

SEWERAGE & WATER BOARD OF NEW ORLEANS

EXECUTIVE COMMITTEE MEETING

FRIDAY, SEPTEMBER 12, 2014

9:00 AM

REVISED

COMMITTEE MEMBERS

Mr. Wm. Raymond Manning, Chair • Mr. Mark Moody • Mr. Marion Bracy • Mrs. Kerri Kane • Mr. Alan Arnold

FINAL AGENDA

ACTION ITEMS

1. Approval of Previous Report
2. Workforce Initiative
3. General Superintendent's Recommendations
4. Change Orders
5. Refunding Opportunity for Drainage Bonds
6. Request for City Council to Set the Sewerage and Water Board Millage Rates for 2015 (R-187-2014)
7. Authorization to Amend Contract with Chester Engineers, Inc. for Program management Services for Hurricane Related Drainage Restoration Projects (R-189-2014)
8. Employee Group Life Insurance (R-204-2014)
9. Employee Assistance Program (R-203-2014)
10. Bid Protest: Grass Cutting Contracts for East and West Bank Canals
11. Agreement with Statewide Flood Control Funding of the Louisiana Avenue Canal (R-206-2014)
12. Agreement with the Coastal Protection and Restoration Authority for the Operation and Maintenance of the Western Closure Complex (R-207-2014)

PRESENTATION ITEMS

13. Financial Results through July 2014
14. Professional and Personal Services Procurement Policy
15. Procurement of Group Health Insurance
16. Administrative Hearing Policy

INFORMATION ITEMS

17. Tracking Tool for Commitments to the City Council
18. EEOC Activity Status Report Y.T.D.
19. Response to Questions

20. Any Other Matters

REFERENCE MATERIALS (In Binders)

- A. Sewerage and Water Board By-Laws
- B. 2014 Operating & Capital Budget
- C. Strategic Plan
- D. Bond Rating

**GENERAL SUPERINTENDENT RECOMMENDATIONS
FOR THE SEPTEMBER 17, 2014 MEETING**

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

Item 1 - R-197-2014 - FURNISHING GRASS CUTTING AND DEBRIS
PICK-UP OF SEWERAGE AND WATER BOARD
EAST BANK CANALS - REQ. NO. YO140052

Item 2 - R-198-2014 - FURNISHING GRASS CUTTING AND DEBRIS
PICK-UP OF SEWERAGE AND WATER BOARD
WEST BANK CANALS - REQ. NO. YO140053

Item 3 - R-199-2014 - FURNISHING ENGINE DRIVEN PORTABLE
PUMP PACKAGES - REQ. NO. CN140005

Item 4 - R-200-2014 - REMOVAL OF DEBRIS FROM 72-INCH DRAIN
LINE ON JEFFERSON DAVIS PARKWAY -
REQ. NO. CN140030

Item 5 - R-201-2014 - CONTRACT 3986 - NINTH WARD AREA SEWER
REHABILITATION - SEWER REHABILITATION
NO. 5

B. CONTRACT RENEWAL

Item 6 - R-202-2014 - FIRST AND FINAL RENEWAL OF CONTRACT
FOR FURNISHING HOT MIX ASPHALT
- REQ. NO. YW130007

**GENERAL SUPERINTENDENT RECOMMENDATIONS
REPORT OF FINAL ACCEPTANCE TO BE
CONSIDERED BY THE FINANCE COMMITTEE AND
THE BOARD'S MEETING OF SEPTEMBER 17, 2014**

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

1. FURNISHING GRASS CUTTING AND DEBRIS PICK-UP OF SEWERAGE AND WATER BOARD EAST BANK CANALS - REQ. NO. YO140052

Three (3) bids were received on August 21, 2014 for furnishing grass cutting and debris pick-up of Sewerage and Water Board east bank canals. It is recommended that the low bid of **Metro Service Group, Inc.** in the total amount of **\$477,789.12**, be accepted based upon the technical review of the proposals.

The three (3) bidders are as follows:

1. Metro Service Group, Inc.	\$477,789.12
2. H&O Investments LLC	486,475.92
3. Ramelli Janitorial Services, Inc.	670,145.00

The DBE participation is 20%.

The estimated amount for this project is \$500,000.00.

Funds for this project are budgeted under Account Code 0815 (Grounds Maintenance) and Object Code 3271 (Ground Maintenance Services).

2. FURNISHING GRASS CUTTING AND DEBRIS PICK-UP OF SEWERAGE AND WATER BOARD WEST BANK CANALS - REQ. NO. YO140053

Four (4) bids were received on August 21, 2014 for furnishing grass cutting and debris pick-up of Sewerage and Water Board west bank canals. It is recommended that the low bid of **Metro Service Group, Inc.** in the total amount of **\$250,983.84**, be accepted based upon the technical review of the proposals.

The four (4) bidders are as follows:

1. Metro Service Group, Inc.	\$250,983.84
2. H&O Investments LLC	286,110.00
3. Ramelli Janitorial Services, Inc.	351,135.00
4. Little Computer Solutions, Inc. (LCSI)	446,470.00

GENERAL SUPERINTENDENT RECOMMENDATIONS (CONT'D)

September 17, 2014

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The DBE participation is 20%.

The estimated amount for this project is \$500,000.00.

Funds for this project are budgeted under Account Code 0815 (Grounds Maintenance) and Object Code 3271 (Ground Maintenance Services).

3. FURNISHING ENGINE DRIVEN PORTABLE PUMP PACKAGES - REQ. NO. CN140005

Three (3) bids were received on August 21, 2014 for furnishing engine driven portable pump packages. It is recommended that the low bid of **Better Pumps & Solutions** in the total amount of **\$71,120.00**, be accepted based upon the technical review of the proposals.

The three (3) bidders are as follows:

1. Better Pumps & Solutions	\$ 71,120.00
2. Advance Industrial Products Inc.	71,794.00
3. Delta Process Equipment	117,432.00

There is no DBE participation.

The estimated amount for this project is \$70,000.00.

Funds for this project are budgeted under Capital Program 318 (Rehabilitation of Gravity Sewer System).

4. REMOVAL OF DEBRIS FROM 72-INCH DRAIN LINE ON JEFFERSON DAVIS PARKWAY - REQ. NO. CN140030

Two (2) bids were received on August 21, 2014 for removal of debris from 72-inch drain line on Jefferson Davis Parkway. It is recommended that the low bid of **Compliance EnviroSystems LLC** in the total amount of **\$152,000.00**, be accepted based upon the technical review of the proposals.

The two (2) bidders are as follows:

1. Compliance EnviroSystems LLC	\$152,000.00
2. BLD Services LLC	263,100.00

GENERAL SUPERINTENDENT RECOMMENDATIONS (CONT'D)

September 17, 2014

Page 3

There is no DBE participation.

The estimated amount for this project is \$200,000.00.

Funds for this project are budgeted under Capital Program 418 (Normal Extensions and Repairs of Canals).

5. CONTRACT 3986 - NINTH WARD AREA SEWER REHABILITATION - SEWER REHABILITATION NO. 5

Five (5) bids were received on August 15, 2014 for performing work under Contract 3986. It is recommended that the low bid of **BLD Services** in the total amount of **\$5,683,179.00**, be accepted based upon the technical review of the proposals.

The five (5) bidders are as follows:

1. BLD Services	\$ 6,683,179.00
2. Wallace C. Drennan, Inc.	7,866,070.00
3. Fleming Construction Co., LLC	8,433,997.50
4. Durr Heavy Construction Co., LLC	10,558,031.52
5. Boh Brothers Construction CO., LLC	10,830,580.00

The DBE participation is 28%.

The estimated amount for this project is \$9,541,000.00.

Funds for this project are budgeted under Capital Program 317 (\$100 Million State Revolving Loan Fund).

6.

**FIRST AND FINAL RENEWAL OF CONTRACT FOR
FURNISHING HOT MIX ASPHALT
REQ. NO. YW130007**

PROPOSAL:

The contractor, **Barriere Construction Co., LLC** has requested that the Board renew their current contract effective October 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 **\$326,250.00**.

GENERAL SUPERINTENDENT RECOMMENDATIONS (CONT'D)

September 17, 2014

Page 4

EVALUATION:

The original contract for Furnishing Hot Mix Asphalt was awarded to Barriere Construction Co., LLC by the Board at its meeting of September 18, 2013 in the total amount of \$326,250.00. 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 Account Code 0850 (Warehouse and Grounds) and Object Code 9916 (Miscellaneous).

RECOMMENDATION:

It is recommended that the Board approve this first and only renewal to **Barriere Constructon Co., LLC** in the total amount of \$326,250.00.

JRB/J
RSEP14.GSR

**FURNISHING GRASS CUTTING AND DEBRIS PICK-UP OF SEWERAGE AND
WATER BOARD EAST BANK CANALS - REQ. NO. YO140052**

BE IT RESOLVED by the Sewerage and Water Board of New Orleans that three (3) bids were received on August 21, 2014 after advertising according to the Public Bid Law, for Furnishing Grass Cutting and Debris Pick-up of Sewerage and Water Board East Bank Canals. The low bid was hereby accepted and contract awarded therefore to **Metro Service Group, Inc.** for the total amount of **\$477,789.12.**

I, Cedric S. Grant, 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 September 17, 2014.

Pulled by Gen Supt.

CEDRIC S. GRANT
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**FURNISHING GRASS CUTTING AND DEBRIS PICK-UP OF SEWERAGE AND
WATER BOARD WEST BANK CANALS - REQ. NO. Y0140053**

BE IT RESOLVED by the Sewerage and Water Board of New Orleans that four (4) bids were received on August 21, 2014 after advertising according to the Public Bid Law, for Furnishing Grass Cutting and Debris Pick-up of Sewerage and Water Board West Bank Canals. The low bid was hereby accepted and contract awarded therefore to **Metro Service Group, Inc.** for the total amount of **\$250,983.84.**

I, Cedric S. Grant, 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 September 17, 2014.

*revised by Gen
Suor.*

CEDRIC S. GRANT
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**FURNISHING ENGINE DRIVEN PORTABLE PUMP PACKAGES - REQ. NO.
CN140005**

BE IT RESOLVED by the Sewerage and Water Board of New Orleans that three (3) bids were received on August 21, 2014 after advertising according to the Public Bid Law, for Furnishing Engine Driven Portable Pump Packages. The low bid was hereby accepted and contract awarded therefore to **Better Pumps & Solutions** for the total amount of **\$71,120.00**.

I, Cedric S. Grant, 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 September 17, 2014.

CEDRIC S. GRANT
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**REMOVAL OF DEBRIS FROM 72-INCH DRAIN LINE ON JEFFERSON DAVIS
PARKWAY - REQ. NO. CN140030**

BE IT RESOLVED by the Sewerage and Water Board of New Orleans that two (2) bids were received on August 21, 2014 after advertising according to the Public Bid Law, for Removal of Debris From 72-Inch Drain Line on Jefferson Davis Parkway. The low bid was hereby accepted and contract awarded therefore to **Compliance EnviroSystems LLC** for the total amount of **\$152,000.00.**

I, Cedric S. Grant, 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 September 17, 2014.

CEDRIC S. GRANT
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**CONTRACT 3986 - NINTH WARD AREA SEWER REHABILITATION - SEWER
REHABILITATION NO. 5**

BE IT RESOLVED by the Sewerage and Water Board of New Orleans that five (5) bids were received on August 15, 2014 after advertising according to the Public Bid Law, for performing work under Contract 3986. The low bid was hereby accepted and contract awarded therefore to **BLD Services** for the total amount of **\$6,683,179.00**.

I, Cedric S. Grant, 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 September 17, 2014.

CEDRIC S. GRANT
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

FIRST AND FINAL RENEWAL OF CONTRACT FOR FURNISHING HOT MIX ASPHALT - REQ. NO. YW130007

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, **Barriere Construction Co., LLC**, desires to exercise its renewal option as allowed under this contract with the total being **\$326,250.00** for Furnishing Hot Mix Asphalt.

NOW, THEREFORE, BE IT RESOLVED, that the request of **Barriere Construction co., LLC**, for this first and only renewal, effective **October 1, 2014**, is hereby approved.

I, Cedric S. Grant, 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 September 17, 2014.

CEDRIC S. GRANT
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**RATIFICATION OF CHANGE ORDER NO. 8 FOR CONTRACT 3661 –
MODIFICATIONS TO EAST BANK WASTEWATER TREATMENT PLANT FLOOD
PROTECTION SYSTEM**

WHEREAS, the Sewerage and Water Board entered into Contract 3661 with Cajun Constructors, Inc. for FEMA funded Modifications to the East Bank Wastewater Treatment Plant Flood Protection System in the bid amount of \$24,391,466.00, and

WHEREAS, in the course of these modifications, it was required to issue a general condition costs change order related to a 30 day contract time extension, at an additional cost of \$59,814.00. This cost will be eligible for FEMA reimbursement, and

WHEREAS, the Sewerage and Water Board has previously approved Change Orders for this Contract in the amount of \$3,234,852.15. This Change Order, in the amount of \$59,814.00, brings the accumulated total to \$3,294,666.15, which is 13.3% of the original Contract value.

NOW THEREFORE BE IT RESOLVED, the approval of Change Order No. 8 for Contract 3661 be ratified by the Sewerage and Water Board

I, Cedric S. Grant, 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 September 17, 2014

CEDRIC S. GRANT
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS



SEWERAGE AND WATER BOARD OF NEW ORLEANS

Inter-Office Memorandum

Date: August 18, 2014

From: Joseph R. Becker, P.E.
General Superintendent

To: Cedric Grant
Executive Director

Re: Contract Number 3661 – Modification to East Bank Wastewater Treatment Plant Flood Protection System

Enclosed please find a recommendation from the Engineering Department, for approval of Change Order No. 8 for the above Contract. This Change Order is in the amount of \$59,814.00 and funds for this Change Order will be eligible for reimbursement through FEMA.

This additional work entails general condition costs related to a 30 day contract time extension. This work will require an additional 30 days being added to the contract. The revised contract completion date is September 13, 2014. The required DBE participation on the Contract is 35% and the Contractor is forecasted to meet a 37% DBE participation.

The previous change orders for this contract were in the amount of \$3,234,852.15. This change order brings the accumulated total to \$3,294,666.15 which is 13.5% above the original bid amount of Contract.

I would appreciate you forwarding this to the attention of the appropriate committees of the Board for their consideration and approval.

Joseph R. Becker, P.E.
General Superintendent

Cc: Madeline Goddard, Deputy General Superintendent
Debra Cadis, Chief of Engineering Department
Reid Dennis, FEMA Program Management Supervisor
Tiffany Carter, EDB Director
Jason Higginbotham, Director of Emergency Management
Anita Simmons
Brian Schick, BKI



SEWERAGE AND WATER BOARD OF NEW ORLEANS

Inter-Office Memorandum

Date: August 18, 2014
From: Engineering Department
To: Joseph R. Becker, P.E.
General Superintendent
Re: Contract Number 3661 – Modification to East Bank Wastewater Treatment Plant Flood Protection System

CHANGE ORDER NO. 8

General condition costs related to a 30 day contract time extension. This work will require an additional 30 days being added to the contract.

Original Contract Bid Price:	\$24,391,466.00
Contract DBE Participation	35%
Current DBE Participation	37%
Previous Change Orders Approved: 7	\$3,234,852.15
This Change Order Amount:	\$59,814.00
Total Change Orders (% of Original Contract)	13.5%
Total Dollar Change Order Amount:	\$3,294,666.15

The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur:

Joseph R. Becker
General Superintendent

Cc: Reid Dennis, FEMA Program Management Supervisor
Melvin R. Spooner, Chief of Engineering
Bob Moeinian, Chief of Operations
Madeline Goddard, Deputy General Superintendent
Alvin Porter, EDB Director
Jason Higginbotham, Director of Emergency Management
Nolan Lambert, Special Counsel
Dexter Joseph, Budget
Ethel Williams, Finance
Brian Schick, BKI

SCOPE OF CHANGES
Contract 3661
(Change Order NO. 8)

ADDITIONAL ITEMS TO BE ADDED TO CONTRACT

Item #	PCM #	Detailed Description	Units	Unit Price	Quantity	Amount	days	Comments
1	38	30 Day Time Extension	1	\$ 59,814.00	1	\$ 59,814.00	30	Pending FEMA Review

Contract DBE%	35%
Current DBE%	37.0%

Original	\$ 24,391,466.00
Amount of previous Change Orders	\$ 3,234,832.15
Amount this Change Order	\$ 59,814.00
Change Orders to date	\$ 3,294,666.15

**CONTRACT
AMOUNT**

**CONTRACT DAYS
(BASE)**

Original Contract Days	BERM
Days Previously Added	520
Days this Change Order	350
Days Added to date	30
	380

REVISED CONTRACT DAYS

REVISED CONTRACT AMOUNT \$ 27,686,132.15

900

**% OF ORIGINAL CONTRACT
AMOUNT**

This Change Order	0.2%
Previous Change Order	13.3%
TOTAL TO DATE	13.5%

Work Order Date
CD Date
FLOAT

BERM
3/27/2012
N/A
N/A

FINAL COMPLETION DATE

Original	BERM
Revised Date w/ added days	8/29/2013
Forecasted Completion Milestone	9/13/2014
	10/14/2014

It is mutually agreed to perform and accept the above revisions in accordance with the original contract and applicable specifications for the above price.

Proposed By:

Recommended By:

Reid Dennis
S&WB Project Manager

[Signature]

Date

8/24/14

James Sandelur

Contractor Representative

Cajun Constructors, Inc.

Date

8/18/14

Melvin R. Spooner
Chief of Engineering

Date

CHANGE ORDER NO. 5 FOR CONTRACT 5221 - HURRICANE KATRINA RELATED REPAIRS TO PONTCHARTRAIN BOULEVARD DRAINAGE UNDERPASS PUMPING STATION

WHEREAS, the Sewerage and Water Board entered into Contract 5221 with Lou-Con Construction, Inc. for FEMA funded repairs to the Pontchartrain Boulevard Drainage Underpass Pumping Station, and

WHEREAS, it was necessary to replace the existing shafts at this time at a cost of \$9,628.22, and

WHEREAS, upon inspection of the pumps' foundations, it was discovered that all anchor bolts needed to be replaced at an additional cost of \$27,855.27, and

WHEREAS, this Change Order, in the amount of \$37,483.49, brings the accumulated Contract change order total to \$340,788.20, or 103.1% of the original Contract value, and

NOW THEREFORE BE IT RESOLVED, that approval of Change Order No. 5 for Contract 5221 is ratified by the Sewerage and Water Board of New Orleans.

I, Cedric S. Grant, 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 September 17, 2014.

CEDRIC S. GRANT, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS



Sewerage & Water Board

Inter-Office Memorandum

Date: August 22, 2014

From: Reid Dennis, P.E.
Principal Engineer

To: Joseph Becker, P.E.
General Superintendent

Re: Contract Number 5221 - Hurricane Katrina Related Repairs to Pontchartrain Blvd.
Drainage Underpass Pumping Station

CHANGE ORDER NO. 5

Description of Change Order: Replacement of pump shafts and anchor bolt replacement. See attached Scope of Changes Form.

Original Contract Bid Price:	\$330,595.00
Previously Approved Change Orders:	\$308,623.42
This Change Order Amount:	\$37,483.49
Total Change Orders (% of Original Contract)	104.7%
Total Dollar Change Order Amount:	\$346,106.91
Contract DBE Participation	36.0 %
Forecasted DBE Participation	19.2%

The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur:


Joseph R. Becker
General Superintendent

cc: Ron Spooner, Chief of Engineering
Madeline Goddard, Deputy General Superintendent
Bob Moeinian, Chief of Operations
Ethel Williams, Finance
Mark Scally, Chester Engineers

Jason Higginbotham, EM Director
Tiffany Carter, EDB Director
Dexter Joseph, Budget
Nolan Lambert, Special Counsel



Sewerage & Water Board

Inter-Office Memorandum

Date: August 22, 2014

From: Joseph Becker, P.E.
General Superintendent

To: Cedric Grant
Executive Director

Re: Contract Number 5221 - Hurricane Katrina Related Repairs to Pontchartrain Blvd. Drainage Underpass Pumping Station

Enclosed please find a recommendation from Reid Dennis for approval of Change Order No. 5 for the above contract.

This additional work is for the replacement of the pump shafts and for the replacement of the anchor bolts for the pumps. The required DBE participation on this Contract is 36% and the current participation is 19.0%. The Contractor is forecasted to meet a 19.2% DBE participation, and has had discussions with the EDBP Department since the forecasted participation is less than the goal.

This Change Order is in the amount of \$37,483.49 represents 11.3% of the original bid amount, and brings the cumulative total Change Orders to \$346,106.91 which is 104.7% of the original bid amount. Funds for this Change Order are available through the \$100 million Revolving Fund provided by the State of Louisiana. This Change Order will not be eligible for reimbursement into the revolving loan fund.

I would appreciate you forwarding this to the attention of the appropriate committees of the Board for consideration and approval.

Joseph Becker, P.E.
General Superintendent

cc: Madeline Goddard, Deputy General Superintendent
Ron Spooner, Chief of Engineering
Reid Dennis, FEMA Program Management Supervisor
Tiffany Carter, EDB Director
Jason Higginbotham, Director of Emergency Management
Susan Higginbotham
Mark Scally, Chester Engineers

CHANGE ORDER NO. 4 FOR CONTRACT 5222 - HURRICANE KATRINA RELATED REPAIRS TO CANAL BOULEVARD DRAINAGE UNDERPASS PUMPING STATION

WHEREAS, the Sewerage and Water Board entered into Contract 5222 with Lou-Con Construction, Inc. for FEMA funded repairs to the Canal Boulevard Drainage Underpass Pumping Station, and

WHEREAS, it was necessary to replace the existing shafts at this time at a cost of \$9,628.22, and

WHEREAS, upon inspection of the pumps' foundations, it was discovered that all anchor bolts needed to be replaced at an additional cost of \$27,855.27, and

WHEREAS, this Change Order, in the amount of \$37,483.49, brings the accumulated Contract change order total to \$555,191.74, or 129.7% of the original Contract value, and

NOW THEREFORE BE IT RESOLVED, that approval of Change Order No. 4 for Contract 5222 is ratified by the Sewerage and Water Board of New Orleans.

I, Cedric S. Grant, 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 September 17, 2014.

CEDRIC S. GRANT, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS



Sewerage & Water Board

Inter-Office Memorandum

Date: August 22, 2014

From: Joseph Becker, P.E.
General Superintendent

To: Cedric Grant
Executive Director

Re: Contract Number 5222 - Hurricane Katrina Related Repairs to Canal Blvd.
Drainage Underpass Pumping Station

Enclosed please find a recommendation from Reid Dennis for approval of Change Order No. 4 for the above contract.

