

**BOARD OF DIRECTORS' MEETING**  
**SEWERAGE & WATER BOARD OF NEW ORLEANS**  
**WEDNESDAY, FEBRUARY 19, 2014**  
**9:00 AM**  
**625 ST. JOSEPH STREET**  
**2<sup>ND</sup> FLOOR BOARD ROOM**

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**ORDER OF BUSINESS**

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- I. CALL TO ORDER
- II. CALLING OF THE ROLL
  1. READING OF THE BOARD MINUTES
  2. HONORS AND AWARDS
  3. REPORT OF THE EXECUTIVE DIRECTOR
  4. COMMITTEE REPORTS
    - A. Operations Committee Report
    - B. Finance Committee Report
    - C. Committee on Infrastructure Report
    - D. Pension Committee Report
    - E. Executive Committee Report
  5. CORRESPONDING RESOLUTIONS
    - Bond Resolutions (Roll Call Vote Needed)
      - i. Preliminary Resolution Authorizing Water Revenue & Refunding Bonding (R-033-2014)
      - ii. Preliminary Resolution Authorizing Sewerage Service Revenue & Refunding Bonding (R-034-2014)
      - iii. Preliminary Resolution Authorizing Drainage System Improvement & Refunding Bonding (R-035-2014)
  6. UNFINISHED BUSINESS
    - Amendments to By-Laws
    - Selection of Executive Director
  7. NEW BUSINESS
    - Cooperative Endeavor Agreement with the City of New Orleans to Provide Sewerage and Water Board Equipment and Operators for Special Event Clean-up
  8. EXECUTIVE SESSION
  9. INFORMATION ITEMS
    - F. FEMA Status Report
    - G. Report of the General Superintendent
    - H. Report of the Special Counsel
    - I. 2014 Committee/Board Meeting Schedule
    - J. Financial Statements
  10. COMMUNICATION
  11. REFERENCE MATERIAL (In Binders)
    - K. Sewerage & Water Board By-Laws
    - L. 2014 Operating & Capital Budget
    - M. Strategic Plan 2011 – 2020
    - N. Tracking Tool for Commitments to the City Council
    - O. Bond Rating
  12. ANY OTHER MATTERS
  13. ADJOURNMENT

# BOARD OF DIRECTOR'S MEETING

JANUARY 15, 2014

MEETING MINUTES

## SEWERAGE AND WATER BOARD OF NEW ORLEANS

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### ROLL CALL

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The Executive Director, Marcia A. St. Martin, called the roll and showed the following members present: Mr. Wm. Raymond Manning, Mr. Marion Bracy, Ms. Kerri Kane, Mr. Glen Pilie, Mrs. Florence Schornstein, Dr. Beverly Wright, \*Ms. Loyce Pierce Wright (Seven) and a quorum .

Absent: Mr. Mark M. Moody and Mr. Charles F. Webb (Two).

\*Ms. Loyce Pierce Wright was not present when roll was called, but arrived later during the meeting.

Also present were: Brenda Thornton, Communirep, Inc; Randy Smith, Royal Engineers; Richard Rainey, Times Picayune; Geneva Coleman, The Hawthorne Agency, Inc.; Renee' Lapeyrolerie, CDM Smith; Reginald Crear, IMS Engineers; Councilperson Kristin Gisleson Palmer, Ron Loesel, City of New Orleans, District "C"; Carol Rocque, Damon Rocque Securities; Joseph St. Martin (son of Marcia St. Martin).

Staff present were: Marcia A. St. Martin, Robert Miller, Executive Director's Office; Joseph Becker, Madeline Fong Goddard, General Superintendent's Office; Nolan Lambert, Special Counsel; Brian Ferrara, Harold Marchand, Yolanda Grinstead, Legal Department; Alvin Porter, Veronica Johnson, EDBP Department; Willie Mingo, Purchasing Department; Ethel Williams, Finance Administration Department; Jason Higginbotham, Emergency Management Department; Robert Jackson, Community & Intergovernmental Relations Department; Bobby Nathan, EEOC, Equal Employment Opportunity Department; Audrey Lee, Personnel Department; Paula Arceneaux, Julia Thomas, Employee Incentive Committee (EIC); Dexter Joseph, Emanuel Lain, Budget Department; Jacqueline K. Shine, Gabriel Bordenave, Revenue Administration Department; John Wilson, Terrance Wills, Support Services Administration; Richard Alexander, Ray Talbert, Albert E. Casanova, Jr., Sewerage Operations Department, Central Yard.

Introduction of the Mayor's New Representative for the Sewerage and Water Board of New Orleans

The President Pro Tem announced the resignation of Mr. Cedric Grant as the designee to the Sewerage and Water Board pursuant to Louisiana Statue and this is effective, immediately.

Mr. Manning introduced Ms. Suchitra J. Satpathi to the Board and staff. Ms. Satpathi would replace Mr. Cedric Grant to serve as the Mayor's designee to vote for or in stead in the Mayor's absence and require that a designee be counted for purposes of a quorum. Ms. Satpathi is the current Director of State and Federal Relations and Board and Commissions for the City of New Orleans, and she brings with her years of experience as an attorney.

The Board and staff welcomed Ms. Satpathi to the Sewerage and Water Board of New Orleans.

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**APPROVAL OF PREVIOUS REPORT**

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Mrs. Florence Schornstein moved to accept the minutes of the Regular Board Meeting held on December 18, 2013. Mr. Marion Bracy seconded the motion. The motion carried.

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**HONORS AND AWARDS**

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'Special Tribute to Mrs. Marcia A. St. Martin'

The Board recognized and honored the Executive Director, Mrs. Marcia A. St. Martin with a proclamation, for her nearly 42-year professional career with dignity and respect, to public service, first with the City of New Orleans for 20 years and 21 years with the Sewerage and Water Board. She served as the Deputy Director for 12 years and as the Executive Director for nine years for the Sewerage and Water Board.

Accolades were given to Mrs. St. Martin for her dedication, commitment, support, servant leadership, integrity, and expertise that she shared with the Sewerage and Water Board as well as the citizens of New Orleans. The Board wished Mrs. St. Martin well in all of her future endeavors and a happy retirement.

\*Ms. Loyce Pierce Wright entered at this time.

Mr. Glen Pilie moved to accept the Resolution Honoring Marcia A. St. Martin, Executive Director therein, (R-017-2014). Mr. Marion Bracy seconded the motion. The motion carried.

The President Pro Tem directed staff to place this resolution in the record of the Sewerage and Water Board and stated for the record, that he has personally enjoyed working with Mrs. St. Martin and he wanted to express his gratitude and thanks for her many years of service and dedication to the Sewerage and Water Board and the citizens of New Orleans.

(R-014-2014) – The Board honored employee, Mr. Gabriel Bordenave, Management Development Analyst II of the Revenue Administration Department. Mr. Bordenave is responsible for assisting in establishing policies and procedures, analyzing business processes and developing solutions to help the departments operate efficiently. Mr. Bordenave, being environmentally conscientious and understanding the importance of creating a greener workplace, took on the personal responsibility of initiating a recycling program at the Main Building. He personally set up receptacles to collect aluminum cans, metal tins, plastic bottles, office paper, newspaper, and cardboard. He collects the items and brings them to his home to be picked up by the City of New Orleans curbside recycling program. Because of his commitment, the Sewerage and Water Board of New Orleans can function as a more environmentally responsible agency.

(R-015-2014) – The Board honored employees, Mr. Richard Alexander, Mr. Albert Casanova and Mr. Ray Talbert, Pumping Station Assistant Supervisors whom are responsible for managing sewer pumping stations for the Sewerage and Water Board of New Orleans that includes operations, maintenance and staffing. On Saturday, December 28, 2013, the West Bank Sewer Treatment Plant was out of power due to a power pole knocked over by a car around 1:00 a.m. that resulted in local power failure in lower Algiers. This caused the plant to go offline for about 5 hours affecting eighteen sewer pump stations that had to be shut down. Mr. Alexander, Mr. Casanova and Mr. Talbert, three supervisory staff from the Sewerage Operations responded immediately. These employees reacted quickly by going to each of the eighteen stations and shutting them down. More importantly, they had to monitor the sewer levels to make sure that no over-flow occurred. Their constant vigilance and hard work paid off and the power came back on around 6:00 a.m. Sunday morning. Because of their outstanding work performance and dedication, operation was restored to these pump stations without incident.

These employees' were honored for their actions above and beyond routine duties. The resolutions were adopted by acclamation.

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## **REPORT OF THE EXECUTIVE DIRECTOR**

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The Executive Director presented a slide overview that focused on the following topic: Water Management (1800-2014).

- 2014 State of the Agency
  - Water Management is an important factor in the future of the New Orleans.
- “Thank You”
  - Mrs. St. Martin thanked the men and women of the Sewerage and Water Board for the opportunity to work with a dynamic team of dedicated employees. She thanked the Board for allowing her to lead the agency with a practice principle-centered ethical servant leadership.

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## COMMITTEE REPORTS

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### OPERATIONS COMMITTEE REPORT

Mr. Marion Bracy, Committee Member reported on the summary and actions taken by the Operations Committee. The Operations Committee Report for the month of January was presented and recommended for approval.

Mr. Marion Bracy moved approval of the Operations Committee Report for the month of January. Mrs. Florence Schornstein seconded the motion. The motion carried.

The Special Counsel, Mr. Nolan Lambert stated that the Board accepts the recommendations of the Operations Committee.

Mr. Marion Bracy moved acceptance of the Operations Committee recommendations for the month of January. Mrs. Florence Schornstein seconded the motion. The motion carried.

### EXECUTIVE COMMITTEE REPORT

Chairperson, Mr. Wm. Raymond Manning reported on the summary and actions taken by the Executive Committee. The Executive Committee Report for the month of January was presented and recommended for approval.

Mrs. Florence Schornstein moved approval of the Executive Committee Report for the month of January. Mr. Marion Bracy seconded the motion. The motion carried.

Mr. Marion Bracy moved acceptance of the Executive Committee recommendations for the month of January. Mrs. Florence Schornstein seconded the motion. The motion carried.

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## CORRESPONDING RESOLUTIONS

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The following resolutions were adopted:

R-001-2014 – Authorization to Accept the Lease Proposal for 4021 Behrman Place, Suite M-2 as the Future Customer Service Location Servicing the Algiers Neighborhood

R-002-2014 – Operating and Capital Cash Management Investments Policy

R-003-2014 – Rebuilding and Installing Automatic Transmissions in Medium and Heavy Duty Trucks – Req. No. YG140004

R-004-2014 – Furnishing Solid Wall (PVC) Pipe SDR 26 & 35 Polyvinyl Chloride (PVC) C-900 Pipe for the Water Distribution System – Req. No. YW140001

R-005-2014 – Furnishing Positive Displacement Type Cold Water Meters for the Meter Shop at the Main Water Plant – Req. No. MH130008

R-006-2014 – Contract 1374 – Furnishing Basin Dredge Unit

R-007-2014 – Contract 30005 – Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at various sites throughout Orleans Parish

R-008-2014 – Contract 30006 – Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at various sites throughout Orleans Parish

R-009-2014 – First and Final Renewal of contract for Furnishing and Delivering Automotive Batteries – Req. No. YG120060

R-010-2014 – Final Acceptance and Close Out to Contract 3738 – Hurricane Related Repairs to Sewerage Pumping Station 15

R-011-2014 – Final Acceptance and Close Out to Contract 3989 – Lower Ninth Ward Area Sewer Rehabilitation, Rehabilitation No. 8

R-012-2014 – Amendment No. 1 to Existing Contract with Black & Veatch

R-013-2014 – Amendment No. 5 to Existing Contract with Raftelis Financial Consultants, Inc.

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## NEW BUSINESS

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### Amendment to 2014 Capital Budget and 2014-2023 Capital Program

The Deputy Director, Mr. Robert Miller provided the Board with background information relative to the amended 2014 Capital Budget and the 2014-2023 Capital Program for the water, sewerage and drainage systems. The Sewerage and Water Board desires to expand its planned program for Development and Implementation of Green Infrastructure Projects through the addition of \$500,000 each year for 2016 through 2018; this change would increase the 2014-2023 Capital Programs from \$2,521,173,000 to \$2,522,673,000.

Mrs. Florence Schornstein moved approval of Resolution to Amend 2014-2023 Capital Program for Green Infrastructure Projects, therein (R-016-2014). Dr. Beverly Wright seconded the motion. The motion carried

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## EXECUTIVE SESSION

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Mr. Marion Bracy moved to go into Executive Session to discuss the Appointment of the new Executive Director and for Legal Matters re: Level 3 Communications, LLC and Wiltel Communications, LLC v. Sewerage & Water Board of New Orleans, USDC No. 213-CV-05088; and Update EPA Consent Decree, United States of America v. Sewerage & Water

Board of New Orleans, Civil Action No. 93-3212. Ms. Kerri Kane seconded the motion. The motion carried.

Mrs. Florence Schornstein moved to come out of Executive Session. Dr. Beverly Wright seconded the motion. The motion carried.

Mr. Glen Pilie moved to give the President, Mayor Mitchell J. Landrieu and the President Pro Tem, Mr. Wm. Raymond Manning the authorization to enter into negotiations with Mr. Cedric Grant re: Executive Director's Position. Mrs. Florence Schornstein seconded the motion. The motion carried.

Appointment of Interim Executive Director for the Sewerage and Water Board of New Orleans

The President Pro Tem requested a motion to appoint an Interim Executive Director for the Sewerage and Water Board of New Orleans until further notice.

Mrs. Florence Schornstein moved to appoint Mr. Robert Miller, Deputy Director, as the Interim Director for the Sewerage and Water Board of New Orleans until further notice (R-018-2014). Ms. Loyce Pierce Wright seconded the motion. The motion carried.

Mr. Bracy moved to accept the Legal Department's recommendations re: Level 3 Communications, LLC and Wiltel Communications, LLC v. Sewerage & Water Board of New Orleans, USDC No. 213-CV-05088. Mrs. Florence Schornstein seconded the motion. The motion carried.

Mr. Bracy moved to accept the Legal Department's recommendations re: Update EPA Consent Decree, United States of America v. Sewerage & Water Board of New Orleans, Civil Action No. 93-3212. Mrs. Florence Schornstein seconded the motion. The motion carried.

Following a brief discussion, the Special Counsel, Mr. Nolan Lambert thanked the Executive Director for her commitment and dedication regarding the success of the EPA's Consent Decree of the Sewerage and Water Board of New Orleans.

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**INFORMATION ITEMS**

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The following items were submitted for informational purposes only:

- FEMA Status Report
- Report of the General Superintendent
- Report of the Special Counsel
- 2014 Committee/Board Meeting Schedule

- Financial Statements
- (Revised) Amendments to the By-Laws (Adoption in February 2014)

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**ADJOURNMENT**

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There being no further business the meeting adjourned.



**Commendation to Sabrina Hickerson/Volunteers  
for being Selected  
Sewerage and Water Board  
Employees' Group of the Month for February 2014**

**Whereas**, the Sewerage and Water Board recognizes that its employees are its most valuable resource, without which our mission to provide quality, reliable, and cost effective sewer, water, and drainage services to our customers, the people of the City of New Orleans, would not be possible; and

**Whereas**, while each and every one of our employees strives to excel in his or her capacity, we do on occasion honor an employee, or group of employees, whose actions are above and beyond the routine; and

**Whereas**, Sabrina Hickerson, Sr. Office Support Specialist is responsible for overseeing various point repair contracts, supervises staff and related duties as required. The following is a summary from Mrs. Lynn Cobette, Utility Services Manager, outlining your outstanding performances:

Sabrina Hickerson and the Sewerage and Water Board United Way Volunteers outstanding performance fulfilled four of the SWB criteria: duty-community service, civic involvement, charitable involvement and benefit to the board. The United Way Southeast Louisiana (SELA) is a nonprofit organization that raises money to improve the organized capacity of people in a seven parish metropolitan area. Under Sabrina's leadership, the SWB/UW team raised awareness at the board about the power of community giving by encouraging employees to donate and improve the organized capacity of others. Various fund raising events were held throughout the Board facilities for the United Way Campaign kickoff. More importantly the efforts of Sabrina Hickerson, Campaign Chairperson, along with her volunteer team raised awareness about community giving through United Way. The 2013 fund raising drive organized by the Sewerage and Water Board employees raised \$55,401.76.

**Now Therefore, Be It Resolved**, that upon the recommendation of Mrs. Lynn Cobette, Utility Services Manager, that Sabrina Hickerson and United Way Volunteers be recognized as "Employees' Group of the Month" for February 2014.

**Be It Further Resolved**, that a copy of this recommendation be transmitted to all of the subject employees and throughout the various departments of the Sewerage and Water Board of New Orleans.

\_\_\_\_\_  
I, Robert Miller, Interim Executive Director,  
Sewerage and Water Board of New Orleans, do  
hereby certify that the above and foregoing is a true  
and correct copy of a resolution adopted at the  
Regular Meeting of said Board, duly called and  
held, according to law, on February 19, 2014.

\_\_\_\_\_  
ROBERT MILLER  
INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**Commendation to Peter N. Brown  
for being Selected  
Sewerage and Water Board  
Employee of the Month for February 2014**

**Whereas**, the Sewerage and Water Board recognizes that its employees are its most valuable resource, without which our mission to provide quality, reliable, and cost effective sewer, water, and drainage services to our customers, the people of the City of New Orleans, would not be possible; and

**Whereas**, while each and every one of our employees strives to excel in his or her capacity, we do on occasion honor an employee, or group of employees, whose actions are above and beyond the routine; and

**Whereas**, Peter N. Brown, Utility Services Manager is responsible for overseeing the pretreatment programs in Environmental Affairs as it relates to customer complaints, inspections and permits, as required. The following is a summary from Mr. Joseph Becker, General Superintendent, outlining your outstanding performances:

Peter N. Brown was deployed to Afghanistan to support Operation Enduring Freedom with the 1084<sup>th</sup> Transportation Company, 165<sup>th</sup> Combat Sustainment Support Battalion from Reserve, Louisiana. Peter has achieved the rank of Chief Warrant Officer 2 during his 33-year career with LA National Guard. This was Peter's second activation for an overseas assignment. This year-long deployment exposed the company to combat on a regular basis.

Because of his exceptional service while deployed, his company commander recommended him for the Bronze Star Medical. Chief Warrant Officer 2, Peter N. Brown's dedication to his mission contributed to the company completing over 75 missions, amassing over 250,000 miles while completing more than 150 Transportation Movement Requests. CW2 Brown's technical knowledge and take-charge leadership oversaw a maintenance section of 25 soldiers, balancing service schedules and mission requirements.

Peter Brown's dedication to the Board, along with his military experience and civic duty has elevated his level of knowledge of the sanitary sewer system that was invaluable in meeting the requirements of the Consent Decree.

**Now Therefore, Be It Resolved**, that upon the recommendation of Mr. Joseph Becker, General Superintendent, that Peter N. Brown of the Environmental Affairs Department be recognized as "Employee of the Month" for February 2014.

**Be It Further Resolved**, that a copy of this recommendation be transmitted to all of the subject employees and throughout the various departments of the Sewerage and Water Board of New Orleans.

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I, Robert Miller, Interim Executive Director,  
Sewerage and Water Board of New Orleans, do  
hereby certify that the above and foregoing is a true  
and correct copy of a resolution adopted at the  
Regular Meeting of said Board, duly called and  
held, according to law, on February 19, 2014.

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ROBERT MILLER  
INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



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

February 3, 2014

## **TO THE HONORABLE PRESIDENT AND MEMBERS OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS**

The **Operations Committee** of the Sewerage and Water Board of New Orleans met on Monday, February 3, 2014, at 9:00 A.M. in the 2<sup>nd</sup> Floor Board Room, 625 St. Joseph Street to address the following matters:

### **ACTION ITEMS**

#### **APPROVAL OF PREVIOUS REPORT**

The report of the Operations Committee Meeting held on January 6, 2014 was received and approved on a motion of Mrs. Schornstein and seconded by Mr. Bracy. The motion carried.

#### **BID RECOMMENDATIONS – DBE PARTICIPATION**

#### **Emergency Letter Bid; Reconstruction of the Existing Florida Ave. Canal between Spain St., and Music St.**

On Friday, January 17, 2014, three (3) bids were received for subject contract. The bid totals are as follows:

Cajun Construction, Inc.	\$ 2,216,000.00
Boh Bros. Construction Co., LLC	\$ 2,440,375.00
Cycle Construction Co.	\$ 2,498,375.00

Twenty percent (20%) SLDBE participation was estimated by Sewerage & Water Board of New Orleans' engineers on this contract.

The apparent lowest bidder, Cajun Construction, Inc., submitted the following subcontractors:

**Palmisano Trucking, Inc.** (eligible certified SLDBE) to perform trucking  
\$18,295.00 —0.83%

**Baker Ready Mix, LLC** (eligible certified SLDBE) to provide concrete ready mix  
\$104,510.00 — 4.72%

**PJM Safety Supplies, LLC** (eligible certified SLDBE) to provide safety supplies  
\$2,196.00 — 0.1%

**Three C's Properties, Inc.** (eligible certified SLDBE) to provide fencing  
\$4,200.00 — 0.19%

**Pierce Foundations, Inc.** (eligible certified SLDBE) to perform pile driving  
\$358,060.00 — 16.16%

SLDBE Participation totals: **\$487,261.00 — 21.99%**

The apparent second lowest bidder, Boh Bros. Construction Co., LLC, submitted the following subcontractors:

**Baker Ready Mix, LLC** (eligible certified SLDBE) to provide concrete batch plant/ready mix  
\$127,895.00 — 5.24%

**B&S Equipment Co., Inc.** (eligible certified SLDBE) to perform demolition and pumping  
\$536,654.00 — 21.99%

**Prince Dump Truck Service** (eligible certified SLDBE) to provide hauling and aggregate materials  
\$34,924.00 — 1.43%

Participation totals: **\$699,473.00 — 28.66%**

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program confirms that the SLDBE participation submitted by Cajun Construction, Inc., and Boh Bros. Construction Co., have met the Sewerage & Water Board's engineers' SLDBE participation estimate.

The recommendations on subject contract were accepted and approved by a motion of Mr. Bracy and seconded by Mrs. Schornstein. The motion carried.

#### **Request For Proposals for the Customer Information System Solution**

On Monday, January 13, 2013, two (2) proposals were received for subject contract. The submittals received are as follows:

**Advanced Utility Systems, (A Division of North Harris Computer Corporation)  
Cogsdale Corporation, Inc.**

Sixteen-percent (16%) SLDBE participation goal was requested on this proposal.

**Advanced Utility Systems** submitted the following subcontractors:

**Luther Speight & Company, LLC** (eligible SLDBE company) to provide administrative business management consulting and general management consulting \$259,000.00 – 6.34%

**Major Services, Inc.** (eligible SLDBE company) to provide computer processing, data preparation and processing and computer programming website design \$414,000.00 – 10.13%

**Participation totals: \$673,000 – 16.47%**

**Cogsdale Corporation, Inc.** submitted the following subcontractors:

**Debra Gould & Associates, Inc.** (eligible SLDBE company) to provide business planning, which consist of change management, training and executive coaching \$170,775.00 – 4.35%

**Luther Speight & Company, LLC** (eligible SLDBE company) to provide business consulting, which consist of administrative business management and general management consulting \$225,844.00 – 5.75%

**Major Services, Inc.** (eligible SLDBE company) to provide computer services which consist of data conversion and computer support services \$252,821.00 – 6.44%

**Participation totals: \$649,440.00 – 16.54%**

Based on analysis of the SLDBE participation, the Economically Disadvantaged Business Program recommends that the participation submitted by **Advanced Utility Systems** and **Cogsdale Corporation, Inc.** be approved.

The recommendations on subject contract were accepted and approved by a motion of Mrs. Schornstein and seconded by Mr. Bracy. The motion carried.

#### **CONSTRUCTION REVIEW COMMITTEE**

Construction projects were not submitted to the Construction Review Committee for the month of January 2014, therefore the Construction Review Committee meeting was not held.

#### **STAFF CONTRACT REVIEW COMMITTEE**

The Staff Contract Review Committee met on January 21, 2014 and made the following recommendations:

##### **Renewal Contracts**

Pursuant to the Finance/Operations Committees request for SLDBE compliance on contracts involving renewals, please find subject information.

**First and Final Renewal, 40% SLDBE Participation.**

**1. Furnishing Office Supplies**

Renewal Cost:	\$19,458.16
Prime Contractor:	New Orleans Office Supplies, Inc.
SLDBE Sub-contractor:	Corporate Business Supplies, Inc.
Funding Source:	Operating and Maintenance Budget

The SLDBE participation goal is 40.00%. The SLDBE participation achieved is 48.00%.

**First of Two (2) renewal options, 35% SLDBE Participation.**

**2. Preparation of the Report on Operations for 2013**

Renewal Cost:	\$101,000.00
Prime Contractor:	Black & Veatch Corporation
SLDBE Sub-contractors:	Bruno & Tervalon, LLP Julien Engineering & Consulting Services, Inc.
Funding Source:	Operating and Maintenance Budget

The SLDBE participation goal is 35.00%. The SLDBE participation achieved is 48.51%.

**First and Final Renewal, 0% SLDBE Participation.**

**3. Furnishing Air Conditioning and Heating Services**

Renewal Cost:	\$58,799.00
Prime Contractor:	Siemens Industry, Inc.
Participation goal Justification	There is 0% SLDBE participation because this project cannot be subdivided into areas that will include certified SLDBE subcontracting opportunities because of the warranty requirements.
Funding Source:	Operating and Maintenance Budget

The Staff Contract Review Committee's recommendations were approved on a motion by Mrs. Schornstein and seconded by Mr. Bracy. The motion carried.

**CONSTRUCTION RENEWAL CONTRACT WITH DBE PARTICIPATION**

There were no construction renewal contracts with DBE participation.

**FINAL ACCEPTANCE ON CONSTRUCTION CONTRACTS WITH DBE PARTICIPATION**

**Contract #8140 – Hurricane Katrina Related Repairs at the Carrollton Water Plant & Intake #1**

The Prime Contractor is MST Enterprises, LLC.

The DBE participation goal is 36%. The DBE participation achieved is 37.35%.

The Economically Disadvantaged Business Program recommends that the SLDBE participation on subject contract be approved for final acceptance.

The above referenced final acceptance on subject contract with DBE participation was approved by a motion of Mr. Bracy and seconded by Dr. Wright. The motion carried.

### **INFORMATION ITEMS**

#### **Customer Account Management System Replacement**

Mr. Robert Miller, Interim Executive Director provided an update of the *New Customer Information System*. The Customer Account Management System (CAM) selection team reviewed and evaluated the RFP's from Cogsdale Corporation and Advanced Utilities and determined that the proposal from Cogsdale Corporation was the preferred choice based upon usability, project approach, and additional available modules. Mr. Miller provided an overview of Enterprise Solution and Best of Breed Solution and the difference between a Tier 1 and a Tier 2 Solution as it pertains to the system meeting the needs of Sewerage & Water Board of New Orleans. Mr. Miller is recommending a Best-of-Breed Solution and Tier 2 Solution which represents the highest confidence, success and value for the funds spent.

Dr. Wright inquired if there were any local companies that replied to the RFP. Mrs. Schornstein inquired about the location of the clients. Mr. Miller replied they are located in Canada. Mr. Bracy inquired about the DBE participation percentage. Mr. Miller advised both companies were meeting the DBE percentage in the RFP. Mr. Bracy inquired about a diversity statement. Mr. Miller advised we have not asked about a diversity statement. Mr. Bracy inquired if other cities have utilized these companies. Mr. Miller stated the two companies are industry leaders.

Staff is recommending that the Interim Executive Director be authorized to enter into contract negotiations to establish final terms and conditions for a contract to be considered for award to Cogsdale Corporation for the new *Customer Information System*.

The Committee received the report.

#### **Customer Service Results Through November 2013**

Mr. Robert Miller, **Interim Executive Director** provided an update on the Customer Service Results. Mrs. Schornstein inquired if the call center positions are minimum wage positions. Mr. Miller replied they are not. However, they are the lowest wage positions besides laborers. Ms. Schornstein indicated that the low wages accounts for the high turnover. Mr. Moody inquired what is the solution to lowering the high turnover. Mr. Miller indicated that by reducing the number of occasions to call, give customers technology alternatives other than talking to representative, authorize SWB to hire more staff and consider if it's just pay or quality of life issues. Members of the board are requesting staff to review job descriptions and look into a possible upgrade for the position and rewrite job description for call center representatives to include other duties and responsibilities. Mr. Miller is requesting to add as an additional section to the Customer Service Improvement Plan.

