (Networks Admin)
  - GSO approved Field Change Order No. 1 in May 2018 in amount of \$3,297,000; Contract value amended to \$11,274,476.
  - Cause for change order, an emergency restoration of an existing sewer forechains. Mr. Turner states its 2400 Linear feet of force main piping.
- **Resolution (R-102-2019) Change Order No. 1 for Contract 30102** – DPS 17/Station D Structural Repairs
  - The contract was for structural repairs let in August 2018.

Director Peychaud inquired on how DBE participation is affected by contract change orders. Ms. Plummer stated that the initial DBE goal moves along with any change orders approved.

Mrs. Downs noted the incoming Director of Procurement will begin in the next coming weeks and will be working to identify and improve current contract and procuring practices.

Director Sloss entertained a motion to approve change orders. Motion moved by Director Alejandra Guzman and seconded by Director Tamika Duplessis. Motion carried.

## **FINAL ACCEPTANCE**

**Resolution (R-066-2019) Final Acceptance for Contract 8139** -- Amendment No. 3 for Professional Services for Sewer System Evaluation and Rehabilitation Program Management (SSERP) between Sewerage and Water Board of New Orleans and Stantec Consulting Service, Inc.

**Resolution (R-077-2019) Final Acceptance for Contract 8139 – Hurricane Katrina Related Replacement of the Central Yard Annex Building**

Director Janet Howard moved to accept R-066-2019 and R-077-2019. Director Dr. Joseph Peychaud seconded. The motion carried.

**CHIEF FINANCIAL OFFICER’S REPORT**

Professional Services Contracts

- **Resolution (R-107-2019) Authorizing Application to the U. S. Environmental Protection Agency**

The resolution is designed to allow Sewerage and Water Board to apply for the Water Infrastructure Finance and Innovation Act (WIFIA) loan.

Dr. Tamika Duplessis moved to accept R-107-2019. Director Janet Howard seconded. The motion carried.

- **Resolution (R-108-2019) Joint Infrastructure Recovery Request Program (JIRR) Grant Management Cooperate Endeavor Agreement**

Community Endeavor Agreement (CEA) to partner with the City’s grants management team to ensure the JIRR programs deadlines are met.

Director Joseph Peychaud moved to accept R-108-2019. Director Janet Howard seconded. The motion carried.

- **Resolution (R-109-2019) Bank Signatory Approval**

Chief Financial Officer Yvette Downs stated this is a house keeping issue to designate who has signing authority on the bank accounts. It will allow financial institutions to identify the positions authorized to manage bank accounts. This measure will revise bank signature cards and SWB resolution.

Dr. Tamika Duplessis moved to accept R-109-2019. Alejandra Guzman seconded. The motion carried.

- **Resolution (R-111-2019) Preliminary Resolution Authorizing Approval for Sewerage System Bonds**

Director Alejandra Guzman moved to accept R-111-2019. Director Janet Howard seconded. The motion carried.

**PRESENTATION ITEMS**

**Chief Financial Officer’s Report**

- Mrs. Downs provided a Preliminary April Financial Report. She stated a new actuarial has been hired, who shall provide a full actuarial report in upcoming weeks.

- External audit work has been submitted. Additionally, all the GASB schedules have been submitted to the external auditors. All the field work is completed. Currently all final test and adjustments are being done by the external auditors.
- PFM is reviewing preliminary information to ensure compliance with debt covenants.
- No deadlines hinderance are foreseen.
- Previously approved technology system White Birch Financial Planning project has been initiated. Invoice Workflow centralized system projected to start implementation in near future.
- Billing system upgrades are underway and should be complete by August.
- Activity on Fair Share to ensure we may access fund. Resolutions and further documents may be presented to committee as it becomes available.
- Executive Financial summary was provided in committee packets. Mrs. Downs will provide summaries in advance with committee meeting packets.
- Director Sloss would like Finance Committee to conduct a meeting once CAFR is completed to discuss CAFR and financial health of organization.

## **GREEN INFRASTRUCTURE UPDATE**

- Bayou St. John Lot Infrastructure Project (\$361,000) was deemed most feasible space for next green infrastructure site.
- Adaptation Support Tool (\$70,389.05)
- Aurora Rain Gardens (\$91,870)
- SWB Green Roof (\$369,748.91)
- Paul Habans Educational Stormwater Center (\$376,974.95)
- Outreach & Education
- Updates to SWBNO Green Infrastructure Webpage

## **INFORMATION ITEMS**

The information items were received.

There being no further business to come before the Finance and Administration Committee, Director Alejandra Guzman moved to adjourn. Director Joseph Peychaud seconded. The motion carried. The meeting adjourned at approximately 10:40 AM.

Respectfully submitted,

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Lynes Sloss, Chair