This additional work is for the replacement of the pump shafts and for the replacement of the anchor bolts for the pumps. The required DBE participation on this Contract is 36% and the current participation is 16.3%. The Contractor is forecasted to meet a 16.7% DBE participation, and has had discussions with the EDBP Department since the forecasted participation is less than the goal.

This Change Order is in the amount of \$37,483.49 represents 8.8% of the original bid amount, and brings the cumulative total Change Orders to \$555,191.74 which is 129.7% of the original bid amount. Funds for this Change Order are available through the \$100 million Revolving Fund provided by the State of Louisiana. This Change Order will not be eligible for reimbursement into the revolving loan fund.

I would appreciate you forwarding this to the attention of the appropriate committees of the Board for consideration and approval.

Joseph Becker, P.E.
General Superintendent

cc: Madeline Goddard, Deputy General Superintendent
Ron Spooner, Chief of Engineering
Reid Dennis, FEMA Program Management Supervisor
Tiffany Carter, EDB Director
Jason Higginbotham, Director of Emergency Management
Susan Higginbotham
Mark Scally, Chester Engineers



Sewerage & Water Board

Inter-Office Memorandum

Date: August 22, 2014

From: Reid Dennis, P.E.
Principal Engineer

To: Joseph Becker, P.E.
General Superintendent

Re: Contract Number 5222 - Hurricane Katrina Related Repairs to Canal Blvd. Drainage Underpass Pumping Station


CHANGE ORDER NO. 4

Description of Change Order: Replacement of pump shafts and anchor bolt replacement.

Original Contract Bid Price:	\$427,975.00
Previously Approved Change Orders:	\$517,708.25
This Change Order Amount:	\$37,483.49
Total Change Orders (% of Original Contract)	129.7%
Total Dollar Change Order Amount:	\$555,191.74
Contract DBE Participation	36.0 %
Forecasted DBE Participation	16.7%

The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur:


Joseph R. Becker
General Superintendent

cc: Ron Spooner, Chief of Engineering
Madeline Goddard, Deputy General Superintendent
Bob Moeinian, Chief of Operations
Ethel Williams, Finance
Mark Scally, Chester Engineers

Jason Higginbotham, EM Director
Tiffany Carter, EDB Director
Dexter Joseph, Budget
Nolan Lambert, Special Counsel

CHANGE ORDER NO. 4 FOR CONTRACT 5223 - HURRICANE KATRINA RELATED REPAIRS TO ST. BERNARD AVENUE DRAINAGE UNDERPASS PUMPING STATION

WHEREAS, the Sewerage and Water Board entered into Contract 5223 with Lou-Con Construction, Inc. in the amount of \$255,814.00 for FEMA funded repairs to the St. Bernard Avenue Drainage Underpass Pumping Station, and

WHEREAS, it was necessary to replace the existing pump shafts at this time at a cost of \$3,729.51, and

WHEREAS, this Change Order, in the amount of \$3,729.51, brings the accumulated Contract change order total to \$530,827.87, or 207.5% of the original Contract value, and

NOW THEREFORE BE IT RESOLVED, that approval of Change Order No. 4 for Contract 5223 is ratified by the Sewerage and Water Board of New Orleans.

I, Cedric S. Grant, 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 September 17, 2014.

CEDRIC S. GRANT, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS



Sewerage & Water Board

Inter-Office Memorandum

Date: August 22, 2014

From: Joseph Becker, P.E.
General Superintendent

To: Cedric Grant
Executive Director

Re: Contract Number 5223 - Hurricane Katrina Related Repairs to St. Bernard Ave.
Drainage Underpass Pumping Station

Enclosed please find a recommendation from Reid Dennis for approval of Change Order No. 4 for the above contract.

This additional work is for the replacement of the pump shafts. The required DBE participation on this Contract is 36% and the current participation is 15.9%. The Contractor is forecasted to meet a 21.6% DBE participation and has had discussions with the EDBP Department since the forecasted participation is less than the goal.

This Change Order is in the amount of \$3,729.51 represents 1.5% of the original bid amount, and brings the cumulative total Change Orders to \$530,827.87, which is 207.5% of the original bid amount. Funds for this Change Order are available through the \$100 million Revolving Fund provided by the State of Louisiana. This Change Order will not be eligible for reimbursement into the revolving loan fund.

I would appreciate you forwarding this to the attention of the appropriate committees of the Board for consideration and approval.

Joseph Becker, P.E.
General Superintendent

cc: Madeline Goddard, Deputy General Superintendent
Ron Spooner, Chief of Engineering
Reid Dennis, FEMA Program Management Supervisor
Tiffany Carter, EDB Director
Jason Higginbotham, Director of Emergency Management
Susan Higginbotham
Mark Scally, Chester Engineers



Sewerage & Water Board

Inter-Office Memorandum

Date: August 22, 2014

From: Reid Dennis, P.E.
Principal Engineer

To: Joseph Becker, P.E.
General Superintendent

Re: Contract Number 5223 - Hurricane Katrina Related Repairs to St. Bernard Ave.
Drainage Underpass Pumping Station

CHANGE ORDER NO. 4

Description of Change Order (CO): Replacement of pump shafts.

Original Contract Bid Price:	\$255,814.00
Previously Approved Change Orders:	\$527,098.36
This CO Amount:	\$3,729.51
Total CO Amount:	\$530,827.87
Total CO as % of Original Contract	207.5%
Contract DBE Participation	36.0 %
Current DBE Participation	15.9%
Forecasted DBE Participation	21.6%

The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur:

Joseph R. Becker
General Superintendent

cc: Ron Spooner, Chief of Engineering
Madeline Goddard, Deputy General Superintendent
Bob Moeinian, Chief of Operations
Ethel Williams, Finance
Mark Scally, Chester Engineers

Jason Higginbotham, EM Director
Tiffany Carter, EDB Director
Dexter Joseph, Budget
Nolan Lambert, Special Counsel

CHANGE ORDER NO. 5 FOR CONTRACT 5226 - HURRICANE KATRINA RELATED REPAIRS TO FRANKLIN AVENUE DRAINAGE UNDERPASS PUMPING STATION

WHEREAS, the Sewerage and Water Board entered into Contract 5226 with Lou-Con Construction, Inc. in the amount of \$328,152.00 for FEMA funded repairs to the Franklin Avenue Drainage Underpass Pumping Station, and

WHEREAS, it was necessary to replace the existing pump shafts at this time at a cost of \$6,418.82, and

WHEREAS, there was a delay of 33 days in the delivery of the new pumps from the manufacturer, necessitating a contract extension, and

WHEREAS, this Change Order, in the amount of \$6,418.82, brings the accumulated Contract change order total to \$400,887.99, or 122.2% of the original Contract value and extends the duration of the work associated with the Contract through August 23, 2014, and,

NOW THEREFORE BE IT RESOLVED, that approval of Change Order No. 5 for Contract 5226 is ratified by the Sewerage and Water Board of New Orleans.

I, Cedric S. Grant, 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 September 17, 2014.

CEDRIC S. GRANT, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS



Sewerage & Water Board

Inter-Office Memorandum

Date: August 22, 2014

From: Reid Dennis, P.E.
Principal Engineer

To: Joseph Becker, P.E.
General Superintendent

Re: Contract Number 5226 - Hurricane Katrina Related Repairs to Franklin Ave. Drainage Underpass Pumping Station

CHANGE ORDER NO. 5

This change order is for the replacement of pump shafts and contract extension.

Original Contract Bid Price:	\$328,152.00
Previously Approved Change Orders:	\$394,469.17
This Change Order Amount:	\$6,418.82
Total Change Orders (% of Original Contract)	122.2%
Total Dollar Change Order Amount:	\$400,887.99
Days added by this change order	33
Contract DBE Participation	36%
Current DBE Participation	20.6%
Forecasted DBE Participation	28.4%

The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur:


Joseph R. Becker
General Superintendent

cc: Ron Spooner, Chief of Engineering
Madeline Goddard, Deputy General Superintendent
Bob Moeinian, Chief of Operations
Rosita Thomas, Finance
Mark Scally, Chester Engineers

Jason Higginbotham, EM Director
Tiffany Carter, EDB Director
Dexter Joseph, Budget
Nolan Lambert, Special Counsel



Sewerage & Water Board

Inter-Office Memorandum

Date: August 22, 2014

From: Joseph Becker, P.E.
General Superintendent

To: Cedric Grant
Executive Director

Re: Contract Number 5226 - Hurricane Katrina Related Repairs to Franklin Ave.
Drainage Underpass Pumping Station

Enclosed please find a recommendation from Reid Dennis for approval of Change Order No. 5 for the above contract.

This additional work is for the replacement of the pump shafts. There was a delay from manufacturer of 33 days in the delivery of the new pumps. Therefore, this Change Order extends the length of the Contract by 33 days to the projected Substantial Completion date of August 23, 2014. The required DBE participation on this Contract is 36% and the current participation is 20.6%. The Contractor is forecasted to meet a 28.4% DBE participation and has had discussions with the EDBP Department since the forecasted participation is less than the goal.

This Change Order is in the amount of \$6,418.82 representing 2.0% of the original bid amount, and brings the cumulative total Change Orders to \$400,887.99 which is 122.2% of the original bid amount. Funds for this Change Order are available through the \$100 million Revolving Fund provided by the State of Louisiana. This Change Order will not be eligible for reimbursement into the revolving loan fund.

I would appreciate you forwarding this to the attention of the appropriate committees of the Board for consideration and approval.

Joseph Becker, P.E.
General Superintendent

cc: Madeline Goddard, Deputy General Superintendent
Ron Spooner, Chief of Engineering
Reid Dennis, FEMA Program Management Supervisor
Tiffany Carter, EDB Director
Jason Higginbotham, Director of Emergency Management
Susan Higginbotham
Mark Scally, Chester Engineers

**RATIFICATION OF CHANGE ORDER NO. 6 FOR CONTRACT 6247 –
HAZARD MITIGATION GRANT PROJECT – RETROFIT OF GENERATOR #4**

WHEREAS, the Sewerage and Water Board entered into Contract 6247 with Industrial Mechanical Contractors for HMGP FEMA funded Retrofit of Generator #4 at the Carrollton Water Purification Plant.

WHEREAS, tasks associated to Generator #4 as detailed in the Scope of Changes form were completed, specifically the stator restack/rewind and stator transport were completed at a cost of \$618,565.75 and

WHEREAS, this Change Order, in the amount of \$618,565.75 brings the accumulated Contract change order total to \$1,213,558.60 or 18.12% of the original Contract value.

NOW THEREFORE BE IT RESOLVED, the approval of Change Order No. 6 for Contract 6247 is ratified by the Sewerage and Water Board of New Orleans.

I, Cedric S. Grant, 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 September 17, 2014

CEDRIC S. GRANT, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS



SEWERAGE AND WATER BOARD OF NEW ORLEANS

Inter-Office Memorandum

Date: July 10, 2014

From: Melvin R. Spooner, P.E.
Chief of Engineering

To: Joseph R. Becker, P.E.
General Superintendent

Re: Contract 6247 – Hazard Mitigation Grant Project Retrofit of Generator #4 at the Carrollton Water Purification Plant.

CHANGE ORDER NO. 6

Description of Change Order:

The scope of work included the following work for Generator 4:

- Transportation of the stator from Farmington, NM to Sewerage and Water Board (New Orleans), mobilization/demobilization of all necessary transportation equipment, unloading of Stator from Central Gulf Enterprises, Inc., necessary equipment, manpower and escorts to complete the transportation stated and the necessary permits, engineering and insurance.
- Stripping of the stator windings and core on-site and then ship the stator to Farmington, N.M. for the re-stack and re-wind. Turbine Generator Stator stripping, restack and rewind performed off-site in Farmington, NM. This change order also includes completing the stator bars as B-stage stator bars and a B-stage winding kit and represents the difference between the original VPI stator rewind scope and the new B-Stage stator rewind.

The funding source determination made by staff should only be used as guidance in terms of final determination of FEMA eligibility. Please see the attached scope of changes form.

Original Contract Bid Price:	\$6,695,750.00
DBE Participation:	0%
Previous Change Orders Approved:	\$594,992.85
This Change Order Amount:	\$618,565.75
Total Cumulative Change Order % of Original Contract:	18.12%
Total Cumulative Dollar Change Order Amount:	\$1,213,558.60

The Engineering Department has reviewed this proposal and is recommending it for approval.

I concur:


Joseph R. Becker
General Superintendent

Date: _____

Cc:

Jason P Higginbotham, EMS Director
Ethel Williams, Finance Director
James Vincent, Director of Electrical Engineering
Alvin Porter, Acting EDB Director
Sal Mansour, Construction Manager, Trigon
Melvin R. Spooner, Chief of Engineering

Celso Antunez, Project Manager Electrical Engineering
Madeline Goddard, Deputy General Superintendent
Angela Roberts, Project Manager, CH2M HILL
Dexter Joseph, Budget Director
Nolan Lambert, Special Counsel
Gabe Signorelli, Chief of Facilities Maintenance



SEWERAGE AND WATER BOARD OF NEW ORLEANS

Inter-Office Memorandum

Date: August 10, 2014
From: Joseph R. Becker, P.E.
General Superintendent
To: Cedric Grant
Executive Director
Re: Contract 6247 – Hazard Mitigation Grant Project Retrofit of Generator #4 at the Carrollton Water Purification Plant.

CHANGE ORDER NO. 6

Enclosed please find a recommendation from Melvin R. Spooner, Chief of Engineering for approval of Change Order No. 6 for the above Contract.


This Change Order is in the amount of \$618,565.75 and funds are available through the Hazard Mitigation Grant.

The scope of work included the following work for Generator 4:

- Stripping of the stator windings and core on-site and then ship the stator to Farmington, N.M. for the restack and re-wind. Turbine Generator Stator stripping, restack and rewind performed off-site in Farmington, NM. This change order also includes completing the stator bars as B-stage stator bars and a Stage winding kit and represents the difference between the original VPI stator rewind scope and the new B-Stage stator rewind.
- Transportation of the stator from Farmington, NM to Sewerage and Water Board (New Orleans), mobilization/demobilization of all necessary transportation equipment, unloading of Stator from Central Gulf Enterprises, Inc., necessary equipment, manpower and escorts to complete the transportation stated and the necessary permits, engineering and insurance.

The required DBE participation goal on this contract is 0% percent and will remain unchanged through this approved change order. Previous change orders to this contract totaled \$594,992.85. This Change Order brings the cumulative total of Change Orders to \$1,213,558.60, which is 18.12% of the original bid amount of the Contract.

I would appreciate you forwarding this change order to the attention of the appropriate committees of the Board for their consideration and approval.


Joseph Becker, P.E.
General Superintendent

Cc: Madeline Goddard, Deputy General Superintendent
Melvin R. Spooner, Chief of Engineering
Jason Higginbotham, Director of Emergency Management
Celso Antunez, Project Manager

James Vincent, Director of Electrical Engineering
Alvin Porter, Acting EDB Director
Angela Roberts, CH2M HILL



SEWERAGE AND WATER BOARD OF NEW ORLEANS

September 8, 2014

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

Dear Directors:

Subject: Refunding Opportunity for Drainage Bonds

Sewerage and Water Board has outstanding drainage bonds from Series 1998 in the amount of \$3,445,000 and from Series 2002 in the amount of \$12,760,000 for a total of \$16,205,000. These bonds carry interest rates ranging from 4.0% to 5.0% and are callable at par on December 15, 2014. The PFM Group, financial advisor to the Board of Liquidation, estimates that these bonds could be currently refunded with an all-in true interest cost of 2.44% producing an estimated net present value savings of \$1,324,900 or approximately 8.2% of the refunded bonds. Management recommends structuring the refunding so that these savings could be used to fund a corresponding amount of additional capital projects. There are no other additional new bond funds contemplated with this refunding.

This bond issue was authorized by the Board of Directors on February 19, 2014, by the Board of Liquidation on February 25, 2014, by the City Council on March 6, 2014 and by the State Bond Commission on April 17, 2014. The next key steps to accomplish this refunding bond issue are:

- | | |
|------------------------|---|
| ▪ Finance Committee | Recommend adoption of bond resolution. |
| ▪ Board of Directors | Adopt bond resolution. |
| ▪ City Council | Adopt bond resolution. |
| ▪ Staff | Release preliminary official statement. |
| ▪ Staff | Obtain bond rating. |
| ▪ Staff | Provide due diligence information. |
| ▪ Board of Liquidation | Adopt bond resolution. |
| ▪ Staff | Bond pricing. |
| ▪ Staff | Bond closing. |

Staff recommends adoption of the attached basic bond resolution drafted by Meredith Hathorn of Foley Judell.

Robert K. Miller
Deputy Director

SOURCES AND USES OF FUNDS

Sewerage and Water Board of New Orleans
 2014 Drainage Financing
 AAA MMD as of 8/26/14 + spread

Dated Date 11/15/2014
 Delivery Date 11/15/2014

Sources:	Series 2014 - Refunding 2002 Drainage	Series 2014 - Refunding 1998 Drainage	Total
Bond Proceeds:			
Par Amount	11,645,000.00	3,300,000.00	14,945,000.00
Premium	1,527,371.95	266,637.70	1,794,009.65
	13,172,371.95	3,566,637.70	16,739,009.65
Uses:	Series 2014 - Refunding 2002 Drainage	Series 2014 - Refunding 1998 Drainage	Total
Refunding Escrow Deposits:			
Cash Deposit	13,060,441.65	3,535,453.88	16,595,895.53
Delivery Date Expenses:			
Cost of Issuance	81,515.00	23,100.00	104,615.00
Underwriter's Discount	31,062.50	6,467.50	37,530.00
	112,577.50	29,567.50	142,145.00
Other Uses of Funds:			
Additional Proceeds	(647.20)	1,616.32	969.12
	13,172,371.95	3,566,637.70	16,739,009.65

BOND SUMMARY STATISTICS

Sewerage and Water Board of New Orleans
 2014 Drainage Financing
 AAA MMD as of 8/26/14 + spread

Dated Date	11/15/2014
Delivery Date	11/15/2014
Last Maturity	12/01/2022
Arbitrage Yield	2.232257%
True Interest Cost (TIC)	2.285716%
Net Interest Cost (NIC)	2.473026%
All-In TIC	2.435651%
Average Coupon	5.000000%
Average Life (years)	4.651
Duration of Issue (years)	4.245
Par Amount	14,945,000.00
Bond Proceeds	16,739,009.65
Total Interest	3,475,461.11
Net Interest	1,718,981.46
Total Debt Service	18,420,461.11
Maximum Annual Debt Service	2,252,250.00
Average Annual Debt Service	2,289,836.33
Underwriter's Fees (per \$1000)	
Average Takedown	2.511208
Other Fee	
Total Underwriter's Discount	2.511208
Bid Price	111.752959

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
2014 New Money Drainage Serial Bonds	14,945,000.00	112.004	5.000%	4.651	6,958.45
	14,945,000.00			4.651	6,958.45

	TIC	All-In TIC	Arbitrage Yield
Par Value	14,945,000.00	14,945,000.00	14,945,000.00
+ Accrued Interest			
+ Premium (Discount)	1,794,009.65	1,794,009.65	1,794,009.65
- Underwriter's Discount	(37,530.00)	(37,530.00)	
- Cost of Issuance Expense		(104,615.00)	
- Other Amounts			
Target Value	16,701,479.65	16,596,864.65	16,739,009.65
Target Date	11/15/2014	11/15/2014	11/15/2014
Yield	2.285716%	2.435651%	2.232257%

BOND PRICING

Sewerage and Water Board of New Orleans
 2014 Drainage Financing
 AAA MMD as of 8/26/14 + spread

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)	Takedown
2014 New Money Drainage Serial Bonds:							
	12/01/2014	515,000	5.000%	0.520%	100.198	1,019.70	0.500
	12/01/2015	1,490,000	5.000%	0.620%	104.552	67,824.80	1.250
	12/01/2016	1,575,000	5.000%	0.950%	108.180	128,835.00	2.500
	12/01/2017	1,660,000	5.000%	1.300%	111.008	182,732.80	2.500
	12/01/2018	1,750,000	5.000%	1.600%	113.263	232,102.50	2.500
	12/01/2019	1,835,000	5.000%	2.000%	114.326	262,882.10	2.500
	12/01/2020	1,935,000	5.000%	2.340%	114.910	288,508.50	3.000
	12/01/2021	2,040,000	5.000%	2.630%	115.148	309,019.20	3.000
	12/01/2022	2,145,000	5.000%	2.900%	114.969	321,085.05	3.000
		14,945,000				1,794,009.65	

Dated Date	11/15/2014	
Delivery Date	11/15/2014	
First Coupon	12/01/2014	
Par Amount	14,945,000.00	
Premium	1,794,009.65	
Production	16,739,009.65	112.004079%
Underwriter's Discount	(37,530.00)	(0.251121%)
Purchase Price	16,701,479.65	111.752959%
Accrued Interest		
Net Proceeds	16,701,479.65	

BOND DEBT SERVICE

Sewerage and Water Board of New Orleans
 2014 Drainage Financing
 AAA MMD as of 8/26/14 + spread

Period Ending	Principal	Coupon	Interest	Debt Service
12/01/2014	515,000	5.000%	33,211.11	548,211.11
12/01/2015	1,490,000	5.000%	721,500.00	2,211,500.00
12/01/2016	1,575,000	5.000%	647,000.00	2,222,000.00
12/01/2017	1,660,000	5.000%	568,250.00	2,228,250.00
12/01/2018	1,750,000	5.000%	485,250.00	2,235,250.00
12/01/2019	1,835,000	5.000%	397,750.00	2,232,750.00
12/01/2020	1,935,000	5.000%	306,000.00	2,241,000.00
12/01/2021	2,040,000	5.000%	209,250.00	2,249,250.00
12/01/2022	2,145,000	5.000%	107,250.00	2,252,250.00
	14,945,000		3,475,461.11	18,420,461.11

PRIOR BOND DEBT SERVICE

Sewerage and Water Board of New Orleans
 2014 Drainage Financing
 AAA MMD as of 8/26/14 + spread

Period Ending	Principal	Coupon	Interest	Debt Service
12/01/2014	1,490,000	** %	365,017.50	1,855,017.50
12/01/2015	1,555,000	** %	665,435.00	2,220,435.00
12/01/2016	1,625,000	** %	597,667.50	2,222,667.50
12/01/2017	1,705,000	** %	524,877.50	2,229,877.50
12/01/2018	1,790,000	** %	447,507.50	2,237,507.50
12/01/2019	1,870,000	4.400%	365,217.50	2,235,217.50
12/01/2020	1,960,000	4.500%	282,937.50	2,242,937.50
12/01/2021	2,055,000	4.600%	194,737.50	2,249,737.50
12/01/2022	2,155,000	4.650%	100,207.50	2,255,207.50
	16,205,000		3,543,605.00	19,748,605.00