The Committee received the report.

### **DBE Participation Report**

The Committee received the report. Dr. Wright inquired what are the areas of contracts we do not have SLDBE vendors certified. Mr. Miller requested that Mr. Porter, Interim EDBP Director provide a list of contracts with 0% SLDBE participation.

- Diversity Statement Within Language of Contracts Re: DBE Program
- Evaluation Performance History Re: DBE Contractors

Members of the board clarified that Sewerage & Water Board of New Orleans would need to go to the state level to amend the law in reference to requesting a diversity statement within Language of Contracts.

The Committee received the reports.

### **2014 Committee/Board Meeting Schedule**

The Committee received the report.

### **Any Other Matters**

None

### **ADJOURNMENT**

The meeting adjourned at 9:56 AM with a motion by Mrs. Schornstein and seconded by Dr. Wright. The motion carried.

### **ATTENDANCE**

**PRESENT:** Mr. Mark Moody, Chair  
Dr. Beverly Wright  
Mr. Marion B. Bracy  
Mrs. Florence Schornstein

**ABSENT:** Ms. Loyce Wright

Also in attendance were the Interim Executive Director; General Superintendent; Deputy Superintendent; Attorney IV; EDBP Interim Director; EDBP Certification Supervisor; Purchasing Director; Community and Intergovernmental Relations Director; Jason Higginbotham, Jacqueline Shine, SWB; Carol Rocque, Damon Rocque Securities.

Very truly yours,

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Mr. Mark Moody, Chair

MMM/vjc





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

February 4, 2014

## **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 February 4, 2014 at 9:00 A.M. in the Board Room, 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, December 3, 2013 was received. Upon a motion of Ms. Kane and second by Mr. Manning, the report was approved.

#### **Item 2      GENERAL SUPERINTENDENT'S RECOMMENDATIONS** **BIDS**

#### **R-021-2014 – FURNISHING, DELIVERING AND INSTALLING GPS** **SYSTEM FOR SEWERAGE AND WATER BOARD OF NEW ORLEANS** **VEHICLE FLEET – REQ. NO. YG140007**

Mr. Becker recommended the low bid of Motionlink in the total amount of \$437,939.52.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

#### **R-022-2014 – FURNISHING COMPLETE FLEET TIRE SERVICE - REQ. NO. YG140003**

Mr. Becker recommended that this bid be rejected and rebid.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the bid was rejected.

## **CONTRACT RENEWALS**

### **R-023-2014 – FIRST AND FINAL RENEWAL OF CONTRACT FOR FURNISHING & DELIVERING OFFICE SUPPLIES - REQ. NO. ST140001**

#### **(PREVIOUS REQ. NO. ST120003)**

Mr. Becker recommended the first and only renewal of contract for furnishing & delivering office supplies to New Orleans Office Supplies, Inc. for the amount of \$48,784.83.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

### **R-030-2014 – FIRST AND FINAL RENEWAL OF CONTRACT FOR FURNISHING AIR CONDITIONING AND HEATING MAINTENANCE FOR CENTRAL YARD - REQ. NO. Y0130007**

Mr. Becker recommended the first and only renewal of contract for furnishing air conditioning and heating to Siemens Industry, Inc. for the amount of \$58,799.00.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

### **R-031-2014 – EMERGENCY LETTER BID FOR RECONSTRUCTION OF THE FLORIDA AVENUE CANAL BETWEEN SPAIN AND MUSIC**

Mr. Becker recommended the low bid of Cajun Contractors, Inc. for the amount of \$2,216,000.00.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

## **Item 3**

## **CHANGE ORDERS**

### **R-024-2014 – RATIFICATION OF CHANGE ORDER NO. 5 FOR CONTRACT 1353 – HURRICANE RELATED REPLACEMENT OF THE BOILER PRE HEATERS AT THE CARROLLTON WATER PURIFICATION PLANT – POWER COMPLEX**

Mr. Becker recommended the ratification of change order #5 for contract 1353 – Hurricane Katrina related replacement of the boiler pre heaters at the Carrollton Water Purification Plant – Power Complex with Alfred Conhagen Inc. in the amount of \$261,170.31. This brings the total change order amount to \$440,605.26 or 16% of the original bid amount.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

**R-025-2014 - RATIFICATION OF CHANGE ORDER NO. 7 FOR CONTRACT 1350 – HURRICANE RELATED REPAIRS TO TURBINE 4 AT THE CARROLLTON WATER PURIFICATION PLANT – POWER COMPLEX**

Mr. Becker recommended ratification of change order #7 for contract 1350 – Hurricane Katrina Related Repairs to turbine 4 at the Carrollton Water Purification Plant – Power Complex with Industrial & Mechanical Construction, Inc. in the amount of \$910,424.08. This brings the total change order amount to \$1,599,465.26 or 12.54% of the original bid amount.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

**Item 4**

**R-020-2014 - CUSTOMER ACCOUNT MANAGEMENT REPLACEMENT SYSTEM**

Mr. Miller discussed the process used to identify a Tier 2 system that meets the needs of Sewerage and Water Board within the allotted budget. Staff determined the proposal from Cogsdale Corporation was the preferred choice. The proposed cost is \$3,928,155 with a five year cost of ownership totaling \$4,531,042.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

**Item 5**

**R-027-2014 –APPROVAL OF AGREEMENT BETWEEN THE UNIVERSITY OF NEW ORLEANS DEPARTMENT OF CIVIL AND ENVIRONMENTAL ENGINEERING AND THE SEWERAGE AND WATER BOARD OF NEW ORLEANS FOR MONITORING AND ODOR CONTROL PROJECT**

Ms. Goddard discussed the request for approval of agreement between the University of New Orleans, Department of Civil and Environmental Engineering and the Sewerage and Water Board of New Orleans for monitoring and odor control.

Upon a motion by Mr. Manning and seconded by Ms. Kane the motion was approved.

**Item 6**

**R-028-2014 –APPROVAL OF AGREEMENT BETWEEN THE CITY OF NEW ORLEANS DEPARTMENT OF PARKS AND PARKWAY AND THE SEWERAGE AND WATER BOARD OF NEW ORLEANS FOR GREEN INFRASTRUCTURE**

Ms. Goddard discussed the request for approval of agreement between the City of New Orleans, Department of Parks and Parkway and the Sewerage and Water Board of New Orleans for Green Infrastructure.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

**Item 7      R-032-2014 – AUTOMOBILE FLEET PHYSICAL DAMAGE INSURANCE**

Mr. Miller is recommending option #2, a one-time 14 month policy (a term from 3/20/14 to 5/20/15) for a premium of \$251,024. This would bring the Automobile Physical Damage coverage term concurrent with the Property coverage term (5/20/14-5/20/15) in 2015.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

**Item 8      R-019-2014 – AUTHORIZATION FOR THE FIRST RENEWAL TO AN AGREEMENT WITH BLACK & VEATCH CONSULTANTS FOR PREPARATION OF THE REPORT ON OPERATIONS FOR 2013**

Mr. Miller discussed the request for authorization (First Option Renewal) for Black and Veatch to prepare the Report on Operations for 2013 for a cost of \$101,000. DBE participation is 49%.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

**Item 9      BOND ISSUES STATUS UPDATE & PRELIMINARY RESOLUTIONS**

**R-033-2014 - SEWERAGE & WATER BOARD OF NEW ORLEANS  
PRELIMINARY RESOLUTION AUTHORIZING WATER REVENUE AND  
REFUNDING BONDS, NOT TO EXCEED (\$115,000,000)**

Mr. Miller discussed the preliminary resolution authorizing Water Revenue and Refunding Bonds not to exceed \$115,000,000.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

**R-034-2014 - SEWERAGE & WATER BOARD OF NEW ORLEANS  
PRELIMINARY RESOLUTION AUTHORIZING SEWERAGE SERVICE  
REVENUE AND REFUNDING BONDS, NOT TO EXCEED (\$200,000,000)**

Mr. Miller discussed the preliminary resolution authorizing Sewerage Service Revenue and Refunding Bonds not to exceed \$200,000,000.

Upon a motion by Ms. Kane and seconded by Mr. Manning, the motion was approved.

**R-035-2014 - C. SEWERAGE & WATER BOARD OF NEW ORLEANS  
PRELIMINARY RESOLUTION AUTHORIZING DRAINAGE SYSTEM  
IMPROVEMENTS AND REFUNDING BONDS NOT TO EXCEED  
(\$100,000,000)**

Mr. Miller discussed the preliminary resolution authorizing Drainage System Improvements and Refunding Bonds not to exceed \$100,000,000.

Upon a motion by Mr. Manning and seconded by Ms. Kane, the motion was approved.

## **INFORMATION ITEMS**

### **Item 10      PRELIMINARY UNAUDITED FINANCIAL RESULTS THROUGH DECEMBER 2013**

Mr. Miller discussed the preliminary unaudited financial results through December 2013. There were three significant non-recurring journal entries posted: correction of a prior-period journal entry write-down of amounts receivable from FEMA for reimbursement of storm damage reconstruction cost; correction of a prior-period journal cancellation of a portion of the Special Community Disaster Loan; and the cancellation of the remaining portion of the Special Community Disaster Loan. These journal entries were reviewed with and approved by our auditors from Postlethwaite & Netterville.

### **Item 11      QUARTERLY CASH MANAGEMENT AND INVESTMENT REPORT ENDING DECEMBER 31, 2013**

The committee received the report.

### **Item 12      CHANGE ORDER ANALYSIS** The committee received the report.

### **Item 13      FEMA PROJECT WORKSHEET**

The committee received the report.

### **Item 14      COMMITTEE/BOARD MEETING SCHEDULE**

The committee received the report.

### **Item 15      ANY OTHER MATTERS**

None

### **Item 16      REFERENCE MATERIAL (IN BINDERS)**

- A. Sewerage & Water Board By-Laws
- B. 2014 Operating & Capital Budgets
- C. Strategic Plan
- D. Tracking Tool for Commitments to the City Council
- E. Bond Rating

**Item 17      ADJOURNMENT**

**ATTENDANCE**

**Present:**

Mr. Charles F. Webb  
Mr. Wm. Raymond Manning  
Ms. Kerri Kane

**Absent**

Ms. Loyce Wright

Also in attendance were Robert Miller, Interim Executive Director; Joseph Becker, General Superintendent; Madeline Goddard, Deputy Superintendent; Brian Ferrara, Deputy Special Counsel; Ethel Williams, Finance Admin.; Dexter Joseph, Budget Director; Michele Holley, Budget Analyst; Jacqueline Shine, Utility Services Admin.; Melinda Nelson, Utility Services Admin.; Robert Jackson, Utility Senior Services Mgr. ; Alvin Porter, EDB Management Supervisor I; Jason Higginbotham, Utilities Senior Services Mgr.; Carol Rocque, Damon Rocque, Rocque Securities Corp.; Steven Stuart, BGR; Charles Kennedy Jr., The Kennedy Financial Group; Brenda Thornton, Communirep Inc; Jason Akers, F&J; Joe Sensebe, Arcadis;

Respectfully submitted,

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Mr. Charles F. Webb, CPA, Chair

**GENERAL SUPERINTENDENT RECOMMENDATIONS  
FOR THE FEBRUARY 19, 2014 MEETING**

- A. BIDS** A listing of the bids received during the month of January is included in the following report. A brief summary is attached for your review.

Item 1 - R-021-2014 - FURNISHING, DELIVERING AND INSTALLING  
GPS SYSTEM FOR SEWERAGE AND WATER  
BOARD OF NEW ORLEANS VEHICLE FLEET -  
REQ. NO. YG140007

Item 2 - R-022-2014 - FURNISHING COMPLETE FLEET TIRE  
SERVICE - REQ. NO. YG140003

**B. CONTRACT RENEWAL**

Item 3 - R-023-2014 - FIRST AND FINAL RENEWAL OF CONTRACT  
FOR FURNISHING & DELIVERING OFFICE  
SUPPLIES - REQ. NO. ST140001  
(PREVIOUS REQ. NO. ST120003)

Item 4 - R-030-2014 - FIRST AND FINAL RENEWAL OF CONTRACT  
FOR FURNISHING AIR CONDITIONING AND  
HEATING MAINTENANCE FOR CENTRAL YARD  
- REQ. NO. YO130007

Item 5 - R-031-2014 - EMERGENCY LETTER BID PROPOSALS FOR  
RECONSTRUCTION OF THE FLORIDA AVENUE  
CANAL BETWEEN SPAIN AND MUSIC ST.

**GENERAL SUPERINTENDENT RECOMMENDATIONS  
REPORT OF FINAL ACCEPTANCE TO BE  
CONSIDERED BY THE FINANCE COMMITTEE AND  
THE BOARD'S MEETING OF FEBRUARY 19, 2014**

During January 2014 bids were received and evaluated (as per attached tabulations) on various items as follows:

1. **FURNISHING, DELIVERING AND INSTALLING GPS SYSTEM FOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS VEHICLE FLEET- REQ.  
NO. YG140007**

Twelve (12) bids were received on January 9, 2014 for furnishing, delivering and installing GPS system for Sewerage and Water Board of New Orleans Vehicle Fleet. It is recommended that the low bid of **MOTIONLINK** in the total amount of **\$437,939.52**, be accepted based upon the technical review of the proposals.

**The twelve (12) bidders are as follows:**

1. <b>MOTIONLINK</b>	<b>\$ 437,939.52</b>
2. International Road Dynamic	440,040.88
3. Track Net Fleet Tracking System	498,189.12
4. Pedigree Technologies	512,507.04
5. Fleet Finder GPS, LLC	527,677.60
6. AT&T	559,715.00
7. Radio Satellite Integrators, Inc.	587,336.00
8. Sage Quest Mobile Control	642,678.00
9. Zonar	784,369.70
10. L&R Security Services, Inc.	833,414.04
11. Teletrac	1,396,269.00
12. T-Mobile Business	9,825,523.68

There is no DBE participation.

The estimated amount for this project is \$650,000.00.

Funds for this project are budgeted under Object Code 4450 (Motor Vehicles Repairs & Maint).



**GENERAL SUPERINTENDENT RECOMMENDATIONS (CONT'D)**

February 20, 2013

Page 2

**2. FURNISHING COMPLETE FLEET TIRE SERVICE - REQ. NO. YG140003**

Two (2) bids were received on December 19, 2013 for furnishing complete fleet tire service. Both bidders were over the estimated amount. It is, therefore recommended that this bid be rejected and rebid.

**The two (2) bidders are as follows:**

- |  |                      |
|--|----------------------|
| 1. <b>Twin Commercial Tire, L.L.C.</b> | <b>\$ 385,997.35</b> |
| 2. Southern Tire Mart                  | 459,504.89           |

The DBE participation is 20%.

The estimated amount for this project is \$350,000.00.

Funds for this project are budgeted under Budget Code 0840 (Central Yard Garage) and Object Code 3230 (Rep. & Maint. Equipment & Machin).

3.

**FIRST AND FINAL RENEWAL OF CONTRACT FOR  
FURNISHING & DELIVERING OFFICE SUPPLIES  
REQ. NO. ST140001  
(PREVIOUS REQ. NO. ST120003)**

PROPOSAL:

The contractor, **New Orleans Office Supplies, Inc.**, has requested that the Board renew their current contract effective March 1, 2014, as allowed under this contract with no increase in cost and with no change in terms and conditions of their original contract, with the total being **\$48,784.83.**

EVALUATION:

The original contract for Furnishing Office & Delivering Office Supplies, was awarded to New Orleans Office Supplies, Inc., by the Board at its meeting of September 19, 2012 in the total amount of \$48,784.83. If approved,

**GENERAL SUPERINTENDENT RECOMMENDATIONS (CONT'D)**

February 20, 2013

Page 3

this would be the first and only renewal as allowed under the terms of the contract. The DBE participation is 40%. Funds for this project are budgeted under Budget Code 0720 (Stationery) and Object Code 9930 (Stationary).

**RECOMMENDATION:**

It is recommended that the Board approve this first and only renewal to **New Orleans Office Supplies, Inc.** in the total amount of **\$48,784.83**.

4.

**FIRST AND FINAL RENEWAL OF CONTRACT FOR**  
**FURNISHING AIR CONDITIONING AND HEATING MAINTENANCE**  
**FOR CENTRAL YARD**  
**REQ. NO. YO130007**

**PROPOSAL:**

The contractor, **Siemens Industry, Inc.**, has requested that the Board renew their current contract effective April 1, 2014, as allowed under this contract with no increase in cost and with no change in terms and conditions of their original contract, with the total being **\$58,799.00**.

**EVALUATION:**

The original contract for Furnishing Air Conditioning and Heating Maintenance for Central Yard, was awarded to Siemens Industry, Inc., by the Board at its meeting of March 20, 2013 in the total amount of \$58,799.00. If approved, this would be the first and only renewal as allowed under the terms of the contract. There is no DBE participation. Funds for this project are budgeted under Budget Code 0811 (Building Maintenance) and Object Code 3220 (Rep. & Maint bldg., Furn, A/C).

**GENERAL SUPERINTENDENT RECOMMENDATIONS (CONT'D)**

February 20, 2013

Page 4

**RECOMMENDATION:**

It is recommended that the Board approve this first and only renewal to **Siemens Industry, Inc.** in the total amount of **\$58,799.00**.

5. **EMERGENCY LETTER BID PROPOSALS FOR RECONSTRUCTION OF THE FLORIDA AVENUE CANAL BETWEEN SPAIN AND MUSIC ST.**

Three letter bid quotations were received on Friday, January 17, 2014 for Reconstruction of the Florida Avenue Canal between Spain and Music St. The low formal bid of **Cajun Contractors, Inc.** in the amount of **\$2,216,000.00** was accepted.

**The three (3) bidders are as follows:**

- |                                   |                       |
|-----------------------------------|-----------------------|
| 1. <b>Cajun Contractors, Inc.</b> | <b>\$2,216,000.00</b> |
| 2. Boh Bros. Construction Co.     | 2,440,375.00          |
| 3. Cycle Construction Co.         | 2,498,375.00          |

The DBE participation is 20%.

The estimated amount for this project is \$2,264,658.00.

This emergency letter bid is being performed under Capital Program 703.



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

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

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

**625 ST. JOSEPH STREET**  
**NEW ORLEANS, LA 70185 • 504-529-2837 OR 52W-ATER**  
**www.swbnola.org**

Wednesday, February 05, 2014

## **TO THE HONORABLE PRESIDENT AND MEMBERS OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS**

Mesdames and Messieurs:

The **Infrastructure Committee** met on Wednesday, February 05, 2014 in the 2<sup>nd</sup> Floor Board Room, 625 St. Joseph Street, New Orleans, LA. with Mrs. Florence Schornstein, Mr. Glen Pilie, Ms. Kerri Kane and Dr. Beverly Wright at approximately 9:05 a.m.

### **ACTION ITEMS**

1. The Infrastructure Committee report of Wednesday, December 04, 2013 was motioned by Dr. Wright and seconded by Ms. Kane. The motion carried.

### **EDUCATIONAL REPORT**

General Superintendent Joseph Becker presented a slide overview discussion of the Water Quality Laboratory capabilities and Switch Gear Problems. Deputy General Superintendent Madeline Goddard presented a slide overview discussion on Green Infrastructure Plans.

### **INFORMATION ITEMS**

2. Cooperative Endeavor Agreement / University of New Orleans Odor Control Study - **Received**
3. Cooperative Endeavor Agreement / Parks and Parkways Green Infrastructure - **Received**
4. 2014 Committee/Board Meeting Schedule - **Received**
5. Any Other Matters - **Received**
6. Reference Material (In Binders) - **Received**
- A. Sewerage and Water Board By-Laws - **Received**
- B. 2014 Operating & Capital Program – **Received**
- C. Strategic Plan - **Received**
- D. Tracking Tool for Commitments to the City Council - **Received**
- E. Bond Rating - **Received**

7. Adjournment – The Infrastructure Committee ended at approximately 10:03 a.m.

PRESENT:                               Mrs. Florence W. Schornstein - Chair  
  Ms. Kerri Kane  
  Dr. Beverly Wright

ABSENT :                               Mr. Marion B. Bracy

OTHER COMMITTEE/

BOARD MEMBERS PRESENT: NONE

Also in attendance were: Robert Miller, Deputy Director; Joseph Becker, General Superintendent; Brian Ferrara , Legal Department; Anita Simmons, Staff of the Executive Director; Susan Higginbotham, Staff of the Executive Director Office; Robert Jackson, S&WB (C&IG);; Brenda Thornton; Geneva Coleman, The Hawthorne Agency, Inc.; Emanuel Lain, Sr., Budget Department; Jean Fahr, Parkway Partners; Amer Tufail, Green Point Eng;

Very truly yours,

---

Mrs. Florence Schornstein  
Chairperson

FS/kal/SH



**"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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**625 ST. JOSEPH STREET**  
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**[www.swbnola.org](http://www.swbnola.org)**

February 5, 2014

TO THE HONORABLE PRESIDENT AND MEMBERS OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS

Mesdames and Gentlemen:

The PENSION COMMITTEE of the Sewerage and Water Board of New Orleans ("Board") met on Wednesday, February 5, 2014 at 10:30 a.m. in the Board Room at 625 St. Joseph Street.

## **ATTENDANCE**

**PRESENT:** Mr. Wm. Raymond Manning (Chairman), Mr. Harold Heller, Jr., Mr. Marvin R. Russell, Jr., Mr. Gerald Tilton, Charles F. Webb and Mr. John H. Wilson III

**ABSENT:** None

Also in attendance were Director's Office, Legal, Finance, and Personnel Department staff; Octave Francis and Duncan Blake-Finley of FFC Capital Management; John Weiler of Weiler & Rees; Janice Leaumont of Capital One; Theo Sanders of LAMP; Patrick Danehy and Alexander McLean of NewSouth Capital Management; Michael Conefry of Conefry & Co.; Geneva Coleman of the Hawthorne Agency, Inc.

The Committee meeting was called to order at approximately 10:33 a.m. to discuss and act upon the following matters:

## **APPROVAL OF PREVIOUS REPORTS (ACTION)**

The Pension Committee received the Pension Committee Report of December 2013 for review and action. Mr. Russell motioned to approve the report and Mr. Webb seconded the motion. The motion passed.

## **JANUARY 1, 2014 COST OF LIVING ADJUSTMENT FOR BOARD PENSIONERS (ACTION)**

The Pension Committee was presented with R-026-2014, which will allow a 1.455% Cost of Living Adjustment (COLA) increase to Board pensioners who reached age 65 on or before December 31, 2013. This increase is effective January 1, 2014 and is calculated on the first ten-thousand dollars (\$10,000) of pensioners' original Retirement Allowance. The total increase to the Pension Fund to implement this increase in benefits is \$50,533.68.

Mr. Russell motioned to recommend approval of R-026-2014 as presented and Mr. Wilson seconded. The motion passed. This agenda item and recommendation will be forwarded to the Board of Directors.

### **VOLUNTARY RETIREMENTS (INFORMATION)**

There were four (4) voluntary retirement applications submitted to the Pension Committee for review:

**Davis, Larry J.**

Service: 34.38 years; Retirement Date: 02/13/14; Group: 6500 (DROP)

**Forest, Dwight A.**

Service: 31.86 years; Retirement Date: 02/01/14; Group: 3226 (DROP)

**Hubard, Shirley P.**

Service: 26.625 years; Retirement Date: 02/01/14; Group: 2400 (DROP)

**Turner, Velma H.**

Service: 08.69 years; Retirement Date: 02/28/14; Group: 0533

### **NEWSOUTH CAPITAL MANAGEMENT (SMALL/MID CAP EQUITY MANAGER)**

Patrick Danehy and Alexander McLean of NewSouth Capital Partners presented to the committee an update on the Board's Small/Mid Cap Equity Investment Portfolio. The portfolio performance statement submitted prior to the meeting indicates that the portfolio increased in value from \$31,533,279.00 to \$31,656,811.00 for the period ending December 31, 2013. This resulted in a one-month return rate of 3.51% (Gross) and 3.28 (Net) compared to the Russell 2500 Index return rate of 2.54% for the same period. (\$950,000 was withdrawn from this account)

### **FFC MONTHLY REPORT (INFORMATION) (VERBAL)**

Octave Francis of FFC Capital Management presented to the committee the Sewerage and Water Board of New Orleans Employees' Retirement System 4<sup>th</sup> Quarter Performance Report for 2013. Mr. Francis noted that an Asset Liability Study is recommended after the completion of the 2014 Actuarial Valuation. Mr. Manning notified committee members that they should prepare to discuss the proposed Asset Liability Study at the next scheduled Pension Committee Meeting.

### **REVIEW OF FINANCIAL STATEMENTS (INFORMATION)**

Prior to its meeting, the Pension Committee was provided with the following Financial Statements:

### **PYRAMIS GLOBAL ADVISORS (US FIXED INCOME CORE PLUS MANAGER)**

The portfolio performance statement submitted by the Board's U.S. Fixed Core Plus Investment Manager indicates that the portfolio decreased in value from \$56,410,637.00 to \$56,189,976.00 for the period ending December 31, 2013. This resulted in a one-month return rate of -0.39% (Gross) and -0.41% (Net) compared to the BC US Aggregate return rate of -0.57% for the same period.

### **PRISMA CAPITAL PARTNERS (HEDGE FUND ABSOLUTE RETURN MANAGER)**

The portfolio performance statement submitted by the Board's Hedge Fund Absolute Return Investment Manager indicates that the portfolio increased in value from \$20,218,500.00 to \$20,511,647.00 for the period ending December 31, 2013. This resulted in a one-month return rate of 1.52% (Gross) and 1.45% (Net) compared to the Dow Jones Credit Suisse HFI return rate of 1.19% for the same period.

**EQUITAS CAPITAL ADVISORS (HEDGE FUND)**

The portfolio performance statement submitted by the Board's Hedge Fund Absolute Return Investment Manager indicates that the portfolio increased in value from \$52,890.00 to \$54,490.00 for the period ending December 31, 2013. This resulted in a one-month return rate of 3.1% (Gross) and 3.0% (Net) compared to the Dollar-Weighted return rate of 3.0%; Credit Suisse Hedge Fund Index return rate of 1.2%; the Credit Suisse Blue Chip Index return rate of 0.5% and the Evergreen Main Account return rate of 0.7% for the same period.

**WESTERN ASSET MANAGEMENT (GLOBAL FIXED INCOME TIPS)**

The portfolio performance statement submitted prior to the meeting indicates that the portfolio decreased in value from \$16,882,810.00 to \$16,714,241.00 for the period ending December 31, 2013. This resulted in a one-month return rate of -1.00% (Gross) and -1.03% (Net) compared to the Barclay's Capital World Government IL All Mat Index return rate of -0.99% and the Citigroup World Govt Bond Index, USD Unhedged Index return rate of -0.93% for the same period.

**BARROW, HANLEY, MEWHINNEY & STRAUSS (LARGE CAP VALUE MANAGER)**

The portfolio performance statement submitted by the Board's Large Cap Value Investment Manager indicates that the portfolio increased in value from \$24,292,601.00 to \$24,692,790.00 for the period ending December 31, 2013. This resulted in a one-month return rate of 1.65% (Gross) and 1.60% (Net) compared to the Russell 1000 Value Index return rate of 2.53% for the same period.

**CHICAGO EQUITY PARTNERS (LARGE CAP ENHANCED CORE MANAGER)**

The portfolio performance statement submitted by the Board's Enhanced Index Core Investment Manager indicates that the portfolio increased in value from \$28,119,145.88 to \$28,723,125.19 for the period ending December 31, 2013. This resulted in a one-month return rate of 2.14% (Gross) and 2.11% (Net) compared to the Russell 1000 Index return rate of 2.69% for the same period.

**EARNEST PARTNERS (INTERNATIONAL MANAGER)**

The portfolio performance statement submitted by the Board's International Investment Manager indicates that the portfolio increased in value from \$17,542,394.00 to \$17,605,307.00 for the period ending December 31, 2013. This resulted in a one-month return rate of 1.22% compared to the MSCI ACWI ex US Index return rate of 0.88% for the same period.

**iSHARES (NAREIT)**

There was no portfolio performance statement submitted for the period ending December 31, 2013.

**POWERSHARES DB COMMODITY INDEX (DOMESTIC COMMODITIES)**

There was no portfolio performance statement submitted for the period ending December 31, 2013.

**VANGUARD INDEX (DOMESTIC REIT)**

There was no portfolio performance statement submitted for the period ending December 31, 2013.