SUMMARY OF REFUNDING RESULTS

Sewerage and Water Board of New Orleans
 2014 Drainage Financing
 AAA MMD as of 8/26/14 + spread

Dated Date	11/15/2014
Delivery Date	11/15/2014
Arbitrage yield	2.232257%
Escrow yield	
Value of Negative Arbitrage	
Bond Par Amount	14,945,000.00
True Interest Cost	2.285716%
Net Interest Cost	2.473026%
Average Coupon	5.000000%
Average Life	4.651
Par amount of refunded bonds	16,205,000.00
Average coupon of refunded bonds	4.552383%
Average life of refunded bonds	4.353
PV of prior debt to 11/15/2014 @ 2.232257%	18,062,906.75
Net PV Savings	1,324,866.21
Percentage savings of refunded bonds	8.175663%
Percentage savings of refunding bonds	8.864946%

SAVINGS

Sewerage and Water Board of New Orleans
 2014 Drainage Financing
 AAA MMD as of 8/26/14 + spread

Date	Prior Debt Service	Refunding Debt Service	Savings	Present Value to 11/15/2014 @ 2.2322568%
12/01/2014	1,855,017.50	548,211.11	1,306,806.39	1,305,517.71
12/01/2015	2,220,435.00	2,211,500.00	8,935.00	8,424.51
12/01/2016	2,222,667.50	2,222,000.00	667.50	374.79
12/01/2017	2,229,877.50	2,228,250.00	1,627.50	1,294.91
12/01/2018	2,237,507.50	2,235,250.00	2,257.50	1,871.11
12/01/2019	2,235,217.50	2,232,750.00	2,467.50	2,043.78
12/01/2020	2,242,937.50	2,241,000.00	1,937.50	1,581.67
12/01/2021	2,249,737.50	2,249,250.00	487.50	347.66
12/01/2022	2,255,207.50	2,252,250.00	2,957.50	2,440.95
	19,748,605.00	18,420,461.11	1,328,143.89	1,323,897.10

Savings Summary

PV of savings from cash flow	1,323,897.10
Plus: Refunding funds on hand	969.12
Net PV Savings	1,324,866.22

SUMMARY OF BONDS REFUNDED

Sewerage and Water Board of New Orleans
 2014 Drainage Financing
 AAA MMD as of 8/26/14 + spread

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Series 1998 Drainage, 1998_DRA:					
SERIAL	12/01/2014	4.800%	625,000.00		
	12/01/2015	4.850%	655,000.00	12/15/2014	100.000
	12/01/2016	5.000%	685,000.00	12/15/2014	100.000
TERM2018	12/01/2017	5.000%	720,000.00	12/15/2014	100.000
	12/01/2018	5.000%	760,000.00	12/15/2014	100.000
			3,445,000.00		
Series 2002 Drainage, 2002_DRA:					
SERIAL	12/01/2014	4.000%	865,000.00		
	12/01/2015	4.000%	900,000.00	12/15/2014	100.000
	12/01/2016	4.100%	940,000.00	12/15/2014	100.000
	12/01/2017	4.200%	985,000.00	12/15/2014	100.000
	12/01/2018	4.300%	1,030,000.00	12/15/2014	100.000
	12/01/2019	4.400%	1,870,000.00	12/15/2014	100.000
	12/01/2020	4.500%	1,960,000.00	12/15/2014	100.000
	12/01/2021	4.600%	2,055,000.00	12/15/2014	100.000
	12/01/2022	4.650%	2,155,000.00	12/15/2014	100.000
			12,760,000.00		
			16,205,000.00		

COST OF ISSUANCE

Sewerage and Water Board of New Orleans
2014 Drainage Financing
AAA MMD as of 8/26/14 + spread

Cost of Issuance	\$/1000	Amount
Cost of Issuance	7.00	104,615.00
	7.00	104,615.00

UNDERWRITER'S DISCOUNT

Sewerage and Water Board of New Orleans
 2014 Drainage Financing
 AAA MMD as of 8/26/14 + spread

Underwriter's Discount	\$/1000	Amount
Average Takedown	2.51121	37,530.00
	2.51121	37,530.00

ESCROW COST

Sewerage and Water Board of New Orleans
2014 Drainage Financing
AAA MMD as of 8/26/14 + spread

Purchase Date	Cost of Securities	Cash Deposit	Total Escrow Cost
11/15/2014		16,595,895.53	16,595,895.53
	0	16,595,895.53	16,595,895.53

ESCROW SUFFICIENCY

Sewerage and Water Board of New Orleans
2014 Drainage Financing
AAA MMD as of 8/26/14 + spread

Date	Escrow Requirement	Net Escrow Receipts	Excess Receipts	Excess Balance
11/15/2014		16,595,895.53	16,595,895.53	16,595,895.53
12/01/2014	1,855,017.50		(1,855,017.50)	14,740,878.03
12/15/2014	14,740,878.03		(14,740,878.03)	
	16,595,895.53	16,595,895.53	0.00	

ESCROW STATISTICS

Sewerage and Water Board of New Orleans
2014 Drainage Financing
AAA MMD as of 8/26/14 + spread

Escrow	Total Escrow Cost	Modified Duration (years)	Yield to Receipt Date	Yield to Disbursement Date	Perfect Escrow Cost	Value of Negative Arbitrage	Cost of Dead Time
Series 2014 - Refunding 2002 Drainage, Global Proceeds Escrow:							
	13,060,441.65				13,037,290.42		23,151.23
Series 2014 - Refunding 1998 Drainage, Global Proceeds Escrow:							
	3,535,453.88				3,529,531.73		5,922.15
	16,595,895.53				16,566,822.15	0.00	29,073.38

Delivery date 11/15/2014
Arbitrage yield 2.232257%

SOURCES AND USES OF FUNDS

Sewerage and Water Board of New Orleans
Series 2014 - Refunding 2002 Drainage
Prepared for SBC (March 2014)

Dated Date	11/15/2014
Delivery Date	11/15/2014

Sources:

Bond Proceeds:	
Par Amount	11,645,000.00
Premium	1,527,371.95
	<hr/>
	13,172,371.95

Uses:

Refunding Escrow Deposits:	
Cash Deposit	13,060,441.65
Delivery Date Expenses:	
Cost of Issuance	81,515.00
Underwriter's Discount	31,062.50
	<hr/>
	112,577.50

Other Uses of Funds:	
Additional Proceeds	(647.20)
	<hr/>
	13,172,371.95

BOND SUMMARY STATISTICS

Sewerage and Water Board of New Orleans
 Series 2014 - Refunding 2002 Drainage
 Prepared for SBC (March 2014)

Dated Date	11/15/2014
Delivery Date	11/15/2014
Last Maturity	12/01/2022
Arbitrage Yield	2.232257%
True Interest Cost (TIC)	2.394727%
Net Interest Cost (NIC)	2.592134%
All-In TIC	2.526221%
Average Coupon	5.000000%
Average Life (years)	5.336
Duration of Issue (years)	4.794
Par Amount	11,645,000.00
Bond Proceeds	13,172,371.95
Total Interest	3,107,127.78
Net Interest	1,610,818.33
Total Debt Service	14,752,127.78
Maximum Annual Debt Service	2,252,250.00
Average Annual Debt Service	1,833,828.04
Underwriter's Fees (per \$1000)	
Average Takedown	2.667454
Other Fee	
Total Underwriter's Discount	2.667454
Bid Price	112.849373

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
2014 New Money Drainage Serial Bonds	11,645,000.00	113.116	5.000%	5.336	6,200.70
	11,645,000.00			5.336	6,200.70

	TIC	All-In TIC	Arbitrage Yield
Par Value	11,645,000.00	11,645,000.00	11,645,000.00
+ Accrued Interest			
+ Premium (Discount)	1,527,371.95	1,527,371.95	1,527,371.95
- Underwriter's Discount	(31,062.50)	(31,062.50)	
- Cost of Issuance Expense		(81,515.00)	
- Other Amounts			
Target Value	13,141,309.45	13,059,794.45	13,172,371.95
Target Date	11/15/2014	11/15/2014	11/15/2014
Yield	2.394727%	2.526221%	2.232257%

BOND PRICING

Sewerage and Water Board of New Orleans
 Series 2014 - Refunding 2002 Drainage
 Prepared for SBC (March 2014)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)	Takedown
2014 New Money Drainage Serial Bonds:							
	12/01/2014	30,000	5.000%	0.520%	100.198	59.40	0.500
	12/01/2015	840,000	5.000%	0.620%	104.552	38,236.80	1.250
	12/01/2016	890,000	5.000%	0.950%	108.180	72,802.00	2.500
	12/01/2017	940,000	5.000%	1.300%	111.008	103,475.20	2.500
	12/01/2018	990,000	5.000%	1.600%	113.263	131,303.70	2.500
	12/01/2019	1,835,000	5.000%	2.000%	114.326	262,882.10	2.500
	12/01/2020	1,935,000	5.000%	2.340%	114.910	288,508.50	3.000
	12/01/2021	2,040,000	5.000%	2.630%	115.148	309,019.20	3.000
	12/01/2022	2,145,000	5.000%	2.900%	114.969	321,085.05	3.000
						11,645,000	1,527,371.95

Dated Date	11/15/2014	
Delivery Date	11/15/2014	
First Coupon	12/01/2014	
Par Amount	11,645,000.00	
Premium	1,527,371.95	
Production	13,172,371.95	113.116118%
Underwriter's Discount	(31,062.50)	(0.266745%)
Purchase Price	13,141,309.45	112.849373%
Accrued Interest		
Net Proceeds	13,141,309.45	

BOND DEBT SERVICE

Sewerage and Water Board of New Orleans
 Series 2014 - Refunding 2002 Drainage
 Prepared for SBC (March 2014)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2014	30,000	5.000%	25,877.78	55,877.78	55,877.78
06/01/2015			290,375.00	290,375.00	
12/01/2015	840,000	5.000%	290,375.00	1,130,375.00	1,420,750.00
06/01/2016			269,375.00	269,375.00	
12/01/2016	890,000	5.000%	269,375.00	1,159,375.00	1,428,750.00
06/01/2017			247,125.00	247,125.00	
12/01/2017	940,000	5.000%	247,125.00	1,187,125.00	1,434,250.00
06/01/2018			223,625.00	223,625.00	
12/01/2018	990,000	5.000%	223,625.00	1,213,625.00	1,437,250.00
06/01/2019			198,875.00	198,875.00	
12/01/2019	1,835,000	5.000%	198,875.00	2,033,875.00	2,232,750.00
06/01/2020			153,000.00	153,000.00	
12/01/2020	1,935,000	5.000%	153,000.00	2,088,000.00	2,241,000.00
06/01/2021			104,625.00	104,625.00	
12/01/2021	2,040,000	5.000%	104,625.00	2,144,625.00	2,249,250.00
06/01/2022			53,625.00	53,625.00	
12/01/2022	2,145,000	5.000%	53,625.00	2,198,625.00	2,252,250.00
	11,645,000		3,107,127.78	14,752,127.78	14,752,127.78

BOND SOLUTION

Sewerage and Water Board of New Orleans
 Drainage Refunding Series 2002
 Prepared for SBC (March 2014)

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2014	30,000	55,878	55,878	1,145,009	1,089,131	2049.13071%
12/01/2015	840,000	1,420,750	1,420,750	1,425,418	4,668	100.32852%
12/01/2016	890,000	1,428,750	1,428,750	1,429,418	668	100.04672%
12/01/2017	940,000	1,434,250	1,434,250	1,435,878	1,628	100.11347%
12/01/2018	990,000	1,437,250	1,437,250	1,439,508	2,258	100.15707%
12/01/2019	1,835,000	2,232,750	2,232,750	2,235,218	2,468	100.11051%
12/01/2020	1,935,000	2,241,000	2,241,000	2,242,938	1,938	100.08646%
12/01/2021	2,040,000	2,249,250	2,249,250	2,249,738	488	100.02167%
12/01/2022	2,145,000	2,252,250	2,252,250	2,255,208	2,958	100.13131%
	11,645,000	14,752,128	14,752,128	15,858,329	1,106,201	

SOURCES AND USES OF FUNDS**Sewerage and Water Board of New Orleans
Series 2014 - Refunding 1998 Drainage
Prepared for SBC (March 2014)**

Dated Date	11/15/2014
Delivery Date	11/15/2014

Sources:

Bond Proceeds:

Par Amount	3,300,000.00
Premium	266,637.70

	3,566,637.70
--	--------------

Uses:

Refunding Escrow Deposits:

Cash Deposit	3,535,453.88
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Delivery Date Expenses:

Cost of Issuance	23,100.00
Underwriter's Discount	6,467.50
	<hr/> 29,567.50

Other Uses of Funds:

Additional Proceeds	1,616.32
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	3,566,637.70
--	--------------

BOND SUMMARY STATISTICS

Sewerage and Water Board of New Orleans
 Series 2014 - Refunding 1998 Drainage
 Prepared for SBC (March 2014)

Dated Date	11/15/2014
Delivery Date	11/15/2014
Last Maturity	12/01/2018
Arbitrage Yield	2.232257%
True Interest Cost (TIC)	1.380931%
Net Interest Cost (NIC)	1.468278%
All-In TIC	1.684693%
Average Coupon	5.000000%
Average Life (years)	2.232
Duration of Issue (years)	2.162
Par Amount	3,300,000.00
Bond Proceeds	3,566,637.70
Total Interest	368,333.33
Net Interest	108,163.13
Total Debt Service	3,668,333.33
Maximum Annual Debt Service	798,000.00
Average Annual Debt Service	907,005.49
Underwriter's Fees (per \$1000)	
Average Takedown	1.959848
Other Fee	
Total Underwriter's Discount	1.959848
Bid Price	107.883945

Bond Component	Par Value	Price	Average Coupon	Average Life	PV of 1 bp change
2014 New Money Drainage Serial Bonds	3,300,000.00	108.080	5.000%	2.232	757.75
	3,300,000.00			2.232	757.75

	TIC	All-In TIC	Arbitrage Yield
Par Value	3,300,000.00	3,300,000.00	3,300,000.00
+ Accrued Interest			
+ Premium (Discount)	266,637.70	266,637.70	266,637.70
- Underwriter's Discount	(6,467.50)	(6,467.50)	
- Cost of Issuance Expense		(23,100.00)	
- Other Amounts			
Target Value	3,560,170.20	3,537,070.20	3,566,637.70
Target Date	11/15/2014	11/15/2014	11/15/2014
Yield	1.380931%	1.684693%	2.232257%

BOND PRICING

Sewerage and Water Board of New Orleans
 Series 2014 - Refunding 1998 Drainage
 Prepared for SBC (March 2014)

Bond Component	Maturity Date	Amount	Rate	Yield	Price	Premium (-Discount)	Takedown
2014 New Money Drainage Serial Bonds:							
	12/01/2014	485,000	5.000%	0.520%	100.198	960.30	0.500
	12/01/2015	650,000	5.000%	0.620%	104.552	29,588.00	1.250
	12/01/2016	685,000	5.000%	0.950%	108.180	56,033.00	2.500
	12/01/2017	720,000	5.000%	1.300%	111.008	79,257.60	2.500
	12/01/2018	760,000	5.000%	1.600%	113.263	100,798.80	2.500
		3,300,000				266,637.70	

Dated Date	11/15/2014	
Delivery Date	11/15/2014	
First Coupon	12/01/2014	
Par Amount	3,300,000.00	
Premium	266,637.70	
Production	3,566,637.70	108.079930%
Underwriter's Discount	(6,467.50)	(0.195985%)
Purchase Price	3,560,170.20	107.883945%
Accrued Interest		
Net Proceeds	3,560,170.20	

BOND DEBT SERVICE

Sewerage and Water Board of New Orleans
 Series 2014 - Refunding 1998 Drainage
 Prepared for SBC (March 2014)

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2014	485,000	5.000%	7,333.33	492,333.33	492,333.33
06/01/2015			70,375.00	70,375.00	
12/01/2015	650,000	5.000%	70,375.00	720,375.00	790,750.00
06/01/2016			54,125.00	54,125.00	
12/01/2016	685,000	5.000%	54,125.00	739,125.00	793,250.00
06/01/2017			37,000.00	37,000.00	
12/01/2017	720,000	5.000%	37,000.00	757,000.00	794,000.00
06/01/2018			19,000.00	19,000.00	
12/01/2018	760,000	5.000%	19,000.00	779,000.00	798,000.00
	3,300,000		368,333.33	3,668,333.33	3,668,333.33

BOND SOLUTION

Sewerage and Water Board of New Orleans
 Drainage Refunding Series 1998
 Prepared for SBC (March 2014)

Period Ending	Proposed Principal	Proposed Debt Service	Total Adj Debt Service	Revenue Constraints	Unused Revenues	Debt Serv Coverage
12/01/2014	485,000	492,333	492,333	710,009	217,675	144.21302%
12/01/2015	650,000	790,750	790,750	795,018	4,268	100.53968%
12/01/2016	685,000	793,250	793,250	793,250		100.00000%
12/01/2017	720,000	794,000	794,000	794,000		100.00000%
12/01/2018	760,000	798,000	798,000	798,000		100.00000%
	3,300,000	3,668,333	3,668,333	3,890,276	221,943	



Sewerage and Water Board of New Orleans, LA
Series 2014 - General Financing Schedule
9/8/2014

General Events		Party Responsible
DATE		
2/19/2014	SWBNO passes initial Resolution to issue no more than \$100M Drainage Bonds	
2/25/2014	BOI passes initial Resolution to issue no more than \$100M Drainage Bonds	
3/6/2014	City Council passes initial Resolution to issue no more than \$100M Drainage Bonds	
4/17/2014	State Bond Commission approves Drainage Bond Sale	
8/28/2014	Release Draft of 2014 Basic Bond Resolution - for comment	BC
9/1/2014	Labor Day	
9/2/2014	Working Group Conference Call at 1:30	ALL
9/5/2014	Final Comments due on Basic Bond Resolution (in time for SWBNO Finance Committee meeting)	ALL
9/8/2014	Working Group Conference Call at 1:30 - Cancelled	ALL
9/9/2014	SWBNO Finance Committee - Basic Bond Resolution	SWB
9/15/2014	Working Group Conference Call at 11:30	ALL
9/17/2014	SWBNO Board Meeting - Basic Bond Resolution	SWB
9/18/2014	Submit materials for City Budget Committee Meeting	BC/City
9/19/2014	Release Draft of 2014 Drainage System POS	UC
9/19/2014	Release Draft of Rating Presentation	FA/UC
9/22/2014	Working Group Conference Call at 11:30	ALL
9/25/2014	City Council Budget Committee Meeting	BC/City
9/26/2014	Release 2nd Draft of POS	UC
9/29/2014	Working Group Conference Call at 11:30	ALL
10/2/2014	City Council Meeting - Basic Bond Resolution	BC
10/3/2014	Release 3rd Draft of POS and deliver to Rating Agencies	UC
10/6/2014	Rating Agency Calls	ALL
10/6/2014	Working Group Conference Call at 11:30	ALL
10/10/2014	Receive Rating	FA
10/13/2014	Due Diligence Call	UC
10/13/2014	Final Draft POS Distributed/Posted - Portal	UC
10/13/2014	Working Group Conference Call at 11:30	ALL
10/15/2014	Board of Liquidation - Basic Bond Resolution	BOL
10/16/2014	POS Signoff	ALL
10/17/2014	Post POS	UC
10/30/2014	Bond Pricing	UC/FA/BOL
10/31/2014	BPA Executed	UC/BOL
10/31/2014	File Conditional Call Notices	BONY
	Prepare Closing Documents	BC
11/20/2014	Bond Closing	ALL
12/1/2015	Call Date for Refunded Bonds (Monday, 31 days)	ALL

August						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

September						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

October						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30	31	

November						
S	M	T	W	T	F	S
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

BASIC BOND RESOLUTION

adopted on September 17, 2014

by the

SEWERAGE AND WATER BOARD OF NEW ORLEANS

IN CONNECTION WITH THE ISSUANCE OF

NOT EXCEEDING \$17,000,000

DRAINAGE SYSTEM REFUNDING BONDS, SERIES 2014

OF THE

CITY OF NEW ORLEANS, LOUISIANA

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* * * * *

Exhibit A	Refunded Bonds
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**BASIC BOND RESOLUTION
AUTHORIZING THE ISSUANCE OF
DRAINAGE SYSTEM REFUNDING BONDS, SERIES 2014**

A resolution providing for the issuance of not exceeding Seventeen Million Dollars (\$17,000,000) of Drainage System Refunding Bonds, Series 2014, of the City of New Orleans, Louisiana; setting forth certain terms and provisions of such Bonds and providing with respect to the rights of the owners thereof; providing for the payment of the principal of, premium, if any, and interest on such Bonds and the application of the proceeds thereof; providing for a Certificate of Determination to set forth the final details of the Bonds; authorizing the execution of certain documents related to the sale of the Bonds and the refunding of the bonds described herein; and providing for other matters in connection therewith.

WHEREAS, pursuant to the provisions of Sections 4147 through 4156 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 "Issuer" or the "City"), acting through the Sewerage & 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 seven and six hundredths (7.06) mills (the "Tax"); and

WHEREAS, in accordance with La. R.S 33:4148 (the "Act"), the Sewerage and Water Board is authorized to issue from time to time, in the name of the Issuer, bonds payable solely out of the Tax and other revenues specified in La. R.S. 33:4149, for drainage purposes for the Issuer; and

WHEREAS, pursuant to the provisions of Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended (the "Refunding Act"), the City is authorized to issue refunding bonds for the purpose of refunding outstanding indebtedness of the City; 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 October 1, 2002, 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 "Refunded Bonds"; and

WHEREAS, the Sewerage and Water Board desires to refund the Refunded Bonds through the issuance of its Drainage System Refunding Bonds (the "Bonds"), in one or more series, which Bonds will be special and limited obligations of the Issuer and will be payable from the proceeds of the Tax; and

WHEREAS, upon delivery of the Bonds herein authorized and the defeasance of the Refunded Bonds, the Issuer shall have no outstanding bonds or other obligations of any kind or nature payable from or enjoying a lien on the aforesaid revenues of the Tax herein pledged; and

WHEREAS, upon the issuance of the Bonds and the refunding of the Refunded Bonds, the total outstanding amount of drainage system bonds of the Issuer issued and deemed to be outstanding under the Act, will not exceed the Issuer's statutory limit for bonds payable from the Tax; and

WHEREAS, in anticipation of the sale of the Bonds, and in accordance with the Act and the Refunding Act, the Sewerage and Water Board desires to adopt this Basic Bond Resolution for the purpose of setting forth certain terms and provisions of the Bonds; and

WHEREAS, pursuant to the Act, the final terms of the Bonds will be fixed at the time of the sale of the Bonds by the Board of Liquidation and in a Certificate of Determination executed by the Sewerage and Water Board or its authorized designee, within the limits and parameters prescribed herein, including without limitation Section 2.7 hereof; and

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

ARTICLE I

DEFINITIONS AND INTERPRETATION

SECTION 1.01. Short Title. This resolution may be hereafter cited, and is sometimes herein referred to, as the "Drainage Basic Bond Resolution".

SECTION 1.02. Definitions. In this Drainage Basic Bond Resolution unless a different meaning clearly appears from the context:

"Act" shall mean Sections 4147 through 4156 of Title 33 of the Louisiana Revised Statutes of 1950, as amended, and other applicable constitutional and statutory authority.

"Basic Resolution" or **"Drainage Basic Bond Resolution"** shall mean this basic bond resolution providing for the issuance of the Bonds.

"Board of Liquidation" shall mean the Board of Liquidation, City Debt.

"Bond" or **"Bonds"** shall mean any or all of the Drainage System Refunding Bonds, Series 2014 of the Issuer, issued pursuant to the Bond Resolution, in an aggregate amount not exceeding Seventeen Million Dollars (\$17,000,000), whether initially delivered or issued in exchange for, upon transfer of, or *in lieu* of any previously issued Bond.

"Bond Purchase Agreement" shall mean the Bond Purchase Agreement dated as of the date of the sale of the Bonds by and between the Board of Liquidation and the Underwriters, and agreed to by the Sewerage and Water Board as to certain provisions.

"Bond Counsel" shall mean Foley & Judell, L.L.P., or any attorney or firm of attorneys nationally recognized on the subject of municipal bonds and employed by the Board of Liquidation.

"Bond Obligation" shall mean, as of any date of computation, the principal amount of the Bonds then Outstanding.

"Bond Register" shall mean the registration books kept by the Paying Agent in which registration of the Bonds and transfers of the Bonds shall be made as herein provided.

"Bond Resolution" shall mean this Basic Resolution, as amended and supplemented by the Supplemental Resolution, and as further amended and supplemented as herein provided.

"Business Day" shall mean a day of the year other than a day on which banks located in New York, New York and the cities in which the principal offices of the Paying Agent are located are required or authorized to remain closed and on which the New York Stock Exchange is closed.

"Certificate of Determination" shall mean the Certificate of Determination authorized by Section 2.11 hereof.

"City" or "Issuer" shall mean the City of New Orleans, Louisiana.

"Code" shall mean the Internal Revenue Code of 1986, as amended.

"Costs of Issuance" shall mean all items of expense, directly or indirectly payable or reimbursable and related to the authorization, sale and issuance of the Bonds, including but not limited to printing costs, costs of preparation and reproduction of documents, filing and recording fees, initial fees and charges of any fiduciary, legal fees and charges, fees and charges for the preparation and distribution of a preliminary official statement and official statement, if paid by the Board of Liquidation, fees and disbursements of consultants and professionals, costs of credit ratings, fees and charges for preparation, execution, transportation and safekeeping of the Bonds, costs and expenses of premiums for any insurance of the payment of the Bonds, if any, and any other cost, charge or fee paid or payable by the Sewerage and Water Board or the Board of Liquidation in connection with the original issuance of the Bonds.

"Council" shall mean the Council of the City of New Orleans, Louisiana, the governing authority of the Issuer.

"Defeasance Obligations" shall mean (a) cash or (b) non-callable Government Securities.

"Government Securities" shall mean direct general obligations of, or obligations the principal of and interest on which are unconditionally guaranteed by, the United States of America, which may be United States Treasury Obligations such as the State and Local Government Series and may be in book-entry form. The term "Government Securities" specifically includes the stripped interest payment portion of obligations issued by the Resolution Funding Corporation under the authority of 12 U.S.C. §1441(b).

"Interest Payment Date" shall mean June 1 and December 1 of each year, commencing December 1, 2014.

"Outstanding", when used with reference to the Bonds, shall mean, as of any date, all Bonds theretofore issued under the Bond Resolution, except:

(a) Bonds theretofore cancelled by the Paying Agent or delivered to the Paying Agent for cancellation;

(b) Bonds for the payment of which sufficient Defeasance Obligations have been deposited with the Paying Agent in trust for the Owners of such Bonds as provided in Section 10.01 hereof;

(c) Bonds in exchange for or *in lieu* of which other Bonds have been registered delivered pursuant to the Bond Resolution; and

(d) Bonds alleged to have been mutilated, destroyed, lost, or stolen which have been paid as provided in the Bond Resolution or by law.

"Owner" or "Owners" shall mean the Person or Persons reflected as registered owners of any of the Bonds on the Bond Register.

"Parity Bonds" shall mean any additional obligations of the Issuer issued pursuant to Article VI.

"Paying Agent" shall mean the bank designated by the Board of Liquidation as such in the supplemental resolution until a successor Paying Agent shall have become such pursuant to the applicable provisions of the Bond Resolution, and thereafter "Paying Agent" shall mean such successor Paying Agent.

"Person" shall mean any natural person, corporation, partnership, joint venture, association, joint-stock company, trust, unincorporated organization, or government or any agency or political subdivision thereof, or any other juridical person as may be defined by Louisiana law.

"Record Date" shall mean, with respect to an Interest Payment Date, the fifteenth (15th) calendar day of the month next preceding such Interest Payment Date, whether or not such day is a Business Day.

"Refunded Bonds" shall mean the Issuer's outstanding Drainage System Bonds, Series 1998 and Drainage System Bonds, Series 2002, more fully described in **Exhibit A** hereto.

"Refunding Act" shall mean Chapter 14-A of Title 39 of the Louisiana Revised Statutes of 1950, as amended.

"State" shall mean the State of Louisiana.

"Sewerage and Water Board" shall mean the Sewerage and Water Board of New Orleans.

"Supplemental Resolution" shall mean the resolution of the Board of Liquidation supplemental hereto, setting forth those matters with respect to the Bonds which are listed in Section 2.07 hereof, together with any other matters deemed necessary by the Board of Liquidation and consistent with this Basic Resolution, pursuant to which the final details of the issuance and sale of the Bonds shall be fixed, as amended and supplemented.

"Tax" shall mean the seven and six hundredths (7.06) mills tax (such rate being subject to adjustment from time to time due to reassessment) presently being collected pursuant to La. R.S. 33:4147, effective for the years 1982 through 2031, inclusive, authorized to provide for the operation and maintenance of the drainage system of the City of New Orleans and for the construction and extension of said drainage system, excluding subsurface drainage systems and their appurtenances, which tax was originally authorized at nine (9) mills pursuant to an election held in the Issuer on May 16, 1981.

"Underwriters" shall mean, collectively, Morgan Stanley & Co. LLC, as senior book running managing underwriter; Bank of America Merrill Lynch and Goldman, Sachs & Co. as co-senior

managing underwriters; and Blaylock Beal Van, LLC, Southwest Securities, Inc. and Wells Fargo Securities as co-managing underwriters.

SECTION 1.03. Rules of Interpretation. In this Basic Resolution, unless the context otherwise requires, (a) words importing the singular include the plural and *vice versa*, (b) words of the masculine gender shall be deemed and construed to include correlative words of the feminine and neuter genders, (c) the title of the offices used in this Basic Resolution shall be deemed to include any other title by which such office shall be known under any subsequent law or subsequently adopted charter and (d) references to article or section numbers shall be interpreted to refer to the respective article or section in this resolution.

ARTICLE II

AUTHORIZATION, ISSUANCE AND SALE OF BONDS

SECTION 2.01. Authorization and Issuance of Bonds. This Basic Resolution creates a series of Bonds of the Issuer designated as "City of New Orleans, Louisiana, Drainage System Bonds, Series 2014" (provided, however, if the Bonds are to be delivered in a calendar year other than 2014, the series designation shall change accordingly), and provides for the full and final payment of the principal of and interest on all the Bonds.

The Bonds authorized by this Bond Resolution and the Supplemental Resolution shall be issued for the purpose of refunding the Refunded Bonds and paying the Costs of Issuance.

SECTION 2.02. Bond Resolution to Constitute Contract. In consideration of the purchase and acceptance of the Bonds by those who shall own the same from time to time, the provisions of the Bond Resolution shall constitute a contract between the Board of Liquidation and the Owners from time to time of the Bonds. The provisions, covenants and agreements herein set forth to be performed by or on behalf of the Board of Liquidation shall be for the equal benefit, protection and security of the Owners of any and all of the Bonds, each of which Bonds, regardless of the time or times of its issue or maturity, shall be of equal rank without preference, priority or distinction over any other thereof except as expressly provided in the Bond Resolution.

SECTION 2.03. Pledge of Tax Revenues. The Bonds shall constitute limited obligations of the City, payable solely from the revenues of the Tax. It is recognized that the City is bound under the terms and provisions of law and the Bond Resolution to annually impose and collect the Tax pursuant to La. R. S. 33:4147, *et. seq.*, and an election held in the City on May 16, 1981. The Board of Liquidation shall annually retain from the revenues derived from the Tax an amount which shall be sufficient to provide for the payment, at or prior to maturity, of the principal of and the interest on the Bonds; and pursuant to the Act the Tax shall not be reduced below the amount which is sufficient to provide for the payment, at or prior to maturity, of the principal of and the interest on the Bonds, and such revenues shall be applied by the Board of Liquidation, to such purposes. After providing for the payment of the principal and interest of the Bonds and after making such further reservation of revenues derived from the Tax as may be required by the terms hereof or as the Board of Liquidation, in its discretion, may deem necessary to insure the prompt and regular payment of the principal of and interest on the Bonds, the residue of said revenues shall be used by the Sewerage and Water Board for the purposes then set forth in La. R. S. 33:4147.

SECTION 2.04. Authorization and Designation of Bonds. Pursuant to the provisions of the Act, there is hereby authorized the issuance of not to exceed Seventeen Million Dollars (\$17,000,000) principal amount of Bonds of the Issuer to be designated "City of New Orleans, Louisiana Drainage System Refunding Bonds, Series 2014," for the purposes set forth in Section 2.01 above. The Bonds shall be in substantially the form attached hereto as **Exhibit B**, with such necessary or appropriate variations, omissions and insertions as are required or permitted by the Act and the Bond Resolution.

It is hereby found and determined that upon the issuance of the Bonds and the refunding of the Refunded Bonds, the total outstanding amount of bonds of the Issuer secured by the Tax and deemed to be outstanding under the Act will not exceed the Issuer's statutory limit for bonds payable from the Tax.

SECTION 2.05. Denomination, Date, Maturities and Interest.

(a) The Bonds shall be issuable as fully registered bonds without coupons in the denominations of \$5,000 principal amount or any integral multiple thereof within a single maturity, and shall be numbered R-1 upward. The Bonds shall mature not later than December 1, 2022, on the dates and in the amounts set forth in the Supplemental Resolution. The Bonds shall bear interest, payable on the Interest Payment Dates at the rates set forth in the Certificate of Determination and the Supplemental Resolution. As shall be specified in the Certificate of Determination and the Supplemental Resolution, the Bonds shall bear interest at a rate or rates not exceeding five and one-half percent (5.5%) per annum within any single maturity, and shall mature and become due in installments ending no later than December 1, 2022.

(b) The Bonds shall be subject to optional redemption as set forth in the Certificate of Determination and the Supplemental Resolution.

(c) The Bonds shall be subject to mandatory sinking fund redemption as shall be specified in the Certificate of Determination and the Supplemental Resolution.

SECTION 2.06. Payment of Principal and Interest.

(a) The interest on the Bonds shall be payable by check or draft of the Paying Agent mailed on or prior to the Interest Payment Date by the Paying Agent to the Registered Owners of the Bonds as shown on the registration books of the Paying Agent on the 15th day of the calendar month next preceding the Interest Payment Date whether or not such day is a Business Day. During any period after the initial delivery of the Bonds in book-entry-only form when the Bonds are delivered in multiple certificates form, upon request of a registered owner of at least \$1,000,000 in principal amount of Bonds outstanding, payments of principal, premium, if any, and interest on the Bonds will be paid by wire transfer in immediately available funds to an account designated by such registered owner; CUSIP number identification with appropriate dollar amounts for each CUSIP number must accompany all payments of principal, premium, and interest, whether by check or by wire transfer.

(b) Except as otherwise provided in this Section, Bonds shall bear interest from date thereof or from the most recent Interest Payment Date to which interest has been paid or duly provided for, as the case may be, provided, however, that if and to the extent that the Issuer shall default in the payment of the interest on any Bonds due on any Interest Payment Date, then all such Bonds shall bear interest from the most recent Interest Payment Date to which interest has been paid on the Bonds, or if no interest has been paid on the Bonds, from their dated date.

(c) The Person in whose name any Bond is registered at the close of business on the Record Date with respect to an Interest Payment Date shall in all cases be entitled to receive the interest payable on such Interest Payment Date notwithstanding the cancellation of such Bond

upon any registration of transfer or exchange thereof subsequent to such Record Date and prior to such Interest Payment Date.

SECTION 2.07. Regarding the Supplemental Resolution. Certain details of the Bonds shall be set forth in the Supplemental Resolution to be adopted by the Board of Liquidation, which shall provide the following, without limitation, with respect to the Bonds:

- (a) the principal amount of the Bonds to be issued;
- (b) the dated date and the interest rates and serial and/or term bond maturities of the Bonds;
- (c) the redemption provisions of the Bonds; and
- (d) such other matters as may be deemed necessary or convenient by the Board of Liquidation and consistent with this Basic Resolution in connection with the issuance and sale of the Bonds.

SECTION 2.08. Book Entry Registration of Bonds. The Bonds shall be initially issued in the name of Cede & Co., as nominee for The Depository Trust Company ("DTC"), as registered owner of the Bonds, and held in the custody of DTC. The Director of Business Services of the Issuer or any other officer of the Issuer is authorized to execute and deliver a Letter of Representation to DTC on behalf of the Issuer with respect to the issuance of the Bonds in "book-entry only" format. The Paying Agent is hereby directed to execute said Letter of Representation. The terms and provisions of said Letter of Representation shall govern in the event of any inconsistency between the provisions of this Resolution and said Letter of Representation. Initially, a single certificate will be issued and delivered to DTC for each maturity of the Bonds. The Beneficial Owners will not receive physical delivery of Bond certificates except as provided herein. Beneficial Owners are expected to receive a written confirmation of their purchase providing details of each Bond acquired. For so long as DTC shall continue to serve as securities depository for the Bonds as provided herein, all transfers of beneficial ownership interest will be made by book-entry only, and no investor or other party purchasing, selling or otherwise transferring beneficial ownership of Bonds is to receive, hold or deliver any Bond certificate.

Notwithstanding anything to the contrary herein, while the Bonds are issued in book-entry only form, the payment of principal of, premium, if any, and interest on the Bonds may be payable by the Paying Agent by wire transfer to DTC in accordance with the Letter of Representation.

For every transfer and exchange of the Bonds, the Beneficial Owner may be charged a sum sufficient to cover such Beneficial Owner's allocable share of any tax, fee or other governmental charge that may be imposed in relation thereto.

Bond certificates are required to be delivered to and registered in the name of the Beneficial Owner under the following circumstances:

(a) DTC determines to discontinue providing its services with respect to the Bonds. Such a determination may be made at any time by giving a thirty (30) days' notice to the Issuer and the Paying Agent and discharging its responsibilities with respect thereto under applicable law; or

(b) The Issuer determines that continuation of the system of book-entry transfer through DTC (or a successor securities depository) is not in the best interests of the Issuer and/or the Beneficial Owners.

The Issuer and the Paying Agent will recognize DTC or its nominee as the Bondholder for all purposes, including notices and voting.

Neither the Issuer nor the Paying Agent are responsible for the performance by DTC of any of its obligations, including, without limitation, the payment of moneys received by DTC, the forwarding of notices received by DTC or the giving of any consent or proxy in lieu of consent.

Whenever during the term of the Bonds the beneficial ownership thereof is determined by a book entry at DTC, the requirements of this Resolution of holding, delivering or transferring the Bonds shall be deemed modified to require the appropriate person to meet the requirements of DTC as to registering or transferring the book entry to produce the same effect.

If at any time DTC ceases to hold the Bonds, all references herein to DTC shall be of no further force or effect.

SECTION 2.09. Paying Agent's Registration. No Bond shall be entitled to any right or benefit under the Bond Resolution, or be valid or obligatory for any purpose unless there appears on such Bond a certificate of registration, substantially in the form provided in the bond form attached hereto, executed by the Paying Agent by manual signature.

SECTION 2.10. Sale of the Bonds. The Bonds shall be sold for and on behalf of the Sewerage and Water Board and the City by the Board of Liquidation at a private or public sale in accordance with the provisions of the Act and the Refunding Act. The Board of Liquidation may determine to sell less than all of the Bonds authorized herein. The President, President *pro tempore* and the Executive Director of the Sewerage and Water Board are each hereby authorized to execute any and all instruments, certificates, documents, and papers relating to the issuance, sale and delivery of the Bonds, in connection with the sale of the Bonds in such form as may be approved by said officers upon the advice of Bond Counsel.

SECTION 2.11. Certificate of Determination. Certain details of the Bonds (which shall be established in accordance with the parameters set forth in Section 3.05 hereof) shall be established by the Certificate of Determination executed contemporaneously with the execution and delivery by the Sewerage and Water Board and the Board of Liquidation of the Bond Purchase Agreement. Each and every such determination set forth in the Certificate of Determination shall be deemed conclusive for all purposes. The Certificate of Determination shall be substantially in the form set forth in Exhibit E hereto, with such variations, omissions and insertions as are permitted or required by this First Supplemental Resolution.

Subject to the parameters set forth herein and Resolution R-035-2014 adopted by the Sewerage and Water Board on February 19, 2014, any two of the Executive Director, President or President *pro tempore* are hereby authorized to determine, upon the advice of the Financial Advisor to the Board of Liquidation and after consultation with and concurrence of Bond Counsel and the Board of Liquidation:

- (a) The principal amount of the Bonds;
- (b) The purchase price of the Bonds;
- (c) The maturity schedule of the Bonds;
- (d) The optional redemption provisions of the Bonds;
- (e) The mandatory sinking fund redemption schedule, if any, of the Bonds;
- (f) The interest rates of the Bonds;
- (g) The application of proceeds of the Bonds; and
- (h) any other matters or provisions related to the Bonds, including any change necessitated by the pricing of the Bonds, in each case in accordance or not inconsistent with the provisions of this Resolution.

The Sewerage and Water Board shall deliver the executed Certificate of Determination to the Board of Liquidation as soon as possible after the execution of the Bond Purchase Agreement.

SECTION 2.12. Approval of Preliminary Official Statement, Official Statement, Purchase Agreement and Other Documents.

(a) (a) In connection with the issuance and sale of the Bonds, there have been prepared and submitted at this meeting forms of:

- (i) the Preliminary Official Statement (the "Preliminary Official Statement") used in connection with the marketing of the Bonds;
- (ii) the Bond Purchase Agreement in connection with the sale of the Bonds;
- (iii) the Continuing Disclosure Certificate; and
- (iv) a draft of the escrow agreement, if required.

(b) The Preliminary Official Statement in the form presented to this meeting and made a part hereof as though set forth in full herein, be and the same is hereby approved and its use by the Underwriters in connection with the public offering and marketing of the Bonds is hereby approved, and there is authorized the distribution of an Official Statement in connection

with the public offering and sale of the Bonds in such form as may be approved by the Executive Director, President and/or President *pro tempore* is hereby approved.

(d) The Continuing Disclosure Agreement in the form attached hereto as **Exhibit C** is hereby approved, and the Sewerage and Water Board, for the benefit of the Underwriters and all subsequent holders of the Bonds, agrees to provide continuing disclosure in accordance with the continuing disclosure requirements of Section (b)(5)(i) of Securities and Exchange Rule 15c2-12.

SECTION 2.13. Authorized Officers. The Executive Director and the President and the President *pro tempore*, acting singly, be and each of them hereby is authorized and directed to execute and deliver any and all documents and instruments and to do and cause to be done any and all acts and things necessary or proper for carrying out the transactions contemplated by the Basic Bond Resolution, the Official Statement, the Bond Purchase Agreement, the Continuing Disclosure Certificate and the escrow agreement, if any.

ARTICLE III

GENERAL TERMS AND PROVISIONS OF THE BONDS

SECTION 3.01. Exchange of Bonds; Persons Treated as Owners. The Paying Agent shall be the registrar for the Bonds, and the Paying Agent shall establish and keep the Bond Register at its principal corporate trust office. At reasonable times and under reasonable regulations established by the Paying Agent said list may be inspected and copied by the Board of Liquidation or by the Owners (or a designated representative thereof) of 15% of the Bond Obligation.

All Bonds presented for registration of transfer or exchange shall be accompanied by a written instrument or instruments of transfer in form and with a guaranty of signature satisfactory to the Paying Agent, duly executed by the Owner or his attorney duly authorized in writing.

Upon surrender for registration of transfer of any Bond, the Paying Agent shall register and deliver in the name of the transferee or transferees one or more new fully registered Bonds of authorized denomination of the same maturity and like aggregate principal amount. At the option of an Owner, Bonds may be exchanged for other Bonds of authorized denominations of the same maturity and like aggregate principal amount upon surrender of the Bonds to be exchanged at the principal corporate trust office of the Paying Agent. Whenever any Bonds are so surrendered for exchange, the Paying Agent shall register and deliver in exchange therefor the Bond or Bonds which the Owner making the exchange shall be entitled to receive.

No service charge to the Owners shall be made by the Paying Agent for any exchange or registration of transfer of Bonds. The Paying Agent may require payment by the Person requesting an exchange or registration of transfer of Bonds of a sum sufficient to cover any tax or other governmental charge that may be imposed in relation thereto.

All Bonds delivered upon any registration of transfer or exchange of Bonds shall be valid obligations of the Issuer, evidencing the same debt and entitled to the same benefits under the Bond Resolution as the Bonds surrendered.

Prior to due presentment for registration of transfer of any Bond, the Issuer, the Board of Liquidation and the Paying Agent, and any agent of the Issuer, the Board of Liquidation or the Paying Agent may deem and treat the Person in whose name any Bond is registered as the absolute Owner thereof for all purposes, whether or not such Bond shall be overdue, and shall not be bound by any notice to the contrary.