**ZAZOVE (RESIDUAL ASSET)**

There was no portfolio performance statement submitted for the period ending December 31, 2013.



**FIDELITY INST PRIME MMKT CL (CASH)**

There was no portfolio performance statement submitted for the period ending December 31, 2013.

**SECURITIES LENDING REPORT (INFORMATION)**

The Securities Lending Report submitted by BMO Securities Lending indicates that the year-to-date revenue from securities lending is \$154,668.00 as of December 2013.

**QUARTERLY PENSION FINANCIAL ACTIVITIES & PENSION DISBURSEMENTS STATEMENT FOR THE PERIOD ENDING DECEMBER 31, 2013**

The Pension Committee received the Quarterly Pension Financial Activities and Pension Disbursements Statement for the period ending December 31, 2013.

**LAMP/DROP STATEMENTS (INFORMATION)**

The DROP report submitted by Louisiana Asset Management Pool (LAMP) indicates that the DROP account had an ending balance of \$13,552,496.56 for the period ending January 2014.

**2014 COMMITTEE/BOARD MEETING SCHEDULE (INFORMATION)**

The updated Committee and Board Meeting Schedule was submitted to the Pension Committee for review.

**OTHER MATTERS (INFORMATION)**

There were no additional items discussed at this meeting.

**REFERENCE MATERIAL (INFORMATION)**

The following documents were provided to Pension Committee Members for use during the meeting:

- By-Laws of the Sewerage & Water Board of N.O.
- Rules & Regulations of the Employees' Retirement System of the Sewerage & Water Board of N.O.
- Sewerage & Water Board of N.O. Employees' Retirement System Investment Policy Statement
- Sewerage and Water Board of N.O. Strategic Plan 2011-2020
- Tracking Tool for Comments to City Council
- Bond Rating

**ADJOURNMENT**

Mr. Webb motioned to adjourn the meeting and Mr. Wilson seconded. The motion passed. The meeting adjourned at approximately 11:45 a.m.

Very Truly Yours,

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Wm. Raymond Manning  
Chairman



**"RE-BUILDING THE CITY'S WATER SYSTEMS FOR THE 21<sup>ST</sup> 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 62W-ATER**  
**www.swbnola.org**

February 7, 2014

## **TO THE HONORABLE PRESIDENT AND MEMBERS OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS:**

A regular meeting of the **Executive Committee** of the Sewerage and Water Board was called to order on Friday, February 7, 2014 at 9:00 AM in the Board Room at 625 St. Joseph Street.

### **ATTENDANCE**

**Present:** William Raymond Manning, Committee Chair  
Mark M. Moody  
Glen Pilie  
Florence Schornstein  
Charles F. Webb

**Also in Attendance:** Robert Miller, Interim Executive Director; Nolan Lambert, Special Counsel; Yolanda Grinstead, Legal Counsel; Joseph Becker, General Superintendent; Emanuel Lain, Budget Department; Bobby Nathan, Equal Employment Opportunity Director (EEOC); Jacqueline K. Shine, Revenue Administration Department; Lynn Cobette, Administrative Services Department; Brenda Thornton, CommuniRep, Inc.; Geneva Coleman, The Hawthorne Agency, Inc.; Carol Rocque, Damon Rocque Securities.

### **ACTION ITEMS**

#### **Approval of Previous Report**

The Committee reviewed and approved the previous report from January 10, 2014.

#### **(Revised) Amendment to By-Laws (R-029-2014)**

Mr. Nolan Lambert provided information to the committee on the amended By-Laws of the Sewerage and Water Board. He noted that the above amended By-Laws would go before the full board for adoption at its February Board meeting.

Upon a motion by Mr. Webb and second by Mrs. Schornstein the revised amendment to the By-Laws of the Sewerage and Water Board was approved.

#### **Authorization to Investigate and Acquire Property for Construction of SPS #1 (R-036-2014)**

Mr. Becker provided background information regarding the request for staff to investigate and acquire property next to SPS #1 for construction of a new sewer pumping station. The station is one of a few remaining stations that has not been elevated to the new FEMA base flood level and is at risk for damage or possible failure due to flooding. It is staff recommendation for authorization to investigate and acquire property adjacent to SPS#1 that is for sale located at 7330/7332 Cohn and 1823 Lowerline Streets in New Orleans.

The Board requested for staff to bring back more information on the estimated cost of the purchase of the above properties in question, to communicate plans with the neighbors living near these properties, and to report to the Board on a month-to-month basis of the progress of this construction project.

Upon a motion by Mr. Pilie and second by Mr. Moody the authorization to investigate and acquire property for construction of SPS #1 at 7330/7332 Cohn Street and 1823 Lowerline Street was approved.

#### **INFORMATION ITEMS**

##### **Customer Account Management Replacement System**

Mr. Miller provided the committee with background information regarding the Board's current account management and billing system, CAM, a mainframe Cobol-based system which has been in place since the 1980s. In order to improve the Sewerage and Water Board's customer service with additional capabilities like e-billing, expanded payment methods, interfaces with GIS, IVR, AMI, and a new cashiering system, the Board determined that it needed to update its system.

It is staff recommendation for the Interim Executive Director to have authorization to enter into contract negotiations to establish final terms and conditions for a contract to be considered for award to Cogsdale Corporation for the new Customer Information System.

##### **Update United Way Campaign**

Mr. Miller provided an update on the Sewerage and Water Board's United Way Fund Raising Campaign of 2013. Employees participated in campaign kickoff events and other fund raising activities led by employee and United Way Campaign Coordinator, Ms. Sabrina Hickerson and a number of volunteers to make the 2013 fundraising drive a huge success with a grand total of all donations collected \$55,401.76.

The committee thanked the employees for their participation in United Way Fund Raising Campaign.

##### **Bond Issues Status Update & Preliminary Authorization of Resolutions**

Mr. Miller reported on the issuance of water revenue, sewerage service revenue and drainage system improvement and refunding bonds in order to make the March 2014 State Bond Commission meeting for approval of the refunding and new money bonds.

### **Tracking Tool for Commitments to the City Council**

Mr. Miller presented the tracking tool for commitments to the City Council associated with the water and sewer rate increases. He reported that all initiated items are on target and that staff is preparing to report back to the City Council in late March 2014 to give a presentation.

The staff would keep the Board apprised of the upcoming Public Works Committee meeting.

### **EEOC Activity Status Report**

Mr. Bobby Nathan, Equal Employment Opportunity Officer, reviewed the EEOC Activity Status Report for January 2014.

The committee members requested that the monthly report include a summary on the grievance cases that have been resolved or not resolved, along with results from the respective supervisors re: Grievances/Outcomes.

### **Update on Newly Appointed Executive Director**

The President Pro Tem updated the committee on the status of the newly appointed Executive Director, Mr. Cedric Grant. Currently, the Board is in negotiations with Mr. Grant and this process will come to a conclusion soon.

### **ADJOURNMENT**

There being no further business to come before the Committee, the meeting adjourned at 9:40 AM.

Very truly yours,

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Wm. Raymond Manning  
President Pro-Tem and Committee Chair

**AUTHORIZATION FOR THE FIRST RENEWAL TO AN AGREEMENT WITH BLACK  
& VEATCH CONSULTANTS FOR PREPARATION OF THE REPORT ON OPERATIONS  
FOR 2013**

**WHEREAS**, Black & Veatch has satisfactorily completed preparation of the Report on Operations for 2012; and

**WHEREAS**, the contract entered into with Black and Veatch for the Report on Operations for 2012 allowed for renewal of additional contracts for up to two (2) years; and

**WHEREAS**, this is the first of two one-year renewal options to the agreement to prepare the Report on Operations for 2013; and

**WHEREAS**, Black & Veatch has submitted a request to exercise the first option to prepare the Report on Operations for 2013 and with a proposed maximum fee of \$101,000; and

**WHEREAS**, Black & Veatch plans to utilize the services of Bruno & Tervalon, an economically disadvantaged business, to assist in the proposed study at a minimum of twenty-five (25%) of the work effort equal to approximately \$25,000 of project billings; and

**WHEREAS**, Black & Veatch also plans to utilize the services of Julien Engineering & Consulting Services, an economically disadvantaged business, to assist in the evaluation of the Board's Facilities at a minimum of twenty-four (24%) of the work effort equal to approximately \$24,000 of project billings;

**NOW THEREFORE BE IT RESOLVED**, by the Sewerage and Water Board of New Orleans that the President or President Pro Tem is hereby authorized to enter into an agreement with Black & Veatch for Preparation of the Report on Operations for 2013.

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I, Robert K. Miller, Interim Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of the resolution adopted at a Regularly Monthly Meeting of said Board, duly called and held, according to law on February 19, 2014.

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**ROBERT K. MILLER  
INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**CUSTOMER ACCOUNT MANAGEMENT REPLACEMENT SYSTEM**

**WHEREAS, the Board of Directors has previously authorized procurement for a vendor to provide a new Customer Information System (CIS); and**

**WHEREAS, staff has issued a Request for Statements of Qualifications and a Request for Proposals; and**

**WHEREAS, staff evaluated the qualifications and proposals using criteria and methods consistent with industry best practices; and**

**WHEREAS, staff identified Cogsdale Corporation and Advanced Utilities as finalists from among the proposals received; and**

**WHEREAS, the review of proposals according to the evaluation criteria yielded nearly identical results for Cogsdale Corporation and Advanced Utilities; and**

**WHEREAS, staff determined that the proposal from Cogsdale Corporation was the preferred choice based upon usability, project approach, and additional available modules; and**

**WHEREAS, the Cogsdale Corporation proposal cost of \$3,928,155 is approximately \$157,000 less than Advanced Utilities proposal cost of \$4,085,495; and**

**WHEREAS, the Cogsdale Corporation five year cost of ownership of \$4,531,042 is approximately \$500,000 less than Advanced Utilities five year cost of ownership of \$5,095,630; and**

**WHEREAS, the Cogsdale Corporation proposal cost is within the budgeted amount of \$5,750,000;**

**NOW, THEREFORE BE IT RESOLVED, by the Sewerage and Water Board of New Orleans that the Interim Executive Director is hereby authorized to enter into contract negotiations to establish final terms and conditions for a contract to be considered for award to Cogsdale Corporation.**

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I, Robert K. Miller, Interim Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of the resolution adopted at a Regular Monthly Meeting of said Board, duly called and held, according to law on February 19, 2014.

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**ROBERT K. MILLER  
INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**FURNISHING, DELIVERING AND INSTALLING GPS SYSTEM FOR SEWERAGE  
AND WATER BOARD OF NEW ORLEANS VEHICLE FLEET - REQ. NO. YG140007**

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**BE IT RESOLVED** by the Sewerage and Water Board of New Orleans that twelve (12) bids were received on January 9, 2014 after advertising according to the Public Bid Law, for Furnishing, Delivering and Installing GPS System for Sewerage and Water Board of New Orleans Vehicle Fleet. The bid was hereby accepted and contract awarded therefore to **MOTIONLINK** for the total amount of **\$437,939.52**.

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I, Robert Miller, Interim Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on February 19, 2014.

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ROBERT MILLER  
INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**FURNISHING COMPLETE FLEET TIRE SERVICE - REQ. NO. YG140003**

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**BE IT RESOLVED** by the Sewerage and Water Board of New Orleans that two (2) bids were received on December 19, 2013 after advertising according to the Public Bid Law, for Furnishing Complete Fleet Tire Service. Due to both bidders being over the estimated amount, it is recommended that all bids be rejected and this contract be rebid.

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I, Robert Miller, Interim Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on February 19, 2014.

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ROBERT MILLER  
INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



**FIRST AND FINAL RENEWAL OF CONTRACT FOR FURNISHING & DELIVERING  
OFFICE SUPPLIES - REQ. NO. ST 40001 (PREVIOUS REQ. NO. ST120003)**

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**WHEREAS**, under the provisions of the contract, the Board, with the contractor's concurrence, reserves the right to renew the contract with no increase in the cost of services and no change in terms and conditions; and

**WHEREAS**, the contractor, **New Orleans Office Supplies, Inc.**, desires to exercise its renewal option as allowed under this contract with the total being **\$48,784.83**, for Furnishing & Delivering Office Supplies.

**NOW, THEREFORE, BE IT RESOLVED** that the request of **New Orleans Office Supplies, Inc.**, for this first and only renewal, effective **March 1, 2014**, is hereby approved.

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I, Robert Miller, Interim Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on February 19, 2014.

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ROBERT MILLER  
INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**RATIFICATION OF CHANGE ORDER NO. 5 FOR CONTRACT 1353 -  
HURRICANE RELATED REPLACEMENT OF THE BOILER PRE HEATERS  
AT THE CARROLLTON WATER PURIFICATION PLANT – POWER  
COMPLEX**

**WHEREAS**, the Sewerage and Water Board entered into Contract 1353 with Alfred Conhagen Inc. of Louisiana, in the amount of \$2,757,426.00, for the FEMA funded Replacement of the Boiler Pre Heaters at the Carrollton Water Purification Plant and Power Complex

**WHEREAS**, the original contract scope will be increased in the amount of \$261,170.31 to additional work associated with crane rental and extended overhead costs. These costs will be eligible for FEMA reimbursement, and

**WHEREAS**, this Change Order, in the amount of \$261,170.31 brings the accumulated Contract change order total to \$440,605.26 or 16% of the original Contract value.

**NOW THEREFORE BE IT RESOLVED**, the approval of Change Order No. 5 for Contract 1353 is ratified by the Sewerage and Water Board of New Orleans.

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I, Robert Miller, Interim Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true  
and correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on February 19, 2014.

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ROBERT MILLER, INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**RATIFICATION OF CHANGE ORDER NO. 7 FOR CONTRACT 1350 -  
HURRICANE RELATED REPAIRS TO TURBINE 4 AT THE CARROLLTON  
WATER PURIFICATION PLANT – POWER COMPLEX**

**WHEREAS**, the Sewerage and Water Board entered into Contract 1350 with Industrial & Mechanical Construction, Inc., in the amount of \$12,750,000.00, for FEMA funded repairs to Turbine 4 at the Carrollton Water Purification Plan – Power Complex and

**WHEREAS**, the Contractor has been requested to demolish existing equipment and furnish & install two carbon steel heat exchanger baffles and two brass heat exchanger tube sheets. Casing repairs will also be completed to repair cracks in the casing and piping connection, high pressure inner casing, diaphragm inserts, mounting fits, casing split lines and seal gland faces. The cost associated to this change order is \$910,424.08. This cost will be eligible for FEMA reimbursement and

**WHEREAS**, this Change Order, in the amount of \$910,424.08, brings the accumulated Contract change order total to \$1,599,465.26, or 12.54% of the original Contract value.

**NOW THEREFORE BE IT RESOLVED**, the approval of Change Order No. 7 for Contract 1350 is ratified by the Sewerage and Water Board of New Orleans.

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I, Robert Miller, Interim Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true  
and correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on February 19, 2014.

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ROBERT MILLER, INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**JANUARY 1, 2014 COST OF LIVING ADJUSTMENT FOR BOARD PENSIONERS**

**WHEREAS**, it is the policy of the Sewerage and Water Board of New Orleans to provide a Cost of Living Adjustment to pensioners based on the increase in the Consumer Price Index, with a maximum increase of no more than 2% as provided in Article VI, Section 6.1(d)(1) of the Rules and Regulations of the Employees' Retirement System of the Sewerage and Water Board of New Orleans; and

**WHEREAS**, the change in the Consumer Price Index for All Urban Wage Earners and Clerical Workers from August 2012 to August 2013 is 1.455%; and

**WHEREAS**, the total increase to the Pension Fund of the Sewerage and Water Board of New Orleans to implement the Cost of Living Adjustment to pensioners effective January 1, 2014 will be \$50,533.68; and

**WHEREAS**, such funds are to be made available by the Pension Fund of the Sewerage and Water Board of New Orleans to provide for a Cost of Living Adjustment to said pensioners; and

**NOW THEREFORE, BE IT RESOLVED**, that the Pension Fund of the Sewerage and Water Board of New Orleans implement a 1.455% cost of living increase on the first ten-thousand dollars (\$10,000) of said pensioners' original Retirement Allowance (that is, the annual pension benefit paid at the time of retirement), effective January 1, 2014, for those pensioners who attained age 65 on or before December 31, 2013. The cost of living increase for a partial year of retirement after age 65 shall be pro-rated based on the actual number of days retired and over age 65 during the twelve-month period ending December 31, 2013 (that is, the number of days elapsed between attainment of age 65 and December 31, 2013).

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I, Marcia A. St. Martin, Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of said Board, duly called and held, according to law, on February 19, 2014.

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Robert A. Miller  
Interim Executive Director  
Sewerage and Water Board of New Orleans

**APPROVAL OF AGREEMENT BETWEEN THE UNIVERSITY OF NEW ORLEANS DEPARTMENT OF CIVIL AND ENVIRONMENTAL ENGINEERING AND THE SEWERAGE AND WATER BOARD OF NEW ORLEANS FOR MONITORING AND ODOR CONTROL PROJECT**

**WHEREAS**, the University of New Orleans Department of Civil & Environmental Engineering (UNO-CEE) desire to accomplish a valuable public purpose of monitoring odor from the East and West Bank Wastewater Treatment Plants in order to understand and improve management of odors from those treatment plants;

**WHEREAS**, UNO-CEE Department is committed to conduct air quality monitoring for one year at the West Bank WWTP followed by a year at the East Bank WWTP, utilizing self-contained continuous air quality monitors, which shall be delivered to the Board at the end of the study; and

**WHEREAS**, UNO-CEE Department is committed to providing management of the first year of monitoring and odor control study for the amount of \$36,000.

**NOW THEREFORE, BE IT RESOLVED** that the Sewage and Water Board of New Orleans herby desires to enter into a cooperative endeavor agreement for the benefit of a public purpose with the Board of Supervisors of the University of Louisiana System acting for the University of New Orleans Department of Civil & Environmental Engineering to perform a monitoring and odor control project at the wastewater treatment plants.

**BE IT FURTHER RESOLVED** that the Executive Director is hereby authorized to execute, on behalf of the Sewerage and Water Board of New Orleans, the cooperative endeavor agreement with the Board of Supervisors of the University of Louisiana System acting for the University of New Orleans Department of Civil & Environmental Engineering to perform a monitoring and odor control project at the wastewater treatment plants.

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I, Robert K. Miller, Interim Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true and  
correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on February 19, 2014.

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ROBERT K. MILLER, INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**APPROVAL OF AGREEMENT BETWEEN THE CITY OF NEW ORLEANS, DEPARTMENT OF PARKS  
AND PARKWAY AND THE SEWERAGE AND WATER BOARD OF NEW ORLEANS  
FOR GREEN INFRASTRUCTURE PROJECTS**

**WHEREAS**, on April 24, 2013, the Sewerage and Water Board of New Orleans (S&WB) and the City of New Orleans (City) entered into a Second Modification of the Consent Decree with the United States Department of Environmental Protection Agency and Department of Justice;

**WHEREAS**, the Second Modification required the S&WB explore and pursue implementation of green infrastructure at any location within its system;

**WHEREAS**, the City and the S&WB as co-permittees of the Louisiana Pollution Discharge Elimination System (LPDES) Municipal Separate Storm Sewer Systems (MS4) are, where feasible, use Green Infrastructure/Low Impact Development practices that could help avoid water quality degradation as well as reduce flooding potential caused by increased runoff volumes and rates associated with development;

**WHEREAS**, the City through the Department of Parks and Parkway will plan and implement a component of the new green infrastructure plan.

**WHEREAS**, the new green infrastructure capital construction plan will be funded totally or in part by S&WB, State and/or Federal funds; and

**NOW THEREFORE, BE IT RESOLVED** that the Sewage and Water Board of New Orleans in exchange for the benefit of a public purpose hereby desires to enter into a cooperative endeavor agreement with the City of New Orleans Department of Parks and Parkway for planning and implementing a component of the new green infrastructure plan; and

**BE IT FURTHER RESOLVED** that the Executive Director is hereby authorized to execute, on behalf of the Sewerage and Water Board of New Orleans, the cooperative endeavor agreement with the City of New Orleans Department of Parks and Parkway for these green infrastructure projects.

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I, Robert K. Miller, Interim Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true and  
correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on February 19, 2014.

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ROBERT K. MILLER, INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**ADOPTION OF AMENDMENTS TO THE  
SEWERAGE AND WATER BOARD BY-LAWS**

WHEREAS, Effective January 1, 2014 numerous changes to the composition of the Sewerage and Water Board were enacted, in accordance with Act 345 of the 2013 regular session of the Louisiana Legislature, including changing the membership from thirteen to eleven, and

WHEREAS, the By-laws of the Sewerage and Water Board contain numerous references to the number of Board members required to establish a quorum for meetings of the Board and its committees, and the number of affirmative votes to amend the By-laws, and

WHEREAS, with the reduction of the number of Board members the quorum should be consistent with law, and the Rules of Order, and

WHEREAS, current By-laws require that any amendment be introduced at the regular monthly meeting prior to adoption;

NOW THEREFORE, BE IT RESOLVED that the amendments to the By-laws of the Sewerage and Water Board introduced at the regular January 2014 meeting are hereby adopted.

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I, Robert K. Miller Interim Executive Director,  
Sewerage and Water Board of New Orleans, do  
hereby certify that the above and foregoing is  
a true and correct copy of a Resolution adopted  
at the Regular Meeting of the said Board, duly called  
and held, according to law, on February 19, 2014.

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ROBERT K. MILLER  
INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**FIRST AND FINAL RENEWAL OF CONTRACT FOR FURNISHING AIR  
CONDITIONING AND HEATING MAINTENANCE FOR CENTRAL YARD - REQ. NO.  
YO130007**

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**WHEREAS**, under the provisions of the contract, the Board, with the contractor's concurrence, reserves the right to renew the contract with no increase in the cost of services and no change in terms and conditions; and

**WHEREAS**, the contractor, **Siemens Industry, Inc.**, desires to exercise its renewal option as allowed under this contract with the total being **\$58,799.00**, for Furnishing Air Conditioning and Heating Maintenance for Central Yard.

**NOW, THEREFORE, BE IT RESOLVED** that the request of **Siemens Industry, Inc.**, for this first and only renewal, effective **April 1, 2014**, is hereby approved.

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I, Robert Miller, Interim Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on February 19, 2014.

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ROBERT MILLER  
INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



**EMERGENCY LETTER BID PROPOSALS FOR RECONSTRUCTION OF THE FLORIDA  
AVENUE CANAL BETWEEN SPAIN AND MUSIC ST.**

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**BE IT RESOLVED** by the Sewerage and Water Board of New Orleans that three (3) bids were received on January 17, 2014 after advertising according to the Public Bid Law, for Emergency Letter Bid Proposals for Reconstruction of the Florida Avenue Canal between Spain and Music St. The bid was hereby accepted and contract awarded therefore to **Cajun Contractors, Inc.** for the total amount of **\$2,216,000.00.**

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I, Robert Miller, Interim Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on February 19, 2014.

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ROBERT MILLER  
INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**Automobile Fleet Physical Damage Insurance**

WHEREAS, The Sewerage and Water Board of New Orleans desires purchase an Automobile Fleet Physical Damage Insurance policy for its fleet to cover the period March 20, 2014 – May 20, 2015; 12:01 A.M.; and

WHEREAS, the Board has maintained commercial property insurance policies in effect since 1987; and

WHEREAS, the Board requested its insurance broker, Charles Kennedy, Jr., of The Kennedy Financial Group to secure price quotations for such a policy; and

WHEREAS, the Kennedy Financial Group has obtained a property insurance quote of \$251,024.00 from Lexington Insurance for the existing coverages;

NOW THEREFORE, BE IT RESOLVED that the Executive Director of the Sewerage and Water Board of New Orleans, is hereby authorized and directed to purchase property insurance coverage Lexington Insurance through the Board's insurance broker, Charles Kennedy Jr., of The Kennedy Financial Group for a total of \$251,024.00.

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I, Robert K. Miller, Interim Executive Director,  
Sewerage and Water Board of New Orleans, do  
hereby certify that the above and foregoing is  
a true and correct copy of a Resolution adopted  
at the Regular Meeting of the said Board, duly called  
and held, according to law, on February 19, 2014.

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ROBERT K. MILLER  
INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**AUTHORIZATION TO INVESTIGATE AND ACQUIRE PROPERTY FOR  
CONSTRUCTION OF SPS #1**

**WHEREAS**, the Board currently operates and maintains SPS #1 located in front of a multi family residence located at 7332 Cohn St, N. O., LA 70118; and

**WHEREAS**, the station and its pumping capacity has been restored as a result of flood damages from Hurricane Katrina but is still one of the few underground stations that has not been raised above ground to the new FEMA base flood elevation; and

**WHEREAS**, directly adjacent to the station is property that is available for sale located at 7330/ 7332 Cohn St and 1823 Lowerline St. N.O. La, 70118 and the purchase of the property would allow for construction of a new sewer station; and

**WHEREAS**, it is in the best interest of the Board to investigate and ultimately acquire any neighboring land that would allow for the design and construction of a new station while the opportunity exists.

**NOW THEREFORE BE IT RESOLVED** that the Executive Director is hereby authorized to investigate the purchase of property through title research, appraisal, property survey and environmental impact and if determined to be in the best interest of the Board to acquire the property, to acquire this land in accordance with information obtained during research for construction of a new sewer pump station for this community.

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I, Robert Miller, Interim Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
Certify that the above and foregoing is a true and  
correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on February 19, 2014.

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ROBERT MILLER, INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**PRELIMINARY RESOLUTION AUTHORIZING  
WATER REVENUE AND REFUNDING BONDS**

The following resolution was offered by \_\_\_\_\_ and seconded by \_\_\_\_\_:

**RESOLUTION**

A resolution authorizing the issuance of not exceeding One Hundred Fifteen Million Dollars (\$115,000,000) of Water Revenue and Refunding Bonds, Series 2014 of the City of New Orleans, Louisiana; fixing the details of said Bonds; and providing for other matters in connection therewith.

WHEREAS, the Sewerage and Water Board of New Orleans (the "Sewerage and Water Board") is authorized to issue bonds in the name of the City of New Orleans, Louisiana (the "City"), pursuant to the provisions of Section 4096 of Title 33 and Chapter 14-A of Title 39 of the Revised Statutes of Louisiana, as amended, and other constitutional and statutory authority (collectively, the "Act"); and

WHEREAS, the Sewerage and Water Board has the following bonds outstanding under a General Water Revenue Bond Resolution adopted on August 25, 1986, as supplemented:

\$5,570,000 of outstanding Water Revenue Bonds, Series 1998 (the "Series 1998 Bonds"), dated December 1, 1998, with a final maturity of December 1, 2018; and

\$22,085,000 of outstanding Water Revenue Bonds, Series 2002 (the "Series 2002 Bonds"), dated October 1, 2002, with a final maturity of December 1, 2022; and

WHEREAS, the outstanding Series 1998 Bonds and Series 2002 Bonds are herein collectively referred to as the "Outstanding Bonds;" and

WHEREAS, the Sewerage and Water Board desires to refund all or a portion of the Outstanding Bonds and pay the costs of improving and expanding water treatment plants, and improvements, extensions, betterments and repairs to the public water system of the City of New Orleans, Louisiana (the "Project"), through the issuance of its Water Revenue and Refunding Bonds (the "Water Revenue Bonds"), in one or more series; and

WHEREAS, the Board of Liquidation, City Debt (the "Board of Liquidation"), will be asked to approve the Water Revenue Bonds at its meeting to be held on or about February 19, 2014; and

WHEREAS, the Council of the City of New Orleans will be asked to approve the Water Revenue Bonds at a Council meeting to be held on or about March 6, 2014; and

WHEREAS, the City, acting by and through the Sewerage and Water Board and the Board of Liquidation, pursuant to the Act, and pursuant to Part XIV, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended, now desires to proceed with the issuance of the Water Revenue Bonds; and

WHEREAS, the Water Revenue Bonds will be sold at negotiated sale by Board of Liquidation, acting on behalf of the Sewerage and Water Board and the City; and

WHEREAS, the Sewerage and Water Board desires to authorize the issuance of the Water Revenue Bonds, upon the terms and conditions hereinafter defined;

NOW THEREFORE, BE IT RESOLVED by the Sewerage and Water Board of New Orleans, that:

SECTION 1. Findings. This Sewerage and Water Board finds and determines that the issuance of the Water Revenue Bonds will be advantageous to the City.

SECTION 2. Authorization of the Water Revenue Bonds. In compliance with and under the authority of the Act, there is hereby authorized the issuance of not exceeding \$115,000,000 of Water Revenue Bonds for, on behalf of, and in the name of the City, for the purpose of refunding all or a portion of the Outstanding Bonds, improving or expanding the Project, funding a debt service reserve fund and other reserve funds, if required, and paying costs of issuance, such bonds to be designated "City of New Orleans, Louisiana Water Revenue and Refunding Bonds, Series 2014."

SECTION 3. Details of the Water Revenue Bonds. The Water Revenue Bonds will be issued in one or more series, in an aggregate principal amount of not exceeding One Hundred Fifteen Million Dollars (\$115,000,000) will mature not later than December 1, 2044, and will bear interest at a rate of not exceeding seven and one-half percent (7.5%) per annum. The Water Revenue Bonds shall be sold at negotiated sale, in accordance with the provisions of the Act, at a price to be determined by the Board of Liquidation to an underwriter or group of underwriters chosen by the Board of Liquidation, with the consent of this Sewerage and Water Board, as shall be finally fixed in a resolution to be adopted by the Board of Liquidation.

SECTION 4. Security for the Water Revenue Bonds. The Water Revenue Bonds, together with any unrefunded Outstanding Bonds, if any, will be secured by the pledge of the revenues derived from the collection of charges for water, for purposes relating to the water system of the City.

SECTION 5. State Bond Commission. Application is hereby made to the State Bond Commission, Baton Rouge, Louisiana, for approval of the issuance and sale of the Water Revenue Bonds,

and for consent and authority to proceed with the issuance and sale of the Water Revenue Bonds, as provided above, and co-bond counsel are directed to make application to the State Bond Commission in accordance with the foregoing.

SECTION 6. State Bond Commission Swap Language. By virtue of the Board of Liquidation's application for, acceptance and utilization of the benefits of the State Bond Commission's approval requested herein, the Board of Liquidation understands and agrees that such approval is expressly conditioned upon, and further understands, agrees and binds itself, its successors and assigns, to full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products, Hedges, Etc.," adopted by the Commission on July 20, 2006, as to the borrowing and other matters subject to the approval, including subsequent application and approval under said Policy of the implementation or use of any swaps or other products or enhancements covered thereby.

SECTION 7. City Council Approval. A certified copy of this resolution shall be furnished to the City Council of the City, together with a request for approval of the issuance of the Water Revenue Bonds.

This resolution having been submitted to a vote, the vote thereon was as follows:

<u>Member</u>	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstaining</u>
Mitchell J. Landrieu	_____	_____	_____	_____
William Raymond Manning	_____	_____	_____	_____
Marion Bracy	_____	_____	_____	_____
Kerri Kane	_____	_____	_____	_____
Mark M. Moody	_____	_____	_____	_____
Glen Pilie	_____	_____	_____	_____
Florence Schornstein	_____	_____	_____	_____
Charles F. Webb	_____	_____	_____	_____
Beverly Wright, PhD	_____	_____	_____	_____
Loyce P. Wright	_____	_____	_____	_____

This resolution was declared adopted on the \_\_\_\_\_ day of February, 2014.

\* \* \* \* \*

STATE OF LOUISIANA

PARISH OF ORLEANS

I, the undersigned Executive Director of the Sewerage and Water Board of New Orleans ("S&WB"), do hereby certify that the foregoing pages constitute a true and correct copy of the proceedings taken by the S&WB on February 19, 2014, authorizing the issuance of not exceeding One Hundred Fifteen Million Dollars (\$115,000,000) of Water Revenue and Refunding Bonds, Series 2014 of the City of New Orleans, Louisiana; fixing the details of said Bonds; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the S&WB at New Orleans, Louisiana, on this 19th day of February, 2014.

---

Robert K. Miller  
Interim Executive Director



**SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**PRELIMINARY RESOLUTION AUTHORIZING  
SEWERAGE SERVICE REVENUE AND REFUNDING BONDS**

The following resolution was offered by \_\_\_\_\_ and seconded by \_\_\_\_\_:

**RESOLUTION**

A resolution authorizing the issuance of not exceeding Two Hundred Million Dollars (\$200,000,000) of Sewerage Service Revenue and Refunding Bonds, Series 2014 of the City of New Orleans, Louisiana; fixing the details of said Bonds; and providing for other matters in connection therewith.

WHEREAS, the Sewerage and Water Board of New Orleans (the "Sewerage and Water Board") is authorized to issue bonds in the name of the City of New Orleans, Louisiana (the "City"), pursuant to the provisions of Section 4121 of Title 33 and Chapter 14-A of Title 39 of the Revised Statutes of Louisiana, as amended, and other constitutional and statutory authority (collectively, the "Act"); and

WHEREAS, the Sewerage and Water Board has the following bonds outstanding under a General Sewerage Service Revenue Bond Resolution adopted on August 25, 1986, as supplemented:

\$8,935,000 of outstanding Sewerage Service Revenue Bonds, Series 1997 (the "Series 1997 Bonds"), dated June 1, 1997, with a final maturity of June 1, 2017;

\$8,705,000 of outstanding Sewerage Service Revenue Bonds, Series 1998 (the "Series 1998 Bonds"), dated December 1, 1998, with a final maturity of June 1, 2018;

\$13,040,000 of outstanding Sewerage Service Revenue Bonds, Series 2000 (the "Series 2000 Bonds"), dated May 1, 2000, with a final maturity of June 1, 2020;

\$9,875,000 of outstanding Sewerage Service Revenue Bonds, Series 2000B (the "Series 2000B Bonds"), dated November 1, 2000, with a final maturity of June 1, 2020;

\$16,685,000 of outstanding Sewerage Service Revenue Bonds, Series 2001 (the "Series 2001 Bonds"), dated December 1, 2001, with a final maturity of June 1, 2021;

\$33,160,000 of outstanding Sewerage Service Revenue Bonds, Series 2002 (the "Series 2002 Bonds"), dated December 1, 2002, with a final maturity of June 1, 2022;

\$3,270,000 of outstanding Sewerage Service Revenue Bonds, Series 2003 (the "Series 2003 Bonds"), dated December 3, 2003, with a final maturity of June 1, 2023;

\$21,400,000 of outstanding Sewerage Service Revenue Bonds, Series 2004 (the "Series 2004 Bonds"), dated December 16, 2004, with a final maturity of June 1, 2024;

\$20,495,000 of outstanding Sewerage Service Revenue Refunding Bonds, Series 2009 (the "Series 2009 Bonds"), dated July 14, 2009, with a final maturity of June 1, 2029; and

\$8,589,000 of outstanding Sewerage Service Subordinate Revenue Bonds, Series 2011 (the "Series 2011 Bonds" or the "Subordinate Bonds"), dated November 23, 2011, with a final maturity of November 1, 2032;

and

WHEREAS, the outstanding Series 1997 Bonds, Series 1998 Bonds, Series 2000 Bonds, Series 2000B Bonds, Series 2001 Bonds, Series 2002 Bonds, Series 2003 Bonds, Series 2004 Bonds and Series 2009 Bonds are herein collectively referred to as the "Outstanding Bonds;" and

WHEREAS, the Sewerage and Water Board desires to refund all or a portion of the Outstanding Bonds and pay the costs of extensions, improvements, enlargements, betterments, alterations, renewals and replacements to the sewerage system of the City of New Orleans, Louisiana, including land, equipment and other real or personal properties (the "Project"), through the issuance of its Sewerage Service Revenue and Refunding Bonds (the "Sewerage Service Revenue Bonds"), in one or more series; and

WHEREAS, the Board of Liquidation, City Debt (the "Board of Liquidation"), will be asked to approve the Sewerage Service Revenue Bonds at its meeting to be held on or about February 19, 2014; and

WHEREAS, the Council of the City of New Orleans will be asked to approve the Sewerage Service Revenue Bonds at a Council meeting to be held on or about March 6, 2014; and

WHEREAS, the City, acting by and through the Sewerage and Water Board and the Board of Liquidation, pursuant to the Act, and pursuant to Part XIV, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended, now desires to proceed with the issuance of the Sewerage Service Revenue Bonds; and

WHEREAS, the Sewerage Service Revenue Bonds will be sold at negotiated sale by Board of Liquidation, acting on behalf of the Sewerage and Water Board and the City; and

WHEREAS, the Sewerage and Water Board desires to authorize the issuance of the Sewerage Service Revenue Bonds, upon the terms and conditions hereinafter defined;

NOW THEREFORE, BE IT RESOLVED by the Sewerage and Water Board of New Orleans, that:

SECTION 1. Findings. This Sewerage and Water Board finds and determines that the issuance of the Sewerage Service Revenue Bonds will be advantageous to the City.

SECTION 2. Authorization of the Sewerage Service Revenue Bonds. In compliance with and under the authority of the Act, there is hereby authorized the issuance of not exceeding \$200,000,000 of Sewerage Service Revenue Bonds for, on behalf of, and in the name of the City, for the purpose of refunding all or a portion of the Outstanding Bonds, improving or expanding the Project, funding a debt

service reserve fund and other reserve funds, if required, and paying costs of issuance, such bonds to be designated "City of New Orleans, Louisiana Sewerage Service Revenue and Refunding Bonds, Series 2014."

SECTION 3. Details of the Sewerage Service Revenue Bonds. The Sewerage Service Revenue Bonds will be issued in one or more series, in an aggregate principal amount of not exceeding Two Hundred Million Dollars (\$200,000,000), will mature not later than December 1, 2044, and will bear interest at a rate of not exceeding seven and one-half percent (7.5%) per annum. The Sewerage Service Revenue Bonds shall be sold at negotiated sale, in accordance with the provisions of the Act, at a price to be determined by the Board of Liquidation to an underwriter or group of underwriters chosen by the Board of Liquidation, with the consent of this Sewerage and Water Board, as shall be finally fixed in a resolution to be adopted by the Board of Liquidation.

SECTION 4. Security for the Sewerage Service Revenue Bonds. The Sewerage Service Revenue Bonds, together with any unrefunded Outstanding Bonds, if any, will be secured by the pledge of the revenues derived from sewerage service charges of the City, for purposes relating to the sewerage system of the City. The Subordinate Bonds are not expected to be refinanced, and such bonds will enjoy a parity lien with the Sewerage Service Revenue Bonds.

SECTION 5. State Bond Commission. Application is hereby made to the State Bond Commission, Baton Rouge, Louisiana, for approval of the issuance and sale of the Sewerage Service Revenue Bonds, and for consent and authority to proceed with the issuance and sale of the Sewerage Service Revenue Bonds, as provided above, and co-bond counsel are directed to make application to the State Bond Commission in accordance with the foregoing.

SECTION 6. State Bond Commission Swap Language. By virtue of the Board of Liquidation's application for, acceptance and utilization of the benefits of the State Bond Commission's approval requested herein, the Board of Liquidation understands and agrees that such approval is expressly conditioned upon, and further understands, agrees and binds itself, its successors and assigns, to full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps,

or other forms of Derivative Products, Hedges, Etc.," adopted by the Commission on July 20, 2006, as to the borrowing and other matters subject to the approval, including subsequent application and approval under said Policy of the implementation or use of any swaps or other products or enhancements covered thereby.

SECTION 7. City Council Approval. A certified copy of this resolution shall be furnished to the City Council of the City, together with a request for approval of the issuance of the Sewerage Service Revenue Bonds.

This resolution having been submitted to a vote, the vote thereon was as follows:

<u>Member</u>	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstaining</u>
Mitchell J. Landrieu	_____	_____	_____	_____
William Raymond Manning	_____	_____	_____	_____
Marion Bracy	_____	_____	_____	_____
Kerri Kane	_____	_____	_____	_____
Mark M. Moody	_____	_____	_____	_____
Glen Pilie	_____	_____	_____	_____
Florence Schornstein	_____	_____	_____	_____
Charles F. Webb	_____	_____	_____	_____
Beverly Wright, PhD	_____	_____	_____	_____
Loyce P. Wright	_____	_____	_____	_____

This resolution was declared adopted on the \_\_\_\_\_ day of February, 2014.

\* \* \* \* \*

STATE OF LOUISIANA

PARISH OF ORLEANS

I, the undersigned Executive Director of the Sewerage and Water Board of New Orleans ("S&WB"), do hereby certify that the foregoing pages constitute a true and correct copy of the proceedings taken by the S&WB on February 19, 2014, authorizing the issuance of not exceeding Two Hundred Million Dollars (\$200,000,000) of Sewerage Service Revenue and Refunding Bonds, Series 2014 of the City of New Orleans, Louisiana; fixing the details of said Bonds; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the S&WB at New Orleans, Louisiana, on this 19th day of February, 2014.

---

Robert K. Miller  
Interim Executive Director

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**PRELIMINARY RESOLUTION AUTHORIZING**  
**DRAINAGE SYSTEM IMPROVEMENT AND REFUNDING BONDS**

The following resolution was offered by \_\_\_\_\_ and seconded by \_\_\_\_\_:

**RESOLUTION**

A resolution authorizing the issuance of not exceeding One Hundred Million Dollars (\$100,000,000) of Drainage System Improvement and Refunding Bonds, Series 2014 of the City of New Orleans, Louisiana; fixing the details of said Bonds; and providing for other matters in connection therewith.

WHEREAS, the pursuant to the provisions of Sections 4147 to 4156, inclusive, of Title 33 of the Louisiana Revised Statutes of 1950, as amended (the "Act"), and other constitutional and statutory authority, the City of New Orleans, Louisiana (the "City"), acting through the Sewerage and Water Board of New Orleans (the "Sewerage and Water Board") and the Board of Liquidation, City Debt (the "Board of Liquidation"), has the power and is authorized to issue bonds for drainage purposes payable from the proceeds of a special ad valorem tax for drainage purposes, which was originally authorized pursuant to La. R. S. 33:4147 and an election held on May 16, 1981, to be levied for a period of fifty (50) years, beginning with the year 1982, at a rate of nine (9) mills, which tax is now levied and collected at the rate of nine and seventy-one hundredths (9.71) mills (the "Tax"); and

WHEREAS, the Sewerage and Water Board has the following Drainage System Bonds outstanding:

\$3,445,000 of outstanding Drainage System Bonds, Series 1998 (the "Series 1998 Bonds"), dated December 1, 1998, with a final maturity of December 1, 2018, issued under a Basic Bond Resolution adopted by the Sewerage and Water Board on October 14, 1998, as supplemented; and

\$12,760,000 of outstanding Drainage System Bonds, Series 2002 (the "Series 2002 Bonds"), dated December 1, 1998, with a final maturity of December 1, 2022, issued under a Basic Bond Resolution adopted by the Sewerage and Water Board on August 21, 2002, as supplemented;

and

WHEREAS, the outstanding Series 1998 Bonds and Series 2002 Bonds are herein collectively referred to as the "Outstanding Bonds"; and

WHEREAS, the Sewerage and Water Board desires to refund all or a portion of the Outstanding Bonds and pay the costs of construction, improvement and extension of the drainage systems of the City of New Orleans, Louisiana (the "Project"), through the issuance of its Drainage System Improvement and Refunding Bonds (the "Drainage System Bonds"), in one or more series; and

WHEREAS, the Board of Liquidation, City Debt (the "Board of Liquidation"), will be asked to approve the Drainage System Bonds at its meeting to be held on or about February 19, 2014; and

WHEREAS, the Council of the City of New Orleans will be asked to approve the Drainage System Bonds at a Council meeting to be held on or about March 6, 2014; and

WHEREAS, the City, acting by and through the Sewerage and Water Board and the Board of Liquidation, pursuant to the Act, and pursuant to Part XIV, Chapter 4, Title 39 of the Louisiana Revised Statutes of 1950, as amended, now desires to proceed with the issuance of the Drainage System Bonds; and

WHEREAS, the Drainage System Bonds will be sold at negotiated sale by the Board of Liquidation, acting on behalf of the Sewerage and water Board of the City; and

WHEREAS, the Board desires to authorize the issuance of the Drainage System Bonds upon the terms and conditions hereinafter defined;

NOW THEREFORE, BE IT RESOLVED by the Board of Liquidation, City Debt that:

SECTION 1. Findings. This Sewerage and Water Board finds and determines that the issuance of the Drainage System Bonds will be advantageous to the City.

SECTION 2. Authorization of the Drainage System Bonds. In compliance with and under the authority of the Act, there is hereby authorized the issuance of not exceeding \$100,000,000 of Drainage System Bonds for, on behalf of, and in the name of the City, for the purpose of refunding all or a portion of the Outstanding Bonds, constructing, improving and extending the Project, funding a debt service reserve fund and other reserve funds, if required, and paying costs of issuance, such bonds to be designated "City of New Orleans, Louisiana Drainage System Improvement and Refunding Bonds, Series 2014".

SECTION 3. Details of the Drainage System Bonds. The Drainage System Bonds will be issued in one or more series, in an aggregate principal amount of not exceeding One Hundred Million Dollars (\$100,000,000), will mature not later than December 1, 2032, and will bear interest at a rate of not exceeding seven and one-half percent (7.5%) per annum. The Drainage System Bonds shall be sold at negotiated sale, in accordance with the provisions of the Act, at a price to be determined by the Board of Liquidation, to an underwriter or group of underwriters chosen by the Board of Liquidation, with the

consent of this Sewerage and Water Board, as shall be finally fixed in a resolution to be adopted by the Board of Liquidation.

SECTION 4. Security for the Drainage System Bonds. The Drainage System Bonds, equally with any unrefunded Outstanding Bonds, if any, will be payable solely from the revenues of the Tax, which the City is bound under the terms and provisions of law to annually impose and collect through the year 2031, together with any other amounts pledged under the resolution.

SECTION 5. State Bond Commission. Application is hereby made to the State Bond Commission, Baton Rouge, Louisiana, for approval of the issuance and sale of the Drainage System Bonds, and for consent and authority to proceed with the issuance and sale of the Drainage System Bonds, as provided above, and co-bond counsel are directed to make application to the State Bond Commission in accordance with the foregoing.

SECTION 6. State Bond Commission Swap Language. By virtue of the Board of Liquidation's application for, acceptance and utilization of the benefits of the State Bond Commission's approval requested herein, the Board of Liquidation understands and agrees that such approval is expressly conditioned upon, and further understands, agrees and binds itself, its successors and assigns, to full and continuing compliance with the "State Bond Commission Policy on Approval of Proposed Use of Swaps, or other forms of Derivative Products, Hedges, Etc.," adopted by the Commission on July 20, 2006, as to the borrowing and other matters subject to the approval, including subsequent application and approval under said Policy of the implementation or use of any swaps or other products or enhancements covered thereby.

SECTION 7. City Council Approval. A certified copy of this resolution shall be furnished to the City Council of the City, together with a request for approval of the issuance of the Drainage System Bonds.



This resolution having been submitted to a vote, the vote thereon was as follows:

<u>Member</u>	<u>Yea</u>	<u>Nay</u>	<u>Absent</u>	<u>Abstaining</u>
Mitchell J. Landrieu	_____	_____	_____	_____
William Raymond Manning	_____	_____	_____	_____
Marion Bracy	_____	_____	_____	_____
Kerri Kane	_____	_____	_____	_____
Mark M. Moody	_____	_____	_____	_____
Glen Pilie	_____	_____	_____	_____
Florence Schornstein	_____	_____	_____	_____
Charles F. Webb	_____	_____	_____	_____
Beverly Wright, PhD	_____	_____	_____	_____
Loyce P. Wright	_____	_____	_____	_____

This resolution was declared adopted on the \_\_\_\_\_ day of February, 2014.

\* \* \* \* \*

STATE OF LOUISIANA

PARISH OF ORLEANS

I, the undersigned Executive Director of the Sewerage and Water Board of New Orleans ("S&WB"), do hereby certify that the foregoing pages constitute a true and correct copy of the proceedings taken by the S&WB on February 19, 2014, resolution authorizing the issuance of not exceeding One Hundred Million Dollars (\$100,000,000) of Drainage System Improvement and Refunding Bonds, Series 2014 of the City of New Orleans, Louisiana; fixing the details of said Bonds; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature and the impress of the official seal of the S&WB at New Orleans, Louisiana, on this 19th day of February, 2014.

Interim Executive Director

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Robert K. Miller



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

### Inter-Office Memorandum

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**Date:** February 12, 2014  
**From:** Brian A. Ferrara, Legal *BAF*  
**To:** Robert K. Miller, Interim Executive Director  
**Re:** CEA – City of New Orleans, Special Event Cleanup

For a number of years, the City of New Orleans has asked the Sewerage and Water Board to assist in cleanup efforts after special events. Just before each event, the Sewerage and Water Board and the City of New Orleans enter into a Cooperative Endeavor Agreement detailing the parameters of the agreement. The City of New Orleans has again approached the Sewerage and Water Board to assist in cleanup after Mardi Gras. Rather than limit the agreement to this event only, the City of New Orleans and the Sewerage and Water Board agreed to set the parameters for assistance in any event in 2014 that the City of New Orleans requests assistance.

The attached resolution authorizes the President Pro Tem to enter into an agreement that, when requested and if available, the Sewerage and Water Board will provide equipment and operators to the City of New Orleans. The City of New Orleans will reimburse the Sewerage and Water Board its costs, including an administrative fee.

Inasmuch as Mardi Gras is fast approaching, please place this item on the agenda for the Board Meeting on February 19, 2014.

DEPUTY SPECIAL COUNSEL

BAF:mkt  
Att.

cc: Anita Simmons  
Susan Higginbotham

**AUTHORIZATION TO EXECUTE A COOPERATIVE ENDEAVOR AGREEMENT WITH THE CITY OF NEW ORLEANS FOR THE SEWERAGE AND WATER BOARD OF NEW ORLEANS TO PROVIDE EQUIPMENT AND OPERATORS FOR SPECIAL EVENT CLEAN-UP**

**WHEREAS**, City of New Orleans periodically requests the Sewerage and Water Board of New Orleans provide assistance in meeting the demand for additional equipment and manpower in solid waste moving and transporting capacity during special events; and

**WHEREAS**, the cost for manpower, use of equipment, and fuel by Sewerage and Water Board of New Orleans, together with a general administrative fee should be paid by the City of New Orleans; and

**WHEREAS**, the parties wish to enter into a Cooperative Endeavor Agreement to memorialize the efforts undertaken by the Sewerage and Water Board of New Orleans and to facilitate the payment by the City of New Orleans for costs incurred by the Board;

**NOW THEREFORE, BE IT RESOLVED**, that the President Pro Tem, on behalf of the Sewerage and Water Board of New Orleans is hereby authorized to enter into a Cooperative Endeavor Agreement with the City of New Orleans to provide equipment and operators for special event clean-up.

---

I, Robert K. Miller, Interim Executive Director,  
Sewerage and Water Board of New Orleans, do hereby  
certify that the above and foregoing is a true and  
correct copy of a Resolution adopted at the Regular  
Monthly Meeting of said Board, duly called and held,  
according to law, on February 19, 2014.

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**ROBERT K. MILLER, INTERIM EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**Sewerage and Water Board**  
**Department of Emergency Management**  
*“Preparedness, Mitigation, Response, and Recovery”*

FEMA Project Update as of **1-28-14**

*This data was collected from E.M. Data and Louisiana.com on the above reference date*

Prepared by: Jason Higginbotham, CEM, LEM-P  
 Director of Emergency Management

**Hurricane Katrina**

<b>Estimated Project Cost</b>	<b>\$ 802,465,916.08</b>
<b>Obligated Amount</b>	<b>\$ 655,306,922.56</b>
Not Eligible PW <sup>1</sup>	\$ 10,896,751.08
Not Eligible Loan PW <sup>2</sup>	\$ 69,617,742.65
Insurance Deduction <sup>3</sup>	\$ 2,747,339.04
Version Request <sup>4</sup>	\$ 5,632,942.29
Loan/Advancement PW Version Request <sup>5</sup>	\$ 44,618,407.52
Appeal Amount <sup>6</sup>	\$ -
Close Out Reconciliation <sup>7</sup>	\$ 8,457,998.31
Submitted Project Cost	\$ 693,827,990.02
Awaiting Obligation <sup>8</sup>	\$ 5,177,812.63
Total Invoices in Progress at State	\$ 543,713.14
Total Paid by State (LAPA Data)	\$ 359,598,290.57
SPS HMGP Grant	\$ 20,082,538.00
Power Plant HMGP GRANT	\$ 141,175,000.00

<sup>1</sup> Represents the amount that will not result in payments by FEMA on non-100 Million Dollar P.W.'s.

<sup>2</sup> Represents the amount that will not result in payments by FEMA on 100 Million Dollar P.W.'s.

<sup>3</sup> National Flood Insurance deductions.

<sup>4</sup> Amount that FEMA is reviewing documentation to adjust scope of work or cost adjustments on non-100 Million Dollar P.W.'s.

<sup>5</sup> Amount that FEMA is reviewing documentation to adjust scope of work or cost adjustments on 100 Million Dollar P.W.'s. and GOHSEP Advancement Project Worksheets

<sup>6</sup> Amount that is currently under appeal or arbitration.

<sup>7</sup> Amount that will be reconciled when Project Worksheet's are closed out.

<sup>8</sup> Amount pending obligation in FEMA Million Dollar Queue or Funding Review Queue.

## **Hurricane Gustav**

**This data was collected from E.M. Data and Louisianapa.com**

Original ESTIMATED PROJECT COST	\$ 755,354.17
PROJECT SUBMITTED AMOUNT	\$ 755,354.17
NFIP Reduction	\$ -
OBLIGATED Amount	\$ 755,354.17
Amount Paid by State	\$ 312,309.26

## Hurricane Isaac

This data was collected from E.M. Data and Louisianapa.com

Site	Estimated	Insurance Claim	FEMA Claim	PW Amount
CAT B Emergency Labor/Equipment	\$ 1,217,743.75	\$ -	\$ 1,217,743.75	\$ 1,217,743.75
East Bank Waste Water Treatment Plant	\$ 873,596.00	\$ 367,636.00	\$ 505,960.00	\$ 324,593.84
West Bank Waste Water Treatment Plant	\$ 118,755.00	\$ 38,887.00	\$ 79,868.00	\$ 75,569.78
East Bank Water Plant	\$ 184,556.00	\$ 36,850.00	\$ 174,706.00	\$ 74,678.91
West bank Water Plant	\$ 2,269.74	\$ -	\$ 2,269.74	\$ 2,269.74
Sewer Pumping Stations/DPS	\$ 94,063.80	\$ -	\$ 94,377.90	\$ 94,377.90
Drainage Pumping Stations	\$ 9,533.00	\$ -	\$ 9,533.00	\$ 9,533.00
Central Yard	\$ 6,053.60	\$ -	\$ 6,053.60	\$ 6,053.60
<b>Total</b>	<b>\$ 2,506,570.89</b>	<b>\$ 443,373.00</b>	<b>\$ 2,090,511.99</b>	<b>\$ 1,804,820.52</b>

## KATRINA UPDATES

- **WLRP PM/SURVEY/A&E VERSION OBLIGATED \$58,294,007.88**  
**SEE BELOW BREAKDOWN**

Neighborhood	W/L Replacement PW	VERSION NUMBER	DATE OBLIGATED	Version for Permanent Paving /Contingency/ PM/Material Testing
Group 1	19846	3	01/21/14	\$10,883,916.56
Lakeview	20701	1	01/13/14	\$2,326,802.40
Lower Ninth Ward	20640	1	01/13/14	\$2,635,998.89
St Claude	20229	1	01/13/14	\$3,590,406.52
Lake Shore - Lake Vista	20228	1	11/29/13	\$3,919,836.36
Broadmoor	20531	1	12/20/13	\$894,768.22
Marlyville - Fountainbleu	20484	1	01/06/14	\$736,350.06
Filmore	20648	1	01/13/14	\$1,810,629.83
Holy Cross	20230	1	11/29/13	\$1,390,334.11
Dillard	20650	1	01/06/14	\$619,958.95
Treme-Lafitte	20233	1	11/25/13	-\$61,001.75
Freret	20666	1	01/06/14	\$422,290.95
Lakewood	20313	1	12/20/14	\$1,488,868.62
Read East-Venetian Isle	20348	1	01/06/14	\$390,844.83
Viavant	20737	1	12/27/13	\$224,653.02
Lower Garden District	20300	1	11/29/13	\$449,143.60
Milan	20647	2	12/27/13	\$244,056.41
West End	20649	1	01/13/14	\$1,584,791.11
Touro	20350	1	11/29/13	\$134,502.95
Central Business District	20234	1	01/13/14	\$3,930,339.40
St. Anthony	20486	1	11/21/13	\$3,230,056.40
St. Roch	20669	1	01/13/14	\$1,484,586.47
West Lake Forest	20515	1	11/29/13	\$283,831.97
Navarre	20347	1	01/06/14	\$676,617.16
Littlewoods	20530	2		\$1,599,853.05
Tulane - Gravier	20736	1	01/06/14	\$467,582.62
City Park	20527	1	11/29/13	\$282,261.04
French Quarter - Iberville	20232	1	01/13/14	\$1,225,862.81
Mid City	20738	1	01/06/14	\$347,346.22
Gentilly Woods	20663	1	12/20/13	\$647,374.90
St Bernard	20536	2	11/29/13	\$837,672.21



<b>Neighborhood</b>	<b>W/L Replacement PW</b>	<b>VERSION NUMBER</b>	<b>DATE OBLIGATED</b>	<b>Version for Permanent Paving /Contingency/ PM/Material Testing</b>
Lake Terrace - Lake Oaks	20646	1	01/13/14	\$1,980,796.04
Pines Village	20696	1	01/21/14	\$605,166.01
Seventh Ward	20303	1	11/29/13	\$839,752.67
Dixon	20690	1	01/06/14	\$272,902.54
Gentilly Terrace	20751	1	01/21/14	\$464,941.26
East Carrollton	20759	1	12/24/13	-\$10,628.13
Black Pearl	20693	1	01/06/14	\$135,555.92
Audubon-University	20679	1	01/13/14	\$1,035,659.88
Leonidas-West Carrollton	20769	1	01/21/14	\$425,936.59
Central City	20694	1	01/13/14	\$1,896,680.15
Desire	20659	1	01/13/14	\$1,063,333.62
Hollygrove	20752	1	01/21/14	\$255,740.91
Read Blvd West	20756	1	01/06/14	\$318,074.11
Uptown	20683	1	01/21/14	\$433,318.91
West Riverside	20667	1	01/21/14	\$85,765.37
Village D'Lest,	20692	1	01/06/14	\$626,223.39
Garden District	20750	1	12/24/13	-\$540,444.98
East Riverside	20730	1	01/06/14	\$27,024.34
Irish Channel	20660	1	01/06/14	\$174,226.40
Gert Town	20753	1	01/21/14	\$257,135.49
BW Cooper	20735	1	01/06/14	\$68,080.08
Fairgrounds	20740	1	01/06/14	\$371,944.26
Bayou St John	20658	1	01/06/14	\$406,140.21

Identified     \$     59,893,860.93  
Obligated     \$     58,294,007.88

**OFFICE OF GENERAL SUPERINTENDENT  
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**February 19, 2014**

To the Honorable President and members of the Sewerage and Water Board of New Orleans:  
Gentlemen:

The following report for the month of **January** presented herewith:

Contract 1337 – Lou -Con, Inc. – Sodium Hypochlorite Bulk Storage/Feed Facility at the Main Water Purification Plant. This work is 100% complete. (CP Item 135).