SECTION 3.02. Bonds Mutilated, Destroyed, Stolen or Lost. In case any Bond shall become mutilated or be improperly cancelled, or be destroyed, stolen or lost, the Board of Liquidation may in its discretion adopt a resolution and thereby authorize the issuance and delivery of a new Bond in exchange for and substitution for such mutilated or improperly cancelled Bond, or in lieu of and substitution for the Bond destroyed, stolen or lost, upon the Owner (i) furnishing the Board of Liquidation and the Paying Agent proof of his ownership thereof and proof of such mutilation, improper cancellation, destruction, theft or loss satisfactory to the Board of Liquidation and the Paying Agent, (ii) giving to the Board of Liquidation and the

Paying Agent an indemnity bond in favor of the Board of Liquidation and the Paying Agent in such amount as the Board of Liquidation may require, (iii) complying with such other reasonable regulations and conditions as the Board of Liquidation may prescribe and (iv) paying such expenses as the Board of Liquidation and the Paying Agent may incur. All Bonds so surrendered shall be delivered to the Paying Agent for cancellation pursuant to Section 3.4 hereof. If any Bond shall have matured or be about to mature, instead of issuing a substitute Bond, the Board of Liquidation may pay the same, upon being indemnified as aforesaid, and if such Bond be lost, stolen or destroyed, without surrender thereof.

Any such duplicate Bond issued pursuant to this Section shall constitute an original, additional, contractual obligation on the part of the Issuer, whether or not the lost, stolen or destroyed Bond be at any time found by anyone. Such duplicate Bond shall be in all respects identical with those replaced except that it shall bear on its face the following additional clause:

"This bond is issued to replace a lost, cancelled or destroyed bond under the authority of R.S. 39:971 through 39:974."

Such duplicate Bond may be signed by the facsimile signatures of the same officers who signed the original Bonds, provided, however, that in the event the officers who executed the original Bonds are no longer in office, then the new Bonds may be signed by the officers then in office. Such duplicate Bonds shall be entitled to equal and proportionate benefits and rights as to lien and source and security for payment as provided herein with respect to all other Bonds hereunder, the obligations of the Issuer upon the duplicate Bonds being identical to its obligations upon the original Bonds and the rights of the Owner of the duplicate Bonds being the same as those conferred by the original Bonds.

SECTION 3.03. Preparation of Definitive Bonds; Temporary Bonds. Until the definitive Bonds are prepared, the Board of Liquidation may execute, in the same manner as is provided in Section 3.05, and deliver, in lieu of definitive Bonds, but subject to the same provisions, limitations and conditions as the definitive Bonds except as to the denominations, one or more temporary typewritten Bonds substantially of the tenor of the definitive Bonds in lieu of which such temporary Bond or Bonds are issued, in authorized denominations, and with such omissions, insertions and variations as may be appropriate to temporary Bonds.

SECTION 3.04. Cancellation of Bonds. All Bonds paid either at or before maturity, together with all Bonds purchased by the Board of Liquidation, shall thereupon be promptly cancelled by the Paying Agent. The Paying Agent shall thereupon promptly furnish to the Secretary of the Board of Liquidation an appropriate certificate of cancellation.

SECTION 3.05. Execution. The Bonds shall be executed in the name and on behalf of the Issuer by the manual or facsimile signature of the Mayor of the Issuer, and countersigned by the manual or facsimile signatures of (a) the President or Vice-President of the Board of Liquidation, (b), the Secretary or Assistant Secretary of the Board of Liquidation and (c) the President, *pro tempore*, of the Sewerage and Water Board, and the corporate seal of the Issuer (or a facsimile thereof) shall be thereunto affixed, imprinted, engraved or otherwise reproduced thereon. In case any one or more of the officers who shall have signed or sealed any of the Bonds shall cease to be such officer before the Bonds so signed and sealed shall have been

actually delivered, such Bonds may, nevertheless, be delivered as herein provided, and may be issued as if the Person who signed or sealed such Bonds had not ceased to hold such office. Said officers shall, by the execution of the Bonds, adopt as and for their own proper signatures their respective facsimile signatures appearing on the Bonds or any legal opinion certificate thereon, and the Board of Liquidation and the Issuer may adopt and use for that purpose the facsimile signature of any person or persons who shall have been such officer at any time on or after the date of such Bond, notwithstanding that at the date of such Bond such Person may not have held such office or that at the time when such Bond shall be delivered such Person may have ceased to hold such office.

SECTION 3.06. Registration by Paying Agent. No Bond shall be valid or obligatory for any purpose or entitled to any security or benefit under the Bond Resolution unless and until a certificate of registration on such Bond shall have been duly executed on behalf of the Paying Agent by a duly authorized signatory, and such executed certificate of the Paying Agent upon any such Bond shall be conclusive evidence that such Bond has been executed, registered and delivered under the Bond Resolution.

ARTICLE IV

SINKING FUND; PAYMENT OF BONDS

SECTION 4.01. Sinking Fund.

(a) For the payment of the principal of, premium, if any, and interest on the Bonds and any Parity Bonds, the Board of Liquidation will maintain a special fund, to be held by the regularly designated fiscal agent of the Board of Liquidation (the "Sinking Fund"), into which the Board of Liquidation will deposit the proceeds of the Tax described in Section 2.03 hereof. The Board of Liquidation shall be responsible for transferring from the Sinking Fund to the Paying Agent on or before each Interest Payment Date, funds fully sufficient to pay promptly the principal and interest falling due on such date. As provided by the Act, after providing for the payment of the principal and interest of the Bonds and after making such further reservation of revenues derived from the Tax as may be required by the terms hereof or as the Board of Liquidation, in its discretion, may deem necessary to insure the prompt and regular payment of the principal of and interest on the Bonds, the residue of said revenues shall be used by the Sewerage and Water Board for the purposes then set forth in La. R. S. 33:4147.

(b) All moneys deposited with the regularly designated fiscal agent bank or banks of the Board of Liquidation or the Paying Agent under the terms of the Bond Resolution shall constitute sacred funds for the benefit of the Owners of the Bonds, and shall be secured by said fiduciaries at all times to the full extent thereof in the manner required by law for the securing of deposits of public funds.

(c) All or any part of the moneys in the Sinking Fund shall, at the written request of the Board of Liquidation, be invested in accordance with the laws of the State, in which event all income derived from such investments shall be added only to the Sinking Fund. Accrued interest, if any, received upon delivery of the Bonds shall be deposited in the Sinking Fund and shall be invested only in Government Securities maturing on or prior to the first Interest Payment Date.

SECTION 4.02. Moneys Held for Particular Bonds. The amounts held by the Paying Agent for the payment due on any date with respect to particular Bonds shall, on and after such date and pending such payment, be set aside on its books and held in trust by it, without liability for interest, for the Owners of the Bonds entitled thereto.

ARTICLE V

APPLICATION OF PROCEEDS OF BONDS

SECTION 5.01. Obligations and Conditions. As a condition to the issuance of the Bonds, the Sewerage and Water Board hereby obligates itself or shall cause the Board of Liquidation to:

(i) Provide for the payment of all Cost of Issuance of the Bonds from proceeds of the Bonds set aside by the Board of Liquidation for this purpose; and

(ii) Provide for the redemption of the Refunded Bonds in the manner as shall be set forth in the Certificate of Determination and Supplemental Resolution.

ARTICLE VI

PARITY BONDS

SECTION 6.01. Issuance of Parity Bonds. The Issuer shall issue no other bonds or obligations of any kind or nature payable from or enjoying a lien on the revenues of the Tax having priority over or parity with the Bonds, except that Parity Bonds may hereafter be issued under the following conditions:

(a) The Bonds herein authorized or any part thereof, including the interest thereon, may be refunded, and the refunding bonds so issued shall enjoy complete equality of lien with the portion of the Bonds which is not refunded, if there be any, and the refunding bonds shall continue to enjoy whatever priority of lien over subsequent issues may have been enjoyed by the Bonds refunded; provided, however, that if only a portion of the Bonds outstanding is so refunded and the refunding Bonds require total principal and interest payments during any calendar year in excess of the principal and interest which would have been required in such year to pay the Bonds refunded thereby, then such Bonds may not be refunded without the consent of the Owners of the unrefunded portion of the Bonds issued hereunder (provided such consent shall not be required if such refunding Bonds meet the requirements set forth in clause (b) of this Section).

(b) Parity Bonds may be issued on and enjoy a full and complete parity with the Bonds with respect to the Tax, provided that the combined principal and interest requirement for any calendar year on the Bonds, any outstanding Parity Bonds, and the proposed Parity Bonds does not exceed 75% of the revenues estimated to be realized from the levy of the Tax in the year in which such Parity Bonds are issued; it being provided, however, that the proceeds of said Parity Bonds are to be expended only for the purposes for which the Tax is levied, refunding the Bonds or establishing debt service reserves for the security of the Bonds and the Parity Bonds.

(c) The Issuer, the Sewerage and Water Board and the Board of Liquidation must be in full compliance with all covenants and undertakings in connection with the Bonds and there must be no delinquencies in payments required to be made in connection therewith.

(d) Junior and subordinate bonds may be issued without restriction.

ARTICLE VII

SUPPLEMENTAL BOND RESOLUTIONS

SECTION 7.01. Supplemental Resolutions Effective Without Consent of Owners. In addition to the Supplemental Resolution, a resolution supplemental hereto may be adopted by the Sewerage and Water Board or the Board of Liquidation, for any one or more of the following purposes and at any time from time to time, which, upon the filing with the Paying Agent of a certified copy thereof, but without any consent of Owners, shall be fully effective in accordance with its terms:

(a) to add to the covenants and agreements of the Issuer, the Sewerage and Water Board or the Board of Liquidation in the Bond Resolution other covenants and agreements which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect;

(b) to add to the limitations and restrictions in the Bond Resolution other limitations and restrictions to be observed by the Issuer or the Board of Liquidation which are not contrary to or inconsistent with the Bond Resolution as theretofore in effect;

(c) to surrender any right, power or privilege reserved to or conferred upon the Issuer, the Sewerage and Water Board or the Board of Liquidation by the terms of the Bond Resolution, but only if the surrender of such right, power or privilege is not contrary to or inconsistent with the covenants and agreements of the Issuer or the Board of Liquidation contained in the Bond Resolution;

(d) to cure any ambiguity, supply any omission, or cure or correct any defect or inconsistent provision of the Bond Resolution in a manner not contrary to or inconsistent with the Bond Resolution as theretofore in effect;

(e) to insert such provisions clarifying matters or questions arising under the Bond Resolution as are necessary or desirable and are not contrary to or inconsistent with the Bond Resolution as theretofore in effect; or

(f) to make any other amendment or change which does not materially adversely affect the interests of the Owner of any Bond.

SECTION 7.02. Supplemental Resolutions Effective With Consent of Owners. Except as provided in Section 7.01, any modification or amendment of the Bond Resolution or of the rights and obligations of the Sewerage and Water Board, Board of Liquidation and the Issuer and of the Owners of the Bonds hereunder, in any particular, may be made by a supplemental resolution, with the written consent of the Owners of a majority of the Bond Obligation at the time such consent is given. No such modification or amendment shall permit a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or a reduction in the principal amount or in the rate of interest thereon without the consent of the Owner of such Bond, or shall reduce the percentages of Bonds the consent of the Owner of which is required to effect any such modification or amendment, or change the obligation of the Issuer to levy and collect taxes for the payment of the Bonds as provided herein,

without the consent of the Owners of all of the Bonds then outstanding, or shall change or modify any of the rights or obligations of the Paying Agent without its written assent thereto. For the purposes of this Section, Bonds shall be deemed to be affected by a modification or amendment of the Bond Resolution if the same adversely affects or diminishes the rights of the Owners of said Bonds.

A supplemental resolution, upon the filing with the Paying Agent of a certified copy thereof, shall become fully effective in accordance with its terms.

ARTICLE VIII

EVENTS OF DEFAULT

SECTION 8.01. Events of Default. If one or more of the following events ("Events of Default") shall happen, that is to say,

(a) if default shall be made in the due and punctual payment of the principal of any Bond when and as the same shall become due and payable, whether at maturity or otherwise; or

(b) if default shall be made in the due and punctual payment of any installment of interest on any Bond when and as such interest installment shall become due and payable; or

(c) if default shall be made in the performance or observance of any other of the covenants, agreements or conditions in the Bond Resolution, any supplemental resolution or in the Bonds contained and such default shall continue for a period of forty-five (45) days after written notice thereof to the Board of Liquidation by any Owner; or

(d) if the Issuer shall file a petition or otherwise seek relief under any Federal or State bankruptcy law or similar law;

then, upon the happening and continuance of any Event of Default the Owners of the Bonds shall be entitled to exercise all rights and powers for which provision is made under Louisiana law.

ARTICLE IX

REDEMPTION OF REFUNDED BONDS

SECTION 9.01. Call for Redemption. The Refunded Bonds, as more fully described in **Exhibit A** hereto, are hereby authorized to be called for redemption on the earliest date possible, to be specified by the Board of Liquidation in the Certificate of Determination and the Supplemental Resolution, at the principal amount of each bond so redeemed, together with accrued interest to the call date, in compliance with the resolution authorizing their issuance.

SECTION 9.02. Notice of Redemption. In accordance with the resolution authorizing the issuance of the Refunded Bonds, a notice of redemption in substantially the form attached hereto as **Exhibit D**, shall be sent by the paying agent for the Refunded Bonds to the registered owner of each of the Refunded Bonds at his address as shown on the bond register of said paying agent by means of registered or certified mail deposited in the United States mails not less than thirty (30) days prior to the date of redemption.

SECTION 9.03. Escrow Deposit Agreement. The Sewerage and Water Board is authorized to enter into an escrow deposit agreement with the Board of Liquidation and Whitney Bank, as escrow trustee, if required in connection with the refunding of the Refunded Bonds.

ARTICLE X

MISCELLANEOUS

SECTION 10.01. Defeasance.

(a) If the Issuer shall pay or cause to be paid to the Owners of all Bonds then Outstanding, the principal and interest to become due thereon, at the times and in the manner stipulated therein and in the Bond Resolution, then the covenants, agreements and other obligations of the Board of Liquidation and the Issuer to the Owners shall be discharged and satisfied. In such event, the Paying Agent shall, upon the request of the Board of Liquidation, execute and deliver to the Board of Liquidation all such instruments as may be desirable to evidence such discharge and satisfaction and the Paying Agent shall pay over or deliver to the Board of Liquidation all moneys, securities and funds held by them pursuant to the Bond Resolution which are not required for the payment of Bonds not theretofore surrendered for such payment.

(b) Bonds or interest installments for the payment of which money or Defeasance Obligations shall have been set aside and shall be held in trust (through deposit by the Issuer of funds for such payment or otherwise) at the maturity date thereof shall be deemed to have been paid within the meaning and with the effect expressed above in this Section. Bonds shall be deemed to have been paid, prior to their maturity, within the meaning and with the effect expressed above in this Section if they have been defeased pursuant to Chapter 14 of Title 39 of the Louisiana Revised Statutes of 1950, as amended, or any successor provisions thereto.

SECTION 10.02. Arbitrage. The Issuer covenants and agrees that, to the extent permitted by the laws of the State of Louisiana, it will comply with the requirements of the Internal Revenue Code of 1986 and any amendment thereto (the "Code") in order to establish, maintain and preserve the exclusion from "gross income" of interest on the Bonds under the Code. The Issuer further covenants and agrees that it will not take any action, fail to take any action, or permit any action within its control to be taken, or permit at any time or times any of the proceeds of the Bonds or any other funds of the Issuer to be used directly or indirectly in any manner, the effect of which would be to cause the Bonds to be "arbitrage bonds" or would result in the inclusion of the interest on any of the Bonds in gross income under the Code, including, without limitation, (i) the failure to comply with the limitation on investment of Bond proceeds or (ii) the failure to pay any required rebate of arbitrage earnings to the United States of America or (iii) the use of the proceeds of the Bonds in a manner which would cause the Bonds to be "private activity bonds".

SECTION 10.03. Evidence of Signatures of Owners and Ownership of Bonds

(a) Any request, consent, revocation of consent or other instrument which the Bond Resolution may require or permit to be signed and executed by the Owners may be in one or more instruments of similar tenor, and shall be signed or executed by such Owners in person or by their attorneys-in-fact appointed in writing. Proof of (i) the execution of any such instrument, or of an instrument appointing any such attorney, or (ii) the ownership by any Person of the Bonds shall be sufficient for any purpose of the Bond Resolution (except as otherwise therein

expressly provided) if made in the following manner, or in any other manner satisfactory to the Paying Agent, which may nevertheless in its discretion require further or other proof in cases where it deems the same desirable:

- 1) the fact and date of the execution by any Owner or his attorney-in-fact of such instrument may be proved by the certificate, which need not be acknowledged or verified, of an officer of a bank or trust company or of any notary public or other officer authorized to take acknowledgements of deeds, that the Person signing such request or other instrument acknowledged to him the execution thereof, or by an affidavit of a witness of such execution, duly sworn to before such notary public or other officer. Where such execution is by an officer of a corporation or association or a member of a partnership, on behalf of such corporation, association or partnership, such certificate or affidavit shall also constitute sufficient proof of his authority;
- 2) the ownership of Bonds and the amount, numbers and other identification, and date of owning the same shall be proved by the registration books of the Paying Agent.

(b) Any request or consent by the Owner of any Bond shall bind all future Owners of such Bond in respect of anything done or suffered to be done by the Board of Liquidation or the Paying Agent in accordance therewith.

SECTION 10.04. Parties Interested Herein. Nothing in the Bond Resolution expressed or implied is intended or shall be construed to confer upon, or to give to, any Person or entity, other than the Issuer, the Sewerage and Water Board, the Board of Liquidation, the Paying Agent and the Owners of the Bonds any right, remedy or claim under or by reason of the Bond Resolution or any covenant, condition or stipulation thereof; and all the covenants, stipulations, promises and agreements in the Bond Resolution contained by and on behalf of the Issuer, the Sewerage and Water Board, and the Board of Liquidation shall be for the sole and exclusive benefit of the Issuer, the Sewerage and Water Board, the Board of Liquidation, the Paying Agent and the Owners of the Bonds.

SECTION 10.05. No Recourse on the Bonds. No recourse shall be had for the payment of the principal of or interest on the Bonds or for any claim based thereon or on the Bond Resolution against any member of the Sewerage and Water Board, the Board of Liquidation or officer of the Sewerage and Water Board, the Board of Liquidation or any Person executing the Bonds.

SECTION 10.06. Successors and Assigns. Whenever in the Bond Resolution the Issuer, the Sewerage and Water Board or the Board of Liquidation is named or referred to, it shall be deemed to include its successors and assigns and all the covenants and agreements in the Bond Resolution contained by or on behalf of the Issuer, the Sewerage and Water Board or the Board of Liquidation shall bind and enure to the benefit of its successors and assigns whether so expressed or not.

SECTION 10.07. Governing Law. The Bond Resolution shall be governed by and interpreted in accordance with the laws of the State of Louisiana.

SECTION 10.08. Severability. In case any one or more of the provisions of the Bond Resolution or of the Bonds issued thereunder shall for any reason be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of the Bond Resolution or of the Bonds, but the Bond Resolution and the Bonds shall be construed and enforced as if such illegal or invalid provisions had not been contained therein. Any constitutional or statutory provision enacted after the date of the Bond Resolution which validates or makes legal any provision of the Bond Resolution or the Bonds which would not otherwise be valid or legal shall be deemed to apply to the Bond Resolution and to the Bonds.

SECTION 10.09. Publication of Basic Resolution. This Drainage Basic Bond Resolution shall be published one time in the official journal of the Issuer.

SECTION 10.10. Peremption. For a period of thirty days from the date of publication, any Person in interest shall have the right to contest the legality of the Drainage Basic Bond Resolution and the legality of the Bonds for any cause, after which time no one shall have any cause or right of action to contest the legality of the Drainage Basic Bond Resolution or of the Bonds for any cause whatsoever. If no suit, action, or proceeding is begun contesting the validity of the Bonds within the thirty days herein prescribed, the authority to issue the Bonds and to provide for the payment thereof, and the legality thereof and of all of the provisions of the Basic Resolution shall be conclusively presumed, and no court shall have authority to inquire into such matters.

SECTION 10.11. Execution of Documents. In connection with the issuance and sale of the Bonds, the President *pro tempore*, and/or the Secretary-Treasurer and/or the Executive Director of the Sewerage and Water Board are each authorized, empowered and directed to execute on behalf of the Sewerage and Water Board such documents, certificates and instruments as they may deem necessary, upon the advice of bond counsel, to effect the transactions contemplated by the Bond Resolution, the signatures of the said officers on such documents, certificates and instruments to be conclusive evidence of the due exercise of the authority granted hereunder.

SECTION 10.12. Notices. Unless otherwise provided herein, all demands, notices, approvals, consents, requests, opinions and other communications hereunder shall be in writing and shall be deemed to have been given when delivered in person or mailed by first class registered or certified mail, postage prepaid, addressed (a) if to the Sewerage and Water Board, at 625 St. Joseph Street, New Orleans, Louisiana 70165 (Attention: Executive Director) or (b) if to the Board of Liquidation, at Room 8E17, City Hall, 1300 Perdido Street, New Orleans, Louisiana 70112, Attention: David Gernhauser, Secretary). The Board and the Board of Liquidation may, by notice given hereunder, designate any further or different addresses to which subsequent demands, notices, approvals, consents, requests, opinions or other communications shall be sent or persons to whose attention the same shall be directed.

SECTION 10.13. Counterparts. This Resolution may be executed in several counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

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				
Alan Arnold				
Robin Barnes				
Marion Bracy				
Dr. Tamika Duplessis				
Scott Jacobs				
Kerri Kane				
Mark Moody				
Joseph Peychaud				
Kimberly Thomas				

And the resolution was declared adopted on this 17th day of September, 2014.

EXHIBIT A
to Basic Bond Resolution

REFUNDED BONDS

DRAINAGE SYSTEM BONDS, SERIES 1998
DATED DECEMBER 1, 1998

Maturity Date	Principal Amount	Interest Rate	CUSIP
01-Dec-2014	625,000	4.800%	647634 4E1
01-Dec-2015	655,000	4.850%	647634 4F8
01-Dec-2016	685,000	5.000%	647634 4G6
01-Dec-2018	1,480,000	5.000%	647634 4J0
	3,445,000		

Callable at par any time after December 1, 2008

DRAINAGE SYSTEM BONDS, SERIES 2002
DATED OCTOBER 1, 2002

Maturity Date	Principal Amount	Interest Rate	CUSIP
01-Dec-2014	865,000	4.000%	64763F DW6
01-Dec-2015	900,000	4.000%	64763F DX4
01-Dec-2016	940,000	4.100%	64763F DY2
01-Dec-2017	985,000	4.200%	64763F DZ9
01-Dec-2018	1,030,000	4.300%	64763F EA3
01-Dec-2019	1,870,000	4.400%	64763F EB1
01-Dec-2020	1,960,000	4.500%	64763F EC9
01-Dec-2021	2,055,000	4.600%	64763F ED7
01-Dec-2022	2,155,000	4.650%	64763F EE5
	12,760,000		

Callable at par any time after December 1, 2012

EXHIBIT B
to Basic Bond Resolution

FORM OF BOND

Unless this Bond is presented by an authorized representative of the Depository Trust Company, a New York corporation ("DTC"), to the Sewerage and Water Board or the City or their agent for registration of transfer, exchange, or payment, and any Bond issued is registered in the name of CEDE & CO. or in such other name as is requested by an authorized representative of DTC (and any payment is made to CEDE & CO. or to such other entity as is requested by an authorized representative of DTC), ANY TRANSFER, PLEDGE, OR OTHER USE HEREOF FOR VALUE OR OTHERWISE BY OR TO ANY PERSON IS WRONGFUL inasmuch as the registered owner hereof, CEDE & CO., has an interest herein.