Contract 1350 – Industrial & Mechanical Contractors, Inc. – Katrina related repairs to Stream Turbine No. 4 & Auxiliaries at the Main Water Purification Plant Power Complex. This work is approximately 85% complete. (CP Item 175).

Contract 1351 – Lou -Con, Inc. – Repairs to A & B Pumps & Auxiliaries at the Main Water Purification Plant. This work is approximately 71% complete. (CP Item 175).

Contract 1352 – Industrial & Mechanical Contractors, Inc. – Katrina related replacements of Pump Package at the Main Water Purification Power Plant Complex. This work is approximately 95% complete. (CP Item 175).

Contract 1353 – Alfred Conhagen, Inc. – Katrina related repairs to replace boiler preheaters at the Main Water Purification Plant Power Complex. This work is approximately 82% complete. (CP Item 175).

Contract 1360 – Philadelphia Gear – Purchase of Gear Boxes for “G” Basin at the Main Water Purification Plant. This work is 100% complete. (CP Item 110).

Contract 2098 – Fleming Construction Co., LLC – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites throughout Orleans Parish. This work is approximately 93% complete. (CP Item 175).

Contract 2100 – Boh Brothers Construction Co., LLC – Water Main Point Repair, Water Service Connection, Water Valve & Fire Hydrant Replacement at Various Sites throughout Orleans Parish. This work is approximately 70% complete. (CP Item 175).

Contract 2101 – Wallace C. Drennan, Inc. – Water Main Point Repair, Water Service Connection, Water Valve & Fire Hydrant Replacement at Various Sites throughout Orleans Parish. This work is approximately 31% complete. (CP Item 175).

Contract 2103 – Boh Brothers Construction Co., LLC – Replacement of Water Lines damaged by Hurricane Katrina within portions of the Broadmoor, Lakeview, Milneburg, Read Boulevard East & the Lower Ninth Ward Neighborhoods. This work is approximately 25% complete. (CP Item 175).

Contract 3657 – Fleming Construction Co., LLC – Sewer Main Replacement from Manhole to Manhole & Water Main Replacement work in association with the City of New Orleans, Department of Public Works Submerged Road Program. This work is approximately 79% complete. (CP Item 175 & 375).

Contract 3661 – Cajun Contractors, Inc. – Modifications to East Bank Wastewater Treatment Plant Flood Protection System. This work is 97% complete. (CP Item 375).

Contract 3665 – TKT MJ, Inc. – Hurricane Katrina 404 Hazard Mitigation Grant Program Replacement of DOTD Sewage Lift Station. This work is 1% complete. (CP Item 340).

Contract 3667 – TKT MJ, Inc. – Hurricane Katrina 404 Hazard Mitigation Grant Program Replacement of Plum Orchard Sewage Lift Station. This work is 1% complete. (CP Item 340).

Contract 3674 – Boland Marine – Katrina related repairs to Sewage Pumping Stations 6 & 8. This work is 100% complete. (CP Item 375).

Contract 3675 – F.H. Paschen, S.N. Nielsen & Associates LLC - Katrina related replacement of the Administration Building at the East Bank Waste Water Treatment Plant. This work is 100% complete. (CP Item 375).

Contract 3691 – Boh Brothers Construction Co., LLC – Restoration of existing gravity sewer mains. This work is approximately 95% complete. (CP Item 375).

Contract 3692 – Fleming Construction Co., LLC – Restoration of existing gravity sewer mains. This work is approximately 98% complete. (CP Item 375).

Contract 3695 – Fleming Construction Co., LLC – Restoration of existing gravity sewer main damaged by Hurricane Katrina by excavation, replacement & CIPP. This work is approximately 87% complete. (CP Item 375).

Contract 3696 – Blue Flash Sewer Service, Inc. – Cleaning & CCTV Inspection of Sanitary Sewer Mains at Scattered Sites Within Orleans Parish. This work is approximately 59% complete. (CP Item 318).

Contract 3697 – BLD Services, LLC – Restoration of exiting gravity sewer main by excavation & replacement from manhole to manhole. This work is approximately 85% complete. (CP Item 375).

Contract 3698 – Wallace C. Drennan, Inc. – Restoration of existing gravity sewer main by excavation & replacement from manhole to manhole. This work is approximately 81% complete. (CP Item 317).

Contract 3781 – Commander Corporation – Central Wetlands Unit Wetlands Assimilation Project - Phase II. This work is approximately 98% complete. (CP Item 368).

Contract 3782 – Ferrate Treatment Technologies, LLC - Furnishing & installation of Ferrator Skid for the Central Wetlands Demonstration Project at the East Bank Sewage Treatment Plant. This work is approximately 65% complete. (CP Item 368).

Contract 5203 – F.H. Paschen, S.N. Nielsen & Associates LLC - DPS No. 14 Trash Screen & Cleaner Replacement. This work is approximately 99% complete. (CP Item 511).

Contract 5221 – Lou -Con, Inc. – Hurricane Katrina related repairs to Ponchartrain Drainage Underpass Pumping Station. This work is 59% complete. (CP Item 575).

Contract 5222 – Lou -Con, Inc. – Hurricane Katrina related repairs to Canal Boulevard Underpass Pumping Station. This work is 39% complete. (CP Item 575).

Contract 5223 – Lou -Con, Inc. – Hurricane Katrina related repairs to St. Bernard Avenue Drainage Underpass Pumping Station. This work is approximately 54% complete. (CP Item 575).

Contract 5226 – Lou -Con, Inc. – Hurricane Katrina related repairs to Franklin Avenue Drainage Underpass Pumping Station. This work is approximately 44% complete. (CP Item 575).

Contract 6243 – Hydro-Air, Inc. – Hurricane Katrina related repairs to the Cathodic Protection System Parish-Wide. This work is 100% complete. (CP Item 175).

Contract 8128 – Fleming Construction Co., LLC – Re-paving Open Cuts in Streets, Driveways, Sidewalks resulting from the repair to the Sewerage and Water Board of New Orleans Underground Utilities. This work is approximately 80% complete. (CP Item 175).

Contract 8133 – Ronald Franks Construction, LLC – Hurricane Katrina related repairs to Central Yard Administration Building. This work is 100% complete. (CP Item 375).

Contract 8136 – Courseault Construction, Inc. – Hurricane Katrina related Construction of Central Yard Site Relocation Facility. This work is approximately 89% complete. (CP Item 175).

Contract 8137 – Fleming Construction Co., LLC – Re-paving Open Cuts in Streets, Driveways, Sidewalks resulting from the repair to the Sewerage and Water Board of New Orleans Underground Utilities. This work is approximately 54% complete. (CP Item 175).

Contract 8139 – W.L. Wymann Construction Co., Inc. – Re-bid to replace the Central Yard Annex Building damaged during Hurricane Katrina. This work is approximately 96% complete. (CP Item 175).

Contract 8140 – MST Enterprises, LLC – Hurricane Katrina related repairs at the Carrollton Water Plant & Water Intake #1. This work is 100% complete. (CP Item 175).

Contract 30000 – Wallace C. Drennan, Inc – Restoration of existing Gravity Sewer Mains damaged by Hurricane Katrina by excavation & replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole & Point Repairs at various sites throughout Orleans Parish. This work is approximately 55% complete. (CP Item 375).

Contract 30002 – BLD Services, Inc – Restoration of existing Gravity Sewer Mains damaged by Hurricane Katrina by excavation & replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole & Point Repairs at various sites throughout Orleans Parish. This work is approximately 10% complete. (CP Item 375).

Contract 30003 – BLD Services, Inc – Restoration of existing Gravity Sewer Mains damaged by Hurricane Katrina by excavation & replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole & Point Repairs at various sites throughout Orleans Parish. This work is approximately 8% complete. (CP Item 375).

Contract 30004 – Fleming Construction Co., LLC – Restoration of existing Gravity Sewer Mains damaged by Hurricane Katrina by excavation & replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole & Point Repairs at various sites throughout Orleans Parish. This work is approximately 15% complete. (CP Item 375).

### **CURRENT EMERGENCY BID CONTRACTS**

#### **Repairs to Panola Street Station at the Main Water Purification Plant (ME11-0017)**

Bids were received on Friday, January 6, 2012.

Contractor:	Lou-Con, Inc.
Amount:	\$731,500.00
Pre-Construction Meeting:	Wednesday, January 11, 2012
% Complete:	91%

This project is partially FEMA funded; \$586,000.00 is eligible for FEMA reimbursement. The Notice to Proceed was issued on Tuesday, January 17, 2012.

#### **Reconstruction of the 54" Sewer Force Main on Florida Avenue between Spain Street and Music Street**

Bids were received on Friday, September 20, 2013.

Contractor:	Drennan Construction
Amount:	\$944,700.00
Pre-Construction Meeting:	Not confirmed; tentative Wednesday, October 2, 2013 or Thursday October 3, 2013
% Complete	98%

Notice to Proceed was issued on Thursday, September 26, 2013.

## PLUMBING DEPARTMENT

The Department issued **272** permits during the month of **January 2014** making a total of **166,787** sewer connection permits issued by the Plumbing Department through **January 2014**.

During the month of **January 2014**, this Department complied with **857** requests for Plumbing Inspections, issued **235** Final Inspections, and conducted **196** Special Inspections.

Special Inspections consist of inspections of grease trap installations where cross connections have been since the last previous inspection.

The number of permits and certificates issued by the Plumbing Department since **November** are as follows:

	<u>NOVEMBER</u>	<u>DECEMBER</u>	<u>JANUARY</u>
Sewer Permits Issued	3	7	8
Plumbing Permits Issued	342	304	272
Final Inspections Conducted	150	249	235

## RAINFALL FOR JANUARY 2014

The rainfall for the month of **January** was **2.72"** compared to the 120-year average for the month of **January** was **4.54"**. The cumulative rainfall through the First month of the year was **5.14"** compared to the 120-year average of **4.54"**.

## AVERAGE DAILY PUMPAGE FOR THE MONTH OF JANUARY

New Orleans Side  
Algiers Side

136.695 Million Gallons Per Day  
9.53 Million Gallons Per Day

Respectfully submitted,



**JOSEPH R. BECKER**  
**GENERAL SUPERINTENDENT**

JRB/zfg  
GENSUP%2-19-14

**SEWERAGE AND WATER BOARD OF NEW ORLEANS  
OFFICE OF SPECIAL COUNSEL**

**February 19, 2014**

**To the Honorable President and Members of the  
Sewerage and Water Board of New Orleans:**

The following represents Legal Department activities during the month of **January 2014**.

**CONTRACTS EXECUTED BEFORE SPECIAL COUNSEL:**

**MORTON SALT – Contract for Furnishing Sodium Chloride  
\$103,191.75**

**CIVIL SUITS FILED AGAINST BOARD:**

**New:**

**CASSANDRA JONES V. SEWERAGE & WATER BOARD OF NEW ORLEANS AND  
MARCIA ST. MARTIN, EXECUTIVE DIRECTOR OF SEWERAGE & WATER BOARD  
OF NEW ORLEANS, No. 2:13-cv-06288-HGB-DEK, United States District Court.**  
In this case, plaintiff sued seeking judgment due to alleged Title VII  
violations.

**ERIN MOREAU V. CARRIERE-STRUM, LLC AND THE McDONNELL GROUP, LLC,  
No. 12-08608, Civil District Court.** In this case, plaintiff sued seeking  
judgment for injuries allegedly sustained when she slipped and fell on  
water that was leaking from a work site on to the sidewalk controlled by  
the defendants in front of the Joy Theater on Canal Street on or about  
October 7, 2011. S&WB was brought in as a Third Party Defendant by  
defendants, Contaminant Control, Inc. and Nautilus Insurance Company.

**DERWIN RILEY V. SEWAGE AND WATER BOARD OF NEW ORLEANS, WILSON  
BLAKE AND JOHNNY WASHINGTON, No. 13-11970, Civil District Court.** In  
this case, plaintiff, a Board employee, sued seeking judgment for injuries  
allegedly sustained on the job as a result of an altercation with fellow  
employees, on or about August 29, 2013.

**SUZETTE M. STUEBBEN, INDIVIDUALLY AND ON BEHALF OF HER MINOR  
CHILDREN, VICTORIA STUEBBEN-ACOSTA AND FRANCESCA STUEBBEN-  
ACOSTA, No. 14-00171, Civil District Court.** In this case, plaintiffs sued  
seeking judgment for injuries and damages allegedly sustained when an



underground explosion propelled a manhole cover upwards into their vehicle, causing the vehicle to flip, on Filmore Avenue near its intersection with Music and Arts Streets, on or about April 9, 2013.

**IRENE SPENCER TAYLOR V. SEWERAGE AND WATER BOARD OF NEW ORLEANS, THE CITY OF NEW ORLEANS, ENTERGY CORPORATION, AND THEODORE KURZA, No. 14-00267, Civil District Court.** In this case, plaintiff sued seeking judgment for injuries allegedly sustained when she fell into an uncovered water meter hole in the 4100 block of Downman Road, on or about March 14, 2013.

**Terminated:**

**DELTA CONSOLIDATED, LLC V. COURSEAUT COMMERCIAL, INC., NEW ORLEANS SEWERAGE AND WATER BOARD, AND THE GUARANTEE COMPANY OF NORTH AMERICA, USA, No. 13-09776, Civil District Court.** In this case, suit was filed in connection with Contract No. 8136. The matter was resolved between the plaintiff and the primary defendant, Courseaut Commercial, Inc., with the Board making **no monetary contribution**. The file will be closed on that basis.

**DOLORES JAMES MILES, BRENDA McGOWAN, LEO DOLEY, ROSEMARY DENNIS, WIFE OF/AND WALTER DENNIS V. THE SEWERAGE AND WATER BOARD OF NEW ORLEANS, No. 04-1587, United States District Court.** In this case, plaintiffs sued seeking judgment for damages to properties at 3816-18 General Pershing, 3901 General Pershing, 3831 General Pershing, and 3821 General Taylor, allegedly sustained due to SELA activities. This matter was administratively closed without prejudice by the Court. Plaintiff failed to timely file a motion to reopen and, accordingly, this matter was dismissed, with the Board making **no monetary contribution**. The file will be closed on that basis.

**MARTHA ROBINS individual and on behalf of her minor daughter, CHELSI ROBERTSON V. SEWERAGE AND WATER BOARD OF NEW ORLEANS, JOHN SHIRES, DIRECTOR OF PUBLIC WORKS, THE CITY OF NEW ORELANS DEPARTMENT OF PUBLIC WORKS, BOH BROS. CONSTRUCTION CO., L.L.C., AND XYZ INSURANCE COMPANY, No. 05-06267, Civil District Court.** In this case, plaintiffs sued seeking judgment for injuries allegedly sustained when their vehicle hit slimy green standing water "that came from a broken water line" in the 5700 block of Florida Avenue, on or about May 7, 2004. A review of the file indicated no activity for a period of three (3) or more years. Accordingly, a Motion to Dismiss based on abandonment was filed and granted, dismissing the Board with **no monetary contribution**. The file will be closed on that basis.

**KAREN ROBINSON, THE ROBINSON GROUP, AND LANDSCAPES ETC. V. SEWERAGE AND WATER BOARD OF NEW ORLEANS, FLEMING CONSTRUCTION COMPANY, AND THE GRAY INSURANCE COMPANY, No. 11-05313, Civil District Court.** In this case, plaintiffs sued seeking judgment for injuries and damages allegedly sustained due to construction activities at or around 3000 Rabbits Street on or about May 19, 2010. This matter was settled with the Board making **no monetary contribution**. The file will be closed on that basis.

**STATE FARM MUTUAL AUTOMOBILE INSURANCE COMPANY as subrogee of/and RACHEL LYONS V. THE CITY OF NEW ORLEANS AND THE SEWERAGE AND WATER BOARD OF NEW ORLEANS, No. 12-00445, Civil District Court.** In this case, plaintiffs sued seeking judgment for damages and deductible in connection with damages allegedly sustained to insured's vehicle when it ran over a raised manhole cover on Orleans Avenue on or about January 29, 2011. This matter was amicably settled between the plaintiffs and the City and the Board was dismissed, with the Board making **no monetary contribution**. The file will be closed on that basis.

**DEBORAH JONES THOMAS, as provisional curator, on behalf of the interdict, ANTOINE W. THOMAS AND LEE A. THOMAS, JR. V. SEWERAGE & WAER BOARD OF NEW ORLEANS, No. 97-05998, Civil District Court.** In this case, plaintiffs sued seeking judgment for injuries allegedly sustained when vehicle hit large hole in the street on Third near its intersection with Prytania Street, on or about March 25, 1997. The Board paid **\$40,000** in 2009 as partial settlement of this matter; remainder of case was abandoned and dismissed with the Board making no further monetary contribution. The file will be closed on that basis.

**KRYSTILYNN WILLIAMS V. NEW ORLEANS SEWERAGE & WATER BOARD, CITY OF NEW ORLEANS, AND ABC INSURANCE COMPANY, No. 10-6156, Civil District Court.** In this case, plaintiff sued seeking judgment for injuries allegedly sustained when she slipped and fell on an uprooted manhole apparatus at or near 1731 Casa Calvo Street, on or about June 16, 2009. A review of the file indicated no activity for a period of three (3) or more years. Accordingly, a Motion to Dismiss based on abandonment was filed and granted, dismissing the Board with **no monetary contribution**. The file will be closed on that basis.

#### **CIVIL SUITS FILED BY BOARD:**

##### **New:**

**SEWERAGE AND WATER BOARD OF NEW ORLEANS V. LA. NATURAL GAS SERVICE, L.L.C. (LNGS) AND ALL-STAR ELECTRIC, INC., No. 14-00367, First City Court.** In this case, Board sued seeking reimbursement of **\$2,333.94**, costs expended in repair of water inlet service at or near No. 6 Grand Canyon Court, damaged by defendant on or about May 22, 2013.

**SEWERAGE AND WATER BOARD OF NEW ORLEANS V. LA. NATURAL GAS SERVICE, L.L.C., No. 14-00368, First City Court.** In this case, Board sued seeking reimbursement of **\$3,263.58**, costs expended in repair of Board facilities at 3658 Pin Oak Avenue, damaged by defendant on or about July 2, 2013.

**SEWERAGE AND WATER BOARD OF NEW ORLEANS V. LA. NATURAL GAS SERVICE, L.L.C., No. 14-00369, First City Court.** In this case, Board sued seeking reimbursement of **\$440.95**, costs expended in repair of Board facilities at 3636 Pin Oak Avenue, damaged by defendant on or about July 2, 2013.

**Respectfully submitted,**



**NOLAN P. LAMBERT  
SPECIAL COUNSEL**

**NPL:mkt**

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# Sewerage and Water Board of New Orleans

## Committee & Regular Board Meeting Schedule

### 2014 Calendar of Events

MONDAY	FEBRUARY 3, 2014	9:00 AM	OPERATIONS COMMITTEE
TUESDAY	FEBRUARY 4, 2014	9:00 AM	FINANCE COMMITTEE
WEDNESDAY	FEBRUARY 5, 2014	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	FEBRUARY 5, 2014	10:30 AM	PENSION COMMITTEE
FRIDAY	FEBRUARY 7, 2014	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	FEBRUARY 19, 2014	9:00 AM	REGULAR BOARD
WEDNESDAY	MARCH 5, 2014	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	MARCH 5, 2014	10:30 AM	PENSION COMMITTEE
MONDAY	MARCH 10, 2014	9:00 AM	OPERATIONS COMMITTEE
TUESDAY	MARCH 11, 2014	9:00 AM	FINANCE COMMITTEE
FRIDAY	MARCH 14, 2014	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	MARCH 19, 2014	9:00 AM	REGULAR BOARD
WEDNESDAY	APRIL 2, 2014	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	APRIL 2, 2014	10:30 AM	PENSION COMMITTEE
MONDAY	APRIL 7, 2014	9:00 AM	OPERATIONS COMMITTEE
TUESDAY	APRIL 8, 2014	9:00 AM	FINANCE COMMITTEE
FRIDAY	APRIL 11, 2014	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	APRIL 16, 2014	9:00 AM	REGULAR BOARD
MONDAY	MAY 5, 2014	9:00 AM	OPERATIONS COMMITTEE
TUESDAY	MAY 6, 2014	9:00 AM	FINANCE COMMITTEE
WEDNESDAY	MAY 7, 2014	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	MAY 7, 2014	10:30 AM	PENSION COMMITTEE
FRIDAY	MAY 9, 2014	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	MAY 21, 2014	9:00 AM	REGULAR BOARD
MONDAY	JUNE 2, 2014	9:00 AM	OPERATIONS COMMITTEE
TUESDAY	JUNE 3, 2014	9:00 AM	FINANCE COMMITTEE
WEDNESDAY	JUNE 4, 2014	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	JUNE 4, 2014	10:30 AM	PENSION COMMITTEE
FRIDAY	JUNE 6, 2014	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	JUNE 18, 2014	9:00 AM	REGULAR BOARD
WEDNESDAY	JULY 2, 2014	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	JULY 2, 2014	10:30 AM	PENSION COMMITTEE
MONDAY	JULY 7, 2014	9:00 AM	OPERATIONS COMMITTEE
TUESDAY	JULY 8, 2014	9:00 AM	FINANCE COMMITTEE
FRIDAY	JULY 11, 2014	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	JULY 16, 2014	9:00 AM	REGULAR BOARD

**NOTE: RECOMMENDATIONS:**

JANUARY – RESCHEDULED TO SECOND WEEK DUE TO NEW YEARS' HOLIDAY IN FIRST WEEK

MARCH – MOVED TO SECOND WEEK DUE TO HOW THE DAYS FALL DURING FIRST WEEK (**MARDI GRAS 3/4/14**)

APRIL - MOVED TO SECOND WEEK DUE TO HOW THE DAYS FALL DURING FIRST WEEK

JULY - MOVED TO SECOND WEEK DUE TO HOW THE DAYS FALL DURING FIRST WEEK



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

February 4, 2013

Finance Committee  
Sewerage and Water Board of New Orleans  
New Orleans, Louisiana

### **Re: Preliminary Unaudited Financial Results through December 2013**

Attached are the *Statement of Net Position and the Statement of Revenues, Expenses, and Changes in Net Position* with budget and prior year comparisons for the water, sewer, drainage and total systems through December 2013. Significant variances of prior year results are described below. The Variance Indicators for Financial Results and the Statement of Cash Flows through December 2013 are also attached.

There were three significant non-recurring journal entries posted during the December 2013 period:

- Correction of a prior-period journal entry write-down of amounts receivable from FEMA for reimbursement of storm damage reconstruction costs. The amount of the write-down was not changed, but the allocation between the water, sewer, and drainage systems was corrected.
- Correction of a prior-period journal cancellation of a portion of the Special Community Disaster Loan. The amount of the cancellation was not changed, but the allocation between the water, sewer, and drainage system was corrected.
- Cancellation of the remaining portion of the Special Community Disaster Loan.

These journal entries were reviewed with and approved by our auditors from Postlethwaite & Netterville.

### **Operating Revenues:**

**Water System Fund** (pages 7 and 8, line 5) for December of \$6,432,299 is \$519,839 or 8.8% more than budgeted and \$1,101,095 or 20.7% more than December 2012. December YTD operating revenues of \$67,952,629 is \$2,996,896 or 4.2% less than budgeted. December 2013 YTD operating revenue increased by \$4,312,901 or 6.8% more than December YTD 2012. YTD actual variances are due to the water rate increase offset by lower than anticipated billed consumption. YTD budget variances are due to lower than anticipated billed consumption.

**Sewer System Fund** (pages 13 and 14, line 5) for December of \$7,446,718 is \$651,824 or 9.6% more than budgeted and \$1,372,568 or 22.6% more than December 2012. December YTD operating revenues of \$79,592,127 is \$1,946,597 or 2.4% less than budgeted. December 2013 YTD operating revenues increased by \$7,572,873 or 10.5% more than December YTD 2012. YTD actual variances are due to the sewer rate increase offset by lower than anticipated billed consumption. YTD budget variances are due to lower than anticipated billed consumption.

**Drainage System Fund** (pages 19 and 20, line 5) for December of \$400 is \$400 or 0.0% budgeted and \$146 or 57.5% more than December 2012. December YTD operating revenues of \$791,596 is \$791,596 or 0.0% budgeted. December 2013 YTD operating revenues increased by \$36,010 or 4.8% more than December YTD 2012.

**Total System Funds** (pages 1 and 2, line 5) for December of \$13,879,417 are \$1,172,063 or 9.2% more than budgeted and \$2,473,809 or 21.7% more than December 2012. December YTD operating revenues of \$148,336,352 is \$4,151,897 or 2.7% less than budgeted. December 2013 YTD operating



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

revenues increased by \$11,921,784 or 8.7% more than December YTD 2012.

### Operating Expenses:

**Water System Fund** (pages 7 and 8, line 18) for December of \$6,949,446 is \$393,272 or 5.4% less than budgeted and \$429,134 or 5.8% less than December 2012. December YTD operating expenses of \$76,055,682 is \$12,056,939 or 13.7% less than budgeted. December 2013 YTD operating expenses increased by \$588,468 or 0.8% more than December YTD 2012. YTD budget variances are due to lower than anticipated expenses in nearly all expense categories offset by higher than anticipated payroll related and doubtful accounts expenses. YTD actual variances are due to higher maintenance of general plant expenses offset by lower transmission & distribution and doubtful account expenses.

**Sewer System Fund** (pages 13 and 14, line 18) for December of \$ 5,228,877 is \$370,404 or 7.6% more than budgeted and \$13,953 or 0.3% more than December 2012. December YTD operating expenses of \$57,965,202 is \$336,474 or 0.6% less than budgeted. December 2013 YTD operating expenses increased by \$1,443,761 or 2.6% more than December YTD 2012. YTD budget variances are due to lower than anticipated expenses in nearly all expense categories offset by higher than anticipated depreciation, maintenance of general plant and payroll related expenses. YTD actual variances are due to higher expenses in nearly all expense categories partially offset by lower treatment and doubtful account expenses.

**Drainage System Fund** (pages 19 and 20, line 18) for December of \$3,666,353 is \$258,382 or 6.6% less than budgeted and \$734,395 or 16.7% less than December 2012. December YTD operating expenses of \$44,477,404 is \$2,619,415 or 5.6% less than budgeted. December 2013 YTD operating expenses increased by \$1,195,345 or 2.8% more than December YTD 2012. YTD budget variances are due to lower than anticipated expenses in nearly all expense categories offset by higher than anticipated depreciation and transmission & distribution expenses. YTD actual variances are due to higher expenses in nearly all expense categories.

**Total System Funds** (pages 1 and 2, line 18) for December of \$15,844,676 are \$281,250 or 1.7% less than budgeted and \$1,149,576 or 6.8% less than December 2012. December YTD operating expenses of 178,498,288 is \$15,012,828 or 7.8% less than budgeted. December 2013 YTD operating expenses increased by \$3,227,574 or 1.8% more than December YTD 2012.

### Net Non-Operating Revenues:

**Water System Fund** (pages 7 and 8, line 28) for December of \$30,080,598 is \$29,322,411 or 3867.4% more than budgeted and \$29,714,429 or 8114.9% more than December 2012. December YTD net non-operating revenues of \$33,709,283 are \$24,611,039 or 270.5% more than budgeted. December 2013 YTD net non-operating revenues increased by \$23,906,499 or 243.9% more than December YTD 2012. MTD and YTD actual variance is due to cancellation of the remainder of the Special Community Disaster Loan.

**Sewer System Fund** (pages 13 and 14, line 28) for December of \$179,022 is \$302,208 or 62.8% less than budgeted and \$158,602 or 776.7% more than December 2012. December YTD net non-operating revenues of \$414,340 are \$5,360,417 or 92.8% less than budgeted. December 2013 YTD net non-operating revenues increased by \$263,277 or 174.3% more than December YTD 2012. YTD budget variance is due to delays in receipt of operating and maintenance grants.

**Drainage System Fund** (pages 19 and 20, line 28) for December of \$100,104 is \$111,312 or 52.7% less than budgeted and \$94,415 or 1659.6% more than December 2012. December YTD net non-operating revenues of \$46,064,398 are \$1,547,411 or 3.5% more than budgeted. December 2013



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

YTD net non-operating revenues increased by \$3,073,456 or 7.1% more than December YTD 2012. Drainage system tax receipts occur during the first quarter of each year, with smaller residual amounts received during the remainder of the year.

**Total System Funds** (pages 1 and 2, line 28) for December of \$30,359,724 is \$28,908,891 or 1992.6% more than budgeted and \$29,967,446 or 7639.3% more than December 2012. December YTD net non-operating revenues of \$80,188,021 are \$20,798,033 or 35.0% more than budgeted. December 2013 YTD net non-operating revenues increased by \$27,243,232 or 51.5% more than December YTD 2012.

### **Income Before Contributions in Aid of Construction:**

**Water System Fund** (pages 7 and 8, line 29) for December of \$29,563,451 is \$30,235,522 or 4498.9% more than budgeted and \$31,244,658 or 1858.5% more than December 2012. December YTD net income of \$25,606,230 is \$33,671,082 or 417.5% more than budgeted. December 2013 YTD income before contributions in aid of construction increased by \$27,630,932 or 1364.7% more than December YTD 2012.

**Sewer System Fund** (pages 13 and 14, line 29) for December of \$2,396,863 is \$20,787 or 0.9% less than budgeted and \$1,517,217 or 172.5% more than December 2012. December YTD net income of \$22,041,265 is \$6,970,540 or 24.0% less than budgeted. December 2013 YTD income before contributions in aid of construction increased by \$6,392,389 or 40.8% more than December YTD 2012.

**Drainage System Fund** (pages 19 and 20, line 29) for December of -\$3,565,849 is \$147,470 or 4.0% more than budgeted and \$828,956 or 18.9% more than December 2012. December YTD net income of \$2,378,590 is \$4,958,422 or 192.2% more than budgeted. December 2013 YTD income before contributions in aid of construction increased by \$1,914,121 or 412.1% more than December YTD 2012.

**Total System Funds** (pages 1 and 2, line 29) for December of \$28,394,464 is \$30,362,204 or 1543.0% more than budgeted and \$33,590,830 or 646.4% more than December 2012. December YTD net income of \$50,026,085 is \$31,658,964 or 172.4% more than budgeted. December 2013 YTD income before contributions in aid of construction increased by income before contributions in aid of construction \$35,937,442 or 255.1% more than December YTD 2012.

**Certification.** In connection with the accompanying monthly financial report of the Sewerage and Water Board of New Orleans for the period ended December 31, 2013, I hereby certify that, to my knowledge, the information contained in the report fairly presents, in all material respects, the financial condition and results of the Board.

Robert K. Miller  
Deputy Director



**Sewerage and Water Board of New Orleans**  
**Comparative Variance Indicators for Financial Results**  
**Through December 2013**

<b>Statement of Revenues, Expenses, and Changes in Net Position with Prior Year Comparisons</b>	<b>Total</b>	<b>Water</b>	<b>Sewer</b>	<b>Drainage</b>
Revenues	Green	Green	Green	Green
Operating Expenses	Yellow	Yellow	Yellow	Yellow
Non-Operating Revenues and Expenses	Green	Green	Green	Green
Income before Capital Contributions	Green	Green	Green	Green
<b>Statement of Revenues, Expenses, and Changes in Net Position with Budget Comparisons</b>	<b>Total</b>	<b>Water</b>	<b>Sewer</b>	<b>Drainage</b>
Revenues	Yellow	Yellow	Yellow	Green
Operating Expenses	Green	Green	Green	Green
Non-Operating Revenues and Expenses	Green	Green	Yellow	Green
Income before Capital Contributions	Green	Green	Yellow	Green
<b>Statement of Net Position with Prior Year Comparisons</b>	<b>Total</b>	<b>Water</b>	<b>Sewer</b>	<b>Drainage</b>
Plant, Property, and Equipment	Green	Green	Green	Green
Restricted Assets	Yellow	Yellow	Yellow	Green
Current Assets	Yellow	Yellow	Yellow	Yellow
Other Assets	Yellow	Yellow	Yellow	Yellow
Net Position	Green	Green	Green	Green
Long-Term Liabilities	Yellow	Green	Yellow	Yellow
Current Liabilities from Current Assets	Green	Green	Green	Green
Current Liabilities from Restricted Assets	Yellow	Yellow	Yellow	Yellow
<b>Statement of Cash Flows with Prior Year Comparisons</b>	<b>Total</b>	<b>Water</b>	<b>Sewer</b>	<b>Drainage</b>
Operating Activities	Green	Green	Yellow	Green
Non-Capital Financing Activities	Green	Green	Green	Green
Capital and Related Financing Activities	Yellow	Yellow	Yellow	Yellow
Investing Activities	Green	Green	Green	Green
\Net Increase in Cash	Green	Green	Yellow	Green

Green = Favorable Variance

Yellow = Unfavorable Variance / No Action Recommended

Red = Unfavorable Variance / Action Recommended



SEWERAGE AND WATER BOARD OF NEW ORLEANS  
ALL SYSTEM FUNDS  
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION  
WITH PRIOR YEAR COMPARISONS  
December 2013

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Prior Year	MTD Variance	%	YTD Actual	YTD Prior Year	YTD Variance	%
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	6,110,437	5,087,216	1,023,221	20.1%	64,398,609	60,256,304	4,142,305	6.9%
2 Sewerage service charges	7,266,569	6,037,011	1,229,558	20.4%	78,535,784	71,407,835	7,127,949	10.0%
3 Plumbing inspection and license fees	72,654	46,818	25,836	55.2%	643,034	687,804	(44,770)	-6.5%
4 Other revenues	429,757	234,563	195,194	83.2%	4,738,925	4,062,625	696,300	17.1%
5 Total operating revenues	13,879,417	11,405,608	2,473,809	21.7%	148,336,352	136,414,568	11,921,784	8.7%
<b>Operating Expenses:</b>								
6 Power and pumping	1,196,485	1,887,059	(690,574)	-36.6%	12,148,866	11,576,957	571,909	4.9%
7 Treatment	1,819,442	1,644,752	174,690	10.6%	17,927,500	18,231,826	(304,326)	-1.7%
8 Transmission and distribution	2,380,157	2,005,897	374,260	18.7%	22,486,848	24,684,488	(2,197,640)	-8.9%
9 Customer accounts	382,647	374,591	8,056	2.2%	3,420,159	3,329,699	90,460	2.7%
10 Customer service	417,958	395,584	22,374	5.7%	3,454,746	3,323,001	131,745	4.0%
11 Administration and general	2,015,007	1,754,771	260,236	14.8%	17,550,010	16,092,758	1,457,252	9.1%
12 Payroll related	1,759,499	2,462,493	(702,994)	-28.5%	34,342,995	34,833,212	(490,217)	-1.4%
13 Maintenance of general plant	2,312,432	2,875,923	(563,491)	-19.6%	26,076,011	21,910,214	4,165,797	19.0%
14 Depreciation	3,028,355	2,914,761	113,594	3.9%	36,340,280	34,893,839	1,446,441	4.1%
15 Amortization	13,830	14,044	(214)	-1.5%	165,971	168,538	(2,567)	-1.5%
16 Provision for doubtful accounts	205,233	370,543	(165,310)	-44.6%	2,462,800	4,446,523	(1,983,723)	-44.6%
17 Provision for claims	313,631	293,834	19,797	6.7%	2,122,102	1,779,659	342,443	19.2%
18 Total operating expenses	15,844,676	16,994,252	(1,149,576)	-6.8%	178,498,288	175,270,714	3,227,574	1.8%
19 Operating income (loss)	(1,965,259)	(5,588,644)	3,623,385	-64.8%	(30,161,936)	(38,856,146)	8,694,210	-22.4%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	26,227	-	26,227	0.0%	13,037,921	12,163,729	874,192	7.2%
22 Six-mill tax	26,510	-	26,510	0.0%	13,177,676	12,294,162	883,514	7.2%
23 Nine-mill tax	39,737	-	39,737	0.0%	19,752,737	18,428,395	1,324,342	7.2%
24 Interest income	41,280	35,220	6,060	17.2%	220,917	246,820	(25,903)	-10.5%
25 Other Income	283,796	-	283,796	0.0%	494,105	122,441	371,664	303.5%
26 Interest expense	(119,193)	-	(119,193)	0.0%	(484,856)	(552,031)	67,175	-12.2%
27 Operating and maintenance grants	30,061,367	357,058	29,704,309	8319.2%	33,989,521	10,241,273	23,748,248	231.9%
28 Total non-operating revenues	30,359,724	392,278	29,967,446	7639.3%	80,188,021	52,944,789	27,243,232	51.5%
29 Income before capital contributions	28,394,464	(5,196,366)	33,590,830	-646.4%	50,026,085	14,088,643	35,937,442	255.1%
30 Capital contributions	(4,080,449)	4,013,750	(8,094,199)	-201.7%	81,910,491	78,885,426	3,025,065	3.8%
31 Change in net position	24,314,015	(1,182,616)	25,496,631	-2156.0%	131,936,576	92,974,069	38,962,507	41.9%
32 Net position, beginning of year					1,600,612,552	1,497,186,349	103,426,203	6.9%
33 Net position, end of year					1,732,549,128	1,590,160,418	142,388,710	9.0%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
ALL SYSTEM FUNDS  
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION  
WITH BUDGET COMPARISONS  
December 2013

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
Operating revenues:								
1 Sales of water and delinquent fees	6,110,437	5,511,772	598,665	10.9%	64,398,609	66,141,268	(1,742,659)	-2.6%
2 Sewerage service charges	7,266,569	6,696,601	569,968	8.5%	78,535,784	80,359,215	(1,823,431)	-2.3%
3 Plumbing inspection and license fees	72,654	63,173	9,481	15.0%	643,034	758,072	(115,038)	-15.2%
4 Other revenues	429,757	435,808	(6,051)	-1.4%	4,758,925	5,229,694	(470,769)	-9.0%
5 Total operating revenues	13,879,417	12,707,354	1,172,063	9.2%	148,336,352	152,488,249	(4,151,897)	-2.7%
Operating Expenses:								
6 Power and pumping	1,196,485	1,198,931	(2,446)	-0.2%	12,148,866	14,387,170	(2,238,304)	-15.6%
7 Treatment	1,819,442	1,845,533	(26,091)	-1.4%	17,927,500	22,146,394	(4,218,894)	-19.1%
8 Transmission and distribution	2,380,157	2,710,437	(330,280)	-12.2%	22,486,848	32,525,247	(10,038,399)	-30.9%
9 Customer accounts	382,647	376,383	6,264	1.7%	3,420,159	4,516,597	(1,096,438)	-24.3%
10 Customer service	417,958	388,830	29,128	7.5%	3,454,746	4,665,965	(1,211,219)	-26.0%
11 Administration and general	2,015,007	1,960,119	54,888	2.8%	17,550,010	23,521,426	(5,971,416)	-25.4%
12 Payroll related	1,759,499	2,429,436	(669,937)	-27.6%	34,342,995	29,153,229	5,189,766	17.8%
13 Maintenance of general plant	2,312,432	2,480,328	(167,896)	-6.8%	26,076,011	29,763,940	(3,687,929)	-12.4%
14 Depreciation	3,028,355	2,474,307	554,048	22.4%	36,340,280	29,691,679	6,648,601	22.4%
15 Amortization	13,830	-	13,830	0.0%	165,971	-	165,971	0.0%
16 Provision for doubtful accounts	205,233	-	205,233	0.0%	2,462,800	-	2,462,800	0.0%
17 Provision for claims	313,631	261,622	52,009	19.9%	2,122,102	3,139,469	(1,017,367)	-32.4%
18 Total operating expenses	15,844,676	16,125,926	(281,250)	-1.7%	178,498,288	193,511,116	(15,012,828)	-7.8%
19 Operating income (loss)	(1,965,259)	(3,418,572)	1,453,313	-42.5%	(30,161,936)	(41,022,867)	10,860,931	-26.5%
Non-operating revenues (expense):								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	26,227	-	26,227	0.0%	13,037,921	11,906,683	1,131,238	9.5%
22 Six-mill tax	26,510	-	26,510	0.0%	13,177,676	12,034,437	1,143,239	9.5%
23 Nine-mill tax	39,737	-	39,737	0.0%	19,752,737	18,038,880	1,713,857	9.5%
24 Interest income	41,280	10,917	30,363	278.1%	220,917	131,000	89,917	68.6%
25 Other Income	283,796	179,251	104,545	58.3%	494,105	2,151,007	(1,656,902)	-77.0%
26 Interest expense	(119,193)	(73,670)	(45,523)	61.8%	(484,856)	(884,040)	399,184	-45.2%
27 Operating and maintenance grants	30,061,367	1,334,335	28,727,032	2152.9%	33,989,521	16,012,021	17,977,500	112.3%
28 Total non-operating revenues	30,359,724	1,450,832	28,908,891	1992.6%	80,188,021	59,389,988	20,798,033	35.0%
29 Income before capital contributions	28,394,464	(1,967,740)	30,362,204	-1543.0%	50,026,085	18,367,121	31,658,964	172.4%
30 Capital contributions	(4,080,449)	-	(4,080,449)	0.0%	81,910,491	-	81,910,491	0.0%
31 Change in net position	24,314,015	(1,967,740)	26,281,755	-1335.6%	131,936,576	18,367,121	113,569,455	618.3%
32 Net position, beginning of year					1,600,612,552	1,497,186,349	103,426,203	6.9%
33 Net position, end of year					1,732,549,128	1,494,606,517	237,942,611	15.9%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
ALL SYSTEM FUNDS  
STATEMENTS OF NET POSITION  
WITH PRIOR YEAR AND BEGINNING OF YEAR COMPARISONS  
December 2013

ASSETS	A	B	C	D	E	F	G
	Prior Year	Variance	%	Current Year	Variance	%	Beginning of Year
1 Property, plant and equipment	2,618,925,923	195,313,297	7.5%	2,814,239,220	102,784,943	3.8%	2,711,454,277
2 Less: accumulated depreciation	740,728,019	38,534,619	5.2%	779,262,638	36,340,284	4.9%	742,922,354
3 Property, plant, and equipment, net	1,878,197,904	156,778,678	8.3%	2,034,976,582	66,444,659	3.4%	1,968,531,923
Current assets:							
Restricted current assets:							
4 Capital Projects	6,855,377	(1,220,061)	-17.8%	5,635,316	1,157,423	25.8%	4,477,893
5 Construction funds	603,624	(414,114)	-68.6%	189,510	(129,932)	-40.7%	319,442
6 Debt service reserve	69,025,631	616,516	0.9%	69,642,147	34,455,264	97.9%	35,186,883
7 Health insurance reserve	2,093,499	120,999	5.8%	2,214,498	120,999	5.8%	2,093,499
8 Total restricted current assets	78,578,131	(896,660)	-1.1%	77,681,471	35,603,754	84.6%	42,077,717
Unrestricted current assets:							
9 Cash	18,585,084	15,754,262	84.8%	34,339,346	21,871,727	175.4%	12,467,619
Cash Equivalents:							
10 Capital Projects	49,610,997	(9,782,500)	-19.7%	39,828,497	(17,049,485)	-30.0%	56,877,982
11 Customer deposits	9,493,967	613,339	6.5%	10,107,306	614,318	6.5%	9,492,988
12 Total cash and cash equivalents	77,690,048	6,585,101	8.5%	84,275,149	5,436,560	6.9%	78,838,589
Accounts receivable:							
13 Customers (net of allowance for doubtful accounts)	11,752,459	1,473,535	12.5%	13,225,994	(329,077)	-2.4%	13,555,071
14 Taxes	6,698,357	933,850	13.9%	7,632,207	(100,245)	-1.3%	7,732,452
15 Interest	115	-	0.0%	115	-	0.0%	115
16 Grants	62,184,635	(42,712,761)	-68.7%	19,471,874	(3,516,449)	-15.3%	22,988,323
17 Miscellaneous	3,262,660	(170,820)	-5.2%	3,091,840	454,797	17.2%	2,637,043
18 Due from enterprise fund	0	-	0.0%	0	-	0.0%	0
19 Inventory of supplies	8,024,117	(325,791)	-4.1%	7,698,326	(1)	0.0%	7,698,327
20 Prepaid expenses	714,995	36,111	5.1%	751,106	-	0.0%	751,106
21 Total unrestricted current assets	170,327,386	(118,455,924)	-69.5%	51,871,462	(82,329,564)	-61.3%	134,201,026
Other assets:							
22 Bond issue costs	1,767,800	(164,883)	-9.3%	1,602,917	(165,003)	-9.3%	1,767,920
23 Deposits	51,315	-	0.0%	51,315	-	0.0%	51,315
24 Total other assets	1,819,115	(164,883)	-9.1%	1,654,232	(165,003)	-9.1%	1,819,235
25 TOTAL ASSETS	2,128,922,536	121,536,360	5.7%	2,250,458,896	103,828,995	4.8%	2,146,629,901

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**ALL SYSTEM FUNDS**

**STATEMENTS OF NET POSITION**  
**WITH PRIOR YEAR COMPARISONS**

December 2013

	A	B	C	D	E	F	G
	Prior Year	Variance	%	Current Year	Variance	%	Beginning of Year
<b>NET ASSETS AND LIABILITIES</b>							
Net position							
1 Net investments in capital assets	1,662,879,808	164,464,844	9.9%	1,827,344,652	64,954,829	3.7%	1,762,389,823
2 Restricted for Debt Service	66,490,642	756,098	1.1%	67,246,740	32,059,857	91.1%	35,186,883
3 Unrestricted	(139,210,032)	(22,832,232)	16.4%	(162,042,264)	34,921,879	-17.7%	(196,964,143)
4 Total net position	1,590,160,418	142,388,710	9.0%	1,732,549,128	131,936,565	8.2%	1,600,612,563
Long-term liabilities							
5 Claims payable	2,861,441	(627,366)	-21.9%	2,234,075	-	0.0%	2,234,075
6 Net pension obligation	10,665,998	3,531,810	33.1%	14,197,808	3,073,918	27.6%	11,123,890
7 Other postretirement benefits liability	48,957,683	6,616,077	13.5%	55,573,760	7,501,557	15.6%	48,072,203
8 Bonds payable (net of current maturities)	206,632,870	(16,193,430)	-7.8%	190,439,440	1,359,898	0.7%	189,079,542
9 Special Community Disaster Loan Payable	25,166,747	(25,166,747)	-100.0%	0	(25,576,512)	-100.0%	25,576,512
10 Southeast Louisiana Project liability	0	14,231,768	0.0%	14,231,768	-	0.0%	14,231,768
11 Debt Service Assistance Fund Loan payable	77,460,393	(17,607,888)	-22.7%	69,917,539	-	0.0%	69,917,539
12 Disaster Reimbursement Revolving Loan	31,879,195	39,263,735	123.2%	71,142,930	4,832,164	7.3%	66,310,766
13 Total long-term liabilities	403,624,327	(25,150,742)	-6.2%	417,737,320	(12,808,975)	-3.0%	430,546,295
Current liabilities (payable from current assets)							
14 Accounts payable and other liabilities	19,956,689	661,234	3.3%	20,617,923	(16,243,827)	-44.1%	36,861,750
15 Due to City of New Orleans	275,296	176,769	64.2%	452,065	291,972	182.4%	160,093
16 Disaster Reimbursement Revolving Loan	53,396,414	(38,472,085)	-72.0%	14,924,329	(4,040,514)	-21.3%	18,964,843
17 Retainers and estimates payable	4,015,539	2,373,575	59.1%	6,389,114	3,548,612	124.9%	2,840,502
18 Due to other fund	127,135	(49,122)	-38.6%	78,013	-	0.0%	78,013
19 Accrued salaries, vacation and sick pay	11,862,085	144,923	1.2%	12,007,008	403,711	3.5%	11,603,297
20 Claims payable	12,040,040	(1,062,931)	-8.8%	10,977,109	-	0.0%	10,977,109
21 Debt Service Assistance Fund Loan payable	0	4,013,957	0.0%	4,013,957	154,529	4.0%	3,859,428
22 Other Liabilities	4,653,578	(4,422,280)	-95.0%	231,298	88,167	61.6%	143,131
23 Customer deposits	9,493,967	613,339	6.5%	10,107,306	614,318	6.5%	9,492,988
24 Total current liabilities (payable from current assets)	115,820,743	(36,635,960)	-31.6%	79,798,122	(15,183,032)	-16.0%	94,981,154
Current liabilities (payable from restricted assets)							
25 Accrued interest	2,534,988	(139,582)	-5.5%	2,395,406	-	0.0%	2,395,406
26 Bonds payable	16,149,000	1,233,000	7.6%	17,382,000	-	0.0%	17,382,000
27 Retainers and estimates payable	633,060	(36,140)	-5.7%	596,920	(115,563)	-16.2%	712,483
28 Total current liabilities (payable from restricted assets)	19,317,048	1,057,278	5.5%	20,374,326	(115,563)	-0.6%	20,489,889
29 Total current liabilities	19,317,048	1,057,278	5.5%	20,374,326	(115,563)	-0.6%	20,489,889
30 Total liabilities	538,762,118	(16,550,610)	-3.1%	517,909,768	(28,107,570)	-5.1%	546,017,338
31 TOTAL NET POSITION AND LIABILITIES	2,128,922,536	125,838,100	5.9%	2,250,438,896	103,828,995	4.8%	2,146,629,901

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
ALL SYSTEM FUNDS  
STATEMENTS OF CASH FLOWS  
December 2013

	A	B	C	D
	YTD	YTD	YTD	%
	Current Year	Prior Year	Variance	
Cash flows from operating activities				
1 Cash received from customers	141,735,676	128,796,598	12,939,078	10.0%
2 Cash payments to suppliers for goods and services	(75,208,469)	(85,455,938)	10,247,469	-12.0%
3 Cash payments to employees for services	(57,663,180)	(55,057,185)	(2,605,995)	4.7%
4 Other revenue	4,304,128	3,507,895	796,233	22.7%
5 Net cash used in operating activities	13,168,155	(8,208,630)	21,376,785	-260.4%
Cash flows from noncapital financing activities				
6 Proceeds from property taxes	46,462,439	43,008,727	3,453,712	8.0%
7 Proceeds from federal operating and maintenance grants	33,989,521	10,241,273	23,748,248	231.9%
8 Cash received paid to an other government	-	-	-	0.0%
9 Net cash provided by noncapital financing activities	80,451,960	53,250,000	27,201,960	51.1%
Cash flows from capital and related financing activities				
10 Acquisition and construction of capital assets	(115,595,717)	(98,295,107)	(17,300,610)	17.6%
11 Principal payments on bonds payable	1,037,506	7,953,069	(6,915,563)	-87.0%
12 Proceeds from bonds payable	-	-	-	0.0%
13 Payments for bond issuance costs	-	-	-	0.0%
14 Interest paid on bonds payable	(484,856)	(552,031)	67,175	-12.2%
15 Proceeds from construction fund, net	(13,461,351)	17,381,452	(30,842,803)	-177.4%
16 Capital contributed by developers and federal grants	84,999,813	43,273,750	41,726,063	96.4%
17 Net cash used in capital and related financing activities	(43,504,605)	(30,238,867)	(13,265,738)	43.9%
Cash flows from investing activities				
18 Payments for purchase of investments	-	-	-	
19 Proceeds from maturities of investments	(14,035,504)	(26,451,642)	12,416,138	-46.9%
20 Investment income	220,917	246,820	(25,903)	-10.5%
21 Net cash provided by investing activities	(13,814,587)	(26,204,822)	12,390,235	-47.3%
22 Net increase in cash	36,300,923	(11,402,319)	47,703,242	-418.4%
23 Cash at the beginning of the year	53,609,542	84,359,178	(30,749,636)	-36.5%
24 Cash at the end of the period	89,910,465	72,956,859	16,953,606	23.2%
Reconciliation of cash and restricted cash				
25 Current assets - cash	84,275,149	14,725,648	69,549,501	472.3%
26 Restricted assets -cash	5,635,316	58,231,211	(52,595,895)	-90.3%
27 Total cash	89,910,465	72,956,859	16,953,606	23.2%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
ALL SYSTEM FUNDS  
STATEMENTS OF CASH FLOWS  
December 2013

	A	B	C	D
	YTD	YTD	YTD	%
	Current Year	Prior Year	Variance	
Reconciliation of operating loss to net cash used in operating activities is as follows:				
Operating loss	(30,161,936)	(38,856,146)	8,694,210	-22.4%
Adjustments to reconcile net operating loss to net cash used in operating activities:				
Depreciation	36,340,280	34,893,839	1,446,441	4.1%
Provision for claims	2,122,102	1,779,659	342,443	19.2%
Provision for (revision) doubtful accounts	2,462,800	4,446,523	(1,983,723)	-44.8%
Amortization	165,971	168,538	(2,567)	-1.5%
Change in operating assets and liabilities:				
(Increase) decrease in customer and other receivables	(2,133,723)	(3,723,199)	1,589,476	-42.7%
Increase in inventory	1	-	1	0.0%
Increase (decrease) in prepaid expenses and other receivables	(454,797)	(548,075)	93,278	-17.0%
Decrease in net pension asset	-	-	-	0.0%
Increase (decrease) in accounts payable	-	(15,986,617)	15,986,617	-100.0%
Increase (decrease) in accrued salaries, due to pension and accrued vacation and sick pay	403,711	340,906	62,805	0.0%
Increase in net other postretirement benefits liability	7,501,557	8,175,729	(674,172)	18.4%
Increase (decrease) in net pension obligation	3,073,918	1,777,666	1,296,252	-8.2%
Decrease in other liabilities	(6,151,729)	(677,453)	(5,474,276)	72.9%
				808.1%
Net cash used in operating activities	13,168,155	(8,208,630)	21,376,785	-260.4%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
WATER SYSTEM FUND  
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION  
WITH PRIOR YEAR COMPARISONS  
December 2013