As provided in the Bond Resolution referred to herein, until the termination of the system of book-entry-only transfers through DTC and notwithstanding any other provision of the Resolution (herein defined) to the contrary, this Bond may be transferred, in whole but not in part, only to a nominee of DTC, or by a nominee of DTC to DTC or a nominee of DTC, or by DTC or a nominee of DTC to any successor securities depository or any nominee thereof.

NO. R-_____

Principal Amount: \$ _____

UNITED STATES OF AMERICA
STATE OF LOUISIANA
PARISH OF ORLEANS

CITY OF NEW ORLEANS, LOUISIANA
DRAINAGE SYSTEM IMPROVEMENT AND REFUNDING BOND, SERIES 2014

<u>Bond Date</u>	<u>Interest Rate</u>	<u>Maturity Date</u>	<u>CUSIP</u>
_____, 2014	_____ %	December 1, _____	_____

The **CITY OF NEW ORLEANS, LOUISIANA** (the "City"), for value received, promises to pay, but only from the sources and as hereinafter provided, to

REGISTERED OWNER: CEDE & CO. (Tax Identification #13-2555119)

PRINCIPAL AMOUNT: _____ DOLLARS

or registered assigns, on the Maturity Date set forth above, the Principal Amount set forth above, together with interest thereon from the Bond Date set forth above or the most recent interest payment date to which interest has been paid or duly provided for, payable on June 1 and December 1 of each year, commencing December 1, 2014 (each an "Interest Payment Date"), at the Interest Rate per annum set forth above until said Principal Amount is paid, calculated on the

basis of a 360-day year consisting of twelve 30-day months, unless this Bond shall have been previously called for redemption and payment shall have been duly made or provided for. The principal of this Bond, upon maturity or redemption, is payable at the corporate trust office of Whitney Bank, in the City of New Orleans, Louisiana, or successor thereto (the "Paying Agent") upon presentation and surrender hereof, and interest on this Bond will be payable by the Paying Agent by check mailed by the Paying Agent to the registered owner (determined as of the close of business on the 15th calendar day of the month next preceding said interest payment date, whether or not such day is a Business Day) at the address as shown on the registration books of the Paying Agent.

During any period after the initial delivery of the Bonds in book-entry-only form when the Bonds are delivered in multiple certificates form, upon request of a registered owner of at least \$1,000,000 in principal amount of Bonds outstanding, all payments of principal, premium, if any, and interest on the Bonds will be paid by wire transfer in immediately available funds to an account designated by such registered owner; CUSIP number identification with appropriate dollar amounts for each CUSIP number must accompany all payments of principal, premium, and interest, whether by check or by wire transfer.

FOR SO LONG AS THIS BOND IS HELD IN BOOK-ENTRY FORM REGISTERED IN THE NAME OF CEDE & CO. ON THE REGISTRATION BOOKS OF THE CITY KEPT BY THE PAYING AGENT, AS BOND REGISTRAR, THIS BOND, IF CALLED FOR PARTIAL REDEMPTION IN ACCORDANCE WITH THE BOND RESOLUTION, SHALL BECOME DUE AND PAYABLE ON THE REDEMPTION DATE DESIGNATED IN THE NOTICE OF REDEMPTION GIVEN IN ACCORDANCE WITH THE BOND RESOLUTION AT, AND ONLY TO THE EXTENT OF, THE REDEMPTION PRICE, PLUS ACCRUED INTEREST TO THE SPECIFIED REDEMPTION DATE; AND THIS BOND SHALL BE PAID, TO THE EXTENT SO REDEEMED, (i) UPON PRESENTATION AND SURRENDER THEREOF AT THE OFFICE SPECIFIED IN SUCH NOTICE OR (ii) AT THE WRITTEN REQUEST OF CEDE & CO., BY CHECK MAILED TO CEDE & CO. BY THE PAYING AGENT OR BY WIRE TRANSFER TO CEDE & CO. BY THE PAYING AGENT IF CEDE & CO. AS BONDOWNER SO ELECTS. IF, ON THE REDEMPTION DATE, MONEYS FOR THE REDEMPTION OF BONDS OF SUCH MATURITY TO BE REDEEMED, TOGETHER WITH INTEREST TO THE REDEMPTION DATE, SHALL BE HELD BY THE PAYING AGENT SO AS TO BE AVAILABLE THEREFOR ON SUCH DATE, AND AFTER NOTICE OF REDEMPTION SHALL HAVE BEEN GIVEN IN ACCORDANCE WITH THE BOND RESOLUTION, THEN, FROM AND AFTER THE REDEMPTION DATE, THE AGGREGATE PRINCIPAL AMOUNT OF THIS BOND SHALL BE IMMEDIATELY REDUCED BY AN AMOUNT EQUAL TO THE AGGREGATE PRINCIPAL AMOUNT THEREOF SO REDEEMED, NOTWITHSTANDING WHETHER THIS BOND HAS BEEN SURRENDERED TO THE PAYING AGENT FOR CANCELLATION.

This Bond is one of an authorized issue aggregating in principal the sum of _____ Dollars (\$ _____) (the "Bonds") all of like tenor and effect except as to number, denomination, interest rate and maturity, said Bonds having been issued in the name of the City, acting by and through the Sewerage and Water Board of New Orleans (the "Board"), for the purpose of refunding the City's Drainage Improvement Bonds, Series 1998 and Series 2002, and paying the costs of issuance associated therewith. The Bonds have been issued pursuant to a

Basic Bond Resolution adopted by the Sewerage and Water Board on September 17, 2014, as supplemented by a Supplemental Bond Resolution adopted by the Board of Liquidation, City Debt (the "Board of Liquidation") on _____, 2014 (collectively, the "Resolution"), under the authority conferred by Sections 4147 through 4156, inclusive, of Title 33, of the Louisiana Revised Statutes of 1950, as amended (the "Act"), Chapter 14-A of Title 49 of the Louisiana Revised Statutes of 1950, as amended, and other constitutional and statutory authority.

This Bond and the issue of which it forms a part is secured by an irrevocable pledge and dedication of the funds to be derived from the levy and collection of a seven and six hundredths (7.06) mills tax (such rate being subject to adjustment from time to time due to reassessment) presently being collected pursuant to La. R.S. 33:4147, effective for the years 1982 through 2031, inclusive, authorized to provide for the operation and maintenance of the drainage system of the City of New Orleans and for the construction and extension of said drainage system, excluding subsurface drainage systems and their appurtenances, which tax was originally authorized at nine (9) mills pursuant to an election held in the Issuer on May 16, 1981 (the "Tax"). For a more complete statement of the Tax revenues from which and conditions under which this Bond is issued, reference is hereby made to the Resolution (hereinafter defined). The Issuer, in the Resolution, has also entered into certain other covenants and agreements with the registered owner of this Bond, including provisions for the issuance of additional bonds payable from the proceeds of the Tax on a parity with this Bond and the Outstanding Parity Bonds, for the terms of which reference is made to the Resolution.

The Bonds are [not] callable for redemption prior to maturity.

[TERM BONDS – TO COME]

For a more complete statement of the source of moneys from which and conditions under which this Bond is payable, a statement of the conditions under which additional Bonds may hereafter be issued on a parity with the Bonds, and the general covenants and provisions pursuant to which this Bond is issued, and the conditions under which the pledges and covenants of the City, the Sewerage and Water Board and the Board of Liquidation may be discharged and this Bond no longer be deemed outstanding, reference is hereby made to the Resolution. This Bond and the issue of which it forms a part do not constitute a debt of the City, but are payable as to principal and interest, solely out of revenues of the Tax pledged for that purpose.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any security or benefit under the Resolution (herein defined) until the certificate of registration hereon shall have been signed by the Paying Agent.

It is hereby certified, recited and declared that all acts, conditions and things required by the Constitution and laws of the State of Louisiana to exist, to have happened and to have been performed precedent to and in the issuance of this Bond do exist, have happened and have been performed in regular and due time form and manner as prescribed by law, and the amount of this Bond and the issue of which it forms a part, together with all other obligations or indebtedness of the City and the Sewerage and Water Board, does not exceed any constitutional, statutory or other limitation of indebtedness.

IN WITNESS WHEREOF, the City of New Orleans, Louisiana has caused this Bond to be executed in its name by the facsimile signatures of its Mayor, the President *pro tempore* of the Sewerage and Water Board of New Orleans, and the President and Secretary of the Board of Liquidation, City Debt, and a facsimile of its corporate seal to be imprinted hereon.

CITY OF NEW ORLEANS,
LOUISIANA

President,
Board of Liquidation, City Debt

Mayor,
City of New Orleans

Secretary,
Board of Liquidation, City Debt

President, *pro tempore*
Sewerage and Water Board of New Orleans

(SEAL)

* * * * *

PAYING AGENT'S CERTIFICATE OF REGISTRATION

This Bond is one of the Bonds referred to in the within-mentioned Resolution.

WHITNEY BANK, as Paying Agent

Date of Registration: _____, 2014

By: _____
Authorized Officer

* * * * *

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned hereby sells, assigns and transfers
unto

Please Insert Social Security
or other Identifying Number of Assignee

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

attorney or agent to transfer the within
Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _____

NOTICE: The signature to this assignment must correspond with the name as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

* * * * *

LEGAL OPINION CERTIFICATE

I, the undersigned Secretary of the Board of Liquidation, City Debt, do hereby certify that the following is a true copy of the complete joint legal opinion of Foley & Judell, L.L.P. and Auzenne & Associates, L.L.C., Co-Bond Counsel, the original of which was manually executed, dated and issued as of the date of payment for and delivery of this Bond and was delivered to the original purchaser thereof:

[TO BE INSERTED]

I further certify that an executed copy of the above legal opinion is on file in my office, and that an executed copy thereof has been furnished to the Paying Agent for this Bond.

Secretary,
Board of Liquidation, City Debt

CONTINUING DISCLOSURE CERTIFICATE

§ _____
DRAINAGE SYSTEM REFUNDING BONDS, SERIES 2014
SEWERAGE AND WATER BOARD OF NEW ORLEANS

This Continuing Disclosure Certificate (the "Disclosure Certificate") is executed and delivered by the City of New Orleans, Louisiana (the "City" or "Issuer"), acting through its duly elected Mayor, the Board of Liquidation, City Debt (the "Board of Liquidation"), and the Sewerage and Water Board of New Orleans (the "Sewerage and Water Board"), the entities created and charged by law with the issuance and administration of the drainage system bonds of the Issuer, acting through its undersigned officers, duly authorized hereunto, in connection with the issuance of the above captioned issue of Drainage System Refunding Bonds, Series 2014 (the ABonds®). The Bonds are being issued pursuant to a Basic Bond Resolution adopted by the Sewerage and Water Board on September 17, 2014, and a Supplemental Bond Resolution adopted by the Board of Liquidation on _____, 2014 (collectively, the "Resolution") and are described in that certain Official Statement dated _____, 2014 (the "Official Statement"), which contains certain information concerning the Issuer, the Bonds and certain financial and other information relating thereto. The Issuer, the Board of Liquidation and the Sewerage and Water Board covenant and agree as follows:

SECTION 1) *Definitions.* In addition to the definitions set forth in the preceding paragraph and in the Resolution, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" shall mean any Annual Report provided by the Issuer pursuant to, and as described in, Sections 3 and 4 of this Disclosure Certificate.

"Bondholder" shall mean any owner of the Bonds, including any owner of a beneficial interest in the Bonds.

"Dissemination Agent" shall mean the Secretary of the Board of Liquidation, or any successor Dissemination Agent designated by the City acting through the Board of Liquidation.

"Listed Events" shall mean any of the events listed in Section 5(a) of this Disclosure Certificate.

"MSRB" shall mean the Municipal Securities Rulemaking Board, which has been designated by the Securities and Exchange Commission as the single centralized repository for the collection and availability of continuing disclosure documents for purposes of the Rule. The continuing disclosure documents must be provided to the MSRB in portable document format (PDF) and in compliance with Section 13 of this Disclosure Certificate to the following:

Municipal Securities Rulemaking Board
Electronic Municipal Market Access Center
<http://emma.msrb.org>

“Participating Underwriter” shall mean the original Purchaser (as defined in the Resolution) of the Bonds required to comply with the Rule in connection with an offering of the Bonds.

“Resolution” shall mean the Basic Bond Resolution adopted by the Sewerage and Water Board on September 17, 2014, as supplemented by the Supplemental Bond Resolution adopted by the Board of Liquidation on _____, 2014, authorizing the issuance of the Bonds.

“Repositories” shall mean the MSRB and the State Information Depository, if any.

“Rule” shall mean Rule 15c2-12 (b) (5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as the same may be amended from time to time.

“State Information Depository” shall mean any public or private depository or entity designated by the State of Louisiana as a state depository for the purpose of the Rule. As of the date of this Disclosure Certificate, there is no State Information Depository.

SECTION 2) *Purpose of the Disclosure Certificate.* This Disclosure Certificate is being executed and delivered by the City, the Sewerage and Water Board and the Board of Liquidation for the benefit of the Bondholders and the Participating Underwriter, and in order to assist the Participating Underwriter in complying with the Rule.

SECTION 3) *Provision of Annual Reports.*

- (a) The City acting through the Board of Liquidation shall, or shall cause the Dissemination Agent to, in each year no later than eight (8) months from the end of the Issuer’s first fiscal year ending after issuance of the Bonds, with the first such report to be due not later than August 31, 2015, provide to the Repositories, an Annual Report which is consistent with the requirements set forth in Section 4 below. The Annual Report may be submitted as a single document or as separate documents comprising a package, and may cross-reference other information as set forth below; *provided* that the audited financial statements of the City, the Sewerage and Water Board and the Board of Liquidation may be submitted separately from the balance of the Annual Report.
- (b) If the Dissemination Agent is unable to provide to the Repositories an Annual Report by the date required in (a) above, the City acting through the Board of Liquidation shall send a Notice of Failure to File Annual Report to each of the Repositories, in substantially the form attached as Exhibit A.
- (c) The Dissemination Agent shall determine each year prior to the date for providing the Annual Report the name and address of each of the Repositories.

SECTION 4. *Content of Annual Reports.* The Annual Report shall contain or incorporate by reference the following:

1. Audited financial statements of the City, the Board of Liquidation and the Sewerage and Water Board for the preceding fiscal year. If any of the audited financial statements are not available by the time the Annual Report is required to be filed pursuant to Section 3(a), the Annual Report shall contain unaudited financial statements in a format similar to the financial statements contained in the final Official Statement, and the audited financial statements shall be filed in the same manner as the Annual Report when they become available.
2. Basis of accounting used by the City, the Board of Liquidation and the Sewerage and Water Board in reporting its financial statements. The City, the Board of Liquidation and the Sewerage and Water Board follow GAAP principles and mandated Louisiana statutory accounting requirements as in effect from time to time. In the event of any material change in such requirements the impact of such changes will be described in the Annual Report of the year such change occurs.
3. The total amount of debt of the City, as well as any general obligation debt which has been authorized but not yet issued.
4. Any material changes in the assessment procedures and the homestead exemption as authorized by law.
5. The assessed value of taxable property in the Issuer and homestead exemptions for the most recent tax year available from the Louisiana Tax Commission.
6. The assessed value of property by classifications for the Issuer for the most recent tax year available from the Louisiana Tax Commission.
1. The *ad valorem* tax levies and collections of the Issuer for the prior tax year.
7. The millage rates for the prior tax year.
8. A listing of the ten largest *ad valorem* taxpayers within the Issuer for the prior tax year.

Any or all of the items listed above may be incorporated by reference from other documents, including official statements of debt issues of the Issuer or related public entities, which have been submitted to each of the Repositories or the Securities and Exchange Commission. If the document incorporated by reference is a deemed final official statement, it shall be available from the MSRB. The Issuer shall clearly identify each such other document so incorporated by reference.

SECTION 5. *Reporting of Listed Events.* (a) This section shall govern the giving of notices of the occurrence of any of the following Listed Events with respect to the Bonds:

- (i) Principal and interest payment delinquencies;
- (ii) Non-payment related defaults, if material;
- (iii) Unscheduled draws on debt service reserves reflecting financial difficulties;
- (iv) Unscheduled draws on credit enhancements reflecting financial difficulties;
- (v) Substitution of credit or liquidity providers, or their failure to perform;
- (vi) Adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds, or other material events affecting the tax status of the Bonds;
- (vii) Modifications to rights of Bondholders, if material;
- (viii) Bond calls, if material, and tender offers;
- (ix) Defeasances;
- (x) Release, substitution, or sale of property securing repayment of the Bonds, if material;
- (xi) Rating changes;
- (xii) Bankruptcy, insolvency, receivership or similar event of the Issuer;
- (xiii) The consummation of a merger, consolidation, or acquisition involving an Issuer or the sale of all or substantially all of the assets of the Issuer, other than in the ordinary course of business, the entry into a definitive agreement to undertake such an action or the termination of a definitive agreement relating to any such actions, other than pursuant to its terms, if material; or
- (xiv) Appointment of a successor or additional trustee or the change of name of a trustee, if material.

(b) Whenever the Issuer, the Board of Liquidation or the Sewerage and Water Board obtains knowledge of the occurrence of a Listed Event, the Issuer, acting through the Board of Liquidation, shall as soon as possible, but in no event more than ten business days after the occurrence of the event, file a notice of such occurrence with the Repositories.

SECTION 6. *Management Discussion of Items Disclosed.* If an item required to be disclosed as part of the Annual Report or the Listed Events would be misleading without discussion, the Issuer shall additionally provide a statement clarifying the disclosure in order that the statement made will not be misleading in light of the circumstances in which it is made.

SECTION 7. *Termination of Reporting Obligation.* The obligations of Issuer, the Board of Liquidation or the Sewerage and Water Board under this Disclosure Certificate shall terminate upon the defeasance, prior redemption or payment in full of all of the Bonds.

SECTION 8. *Dissemination Agent.* The Issuer acting through the Board of Liquidation may, from time to time, appoint or engage a successor Dissemination Agent to assist it in carrying out its obligations under this Disclosure Certificate, and may discharge any such Dissemination Agent, with or without appointing a successor Dissemination Agent.

SECTION 9. *Amendment; Waiver.* Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, and any provision of this Disclosure Certificate may be waived, if:

- (a) The amendment or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the Issuer, or type of business conducted;
- (b) This Disclosure Certificate, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and
- (c) The amendment or waiver does not materially impair the interests of the Bondholders, as determined either by an opinion of a nationally recognized bond counsel or by approving vote of the Bondholders pursuant to the terms of the Resolution at the time of the amendment.

In the event of any such amendment or waiver of a provision of this Disclosure Certificate, the Issuer shall describe such amendment in the next Annual Report relating to the Issuer and shall include, as applicable, a narrative explanation of the reason for the amendment or waiver and its impact on the type (or in the case of change of accounting principles, on the presentation) of financial information or operating data being presented by or in respect of the Issuer.

SECTION 10. *Additional Information.* Nothing in this Disclosure Certificate shall be deemed to prevent the Issuer, the Board of Liquidation or the Sewerage and Water Board from disseminating any other information, using the means of dissemination set forth in this Disclosure Certificate or any other means of communication, or including any other information in any Annual Report or notice of occurrence of a Listed Event, in addition to that which is required by this Disclosure Certificate. If the Issuer, the Board of Liquidation or the Sewerage and Water Board chooses to include any information in any Annual Report or notice of occurrence of a Listed Event in addition to that which is specifically required by this Disclosure Certificate, the Issuer, the Board of Liquidation or the Sewerage and Water Board shall not have any obligation under this Disclosure Certificate to update such information or include it in any future Annual Report or notice of occurrence of a Listed Event.

SECTION 11. *Default.* In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate any Bondholder or the Participating Underwriter may take such actions as may be necessary and appropriate, to cause the Issuer, the Board of Liquidation and/or the Sewerage and Water Board to comply with its obligations under this Disclosure Certificate. A default under this Disclosure Certificate shall not be deemed an event of default under the Resolution, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel performance.

SECTION 12. *Beneficiaries.* This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Board of Liquidation, the Sewerage and Water Board, the Dissemination Agent, the Participating Underwriter and the Bondholders, and shall create no rights in any other person or entity.

SECTION 13. *Other Stipulations.* Any document submitted to the MSRB pursuant to this Disclosure Certificate shall be accompanied by identifying information as prescribed by the

MSRB. Any document submitted to the MSRB pursuant to this Disclosure Certificate shall be word-searchable (without regard to diagrams, images and other non-textual elements).

IN FAITH WHEREOF, the undersigned has executed this Continuing Disclosure Certificate on this, the ___ day of _____, 2014.

CITY OF NEW ORLEANS, LOUISIANA

By: _____
Name: _____
Title: _____

BOARD OF LIQUIDATION, CITY DEBT

By: _____
Name: _____
Title: _____

SEWERAGE AND WATER BOARD OF NEW ORLEANS

By: _____
Name: _____
Title: _____

EXHIBIT A
to Continuing Disclosure Certificate

NOTICE TO REPOSITORIES OF FAILURE TO FILE ANNUAL REPORT

Name of Issuer: City of New Orleans, Louisiana

Name of Bond Issue: Drainage System Refunding Bonds, Series 2014

Date of Issuance: _____, 2014

NOTICE IS HEREBY GIVEN that the Issuer has not provided an Annual Report as required by the the Continuing Disclosure Certificate executed in connection with the above-described bonds. The Issuer anticipates that its Annual Report will be filed by _____, 20__.

Date: _____, 20__.

BOARD OF LIQUIDATION, CITY DEBT

By: _____
Name: _____
Title: _____

EXHIBIT D
to Basic Bond Resolution

[TO BE GIVEN 30 DAYS BEFORE REDEMPTION DATE]

CONDITIONAL NOTICE OF CALL FOR REDEMPTION

DRAINAGE SYSTEM BONDS, SERIES 1998
DATED DECEMBER 1, 1998
(MATURING DECEMBER 1, 2014, DECEMBER 1, 2015, DECEMBER 1, 2016
AND DECEMBER 1, 2018

CITY OF NEW ORLEANS, LOUISIANA

NOTICE IS HEREBY GIVEN, that, pursuant to resolutions adopted on February 19, 2014 and September 17, 2014 by the Sewerage and Water Board of New Orleans and resolutions adopted on February 25, 2014 and _____, 2014, by the Board of Liquidation, City Debt, of the City of New Orleans, Louisiana, the City of New Orleans, Louisiana (the "City") hereby calls for redemption on _____ (the "Optional Redemption Date"), \$3,445,000 of the City of New Orleans, Louisiana Drainage System Bonds, Series 1998, consisting of all outstanding bonds of said issue maturing December 1, 2014, December 1, 2015, December 1, 2016 and December 1, 2018 (the "Refunded Bonds"), as hereinafter set forth, at a price of par, plus accrued interest, upon presentation and surrender of said bonds as set out below.

NOTICE IS HEREBY FURTHER GIVEN that the Refunded Bonds are hereby called for redemption on the Optional Redemption Date, at the principal amount thereof, and accrued interest to the call date, and being more fully described as follows:

Maturity Date	Principal Amount	Interest Rate	CUSIP
01-Dec-2014	\$ 625,000	4.800%	647634 4E1
01-Dec-2015	655,000	4.850%	647634 4F8
01-Dec-2016	685,000	5.000%	647634 4G6
01-Dec-2018	1,480,000	5.000%	647634 4J0
Total:	\$3,445,000		

Upon giving of this notice and the deposit of funds for redemption, interest on such Refunded Bonds shall no longer accrue after the Optional Redemption Date. If said moneys shall not be so available on the Optional Redemption Date, such Refunded Bonds shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

No further interest will accrue and be payable on said Refunded Bonds from and after the Optional Redemption Date. The Refunded Bonds should not be surrendered for payment until the Optional Redemption Date, and then should be surrendered at The Bank of New York Mellon Trust Company, N.A., as follows:

First Class/Registered/Certified
The Bank of New York Mellon
Global Corporate Trust
P. O. Box 2320
Dallas, TX 75221-2320

Express Delivery Only
The Bank of New York Mellon
Global Corporate Trust
2001 Bryan Street, 9th Floor
Dallas, TX 75201

By Hand Only
The Bank of New York Mellon
Global Corporate Trust
Corporate Trust Window
101 Barclay Street, 1st Fl. East
New York, NY 10286

The CUSIP Numbers listed above is provided for convenience of the bondholders. The Issuer does not certify as to their correctness.

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003, unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. If the tax identification number has not previously been provided to the Paying Agent, then Bondholders are requested to provide this information to the Paying Agent with a Form W-9 in order to avoid the aforesaid withholding.

BOARD OF LIQUIDATION, CITY DEBT,
Acting upon the request of the Sewerage and Water Board of New Orleans

By: _____
Secretary, Board of Liquidation, City Debt

Dated: _____, 2014

[TO BE GIVEN 30 DAYS BEFORE REDEMPTION DATE]

CONDITIONAL NOTICE OF CALL FOR REDEMPTION

DRAINAGE SYSTEM BONDS, SERIES 2002

DATED OCTOBER 1, 2002

(MATURING DECEMBER 1, 2014 TO DECEMBER 1, 2022, INCLUSIVE)

CITY OF NEW ORLEANS, LOUISIANA

NOTICE IS HEREBY GIVEN, that, pursuant to resolutions adopted on February 19, 2014 and September 17, 2014, 2014 by the Sewerage and Water Board of New Orleans and resolutions adopted on February 25, 2014 and _____, 2014, by the Board of Liquidation, City Debt, of the City of New Orleans, Louisiana, the City of New Orleans, Louisiana (the "City") hereby calls for redemption on _____ (the "Optional Redemption Date"), \$12,760,000 of the City of New Orleans, Louisiana Drainage System Bonds, Series 2002, consisting of all outstanding bonds of said issue maturing December 1, 2014 to December 1, 2022, inclusive (the "Refunded Bonds"), as hereinafter set forth, at a price of par, plus accrued interest, upon presentation and surrender of said bonds as set out below.

NOTICE IS HEREBY FURTHER GIVEN that the Refunded Bonds are hereby called for redemption on the Optional Redemption Date, at the principal amount thereof, and accrued interest to the call date, and being more fully described as follows:

Maturity Date	Principal Amount	Interest Rate	CUSIP
01-Dec-2014	\$ 865,000	4.000%	64763F DW6
01-Dec-2015	900,000	4.000%	64763F DX4
01-Dec-2016	940,000	4.100%	64763F DY2
01-Dec-2017	985,000	4.200%	64763F DZ9
01-Dec-2018	1,030,000	4.300%	64763F EA3
01-Dec-2019	1,870,000	4.400%	64763F EB1
01-Dec-2020	1,960,000	4.500%	64763F EC9
01-Dec-2021	2,055,000	4.600%	64763F ED7
01-Dec-2022	2,155,000	4.650%	64763F EE5
Total:	\$12,760,000		

Upon giving of this notice and the deposit of funds for redemption, interest on such Refunded Bonds shall no longer accrue after the Optional Redemption Date. If said moneys shall not be so available on the Optional Redemption Date, such Refunded Bonds shall continue to bear interest until paid at the same rate as they would have borne had they not been called for redemption.

No further interest will accrue and be payable on said Refunded Bonds from and after the Optional Redemption Date. The Refunded Bonds should not be surrendered for payment until the Optional Redemption Date, and then should be surrendered at The Bank of New York Mellon Trust Company, N.A., as follows:

First Class/Registered/Certified
The Bank of New York Mellon
Global Corporate Trust
P. O. Box 2320
Dallas, TX 75221-2320

Express Delivery Only
The Bank of New York Mellon
Global Corporate Trust
2001 Bryan Street, 9th Floor
Dallas, TX 75201

By Hand Only
The Bank of New York Mellon
Global Corporate Trust
Corporate Trust Window
101 Barclay Street, 1st Fl. East
New York, NY 10286

The CUSIP Numbers listed above is provided for convenience of the bondholders. The Issuer does not certify as to their correctness.

Withholding of 28% of gross redemption proceeds of any payment made within the United States may be required by the Jobs and Growth Tax Relief Reconciliation Act of 2003, unless the Paying Agent has the correct taxpayer identification number (social security or employer identification number) or exemption certificate of the payee. If the tax identification number has not previously been provided to the Paying Agent, then Bondholders are requested to provide this information to the Paying Agent with a Form W-9 in order to avoid the aforesaid withholding.

BOARD OF LIQUIDATION, CITY DEBT,
Acting upon the request of the Sewerage and Water Board of New Orleans

By: _____
Secretary, Board of Liquidation, City Debt

Dated: _____, 2014

EXHIBIT E
to Basic Bond Resolution

FORM OF CERTIFICATE OF DETERMINATION

NOT TO EXCEED \$17,000,000

CITY OF NEW ORLEANS, LOUISIANA
DRAINAGE REFUNDING BONDS
SERIES 2014

We, the undersigned representatives of the Sewerage and Water Board of New Orleans (the "Board"), pursuant to the Basic Bond Resolution (the "Resolution") adopted by the Board on September 17, 2014, do hereby certify and determine, on behalf of the Board, with respect to the sale of the above captioned bonds (the "Bonds") to Morgan Stanley & Co., LLC, as representative of the underwriters (the "Underwriter"), as follows:

1. **Defined Terms.** Terms not otherwise defined in this Certificate of Determination shall have the same meanings as set forth in the Resolution unless the context otherwise requires.

2. **Principal Amount.** The principal amount of the Bonds is not to exceed \$17,000,000.

3. **Purchase Price.** The Bonds were sold at a price of \$_____, representing \$_____ principal amount, plus original issue premium of \$_____, less underwriting discount of \$_____.

4. **Maturity Schedule and Interest Rates*.** The Bonds shall mature on December 1 of each year in the principal amounts and shall bear interest at the rates (not to exceed 5.5%) as follows:

<u>Year</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>	<u>Year</u> <u>(December 1)</u>	<u>Principal</u> <u>Amount*</u>	<u>Interest</u> <u>Rate</u>
2014	\$_____,000	_____%	2019	\$_____,000	_____%
2015	_____,000	_____%	2020	_____,000	_____%
2016	_____,000	_____%	2021	_____,000	_____%
2017	_____,000	_____%	2022	_____,000	_____%
2018	_____,000	_____%	2023	_____,000	_____%

*Such principal amounts are preliminary and are subject to change depending on market conditions existing on the date of sale. However, such amounts will not change by more than is necessary to fund the deposits referred to in Paragraph 6 and in particular, fund a deposit to the Escrow Fund in an amount not to exceed \$17,000,000 and shall not change by more than 10% for each maturity.

Term Bonds Option: At pricing, the Board of Liquidation may designate the principal amounts of the Bonds maturing on and after December 1, 20__ as Term Bonds, and any such Term Bonds will have a stated maturity amount equal to the sum of the annual principal amounts designated as a part of such term maturity. Only one term maturity may be subject to mandatory sinking fund redemption in any year. Upon such designation, the Bonds of such term maturity shall be subject to mandatory sinking fund redemption in part by lot on December 1, such that the principal amount subject to mandatory sinking fund redemption matches the principal amounts set forth in the table above, adjusted as permitted by this Certificate, and equals the principal amount of such Term Bond. Such sinking fund redemptions shall be in the principal amounts, adjusted as permitted by this Certificate, which would otherwise have matured sequentially in such designated years, at the price of par plus accrued interest to the redemption date, without premium.

Furthermore, if the Board of Liquidation, after consultation with the Sewerage and Water Board, determines in its sole discretion that the funds necessary to accomplish the purposes for issuance, as herein described, are either more or less than the proceeds of the sale of all of the Bonds, the Board of Liquidation and the Sewerage and Water Board reserve the right either to increase or decrease the principal amount of any maturity of the Bonds (to be rounded to the nearest \$5,000), provided that any such increase shall not, in the aggregate, cause the total amount of Bonds to exceed the maximum principal amount of \$17,000,000 authorized by the Sewerage and Water Board.

5. *Optional Redemption.* [TO COME]

6. *Use of Proceeds.* The proceeds of the Bonds in the amount of \$_____, plus additional monies of the Board in the amount of \$_____, shall be disbursed as follows:

- (a) \$_____ shall be used to refund the Refunded Bonds; and
- (b) \$_____ shall be used to pay Costs of Issuance.

*Preliminary; subject to change.

IN WITNESS WHEREOF, witness our signatures on this _____ day of June, 2014.

SEWERAGE AND WATER BOARD OF
NEW ORLEANS

By: _____
Title: Executive Director

By: _____
Title: President *pro tempore*

STATE OF LOUISIANA

PARISH OF ORLEANS

I, the undersigned Executive Director of the Sewerage and Water Board of New Orleans (the "Board"), do hereby certify that the foregoing pages constitute a true and correct copy of a resolution adopted by the Sewerage and Water Board on September 17, 2014, providing for the issuance of not exceeding Seventeen Million Dollars (\$17,000,000) of Drainage System Refunding Bonds, Series 2014, of the City of New Orleans, Louisiana; setting forth certain terms and provisions of such Bonds and providing with respect to the rights of the owners thereof; providing for the payment of the principal of, premium, if any, and interest on such Bonds and the application of the proceeds thereof; providing for a Certificate of Determination to set forth the final details of the Bonds; authorizing the execution of certain documents related to the sale of the Bonds and the refunding of the bonds described herein; and providing for other matters in connection therewith.

IN FAITH WHEREOF, witness my official signature on this, the 17th day of September, 2014.

Executive Director



SEWERAGE AND WATER BOARD

Inter-Office Memorandum

Date: September 9, 2014

From: Dexter Joseph, Planning & Budget Director

To: Board of Directors

Re: Resolution R-187-2014 to set the Drainage Millage for the fiscal year 2015.

Included in this package is Resolution, R-187-2014, to set the Drainage Millage for the fiscal year 2015 for your consideration for adoption.

This Millage is for the operation and maintenance of the drainage system of the City of New Orleans and for the construction and extension of said drainage systems, excluding subsurface drainage systems and their appurtenances. The total Millage is 16.43 mills and it consist of a;

Three Mill Tax (Adjusted) - 4.66 mills LA Revised Statute 33:4124
Six Mill Tax (Adjusted) - 4.71 mills LA Revised Statute 33:4137
Nine Mill Tax (Adjusted) - 7.06 mills LA Revised Statute 33:4147

Upon completion of this action by you this Drainage Millage Resolution will be forwarded to the City Council by September 17, 2014 for them to set the rate which is required by the provisions of Article VII, Section 23 of the Louisiana Constitution to set the millages for certain tax recipient bodies within the Parish of Orleans, Sewerage and Water Board of New Orleans is one, and to levy Ad Valorem taxes on behalf of of itself or such other tax recipient bodies in the Parish of Orleans.

**REQUEST FOR CITY COUNCIL TO SET THE SEWERAGE AND WATER
BOARD MILLAGE RATES FOR 2015**

WHEREAS, the Council of the City of New Orleans is required by the provisions of Article VII, Section 23 of the Louisiana Constitution to set the millage for certain tax recipient bodies within the Parish of Orleans and to levy Ad Valorem taxes on behalf of itself or such other tax recipient bodies in the Parish of Orleans; and

WHEREAS, such Ad Valorem Tax Millages must be levied for said bodies for the year 2015; and

WHEREAS, in 2014 the Sewerage and Water Board set its Ad Valorem Tax Millages at the same level of 2013 to produce revenue, and which funds were dedicated by law and by the Sewerage and Water Board to the Drainage System; and

WHEREAS, in 2015 the Sewerage and Water Board does desire to set its Ad Valorem Tax Millages for 2015 at the same level as 2014; and

NOW, THEREFORE, BE IT RESOLVED, by the Sewerage and Water Board of New Orleans that it hereby requests the Council of the City of New Orleans to set its Ad Valorem tax millage as follows, and to levy these taxes for 2015

1. Three Mill Tax (Adjusted) – LA Revised Statute 33:4124

For the operation and maintenance of the drainage system of the City of New Orleans and for the construction and extension of said drainage systems, excluding subsurface drainage systems and their appurtenances at 4.66 mills.

2. Six Mill Tax (Adjusted) – LA Revised Statute 33:4137

For the operation and maintenance of the drainage system of the City of New Orleans, and for the construction and extension of said drainage systems, excluding subsurface drainage systems and their appurtenances at 4.71 mills.

3. Nine Mill Tax (Adjusted) - LA Revised Statute 33:4147

For the operation and maintenance of the drainage system of the City of New Orleans, and for the construction and extension of said drainage systems, excluding subsurface drainage systems and their appurtenances at 7.06 mills.

I, Cedric S. Grant, 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 a meeting of its Board of Directors
duly called and held, according to law on
September 17, 2014.

Cedric S. Grant
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS



SEWERAGE AND WATER BOARD

Inter-Office Memorandum

Date: August 22, 2014

To: Cedric S. Grant Executive Director
Joseph Becker, General Superintendent

From: Madeline Fong Goddard, Deputy General Superintendent

Re: Amendment to Agreement with Chester Engineers, Inc.

Attached you will find the proposed resolution which, if adopted by the Board, would authorize the execution of an amendment to the existing Agreement with Chester Engineers, Inc.

This amendment is proposed to increase the fees from \$1,806,119 to \$1,902,469 through February 28, 2015 for increased level of effort as a result of the extended duration of the Drainage Underpass projects. The extended duration is due to the time to manufacture and deliver new pumps, as the existing pumps are irreparable. Additionally associated pipelines and pedestals shall have to be physically realigned to accommodate the new pumps at each of the four drainage underpass stations currently under construction. The amendment is not funded by FEMA but will be paid out of the \$100,000,000 loan fund. This matter should be placed on the agenda of the upcoming Finance Committee as an action item.

MADELINE FONG GODDARD, P.E.
DEPUTY GENERAL SUPERINTENDENT

cc: Ron Spooner
Reid Dennis

AUTHORIZATION TO AMEND CONTRACT WITH CHESTER ENGINEERS, INC. FOR PROGRAM MANAGEMENT SERVICES FOR HURRICANE RELATED DRAINAGE RESTORATION PROJECTS

WHEREAS, by action of the Sewerage and Water Board of New Orleans (Board) through the adoption of Resolution R-0656-2008, Chester Engineers, Inc. (Chester) was awarded the contract for Program Management Services for Hurricane Related Drainage Restoration Projects; and

WHEREAS, by action of Board through the adoption of Resolution R-200-2010, the existing contract with Chester was increased from \$183,000 to \$956,000; and

WHEREAS, by action of the Board through the adoption of Resolution R-216-2012, the existing contract with Chester was increased from \$956,000 to \$1,676,119; and

WHEREAS, by action of the Board through the adoption of Resolution R-050-2014, the existing contract with Chester was increased from \$1,676,119 to \$1,806,119; and

WHEREAS, the level of effort for the existing contract has increased due to time required to manufacture and deliver new pumps as the existing pumps are irreparable. Additionally associated pipelines and pedestals shall have to be physically realigned to accommodate the new pumps at each of the four drainage underpass stations currently under construction.

NOW THEREFORE, BE IT RESOLVED, that the Program Management Services contract with Chester Engineers, Inc. for hurricane related drainage restoration projects shall be amended increasing the fee authorized to be paid to Chester Engineers, Inc. by \$96,350 to \$1,902,469 and the President and/or President Pro Tem shall be authorized to execute the amendment to this contract.

I, Cedric S. Grant, 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 September 17, 2014.

CEDRIC S. GRANT, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS



SEWERAGE AND WATER BOARD OF NEW ORLEANS

September 8, 2014

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

Dear Directors:

Subject: Employee Group Life Insurance

Background

Sewerage and Water Board provides Group Life Insurance for employees through Trustmark Insurance Company. A Request for Proposal for Employee Group Life was last issued in 1996.

Current Action

Management decided to pursue two objectives regarding the Employee Group Life Insurance benefit:

- Obtain competitive market rates for group life insurance.
- Provide option for employees to purchase additional life insurance at group rates for themselves and their dependents.

Conrad Spatz, Senior Vice President/Broker/Consultant at USI Insurance Services was assigned to solicit bids and recommend a vendor. Coverage was shopped to 26 major life insurance firms and quotes were received from 18 firms. The result of the bid solicitation is listed below.

Cost & Term

The current death benefit amount is \$25,000 with an Accidental Death and Dismemberment Rider in the same amount. The Prudential Insurance Company of America offered the most competitive bid at \$0.16 per \$1000 per month for Employee Group Life Insurance and \$0.023 per \$1,000 per month for Accidental Death and Dismemberment. The estimated annual cost for providing this benefit is \$60,000. **This is a premium reduction of 63% from the current life insurance company for an annual savings of approximately \$120,000 based on current employment.**

Staff recommends award of an annual contract to Prudential Insurance Company of approximately \$60,000 for group life and accidental death and dismemberment coverage. This amount will vary by the number of employees covered.

Robert K. Miller
Deputy Director

Group Life Insurance Policy

WHEREAS, the Sewerage and Water Board of New Orleans provides a Group Life Insurance Benefit with Accidental Death and Dismemberment for its employees only, at no cost to the employee, in the amount of \$25,000; and,

WHEREAS, the Sewerage and Water Board solicited bids for the Group Life Insurance Benefit with Accidental Death and Dismemberment, and

WHEREAS, the Prudential Insurance Company of America has submitted the lowest competitive bid, and

WHEREAS, the Prudential Insurance Company of America is proposing a rate of \$.16 per \$1,000 per month for Group Life Insurance and \$.023 per \$1,000 per month for Accidental Death and Dismemberment, and

NOW THEREFORE, BE IT RESOLVED that the Sewerage and Water Board approves the proposed rates from the Prudential Insurance Company of America of \$.16 per \$1,000 per month for Group Life Insurance and \$.023 per \$1,000 per month for Accidental Death and Dismemberment Insurance effective November 1, 2014 with a three year rate guarantee.

I, Cedric S. Grant, Executive Director, of the 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 Wednesday, September 17, 2014.

CEDRIC S. GRANT, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS



SEWERAGE AND WATER BOARD OF NEW ORLEANS

September 8, 2014

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

Dear Directors:

Subject: Employee Assistance Program

Background

Management believes that implementation of an Employee Assistance Program would be helpful for employees with personal problems that affect their job performance and has worked with Conrad Spatz, Senior Vice President/Broker/Consultant at USI Insurance Services, to identify and recommend an appropriate program. The following information summarizes the benefits the Sewerage & Water Board would receive from using an Employee Assistance Program. Some of the benefits are specific to selecting Hidalgo Health Associates as the provider.

Employee Assistance Programs are very effective ways to identify and address personal problems. EAP's are **confidential, provide multifaceted counseling, and offer education and referral programs** designed to help with personal problems, such as:

Stress
Adolescent Behavior
Marital Difficulties
Substance Abuse
Legal Problems

Parenting Problems
Adolescent Substance Abuse
Financial Difficulties
Coping with accident or trauma
Caregiving Issues

Grief and Loss
Depression
Anxiety

Employee Assistance Programs benefit the organization through lower turnover and absenteeism which increases productivity and performance. Managers, supervisors, and HR officers are able to refer troubled employees to the EAP for care, allowing them time to attend to the business of the organization.

Hidalgo Health Services offers advantages that would be very valuable to the Water Board and the employees. As a Louisiana company, counselors are located close to the Water Board and the employees and appointments are guaranteed within three working days of the request.

Services Highlights

Hidalgo Health Services is offering a **Ten (10) Session Model**. This model gives the greatest return on investment. This model provides a 90% to 95% clinical result which will reduce the Water Board's insurance claim experience. Hidalgo Health Services will train Water Board management and supervisors to identify the troubled employee and how to approach, refer, and document. This will include training material provided for reference.



SEWERAGE AND WATER BOARD OF NEW ORLEANS

Other services include employee information seminars, assistance with brochure preparation, attendance at Health Fairs, and provide Critical Incident Stress Debriefing, (CISD). Hidalgo Health Associates will also produce utilization reports and document Return on Investment.

Cost & Term

Hidalgo Health Associates is offering the Water Board the Ten Session Model for the price of the Six Session Model or **\$2.50 per employee per month**. The normal price of the Ten Session Model would be \$2.75 per employee per month. The duration of the contract will be two years, and may be renewed on an annual basis subject to mutual agreement. Based upon an assumed average of 1,050 employees, the estimated annual cost would be \$31,500.

Mr. Spatz confirmed typical company experience of \$2 to \$5 Return on Investment for each dollar invested in an EAP. He has reviewed offers from several companies offering to provide an Employee Assistance Program for the Water Board. Based on experience, clients served, pricing, and service capabilities, management recommends the selection of Hidalgo Health Associates as the EAP provider for Sewerage and Water Board employees.