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Prior Year	MTD Variance	%	YTD Actual	YTD Prior Year	YTD Variance	%
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	6,110,437	5,087,216	1,023,221	20.1%	64,398,609	60,256,304	4,142,305	6.9%
2 Sewerage service charges	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	36,327	23,409	12,918	55.2%	321,517	343,902	(22,385)	-6.5%
4 Other revenues	285,535	220,579	64,956	29.4%	3,232,503	3,039,522	192,981	6.3%
5 Total operating revenues	6,432,299	5,331,204	1,101,095	20.7%	67,952,629	63,639,728	4,312,901	6.8%
<b>Operating Expenses:</b>								
6 Power and pumping	399,644	512,595	(112,951)	-22.0%	3,906,698	3,441,770	464,928	13.5%
7 Treatment	832,257	736,487	95,770	13.0%	7,778,132	7,719,326	58,806	0.8%
8 Transmission and distribution	1,324,067	1,103,681	220,386	20.0%	12,897,609	15,059,006	(2,161,397)	-14.4%
9 Customer accounts	188,456	184,586	3,870	2.1%	1,687,911	1,641,563	46,348	2.8%
10 Customer service	208,979	197,792	11,187	5.7%	1,727,375	1,661,503	65,872	4.0%
11 Administration and general	651,523	551,493	100,030	18.1%	5,683,379	5,190,760	492,619	9.5%
12 Payroll related	796,996	1,064,200	(267,204)	-25.1%	13,294,785	13,774,858	(480,073)	-3.5%
13 Maintenance of general plant	1,198,114	1,500,286	(302,172)	-20.1%	13,383,714	9,527,636	3,856,078	40.5%
14 Depreciation	1,085,121	1,156,094	(70,973)	-6.1%	13,021,463	13,873,127	(851,664)	-6.1%
15 Amortization	1,555	1,555	-	0.0%	18,666	18,665	1	0.0%
16 Provision for doubtful accounts	162,843	249,764	(86,921)	-34.8%	1,954,118	2,997,170	(1,043,052)	-34.8%
17 Provision for claims	99,891	120,047	(20,156)	-16.8%	701,832	561,830	140,002	24.9%
18 Total operating expenses	6,949,446	7,378,580	(429,134)	-5.8%	76,055,682	75,467,214	588,468	0.8%
19 Operating income (loss)	(517,147)	(2,047,376)	1,530,229	-74.7%	(8,103,053)	(11,827,486)	3,724,433	-31.5%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	12,135	9,111	3,024	33.2%	60,624	66,518	(5,894)	-8.9%
25 Other Income	126,289	-	126,289	0.0%	219,877	54,486	165,391	303.5%
26 Interest expense	(119,193)	-	(119,193)	0.0%	(484,856)	(552,031)	67,175	-12.2%
27 Operating and maintenance grants	30,061,367	357,058	29,704,309	8319.2%	33,913,638	10,233,811	23,679,827	231.4%
28 Total non-operating revenues	30,080,598	366,169	29,714,429	8114.9%	33,709,283	9,802,784	23,906,499	243.9%
29 Income before capital contributions	29,563,451	(1,681,207)	31,244,658	-1858.5%	25,606,230	(2,024,702)	27,630,932	-1364.7%
30 Capital contributions	(7,729,061)	2,172,988	(9,902,049)	-455.7%	40,139,686	48,599,583	(8,459,897)	-17.4%
31 Change in net position	21,834,390	491,781	21,342,609	4339.9%	65,745,916	46,574,881	19,171,035	41.2%
32 Net position, beginning of year					246,312,556	200,661,384	45,651,172	22.8%
33 Net position, end of year					312,058,472	247,236,265	64,822,207	26.2%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**WATER SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH BUDGET COMPARISONS**  
**December 2013**

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	6,110,437	5,511,772	598,665	10.9%	64,398,609	66,141,268	(1,742,659)	-2.6%
2 Sewerage service charges	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	36,327	31,586	4,741	15.0%	321,517	379,036	(57,519)	-15.2%
4 Other revenues	285,535	369,102	(83,567)	-22.6%	3,232,503	4,429,221	(1,196,718)	-27.0%
5 <b>Total operating revenues</b>	<b>6,432,299</b>	<b>5,912,460</b>	<b>519,839</b>	<b>8.8%</b>	<b>67,952,629</b>	<b>70,949,525</b>	<b>(2,996,896)</b>	<b>-4.2%</b>
<b>Operating Expenses:</b>								
6 Power and pumping	399,644	281,744	117,900	41.8%	3,906,698	3,380,925	525,773	15.6%
7 Treatment	832,257	800,071	32,186	4.0%	7,778,132	9,600,848	(1,822,716)	-19.0%
8 Transmission and distribution	1,324,067	1,843,309	(519,242)	-28.2%	12,897,609	22,119,705	(9,222,096)	-41.7%
9 Customer accounts	188,456	187,796	660	0.4%	1,687,911	2,253,554	(565,643)	-25.1%
10 Customer service	208,979	188,776	20,203	10.7%	1,727,375	2,265,309	(537,934)	-23.7%
11 Administration and general	651,523	757,005	(105,482)	-13.9%	5,683,379	9,084,058	(3,400,679)	-37.4%
12 Payroll related	796,996	735,471	61,525	8.4%	13,294,785	8,825,652	4,469,133	50.6%
13 Maintenance of general plant	1,198,114	1,260,222	(62,108)	-4.9%	13,383,714	15,122,658	(1,738,944)	-11.5%
14 Depreciation	1,085,121	1,194,147	(109,026)	-9.1%	13,021,463	14,329,764	(1,308,301)	-9.1%
15 Amortization	1,555	-	1,555	0.0%	18,666	-	18,666	0.0%
16 Provision for doubtful accounts	162,843	-	162,843	0.0%	1,954,118	-	1,954,118	0.0%
17 Provision for claims	99,891	94,179	5,712	6.1%	701,832	1,130,148	(428,316)	-37.9%
18 <b>Total operating expenses</b>	<b>6,949,446</b>	<b>7,342,718</b>	<b>(393,272)</b>	<b>-5.4%</b>	<b>76,055,682</b>	<b>88,112,621</b>	<b>(12,056,939)</b>	<b>-13.7%</b>
19 <b>Operating income (loss)</b>	<b>(517,147)</b>	<b>(1,430,258)</b>	<b>913,111</b>	<b>-63.8%</b>	<b>(8,103,053)</b>	<b>(17,163,096)</b>	<b>9,060,043</b>	<b>-52.8%</b>
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	12,135	-	12,135	0.0%	60,624	-	60,624	0.0%
25 Other Income	126,289	(45,805)	172,094	-375.7%	219,877	(549,660)	769,537	-140.0%
26 Interest expense	(119,193)	(24,557)	(94,636)	385.4%	(484,856)	(294,680)	(190,176)	64.5%
27 Operating and maintenance grants	30,061,367	828,549	29,232,818	3528.2%	33,913,638	9,942,584	23,971,054	241.1%
28 <b>Total non-operating revenues</b>	<b>30,080,598</b>	<b>758,187</b>	<b>29,322,411</b>	<b>3867.4%</b>	<b>33,709,283</b>	<b>9,098,244</b>	<b>24,611,039</b>	<b>270.5%</b>
29 <b>Income before capital contributions</b>	<b>29,563,451</b>	<b>(672,071)</b>	<b>30,235,522</b>	<b>-4498.9%</b>	<b>25,606,230</b>	<b>(8,064,852)</b>	<b>33,671,082</b>	<b>-417.5%</b>
30 Capital contributions	(7,729,061)	-	(7,729,061)	0.0%	40,139,686	-	40,139,686	0.0%
31 <b>Change in net position</b>	<b>21,834,390</b>	<b>(672,071)</b>	<b>22,506,461</b>	<b>-3348.8%</b>	<b>65,745,916</b>			
32 <b>Net position, beginning of year</b>					246,312,556	200,661,384	45,651,172	22.8%
33 <b>Net position, end of year</b>					312,058,472	200,661,384	111,397,088	55.5%



SEWERAGE AND WATER BOARD OF NEW ORLEANS  
WATER SYSTEM FUND

STATEMENTS OF NET POSITION  
WITH PRIOR YEAR AND BEGINNING OF YEAR COMPARISONS  
December 2013

	A	B	C	D	E	F	G
	Prior Year	Variance	%	Current Year	Variance	%	Beginning of Year
<b>Noncurrent assets:</b>							
1 Property, plant and equipment	627,818,779	38,865,928	6.2%	666,684,707	32,795,950	5.2%	633,888,757
2 Less: accumulated depreciation	292,410,706	9,878,331	3.4%	302,289,037	13,021,464	4.5%	289,267,573
3 Property, plant, and equipment, net	335,408,073	28,987,597	8.6%	364,395,670	19,774,486	5.7%	344,621,184
<b>Current assets:</b>							
<b>Restricted current assets:</b>							
4 Capital Projects	6,314,748	(2,466,774)	-39.1%	3,847,974	1,147,974	42.5%	2,700,000
5 Construction funds	124,148	(122,203)	-98.4%	1,945	(122,203)	-98.4%	124,148
6 Debt service reserve	12,113,386	318,894	2.6%	12,432,280	5,014,915	67.6%	7,417,365
7 Health insurance reserve	697,833	40,333	5.8%	738,166	40,333	5.8%	697,833
8 Total restricted current assets	19,250,115	(2,229,750)	-11.6%	17,020,365	6,081,019	55.6%	10,939,346
<b>Unrestricted current assets:</b>							
9 Cash	12,996,803	5,128,000	39.5%	18,124,803	17,408,380	2429.9%	716,423
<b>Cash Equivalents:</b>							
10 Capital Projects	8,841,285	3,240,769	36.7%	12,082,054	(3,753,422)	-23.7%	15,835,476
11 Customer deposits	9,493,967	613,339	6.5%	10,107,306	614,318	6.5%	9,492,988
12 Total cash and cash equivalents	31,332,055	8,982,108	28.7%	40,314,163	14,269,276	54.8%	26,044,887
<b>Accounts receivable:</b>							
13 Customers (net of allowance for doubtful accounts)	6,757,215	(430,969)	-6.4%	6,326,246	(987,318)	-13.5%	7,313,564
14 Taxes	-	-	0.0%	-	-	0.0%	-
15 Interest	-	-	0.0%	-	-	0.0%	-
16 Grants	29,060,064	(23,381,838)	-80.5%	5,678,226	(7,509,043)	-56.9%	13,187,269
17 Miscellaneous	810,689	(17,052)	-2.1%	793,637	(109,527)	-12.1%	903,164
18 Due from enterprise fund	(32,760,448)	22,636,841	-69.1%	(10,123,607)	22,356,028	-68.8%	(32,479,635)
19 Inventory of supplies	4,668,654	(43,614)	-0.9%	4,625,040	-	0.0%	4,625,040
20 Prepaid expenses	418,677	12,037	2.9%	430,714	-	0.0%	430,714
21 Total unrestricted current assets	40,286,906	(32,556,650)	-80.8%	7,730,256	(12,294,747)	-61.4%	20,025,003
<b>Other assets:</b>							
22 Bond issue costs	167,237	(18,667)	-11.2%	148,570	(18,666)	-11.2%	167,236
23 Deposits	22,950	-	0.0%	22,950	-	0.0%	22,950
24 Total other assets	190,187	(18,667)	-9.8%	171,520	(18,666)	-9.8%	190,186
25 TOTAL ASSETS	395,135,281	34,496,693	8.7%	429,631,974	53,856,255	14.3%	375,775,719

## SEWERAGE AND WATER BOARD OF NEW ORLEANS

## WATER SYSTEM FUND

## STATEMENTS OF NET POSITION

## WITH PRIOR YEAR COMPARISONS

December 2013

	A	B	C	D	E	F	G
	Prior Year	Variance	%	Current Year	Variance	%	Beginning of Year
<b>NET ASSETS AND LIABILITIES</b>							
Net position							
1 Net investments in capital assets	300,813,899	52,861,660	17.6%	353,675,559	41,200,255	13.2%	312,475,304
2 Restricted for Debt Service	11,832,226	332,821	2.8%	12,165,047	4,747,682	64.0%	7,417,365
3 Unrestricted	(65,409,860)	11,627,726	-17.8%	(53,782,134)	41,345,949	-43.5%	(95,128,083)
4 Total net position	247,236,265	64,822,207	26.2%	312,058,472	87,293,886	38.8%	224,764,586
Long-term liabilities							
5 Claims payable	953,814	(209,122)	-21.9%	744,692	-	0.0%	744,692
6 Net pension obligation	3,441,144	1,196,301	34.8%	4,637,445	1,024,639	28.4%	3,612,806
7 Other postretirement benefits liability	19,133,082	1,832,670	9.6%	20,965,752	2,500,519	13.5%	18,465,233
8 Bonds payable (net of current maturities)	32,329,323	(2,585,294)	-8.0%	29,744,029	1	0.0%	29,744,028
9 Special Community Disaster Loan Payable	25,166,747	(25,166,747)	-100.0%	-	(25,576,512)	-100.0%	29,576,512
10 Southeast Louisiana Project liability	-	-	0.0%	-	-	0.0%	-
11 Debt Service Assistance Fund Loan payable	6,807,041	(663,224)	-9.7%	6,143,817	-	0.0%	6,143,817
12 Disaster Reimbursement Revolving Loan	-	14,071,531	0.0%	14,071,531	3,296,504	30.6%	10,775,027
13 Total long-term liabilities	87,831,151	(25,595,416)	-29.1%	76,307,266	(22,754,849)	-23.0%	99,062,115
Current liabilities (payable from current assets)							
14 Accounts payable and other liabilities	8,058,764	2,134,362	26.5%	10,193,126	(6,019,505)	-37.1%	16,212,631
15 Due to City of New Orleans	275,296	176,769	64.2%	452,065	291,972	182.4%	160,093
16 Disaster Reimbursement Revolving Loan	23,961,566	(18,284,070)	-76.3%	5,677,496	(7,509,043)	-56.9%	13,186,539
17 Retainers and estimates payable	1,529,884	484,354	31.7%	2,014,238	1,545,724	329.9%	468,514
18 Due to other fund	62,296	(24,070)	-38.6%	38,226	-	0.0%	38,226
19 Accrued salaries, vacation and sick pay	5,198,342	84,740	1.6%	5,283,082	172,844	3.4%	5,110,238
20 Claims payable	3,995,631	(219,644)	-5.5%	3,775,987	-	0.0%	3,775,987
21 Debt Service Assistance Fund Loan payable	-	493,666	0.0%	493,666	154,530	45.6%	339,136
22 Other Liabilities	4,582,876	(4,387,951)	-95.7%	194,925	62,576	47.3%	132,349
23 Customer deposits	9,493,967	613,339	6.5%	10,107,306	614,318	6.5%	9,492,988
24 Total current liabilities (payable from current assets)	57,158,622	(19,541,844)	-34.2%	38,230,117	(10,686,584)	-21.8%	48,916,701
Current liabilities (payable from restricted assets)							
25 Accrued interest	281,159	(13,926)	-5.0%	267,233	-	0.0%	267,233
26 Bonds payable	2,389,000	137,000	5.7%	2,526,000	-	0.0%	2,526,000
27 Retainers and estimates payable	239,084	3,802	1.6%	242,886	3,802	1.6%	239,084
28 Total current liabilities (payable from restricted assets)	2,909,243	126,876	4.4%	3,036,119	3,802	0.1%	3,032,317
28 Total current liabilities	60,067,865	(19,414,968)	-32.3%	41,266,236	(10,682,782)	-20.6%	51,949,018
29 Total liabilities	147,899,016	(45,010,384)	-30.4%	117,575,502	(33,437,631)	-22.1%	151,011,133
30 TOTAL NET POSITION AND LIABILITIES	395,135,281	19,811,823	5.0%	429,631,974	53,856,255	14.3%	375,775,719

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
WATER SYSTEM FUND  
STATEMENTS OF CASH FLOWS  
December 2013

	A	B	C	D
	YTD	YTD	YTD	%
	Current Year	Prior Year	Variance	
Cash flows from operating activities				
1 Cash received from customers	64,045,298	60,157,278	3,888,020	6.5%
2 Cash payments to suppliers for goods and services	(33,337,663)	21,470,767	(54,808,430)	-255.3%
3 Cash payments to employees for services	(50,728,987)	(109,578,919)	58,849,932	-53.7%
4 Other revenue	3,342,030	4,648,321	(1,306,291)	-28.1%
5 Net cash used in operating activities	(16,679,322)	(23,302,553)	6,623,231	-28.4%
Cash flows from noncapital financing activities				
6 Proceeds from property taxes	219,877	140,654	79,223	56.3%
7 Proceeds from federal operating and maintenance grants	33,913,638	9,032,819	24,880,819	275.4%
8 Cash received paid to an other government	-	-	-	0.0%
9 Net cash provided by noncapital financing activities	34,133,515	9,173,473	24,960,042	272.1%
Cash flows from capital and related financing activities				
10 Acquisition and construction of capital assets	(37,265,928)	(21,396,718)	(15,869,210)	74.2%
11 Principal payments on bonds payable	-	-	-	0.0%
12 Proceeds from bonds payable	-	895,867	(895,867)	-100.0%
13 Payments for bond issuance costs	-	-	-	0.0%
14 Interest paid on bonds payable	(484,856)	(551,524)	66,668	-12.1%
15 Proceeds from construction fund, net	2,430,521	2,987,864	(557,343)	-18.7%
16 Capital contributed by developers and federal grants	47,648,729	40,199,325	7,449,404	18.5%
17 Net cash used in capital and related financing activities	12,328,466	22,134,814	(9,806,348)	-44.3%
Cash flows from investing activities				
18 Payments for purchase of investments	-	-	-	
19 Proceeds from maturities of investments	6,937,668	956,396	5,981,272	625.4%
20 Investment income	60,624	58,980	1,644	2.8%
21 Net cash provided by investing activities	6,998,292	1,015,376	5,982,916	589.2%
22 Net increase in cash	36,780,951	9,021,110	27,759,841	307.7%
23 Cash at the beginning of the year	7,381,186	23,200,413	(15,819,227)	-68.2%
24 Cash at the end of the period	44,162,137	32,221,523	11,940,614	37.1%
Reconciliation of cash and restricted cash				
25 Current assets - cash	40,314,163	15,585,447	24,728,716	158.7%
26 Restricted assets -cash	3,847,974	16,636,076	(12,788,102)	-76.9%
27 Total cash	44,162,137	32,221,523	11,940,614	37.1%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
WATER SYSTEM FUND  
STATEMENTS OF CASH FLOWS  
December 2013

	A	B	C	D
	YTD	YTD	YTD	
	Current Year	Prior Year	Variance	%
Reconciliation of operating loss to net cash used in operating activities is as follows:				
1 Operating loss	(8,103,053)	(11,827,486)	3,724,433	-31.5%
Adjustments to reconcile net operating loss to net cash used in operating activities:				
2 Depreciation	13,021,463	13,873,127	(851,664)	-6.1%
3 Provision for claims	701,832	561,830	140,002	24.9%
4 Provision for (revision) doubtful accounts	1,954,118	2,997,170	(1,043,052)	-34.8%
5 Amortization	18,666	18,665	1	0.0%
Change in operating assets and liabilities:				
6 (Increase) decrease in customer and other receivables	(966,800)	(2,729,287)	1,762,487	-64.6%
7 Increase in inventory	-	-	-	0.0%
8 Increase (decrease) in prepaid expenses and other receivables	(22,246,501)	(19,673,781)	(2,572,720)	13.1%
9 Decrease in net pension asset	-	-	-	
10 Increase (decrease) in accounts payable	-	(1,257,968)	1,257,968	-100.0%
11 Increase (decrease) in accrued salaries, due to pension and accrued vacation and sick pay	172,844	176,289	(3,445)	-2.0%
12 Increase in net other postretirement benefits liability	2,500,519	3,097,932	(597,413)	-19.3%
13 Increase (decrease) in net pension obligation	1,024,639	573,524	451,115	78.7%
14 Decrease in other liabilities	(4,757,049)	479,586	(5,236,635)	-1091.9%
15 Net cash used in operating activities	(16,679,322)	(13,710,399)	(2,968,923)	21.7%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
SEWER SYSTEM FUND  
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION  
WITH PRIOR YEAR COMPARISONS  
December 2013

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD		YTD	YTD	YTD	
	Actual	Prior Year	Variance	%	Actual	Prior Year	Variance	%
Operating revenues:								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges	7,266,569	6,037,011	1,229,558	20.4%	78,535,784	71,407,835	7,127,949	10.0%
3 Plumbing inspection and license fees	36,327	23,409	12,918	55.2%	321,517	343,902	(22,385)	-6.5%
4 Other revenues	143,822	13,730	130,092	947.5%	734,826	267,517	467,309	174.7%
5 Total operating revenues	7,446,718	6,074,150	1,372,568	22.6%	79,592,127	72,019,254	7,572,873	10.5%
Operating Expenses:								
6 Power and pumping	258,753	403,467	(144,714)	-35.9%	2,822,464	2,730,834	91,630	3.4%
7 Treatment	987,185	908,265	78,920	8.7%	10,149,368	10,512,500	(363,132)	-3.5%
8 Transmission and distribution	876,317	711,349	164,968	23.2%	7,674,216	7,609,776	64,440	0.8%
9 Customer accounts	188,456	184,586	3,870	2.1%	1,687,908	1,641,561	46,347	2.8%
10 Customer service	208,979	197,792	11,187	5.7%	1,727,371	1,661,498	65,873	4.0%
11 Administration and general	677,586	605,091	72,495	12.0%	5,884,051	5,400,973	483,078	8.9%
12 Payroll related	577,793	810,163	(232,370)	-28.7%	11,473,207	11,572,622	(99,415)	-0.9%
13 Maintenance of general plant	348,778	359,794	(11,016)	-3.1%	3,839,201	3,410,572	428,629	12.6%
14 Depreciation	951,443	817,866	133,577	16.3%	11,417,325	9,814,396	1,602,929	16.3%
15 Amortization	11,307	11,521	(214)	-1.9%	135,686	138,254	(2,568)	-1.9%
16 Provision for doubtful accounts	42,390	120,779	(78,389)	-64.9%	508,682	1,449,353	(940,671)	-64.9%
17 Provision for claims	99,890	84,251	15,639	18.6%	645,723	579,102	66,621	11.5%
18 Total operating expenses	5,228,877	5,214,924	13,953	0.3%	57,965,202	56,521,441	1,443,761	2.6%
19 Operating income (loss)	2,217,841	859,226	1,358,615	158.1%	21,626,925	15,497,813	6,129,112	39.5%
Non-operating revenues (expense):								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	21,515	20,420	1,095	5.4%	68,247	75,646	(7,399)	-9.8%
25 Other Income	157,507	-	157,507	0.0%	274,228	67,955	206,273	303.5%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	71,865	7,462	64,403	863.1%
28 Total non-operating revenues	179,022	20,420	158,602	776.7%	414,340	151,063	263,277	174.3%
29 Income before capital contributions	2,396,863	879,646	1,517,217	172.5%	22,041,265	15,648,876	6,392,389	40.8%
30 Capital contributions	1,197,020	1,791,325	(594,305)	-33.2%	37,312,460	27,119,856	10,192,604	37.6%
31 Change in net position	3,593,883	2,670,971	922,912	34.6%	59,353,725	42,768,732	16,584,993	38.8%
32 Net position, beginning of year					557,251,189	548,350,511	8,900,678	1.6%
33 Net position, end of year					616,004,914	591,119,243	25,485,671	4.3%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**SEWER SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH BUDGET COMPARISONS**

December 2013

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges	7,266,569	6,696,601	569,968	8.5%	78,535,784	80,359,215	(1,823,431)	-2.3%
3 Plumbing inspection and license fees	36,327	31,586	4,741	15.0%	321,517	379,036	(57,519)	-15.2%
4 Other revenues	143,822	66,706	77,116	115.6%	734,826	800,473	(65,647)	-8.2%
5 Total operating revenues	7,446,718	6,794,894	651,824	9.6%	79,592,127	81,538,724	(1,946,597)	-2.4%
<b>Operating Expenses:</b>								
6 Power and pumping	258,753	214,557	44,196	20.6%	2,822,464	2,574,681	247,783	9.6%
7 Treatment	987,185	1,031,204	(44,019)	-4.3%	10,149,368	12,374,449	(2,225,081)	-18.0%
8 Transmission and distribution	876,317	782,620	93,697	12.0%	7,674,216	9,391,440	(1,717,224)	-18.3%
9 Customer accounts	188,456	187,796	660	0.4%	1,687,908	2,253,554	(565,646)	-25.1%
10 Customer service	208,979	190,492	18,487	9.7%	1,727,371	2,285,901	(558,530)	-24.4%
11 Administration and general	677,586	646,250	31,336	4.8%	5,884,051	7,754,995	(1,870,944)	-24.1%
12 Payroll related	577,793	887,096	(309,303)	-34.9%	11,473,207	10,645,155	828,052	7.8%
13 Maintenance of general plant	348,778	237,094	111,684	47.1%	3,839,201	2,845,127	994,074	34.9%
14 Depreciation	951,443	613,801	337,642	55.0%	11,417,325	7,365,610	4,051,715	55.0%
15 Amortization	11,307	-	11,307	0.0%	135,686	-	135,686	0.0%
16 Provision for doubtful accounts	42,390	-	42,390	0.0%	508,682	-	508,682	0.0%
17 Provision for claims	99,890	67,564	32,326	47.8%	645,723	810,764	(165,041)	-20.4%
18 Total operating expenses	5,228,877	4,858,473	370,404	7.6%	57,965,202	58,301,676	(336,474)	-0.6%
19 Operating income (loss)	2,217,841	1,936,421	281,420	14.5%	21,626,925	23,237,048	(1,610,123)	-6.9%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	21,515	-	21,515	0.0%	68,247	-	68,247	0.0%
25 Other Income	157,507	-	157,507	0.0%	274,228	-	274,228	0.0%
26 Interest expense	-	(24,557)	24,557	-100.0%	-	(294,680)	294,680	-100.0%
27 Operating and maintenance grants	-	505,786	(505,786)	-100.0%	71,865	6,069,437	(5,997,572)	-98.8%
28 Total non-operating revenues	179,022	481,230	(302,208)	-62.8%	414,340	5,774,757	(5,360,417)	-92.8%
29 Income before capital contributions	2,396,863	2,417,650	(20,787)	-0.9%	22,041,265	29,011,805	(6,970,540)	-24.0%
30 Capital contributions	1,197,020	-	1,197,020	0.0%	37,312,460	-	37,312,460	0.0%
31 Change in net position	3,593,883	2,417,650	1,176,233	48.7%	59,353,725	-	-	-
32 Net position, beginning of year					557,251,189	548,350,511	8,900,678	1.6%
33 Net position, end of year					616,604,914	548,350,511	68,254,403	12.4%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
SEWER SYSTEM FUND  
STATEMENTS OF NET POSITION  
WITH PRIOR YEAR AND BEGINNING OF YEAR COMPARISONS  
December 2013