Robert K. Miller
Deputy Director

2014-2016 Employee Assistance Program

WHEREAS, the Sewerage and Water Board of New Orleans strives to provides for the Health and well-being of the Employees; and,

WHEREAS, Employee Assistance Programs have proven to be an effective way to resolve personal issues in order to minimize work place problems; and,

WHEREAS, the Sewerage and Water Board solicited bids for an Employee Assistance Program; and,

WHEREAS, Hidalgo Health Associates submitted the most comprehensive, competitive bid; and,

WHEREAS, Hidalgo Health Services proposes a rate of \$2.50 per employee per month for the ten counseling session model; and,

NOW THEREFORE, BE IT RESOLVED that an Employee Assistance Program is approved for employees of the Sewerage and Water Board at the rate of \$2.50 per employee per month effective October 1, 2014. The rate will run until January, 2016, with a One Year Renewal at the same rate until January 1, 2017.

I, Cedric S. Grant, Executive Director, of the 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 Wednesday, September 17, 2014.

CEDRIC S. GRANT, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS



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

Sewerage & Water Board OF NEW ORLEANS

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

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

September 4, 2014

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

On August 21, 2014 the Sewerage & Water Board opened bids for Debris Pickup and Grass Cutting for East Bank Canals, Y014-0052, and Debris Pickup and Grass Cutting for West Bank Canals, Y014-0053. The recommendation of staff is to award both contracts to the second low bidder on both, H&O Investments, Inc., who bid \$486,475.92 for the East Bank and \$286,110.00 for the West Bank. The low bidder, Metro Service Group bid \$477,789.12 for the East Bank and \$250,983.84 for the West Bank. The budget for both is \$500,000. There is a 20% DBE participation requirement for each contract.

Little Computer Solutions, Inc. protested the award to Metro Service Group, Inc. for both East and West Banks, however Little Computer Solutions did not bid for the East Bank contract and therefore has no standing to protest. Little Computer Solutions was the fourth low bidder for the West Bank Canals bidding \$446,470.00. In its protest Little Computer Solutions claims that Metro Disposal, the current contract holder, should not be allowed to bid because it did not fulfill the current requirements and specifications. However, Metro Disposal Inc. is not in default of any contract with the Sewerage and Water Board, and therefore is not prohibited from bidding on this contract.

Little Computer Solutions also claims Metro Service Group, Inc. does not have three years' experience as required in the specifications. Little Computer Solutions claims that Metro Service Group, Inc. was registered with the Louisiana Secretary of State as recently as January 2013. Metro Disposal, Inc. changed its name to Metro Service Group, Inc. in January 2013. There was no change in ownership or management. However, even though Metro Service Group, Inc. maintains the experience qualifier earned when the name of the company was Metro Disposal, Inc., it has not been engaged in work of a similar nature for a minimum of three years, as required in the specifications. Nor did it submit three references of firms for whom the company has performed services during the past five years.

To the Honorable President and Members of the
Sewerage and Water Board of New Orleans
Page 2
September 4, 2014

Little Computer Solutions, Inc. subsequently protested the award of the contract for the West Bank to H&O Enterprise, LLC, as not in good standing with the Louisiana Secretary of State. H&O Enterprise, LLC was not a bidder for either contract. The recommended, second low bidder, H & O Investments, LLC, is in good standing with the Louisiana Secretary of State.

On August 26, 2014 the third low bidder on each contract, Ramelli Janitorial Services, Inc., protested the award to Metro Service Group, Inc. and H&O Enterprises, LLC. Ramelli bid \$670,145.00 for the East Bank and \$351,135.00 for the West Bank. Ramelli claims, similar to Little Computer Solutions, that Metro does not have the experience required in the specifications and that H&O is not in good standing.

Therefore it is recommended that the low bidder, Metro Service Group, Inc. be found non-responsive to the bid specifications and the contracts for both the East Bank and the West Bank be awarded to H&O Investments. The protests of Little Computer Solutions and Ramelli Janitorial are attached.

Respectfully submitted,



BRIAN A. FERRARA
DEPUTY SPECIAL COUNSEL

BAF:mkt
Att.

cc: Cedric S. Grant
Nolan P. Lambert

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PROTEST THE WIN FOR BID OPENINGS:

Y014-0052 DEBRJS PICKUP AND GRASS CUTTING FOR EAST BANK CANALS

Y014-0052 DEBRJS PICKUP AND GRASS CUTTING FOR EAST BANK CANALS

REASONS WHY LITTLE COMPUTER SOLUTIONS, INC IS PROTESTING REQ # Y014-0052 AND Y014-0053

1. **METRO DISPOSAL , INC.** was awarded the grass cutting contract in 2012, but failed to fulfill the contract requirements and specifications. As stated at the Pre Bid meeting held on August 14, 2014 at 2900 Peoples Avenue. Metro Disposal, Inc. would not be allowed to bid on further contracts of this nature and definitely not the REQ Y014-0052 or REQ Y014-0053.

At the bid opening on August 21, 2014 Metro Service Group was the lowest bidder for cutting grass and debris pickup on the west-bank as well as the grass cutting and debris pickup for the contract on the east-bank for the Sewerage and Water Board of New Orleans, LA.

I have proof as indicated in Appendix A will validate that Metro Disposal, Inc is the same company as Metro Service Group, Inc. as indicated in the Department of State records for the State of Louisiana where they are registered. They are also registered as a company in the Secretary of State for Georgia, Mississippi, and Florida. The same address in all registrations was used.

The address used is, 9641 Old Gentilly Road New Orleans, LA 70127. All registrations also show the President listed as Glenn H. Woods and the Vice President as Jimmie Woods.

Verbiage from the Official Bid Document on Page 20, paragraph 4.

The Sewerage and Water Board of New Orleans will determine the ability of the lowest bidder to perform the tasks required in these specifications. Among other factors to be considered by the Sewerage and Water Board staff will be the contractor's history of performance in work of a similar nature, references for jobs or contracts at three or more locations. The following information may be requested for each reference: company name, address, telephone number. Contact person, period of contract, and total number of locations covered under contract. Bidders may also be requested to furnish an original letter of verification from each previous or present customer used as reference on the customer's letterhead stationery expressing satisfaction or dissatisfaction with the bidder's performance under their contract.

2. According to the Official Bid Documents on page 20 of East Bank and West Bank Canals.

21) SPECIFICATIONS FOR FURNISHING GRASS CUTTING AND DEBRIS PICKUP
OF
SEWERAGE AND WATER BOARD WEST-BANK CANALS

- A. Proposals will only be accepted from certified, licensed contractors who are now and have been engaged in work of a similar nature for a minimum of three (3) years. Bidders must submit three (3) references of firms for whom the Company has performed services during the past five (5) years.**

Metro Service Group does not have three years experience as indicated by the records held by the Louisiana Secretary of State. Metro Service Group has only been in existence since 1/31/2013 and in the following states the starting date is listed below.

- Mississippi Secretary of State Records, Metro Service Group registered start date is 5/16/2014
- Florida Secretary of State Records Indicated at Metro Service Group registered start date is 04/28/2014
- Georgia Secretary of State Records Indicated at Metro Service Group registered start date is 02/21/2014

APPENDIX A



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Name	Type	City	Status
METRO SERVICE GROUP, INC.	Business Corporation	NEW ORLEANS	Active

Previous Names

METRO DISPOSAL, INC. (Changed: 1/31/2013)

Business: METRO SERVICE GROUP, INC.

Charter Number: 34321593D

Registration Date: 1/9/1989

Domicile Address

9641 OLD GENTILLY RD.

NEW ORLEANS, LA 70127

Mailing Address

9641 OLD GENTILLY RD.

NEW ORLEANS, LA 70127

Status

Status: Active

Annual Report Status: In Good Standing

File Date: 1/9/1989

Last Report Filed: 1/27/2014

Type: Business Corporation

Service is Our Heritage
RAMELLI
JANITORIAL SERVICES, INC.

August 26, 2014

Sewerage & Water Board
Purchasing Dept.
625 St Joseph Street, Room 133
New Orleans, LA 70165

Re: RX YO14-0052 East Bank Canal Grass Cutting
RX YO14-0053 West Bank Canal Grass Cutting

To whom it may concern:

Please accept this letter as official notification of protest of the win for above mentioned proposals which was opened on Thursday, August 21, 2014, whereas Metro Service Group, Inc. was named the low bidder and H&O Enterprise, LLC came in as second low bidder.

Reason for protest:

- **Metro Service Group, Inc.** does not have three years experience. According to Louisiana Secretary of State records, Metro Service Group, Inc has only been in business since January 31, 2013. As indicated in both proposals, page 20, item# 21: "Proposals will only be accepted from certified, licensed contractors who are now and have been engaged in work of a similar nature for a minimum of three (3) years."
- **H&O Enterprise, LLC** is currently not "In Good Standing" with the Secretary of State for failing to submit required annual report. According to LA Statute RS 12:163 – Failing to file an annual report revokes corporation to do business within the State. Any contract between a corporation which is not in good standing with the state or it's boards, agencies, departments, or commissions is subject to be declared null and void by said board, agency, department or commission.

Please contact me with any questions or findings regarding this protest.

Sincerely
Ramelli Janitorial Service, Inc.


Thomas G Ramelli
Vice President

Robert C. Ramelli,
President
bobby@ramelli.com

Thomas G. Ramelli,
Vice President
tommy@ramelli.com

Robert C. Ramelli, II
Operations Manager
casey@ramelli.com

Brenda Ramirez,
Executive Assistant
brenda@ramelli.com

P.O. Box 51193
New Orleans, LA
70151

Phone:
(504) 482-1040

Fax:
(504) 484-0579

www.ramelli.com

**RESOLUTION TO AUTHORIZE EXECUTIVE DIRECTOR TO EXECUTE
AGREEMENTS RELATED TO STATEWIDE FLOOD CONTROL FUNDING OF THE
LOUISIANA AVENUE CANAL – STATE PROJECT NO. H.011352, ORLEANS
PARISH**

BE IT RESOLVED by the Sewerage and Water Board of New Orleans that the Executive Director is hereby authorized to execute agreements on behalf of the Sewerage and Water Board of New Orleans pertaining to obtaining Statewide Flood Control Funds for funding State Project No. H.011352, Louisiana Avenue Canal.

I, Cedric S. Grant, 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 September 17, 2014

**CEDRIC S. GRANT, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**RESOLUTION TO AUTHORIZE EXECUTIVE DIRECTOR TO EXECUTE
AGREEMENTS RELATED TO FINANCIAL PARTICIPATION IN OPERATION AND
MAINTENANCE COSTS ASSOCIATED WITH THE GULF INTRACOASTAL
WATERWAY WEST CLOSURE COMPLEX**

BE IT RESOLVED by the Sewerage and Water Board of New Orleans that the Executive Director is hereby authorized to execute agreements on behalf of the Sewerage and Water Board of New Orleans pertaining to operation and maintenance costs associated with the Gulf Intracoastal Waterway West Closure Complex.

I, Cedric S. Grant, 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 September 17, 2014

**CEDRIC S. GRANT, EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

Cedric S. Grant, Executive Director
(REVISED September 17, 2014)

All Sewerage and Water Board of New Orleans Employees

Professional Services Procurement Policy

I. INTRODUCTION

Professional Services must be competitively selected in accordance with this Policy. The qualifying factors for Professional Service contracts are as follows:

- Contracts for a personal service of a professional character, i.e., attorney, doctor, engineer, etc.
- Requirements of a technical skill or experience of a high degree in a recognized discipline.
- Service which requires advanced study or training in a specialized field.

Professional Service contracts under the sum of \$15,000 may be issued at the discretion of the department head. Professional Service contracts in excess of \$15,000 shall be entered into using the following selection procedures.

Professional Service contracts will be entered into when a need has been determined based on the lack of specific knowledge or available staff time to complete work or on the determination to transfer the risk of the work to another employer. Every reasonable effort will be made to use S&WB personnel. These contracts must be routed to Civil Service for final approval. Professional Service contracts will not be entered into if there are insufficient funds available, as determined by the Executive Director, General Superintendent or Deputy Director, to cover the cost of the contract.

While the goal of disadvantaged business participation in these contracts is 35%, it is recognized that not all contracts lend themselves to this level. Therefore, all professional service contracts whose value exceeds \$15,000 must be submitted to the Staff Contract Review committee for determination of the recommended percentage of disadvantaged business enterprise participation.

Unless contracted using emergency procedures, all Professional Service contracts above \$15,000 must receive Board approval; selection of the firm and authority to negotiate and enter into a contract must be given by the Board in a Board resolution.

The following identifies the personnel/departments involved in the contracting process and their responsibilities:

A. PURCHASING DEPARTMENT: The solicitation process for all professional and service contracts will be maintained in this department. Historical files on these contracts will be maintained here. The contract files will contain all original documents assembled by the Contract Administrator during the solicitation and selection process, as well as those original documents produced by the Purchasing Department. The Purchasing Department may also periodically survey potential contractors who did not submit proposals or qualifications. Information received in these surveys, when performed, will be used to identify any problems indicated which these contractors feel limit their interest in participation.

B. CONTRACT ADMINISTRATOR: This person is recommended by the department head requesting the contract and is approved by the Executive Director, Deputy Director, General Superintendent, or Deputy General Superintendent. The appointed Contract Administrator should obtain the necessary training in development of requests for qualifications and requests for proposals as well as the evaluation of proposals.

The Contract Administrator directs the preparation of RFQ's and RFP's; checks references supplied by proposal respondents; and is responsible for assembling the procurement documents including all ranking data, reference checks, and interview notes assembled during the selection process. All original documents must be turned over to the Purchasing Department by the Contract Administrator; the Contract Administrator may retain copies of all original documents in departmental files.

C. PROPOSAL SELECTION COMMITTEE: The purpose of the Proposal Selection Committee is to conduct an independent and objective evaluation of proposals. This committee-evaluates and ranks the responses to the RFQ's and RFP's and prepares a ranking of the respondents. The committee is composed of the following five employees: 1) General Superintendent or designee; 2) Deputy Director or designee; 3) Department Head requesting the service or designee; 4) Employee who will manage and monitor the contract and 5) An expert (employee or non-employee) in the field as determined by the Executive Director. For complex procurements, the Selection Committee may retain firms with specialized expertise to advise or assist in analyzing the RFQ/RFP responses. Should the Selection Committee engage a non-employee individual or firm to advise or assist in the analysis of the RFQ/RFP, that individual or firm will be required to submit a letter affirming that no conflict of interest exists and full compliance with the disclosure requirements.

All meetings of the Selection Committee shall be open to the public and in compliance with Louisiana Open Meetings law.

D. PROFESSIONAL RFQ/RFP CONSULTANT: This contractor may be hired upon Board approval to prepare, or help prepare Requests for Qualifications and

Proposals where additional expertise beyond that available from S&WB personnel is necessary to prepare these requests.

E. S&WB COMMITTEE: Approves or disapproves the selection made by the Selection Committee and presents its recommendation to the Board of Directors.

F. BOARD OF DIRECTORS: Approves or disapproves the recommendation of the Committee and authorizes contract negotiations and preparations by Board resolution.

G. LEGAL DEPARTMENT: Personnel in the Legal Department, along with the Contract Administrator and appropriate staff, prepare the contract with the selected firm.

H. ROUTING DEPARTMENTS: Following a timeline set by the Contract Administrator, personnel in the departments listed below review the contract to ascertain that it complies with all policies, regulations, and requirements under their jurisdiction:

ORIGINATING DEPARTMENT
ECONOMICALLY DISADVANTAGED BUSINESS PROGRAM
INTERNAL AUDIT
RISK MANAGEMENT
LEGAL DEPARTMENT
GENERAL SUPERINTENDENT OR DEPUTY DIRECTOR
EXECUTIVE DIRECTOR
CIVIL SERVICE

Approval of the contract is indicated by the department's signature on the contract approval sheet; recommended changes are submitted to the Contract Administrator by memorandum.

I. CIVIL SERVICE: Civil Service reviews and approves all Professional and Personal Services contracts in accordance with Rule III, Section 6.2 of the Rules of the Civil Service Commission, City of New Orleans.

J. S&WB PRESIDENT/S&WB PRESIDENT PRO-TEMPORE OR AS OTHERWISE AUTHORIZED BY THE BOARD: Signs the contract.

II. REQUEST FOR QUALIFICATIONS/REQUEST FOR PROPOSALS SELECTION PROCEDURES

When the need for a professional contract has been determined, the Contract Administrator will begin the preparation of either (1) Request for Qualifications or (2) Request for Proposals. These documents will be prepared either by (a) an in-house committee composed exclusively of S&WB personnel, (b) a consultant firm hired specifically for their expertise and technical knowledge of the project, or (c) a

committee composed of in-house and consultant personnel. Requests for Qualifications and/or Requests for Proposals will be advertised in the Official Journal of the City of New Orleans and other appropriate publications, as well as, electronic media.

Request for Qualifications and Request for Proposals must include, but are not limited to the following:

1. Purpose, Background, and Scope of Project
2. Description of Work to be Performed and Objectives to be met
3. Deadline for Proposals
4. Identity of the Contact Persons
5. Timetable for Selection
6. Qualification of Personnel
7. Sewerage and Water Board Policies and Procedures
8. Economically Disadvantaged Business Participation Requirement
9. Criteria for Evaluation and the Relative Weight Attached to Each

Weightings for each criterion will be established in the Request for Proposals and Request for Qualifications. Except as determined by the Executive Director upon recommendation of staff, the following criterion are standard and should be included in every Request for Proposals and Request for Qualifications:

1. Specialized Experience and Technical Competence
2. Performance History, including cost control, work quality and ability to Meet schedules and deadlines
3. Location of firm in Orleans Parish
4. Company size and Capability of Completing the Work in a timely fashion
5. Economically Disadvantaged Business Participation Requirement

Other weighting criterion which may be included in the Request for Proposals and Request for Qualifications may include but are not limited to:

1. Fees and Costs for Proposed Service
2. Anticipated schedule and Provisions for Ensuring Adherence to Project Schedule

Once Requests for Proposals have been issued, a pre-proposal conference may be held for all parties interested in submitting proposals. Potential proposers will receive copies of all questions posed at the conference along with their answers. Any questions not raised at the pre-proposal conference from prospective proposers must be submitted to the Purchasing Department and answered by the Purchasing Department in writing. All documentation from the pre-proposal conference, along with additional questions posed to the committee will be preserved in the contract folders; originals will be sent to the Purchasing Department.

If only one response from the Request for Proposals is received, evidence must be presented to the Board that the service provider possesses proprietary processes or that good faith effort was demonstrated to obtain proposals from other firms. The Purchasing Manager must document to the Board that public advertisement, including notice to potential or interested consultants, was made and providing further documentation that additional solicitation is expected to be fruitless. The Board may give its approval not to continue advertising for proposals based on the evidence.

If a second attempt to secure additional responses to the RFP's is unsuccessful, the Purchasing Manager may convey information to the Board regarding the single responsive party.

Once Requests for Qualifications/Proposals have been issued, the Selection Committee members and Board members may not discuss the solicitation with prospective proposers except at Selection Committee meetings or Board meetings, respectively. If the Selection Committee members or Board members are contacted, they should refer the proposer to the appropriate staff member of the Purchasing Department.

Responses to the Request for Proposals will be evaluated by the Selection Committee. Ranking criteria and its weighting will be established in the Request for Proposal. The responsive parties will be ranked using the above described suggested criteria.

Fees and costs shall not be requested of any respondents on RFQ/RFP issued for the selection of providers of design services (La. R.S. 38:2318.1).

Responsive parties may be invited for oral interviews before the Selection Committee. All committee notes ranking the companies' RFQ's, RFP's, and oral presentations will be filed by the Purchasing Manager in the project's file. The recommended proposal will be presented to the appropriate Board Committee with a request to enter into a contract with that respondent. The Committee will then approve or disapprove of the Selection Committee's recommendation and present its recommendation to the full Board for its approval.

The Board of Directors shall either approve the contract with the selected respondent or terminate the procurement process for these services. Upon receiving Board approval, staff may conclude any remaining contract negotiations with the selected respondent.

The Executive Director or General Superintendent may authorize emergency procurements which deviate from the procedures detailed herein when there exists a threat to public health, welfare, or safety under emergency conditions, provided that any emergency procurement must be made with as much competition as is practicable under the circumstances and in compliance with applicable law. A

written determination of the basis for the circumstances and for selection of the particular contractor must be included in the contract file.

The Executive Director or General Superintendent, with the written concurrence of the Special Counsel, may make additional written exceptions to the procedures promulgated herein as required to meet emergency situations or as otherwise may be in the Board's best interests. The Executive Director or the General Superintendent must provide written notice to the Board Members within seven (7) days of granting the exception, explaining why the exception was granted.

The Purchasing Manager may authorize solicitation, without the need for formal advertising, the names of at least three firms from a list of pre-qualified firms who have been vetted through a selection process, kept and maintained by the City of New Orleans, its Departments, Boards and Commissions, Unattached Boards and Commissions, or other related entities, and present the same to a Proposal Selection Committee for evaluation and recommendation.

III. CONTRACT MONITORING AND REPORTING

The Contract Administrator shall file a written standardized evaluation report upon the completion of a contract and file same with Purchasing Department Manager.

IV. DISCLOSURE REQUIREMENTS

Each RFQ/RFP shall require the submission by each respondent of a cover letter that includes the following:

- Identify any possible relationships that might impair their ability to perform if awarded the contract, including any familial or business relationships that the firm, the proposed subconsultants, and their principals have with members of the Sewerage and Water Board of New Orleans or any of its employees.
- Respondents are directed to review the Louisiana Code of Ethics (Louisiana Revised Statutes Title 42:1101-1125) as a non-exclusive reference for information regarding ethics and conflicts of interest.
- Affirmation that there is not a conflict of interest
- Respondents shall also be required to identify all proposed subcontracts to be utilized in connection with the project. The successful respondent shall notify the Board of any change in subcontractors and obtain prior approval of the use of any new subcontractors before they can begin work on the project.

Each member of the Proposal Selection Committee shall submit a signed statement prior to review of the proposals that include the following:

I hereby certify that I have no personal interest, economic or otherwise, in the proposed contract with the Sewerage and Water Board of New Orleans for which I am evaluating bids on the Request

for Qualifications and/or Request for Proposals as a member of the Review Panel and/or Selection Committee. Further, I certify that I have no relationship with any of the proposers or bidders, be it economic or otherwise that would affect my ability to be fair and impartial in the review/selection process.

V. PENALTIES FOR NON-COMPLIANCE

Contractors' failure to comply with the Rules and Regulations of the Sewerage and Water Board of New Orleans, laws of the State of Louisiana or City of New Orleans, including, but not limited to, disclosure requirements, financial reporting, EDB Participation requirements, may result in monetary damages or termination of the contract.

CEDRIC S. GRANT, EXECUTIVE DIRECTOR

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