ASSETS	A	B	C	D	E	F	G
	Prior Year	Variance	%	Current Year	Variance	%	Beginning of Year
1 Property, plant and equipment	999,218,869	65,171,251	6.5%	1,064,390,120	48,904,957	4.8%	1,015,485,163
2 Less: accumulated depreciation	199,353,362	14,770,263	7.4%	214,123,625	11,417,327	5.6%	202,706,298
3 Property, plant, and equipment, net	799,865,507	50,400,988	6.3%	850,266,495	37,487,630	4.6%	812,778,865
Current assets:							
Restricted current assets:							
4 Capital Projects	324,985	(261,983)	-80.6%	63,002	6,002	10.5%	57,000
5 Construction funds	471,772	(284,207)	-60.2%	187,565	(25)	0.0%	187,590
6 Debt service reserve	54,196,193	298,847	0.6%	54,495,040	26,821,308	96.9%	27,673,732
7 Health insurance reserve	697,833	40,333	5.8%	738,166	40,333	5.8%	697,833
8 Total restricted current assets	55,690,783	(207,010)	-0.4%	55,483,773	26,867,618	93.9%	28,616,155
Unrestricted current assets:							
9 Cash	3,101,263	9,642,488	310.9%	12,743,751	2,058,614	19.3%	10,685,137
Cash Equivalents:							
10 Capital Projects	16,316,330	(6,049,610)	-37.1%	10,266,720	(6,322,403)	-38.1%	16,589,123
11 Total cash and cash equivalents	19,417,593	3,592,878	18.5%	23,010,471	(4,263,789)	-15.6%	27,274,260
Accounts receivable:							
12 Customers (net of allowance for doubtful accounts)	4,995,244	1,904,504	38.1%	6,899,748	658,241	10.5%	6,241,507
13 Taxes	-	-	0.0%	-	-	0.0%	-
14 Interest	115	-	0.0%	115	-	0.0%	115
15 Grants	26,433,808	(20,691,416)	-78.3%	5,742,392	2,122,499	58.6%	3,619,893
16 Miscellaneous	1,428,615	(943,203)	-66.0%	485,412	159,355	48.9%	326,057
17 Due from enterprise fund	14,754,510	(13,661,144)	-92.6%	1,093,366	(13,741,879)	-92.6%	14,835,245
18 Inventory of supplies	2,327,909	(197,160)	-8.5%	2,130,749	(1)	0.0%	2,130,750
19 Prepaid expenses	264,095	12,037	4.6%	276,132	-	0.0%	276,132
20 Total unrestricted current assets	69,621,889	(52,993,975)	-76.1%	16,627,914	(38,076,045)	-69.6%	54,703,959
Other assets:							
21 Bond issue costs	1,566,857	(135,566)	-8.7%	1,431,291	(135,687)	-8.7%	1,566,978
22 Deposits	17,965	-	0.0%	17,965	-	0.0%	17,965
23 Total other assets	1,584,822	(135,566)	-8.6%	1,449,256	(135,687)	-8.6%	1,584,943
24 TOTAL ASSETS	926,763,001	20,074,908	2.2%	946,837,909	49,153,987	5.5%	897,683,922

**SEWERAGE AND WATER BOARD OF NEW ORLEANS  
SEWER SYSTEM FUND**

**STATEMENTS OF NET POSITION  
WITH PRIOR YEAR COMPARISONS**

December 2013

	A	B	C	D	E	F	G
	Prior Year	Variance	%	Current Year	Variance	%	Beginning of Year
<b>NET ASSETS AND LIABILITIES</b>							
Net position							
1 Net investments in capital assets	641,078,129	36,951,077	5.8%	678,029,206	21,624,265	3.3%	656,404,941
2 Restricted for Debt Service	52,105,062	415,567	0.8%	52,520,629	24,846,897	89.8%	27,673,732
3 Unrestricted	(102,063,948)	(11,880,973)	11.6%	(113,944,921)	(1,620,884)	1.4%	(112,324,037)
4 Total net position	591,119,243	25,485,671	4.3%	616,604,914	44,850,278	7.8%	571,754,636
Long-term liabilities							
5 Claims payable	953,813	(209,122)	-21.9%	744,691	-	0.0%	744,691
6 Net pension obligation	3,594,947	1,172,445	32.6%	4,767,392	1,024,640	27.4%	3,742,752
7 Other postretirement benefits liability	15,702,925	2,284,480	14.5%	17,987,405	2,500,519	16.1%	15,486,886
8 Bonds payable (net of current maturities)	156,673,547	(12,183,136)	-7.8%	144,490,411	1,359,897	1.0%	143,130,514
9 Special Community Disaster Loan Payable	-	-	0.0%	-	-	0.0%	-
10 Southeast Louisiana Project liability	-	-	0.0%	-	-	0.0%	-
11 Debt Service Assistance Fund Loan payable	66,318,237	(6,457,244)	-9.7%	59,860,993	-	0.0%	59,860,993
12 Disaster Reimbursement Revolving Loan	31,879,195	25,192,204	79.0%	57,071,399	1,535,659	2.8%	55,535,740
13 Total long-term liabilities	275,122,664	(15,392,577)	-5.6%	284,922,291	6,420,715	2.3%	278,501,576
Current liabilities (payable from current assets)							
14 Accounts payable and other liabilities	10,110,106	258,831	2.6%	10,368,937	(6,041,969)	-36.8%	16,410,906
15 Due to City of New Orleans	-	-	0.0%	-	-	0.0%	-
16 Disaster Reimbursement Revolving Loan	25,997,423	(21,650,855)	-83.3%	4,346,568	2,005,690	85.7%	2,340,878
17 Retainers and estimates payable	2,252,146	1,765,122	78.4%	4,017,268	1,878,788	87.9%	2,138,480
18 Due to other fund	29,241	(11,298)	-38.6%	17,943	-	0.0%	17,943
19 Accrued salaries, vacation and sick pay	3,693,767	53,092	1.4%	3,746,859	139,216	3.9%	3,607,643
20 Claims payable	3,484,733	235,356	6.8%	3,720,089	-	0.0%	3,720,089
21 Debt Service Assistance Fund Loan payable	-	3,304,310	0.0%	3,304,310	-	0.0%	3,304,310
22 Other Liabilities	72,598	(39,286)	-54.1%	33,312	20,634	162.8%	12,678
23 Customer deposits	-	-	0.0%	-	-	0.0%	-
24 Total current liabilities (payable from current assets)	45,640,014	(16,084,728)	-35.2%	29,555,286	(1,997,641)	-6.3%	31,552,927
Current liabilities (payable from restricted assets)							
25 Accrued interest	2,091,131	(116,720)	-5.6%	1,974,411	-	0.0%	1,974,411
26 Bonds payable	12,400,000	1,031,000	8.3%	13,431,000	-	0.0%	13,431,000
27 Retainers and estimates payable	389,949	(39,942)	-10.2%	350,007	(119,365)	-25.4%	469,372
28 Total current liabilities (payable from restricted assets)	14,881,080	874,338	5.9%	15,755,418	(119,365)	-0.8%	15,874,783
29 Total current liabilities	60,521,094	(15,210,390)	-25.1%	45,310,704	(2,117,006)	-4.5%	47,427,710
30 Total liabilities	335,643,758	(30,602,967)	-9.1%	330,232,995	4,303,709	1.3%	325,929,286
31 TOTAL NET POSITION AND LIABILITIES	926,763,001	(5,117,296)	-0.6%	946,837,909	49,153,987	5.5%	897,683,922



SEWERAGE AND WATER BOARD OF NEW ORLEANS  
SEWER SYSTEM FUND  
STATEMENTS OF CASH FLOWS  
December 2013

	A	B	C	D
	YTD	YTD	YTD	%
	Current Year	Prior Year	Variance	
Cash flows from operating activities				
1 Cash received from customers	77,690,378	70,757,825	6,932,553	9.8%
2 Cash payments to suppliers for goods and services	(20,822,274)	(24,362,477)	3,540,203	-14.5%
3 Cash payments to employees for services	(7,654,346)	6,263,924	(13,918,270)	-222.2%
4 Other revenue	575,471	(780,389)	1,355,860	-173.7%
5 Net cash used in operating activities	49,789,229	51,878,883	(2,089,654)	-4.0%
Cash flows from noncapital financing activities				
6 Proceeds from property taxes	274,228	67,955	206,273	303.5%
7 Proceeds from federal operating and maintenance grants	71,865	7,462	64,403	863.1%
8 Cash received paid to an other government	-	-	-	0.0%
9 Net cash provided by noncapital financing activities	346,093	75,417	270,676	358.9%
Cash flows from capital and related financing activities				
10 Acquisition and construction of capital assets	(53,187,501)	(50,129,179)	(3,058,322)	6.1%
11 Principal payments on bonds payable	1,037,509	7,368,276	(6,330,767)	-85.9%
12 Proceeds from bonds payable	-	-	-	0.0%
13 Payments for bond issuance costs	-	-	-	0.0%
14 Interest paid on bonds payable	-	-	-	0.0%
15 Proceeds from construction fund, net	(10,962,096)	14,288,202	(25,250,298)	-176.7%
16 Capital contributed by developers and federal grants	35,189,961	3,793,664	31,396,297	827.6%
17 Net cash used in capital and related financing activities	(27,922,127)	(24,679,037)	(3,243,090)	13.1%
Cash flows from investing activities				
18 Payments for purchase of investments	-	-	-	-
19 Proceeds from maturities of investments	(19,291,487)	(22,773,078)	3,481,591	-15.3%
20 Investment income	68,247	75,646	(7,399)	-9.8%
21 Net cash provided by investing activities	(19,223,240)	(22,697,432)	3,474,192	-15.3%
22 Net increase in cash	2,989,955	4,577,831	(1,587,876)	-34.7%
23 Cash at the beginning of the year	20,083,518	14,028,154	6,055,364	43.2%
24 Cash at the end of the period	23,073,473	18,605,985	4,467,488	24.0%
Reconciliation of cash and restricted cash				
25 Current assets - cash	23,010,471	1,964,947	21,045,524	1071.0%
26 Restricted assets -cash	63,002	16,641,038	(16,578,036)	-99.6%
27 Total cash	23,073,473	18,605,985	4,467,488	24.0%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
SEWER SYSTEM FUND  
STATEMENTS OF CASH FLOWS  
December 2013

	A YTD Current Year	B YTD Prior Year	C YTD Variance	D %
Reconciliation of operating loss to net cash used in operating activities is as follows:				
1 Operating loss	21,626,925	15,497,813	6,129,112	39.5%
Adjustments to reconcile net operating loss to net cash used in operating activities:				
2 Depreciation	11,417,325	9,814,396	1,602,929	16.3%
3 Provision for claims	645,723	579,102	66,621	11.5%
4 Provision for (revision) doubtful accounts	508,682	1,449,353	(940,671)	-64.9%
5 Amortization	135,686	138,254	(2,568)	-1.9%
Change in operating assets and liabilities:				
6 (Increase) decrease in customer and other receivables	(1,166,923)	(993,912)	(173,011)	17.4%
7 Increase in inventory	1	-	1	0.0%
8 Increase (decrease) in prepaid expenses and other receivables	13,582,524	22,942,119	(9,359,595)	-40.8%
9 Decrease in net pension asset	-	-	-	0.0%
10 Increase (decrease) in accounts payable	-	(376,095)	376,095	-100.0%
11 Increase (decrease) in accrued salaries, due to pension and accrued vacation and sick pay	139,216	100,766	38,450	38.2%
12 Increase in net other postretirement benefits liability	2,500,519	2,646,122	(145,603)	-5.5%
13 Increase (decrease) in net pension obligation	1,024,640	597,381	427,259	71.5%
14 Decrease in other liabilities	(625,089)	(516,416)	(108,673)	21.0%
15 Net cash used in operating activities	49,789,229	51,878,883	(2,089,654)	-4.0%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
DRAINAGE SYSTEM FUND  
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION  
WITH PRIOR YEAR COMPARISONS  
December 2013

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Prior Year	Variance		Actual	Prior Year	Variance	
Operating revenues:								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	-	-	-	0.0%	-	-	-	0.0%
4 Other revenues	400	254	146	57.5%	791,596	755,586	36,010	4.8%
5 Total operating revenues	400	254	146	57.5%	791,596	755,586	36,010	4.8%
Operating Expenses:								
6 Power and pumping	538,088	970,997	(432,909)	-44.6%	5,419,704	5,404,353	15,351	0.3%
7 Treatment	-	-	-	0.0%	-	-	-	0.0%
8 Transmission and distribution	179,773	190,867	(11,094)	-5.8%	1,915,023	2,015,706	(100,683)	-5.0%
9 Customer accounts	5,735	5,419	316	5.8%	44,340	46,575	(2,235)	-4.8%
10 Customer service	-	-	-	0.0%	-	-	-	0.0%
11 Administration and general	685,898	598,187	87,711	14.7%	5,982,580	5,501,025	481,555	8.8%
12 Payroll related	384,710	588,130	(203,420)	-34.6%	9,575,003	9,485,732	89,271	0.9%
13 Maintenance of general plant	765,540	1,015,843	(250,303)	-24.6%	8,853,096	8,972,006	(118,910)	-1.3%
14 Depreciation	991,791	940,801	50,990	5.4%	11,901,492	11,206,316	695,176	6.2%
15 Amortization	968	968	0	0.0%	11,619	11,619	-	0.0%
16 Provision for doubtful accounts	-	-	-	0.0%	-	-	-	0.0%
17 Provision for claims	113,850	89,536	24,314	27.2%	774,547	638,727	135,820	21.3%
18 Total operating expenses	3,666,353	4,400,748	(734,395)	-16.7%	44,477,404	43,282,059	1,195,345	2.8%
19 Operating income (loss)	(3,665,953)	(4,400,494)	734,541	-16.7%	(43,685,808)	(42,526,473)	(1,159,335)	2.7%
Non-operating revenues (expense):								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	26,227	-	26,227	0.0%	13,037,921	12,163,729	874,192	7.2%
22 Six-mill tax	26,510	-	26,510	0.0%	13,177,676	12,294,162	883,514	7.2%
23 Nine-mill tax	39,737	-	39,737	0.0%	19,752,737	18,428,395	1,324,342	7.2%
24 Interest income	7,630	5,689	1,941	34.1%	92,046	104,656	(12,610)	-12.0%
25 Other Income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	4,018	-	4,018	0.0%
28 Total non-operating revenues	100,104	5,689	94,415	1659.6%	46,064,398	42,990,942	3,073,456	7.1%
29 Income before capital contributions	(3,565,849)	(4,394,805)	828,956	-18.9%	2,378,590	464,469	1,914,121	412.1%
30 Capital contributions	2,451,592	49,437	2,402,155	4859.0%	4,458,345	3,165,987	1,292,358	40.8%
31 Change in net position	(1,114,257)	(4,345,368)	3,231,111	-74.4%	6,836,935	3,630,456	3,206,479	88.3%
32 Net position, beginning of year					797,048,807	748,174,454	48,874,353	6.5%
33 Net position, end of year					803,885,742	751,804,910	52,080,832	6.9%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
DRAINAGE SYSTEM FUND  
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION  
WITH BUDGET COMPARISONS  
December 2013

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	-	-	-	0.0%	-	-	-	0.0%
4 Other revenues	400	-	400	0.0%	791,596	-	791,596	0.0%
5 Total operating revenues	400	-	400	0.0%	791,596	-	791,596	0.0%
<b>Operating Expenses:</b>								
6 Power and pumping	538,088	702,630	(164,542)	-23.4%	5,419,704	8,431,564	(3,011,860)	-35.7%
7 Treatment	-	14,258	(14,258)	-100.0%	-	171,097	(171,097)	-100.0%
8 Transmission and distribution	179,773	84,509	95,265	112.7%	1,915,023	1,014,102	900,921	88.8%
9 Customer accounts	5,735	791	4,944	625.3%	44,340	9,489	34,851	367.3%
10 Customer service	-	9,563	(9,563)	-100.0%	-	114,755	(114,755)	-100.0%
11 Administration and general	685,898	556,864	129,034	23.2%	5,982,580	6,682,373	(699,793)	-10.5%
12 Payroll related	384,710	806,869	(422,159)	-52.3%	9,575,003	9,682,422	(107,419)	-1.1%
13 Maintenance of general plant	765,540	983,013	(217,473)	-22.1%	8,853,096	11,796,155	(2,943,059)	-24.9%
14 Depreciation	991,791	666,359	325,432	48.8%	11,901,492	7,996,305	3,905,187	48.8%
15 Amortization	968	-	968	0.0%	11,619	-	11,619	0.0%
16 Provision for doubtful accounts	-	-	-	0.0%	-	-	-	0.0%
17 Provision for claims	113,850	99,880	13,970	14.0%	774,547	1,198,557	(424,010)	-35.4%
18 Total operating expenses	3,666,353	3,974,735	(258,382)	-6.6%	44,477,404	47,096,819	(2,619,415)	-5.6%
19 Operating income (loss)	(3,665,953)	(3,924,735)	258,782	-6.6%	(43,685,808)	(47,096,819)	3,411,011	-7.2%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	26,227	-	26,227	0.0%	13,037,921	11,906,683	1,131,238	9.5%
22 Six-mill tax	26,510	-	26,510	0.0%	13,177,676	12,034,437	1,143,239	9.5%
23 Nine-mill tax	39,737	-	39,737	0.0%	19,752,737	18,038,880	1,713,857	9.5%
24 Interest income	7,630	10,917	(3,287)	-30.1%	92,046	131,000	(38,954)	-29.7%
25 Other Income	-	225,056	(225,056)	-100.0%	-	2,700,667	(2,700,667)	-100.0%
26 Interest expense	-	(24,557)	24,557	-100.0%	-	(294,680)	294,680	-100.0%
27 Operating and maintenance grants	-	-	-	0.0%	4,018	-	4,018	0.0%
28 Total non-operating revenues	100,104	211,416	(111,312)	-52.7%	46,064,398	44,516,987	1,547,411	3.5%
29 Income before capital contributions	(3,565,849)	(3,713,319)	147,470	-4.0%	2,378,590	(2,579,832)	4,958,422	-192.2%
30 Capital contributions	2,451,592	-	2,451,592	0.0%	4,458,345	-	4,458,345	0.0%
31 Change in net position	(1,114,257)	(3,713,319)	2,599,062	-70.0%	6,836,935	(2,579,832)	9,416,767	-365.0%
32 Net position, beginning of year					797,048,807	748,174,454	48,874,353	6.5%
33 Net position, end of year					803,885,742	745,594,622	58,291,120	7.8%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
DRAINAGE SYSTEM FUND  
STATEMENTS OF NET POSITION  
WITH PRIOR YEAR AND BEGINNING OF YEAR COMPARISONS  
December 2013

ASSETS	A	B	C	D	E	F	G
	Prior Year	Variance	%	Current Year	Variance	%	Beginning of Year
1 Property, plant and equipment	991,888,275	91,276,118	9.2%	1,083,164,393	21,084,036	2.0%	1,062,080,357
2 Less: accumulated depreciation	248,963,951	13,886,025	5.6%	262,849,976	11,901,493	4.7%	250,948,483
3 Property, plant, and equipment, net	742,924,324	77,390,093	10.4%	820,314,417	9,182,543	1.1%	811,131,874
Current assets:							
Restricted current assets:							
4 Capital Projects	215,645	1,508,695	699.6%	1,724,340	3,447	0.2%	1,720,893
5 Construction funds	7,704	(7,704)	-100.0%	-	(7,704)	-100.0%	7,704
6 Debt service reserve	2,716,052	(1,225)	0.0%	2,714,827	2,619,041	2734.3%	95,786
7 Health insurance reserve	697,833	40,333	5.8%	738,166	40,333	5.8%	697,833
8 Total restricted current assets	3,637,234	1,540,099	42.3%	5,177,333	2,655,117	105.3%	2,522,216
Unrestricted current assets:							
9 Cash	2,487,018	983,774	39.6%	3,470,792	3,470,792	0.0%	1,066,059
Cash Equivalents:							
10 Capital Projects	24,453,381	(6,973,658)	-28.5%	17,479,723	17,479,723	0.0%	24,453,383
11 Total cash and cash equivalents	26,940,399	(5,989,884)	-22.2%	20,950,515	(4,568,927)	-18.7%	25,519,442
Accounts receivable:							
12 Customers (net of allowance for doubtful accounts)	-	-	0.0%	-	-	0.0%	-
13 Taxes	6,698,357	933,850	13.9%	7,632,207	(100,245)	-1.3%	7,732,452
14 Interest	-	-	0.0%	-	-	0.0%	-
15 Grants	6,690,763	1,360,493	20.3%	8,051,256	1,870,095	30.3%	6,181,161
16 Miscellaneous	1,023,356	789,435	77.1%	1,812,791	404,969	28.8%	1,407,822
17 Due from enterprise fund	18,005,938	(8,975,697)	-49.8%	9,030,241	(8,614,149)	-48.8%	17,644,390
18 Inventory of supplies	1,027,554	(85,017)	-8.3%	942,537	-	0.0%	942,537
19 Prepaid expenses	32,223	12,037	37.4%	44,260	-	0.0%	44,260
20 Total unrestricted current assets	60,418,590	(32,905,298)	-54.5%	27,513,292	(31,958,772)	-53.7%	59,472,064
Other assets:							
21 Bond issue costs	33,706	(10,650)	-31.6%	23,056	(10,650)	-31.6%	33,706
22 Deposits	10,400	-	0.0%	10,400	-	0.0%	10,400
23 Total other assets	44,106	(10,650)	-24.1%	33,456	(10,650)	-24.1%	44,106
24 TOTAL ASSETS	807,024,254	66,964,759	8.3%	873,989,013	818,753	0.1%	873,170,260

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
DRAINAGE SYSTEM FUND  
STATEMENTS OF NET POSITION  
WITH PRIOR YEAR COMPARISONS  
December 2013

	A	B	C	D	E	F	G
	Prior Year	Variance	%	Current Year	Variance	%	Beginning of Year
<b>NET ASSETS AND LIABILITIES</b>							
Net position							
1 Net investments in capital assets	720,987,780	74,652,107	10.4%	795,639,887	2,130,309	0.3%	793,509,578
2 Restricted for Debt Service	2,553,354	7,710	0.3%	2,561,064	2,465,278	2573.7%	95,786
3 Unrestricted	28,263,776	(22,578,985)	-79.9%	5,684,791	(4,803,186)	-45.8%	10,487,977
4 Total net position	751,804,910	52,080,832	6.9%	803,885,742	(207,599)	0.0%	804,093,341
Long-term liabilities							
5 Claims payable	953,814	(209,122)	-21.9%	744,692	-	0.0%	744,692
6 Net pension obligation	3,629,907	1,163,064	32.0%	4,792,971	1,024,639	27.2%	3,768,332
7 Other postretirement benefits liability	14,121,676	2,498,927	17.7%	16,620,603	2,500,519	17.7%	14,120,084
8 Bonds payable (net of current maturities)	17,630,000	(1,425,000)	-8.1%	16,205,000	-	0.0%	16,205,000
9 Special Community Disaster Loan Payable	-	-	0.0%	-	-	0.0%	-
10 Southeast Louisiana Project liability	-	14,231,768	0.0%	14,231,768	-	0.0%	14,231,768
11 Debt Service Assistance Fund Loan payable	4,335,115	(422,386)	-9.7%	3,912,729	-	0.0%	3,912,729
12 Disaster Reimbursement Revolving Loan	-	-	0.0%	-	-	0.0%	-
13 Total long-term liabilities	40,670,512	15,837,251	38.9%	56,507,763	3,525,158	6.7%	52,982,605
Current liabilities (payable from current assets)							
14 Accounts payable and other liabilities	1,787,819	(1,731,959)	-96.9%	55,860	(4,182,353)	-98.7%	4,238,213
15 Due to City of New Orleans	-	-	0.0%	-	-	0.0%	-
16 Disaster Reimbursement Revolving Loan	3,437,425	1,462,840	42.6%	4,900,265	1,462,840	42.6%	3,437,425
17 Retainers and estimates payable	233,509	124,099	53.1%	357,608	124,100	53.1%	233,508
18 Due to other fund	35,598	(13,754)	-38.6%	21,844	-	0.0%	21,844
19 Accrued salaries, vacation and sick pay	2,969,976	7,091	0.2%	2,977,067	91,651	3.2%	2,885,416
20 Claims payable	4,559,676	(1,078,643)	-23.7%	3,481,033	-	0.0%	3,481,033
21 Debt Service Assistance Fund Loan payable	-	215,981	0.0%	215,981	(1)	0.0%	215,982
22 Other Liabilities	(1,896)	4,957	-261.4%	3,061	4,957	-261.4%	(1,896)
23 Customer deposits	-	-	0.0%	-	-	0.0%	-
24 Total current liabilities (payable from current assets)	13,022,107	(1,009,388)	-7.8%	12,012,719	(2,498,806)	-17.2%	14,511,525
Current liabilities (payable from restricted assets)							
25 Accrued interest	162,698	(8,936)	-5.5%	153,762	-	0.0%	153,762
26 Bonds payable	1,360,000	65,000	4.8%	1,425,000	-	0.0%	1,425,000
27 Retainers and estimates payable	4,027	-	0.0%	4,027	-	0.0%	4,027
28 Total current liabilities (payable from restricted assets)	1,526,725	56,064	3.7%	1,582,789	-	0.0%	1,582,789
29 Total current liabilities	14,548,832	(953,324)	-6.6%	13,595,508	(2,498,806)	-15.5%	16,094,314
30 Total liabilities	55,219,344	14,883,927	27.0%	70,103,271	1,026,352	1.5%	69,076,919
31 TOTAL NET POSITION AND LIABILITIES	807,024,254	66,964,759	8.3%	873,989,013	818,753	0.1%	873,170,260

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
DRAINAGE SYSTEM FUND  
STATEMENTS OF CASH FLOWS  
December 2013

	A	B	C	D
	YTD	YTD	YTD	%
	Current Year	Prior Year	Variance	
Cash flows from operating activities				
1 Cash received from customers	-	-	-	0.0%
2 Cash payments to suppliers for goods and services	(21,048,532)	(17,527,474)	(3,521,058)	20.1%
3 Cash payments to employees for services	720,153	(19,487,966)	20,208,119	-103.7%
4 Other revenue	386,627	1,176,978	(790,351)	-67.2%
5 Net cash used in operating activities	(19,941,752)	(35,838,462)	15,896,710	-44.4%
Cash flows from noncapital financing activities				
6 Proceeds from property taxes	45,968,334	42,886,286	3,082,048	7.2%
7 Proceeds from federal operating and maintenance grants	4,018	-	4,018	0.0%
8 Cash received paid to an other government	-	-	-	0.0%
9 Net cash provided by noncapital financing activities	45,972,352	42,886,286	3,086,066	7.2%
Cash flows from capital and related financing activities				
10 Acquisition and construction of capital assets	(25,142,288)	(25,491,019)	348,731	-1.4%
11 Principal payments on bonds payable	-	-	-	0.0%
12 Proceeds from bonds payable	-	-	-	0.0%
13 Payments for bond issuance costs	-	-	-	0.0%
14 Interest paid on bonds payable	(5,056,960)	1,151,781	(6,208,741)	-539.1%
15 Proceeds from construction fund, net	2,161,123	1,730,978	430,145	24.8%
16 Capital contributed by developers and federal grants	(28,038,125)	(22,608,260)	(5,429,865)	24.0%
17 Net cash used in capital and related financing activities				
Cash flows from investing activities				
18 Payments for purchase of investments	-	-	-	
19 Proceeds from maturities of investments	(1,554,504)	(4,136,937)	2,582,433	-62.4%
20 Investment income	92,046	104,656	(12,610)	-12.0%
21 Net cash provided by investing activities	(1,462,458)	(4,032,281)	2,569,823	-63.7%
22 Net increase in cash	(3,469,983)	(19,592,717)	16,122,734	-82.3%
23 Cash at the beginning of the year	26,144,838	43,933,408	(17,788,570)	-40.5%
24 Cash at the end of the period	22,674,855	24,340,691	(1,665,836)	-6.8%
Reconciliation of cash and restricted cash				
25 Current assets - cash	20,950,515	1,391,818	19,558,697	1405.3%
26 Restricted assets -cash	1,724,340	22,948,873	(21,224,533)	-92.5%
27 Total cash	22,674,855	24,340,691	(1,665,836)	-6.8%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
DRAINAGE SYSTEM FUND  
STATEMENTS OF CASH FLOWS  
December 2013

	A	B	C	D
	YTD	YTD	YTD	%
	Current Year	Prior Year	Variance	
Reconciliation of operating loss to net cash used in operating activities is as follows:				
1 Operating loss	(43,685,808)	(42,526,473)	(1,159,335)	2.7%
Adjustments to reconcile net operating loss to net cash used in operating activities:				
2 Depreciation	11,901,492	11,206,316	695,176	6.2%
3 Provision for claims	774,547	638,727	135,820	21.3%
4 Provision for (revision) doubtful accounts	-	-	-	0.0%
5 Amortization	11,619	11,619	-	0.0%
Change in operating assets and liabilities:				
6 (Increase) decrease in customer and other receivables	-	-	-	0.0%
7 Increase in inventory	-	-	-	0.0%
8 Increase (decrease) in prepaid expenses and other receivables	8,209,180	(3,816,413)	12,025,593	-315.1%
9 Decrease in net pension asset	-	-	-	0.0%
10 Increase (decrease) in accounts payable	-	(3,813,902)	3,813,902	-100.0%
11 Increase (decrease) in accrued salaries, due to pension and accrued vacation and sick pay	91,651	63,851	27,800	43.5%
12 Increase in net other postretirement benefits liability	2,500,519	2,431,675	68,844	2.8%
13 Increase (decrease) in net pension obligation	1,024,639	606,761	417,878	68.9%
14 Decrease in other liabilities	(769,591)	(640,623)	(128,968)	20.1%
15 Net cash used in operating activities	(19,941,752)	(35,838,462)	15,896,710	-44.4%