

BOARD OF DIRECTORS' MEETING
SEWERAGE & WATER BOARD OF NEW ORLEANS
WEDNESDAY, SEPTEMBER 17, 2014
9:00 AM
625 ST. JOSEPH STREET
2ND FLOOR BOARD ROOM

ORDER OF BUSINESS

- I. CALL TO ORDER
 1. READING OF THE BOARD MINUTES
 2. HONORS AND AWARDS
 3. REPORT OF EXECUTIVE DIRECTOR
 4. COMMITTEE REPORTS
 - A. Operations Committee Report
 - B. Committee on Infrastructure Report
 - C. Pension Committee Report
 - D. Executive Committee Report
 5. CORRESPONDING RESOLUTIONS
 6. UNFINISHED BUSINESS
 7. NEW BUSINESS
 8. EXECUTIVE SESSION
 9. INFORMATION ITEMS
 - E. FEMA Status Report
 - F. Report of the General Superintendent
 - G. Report of the Special Counsel
 - H. 2014 Committee/Board Meeting Schedule
 - I. Financial Statements
 10. COMMUNICATION
 11. RESPONSE TO QUESTIONS
 12. REFERENCE MATERIALS (In Binders)
 - J. Sewerage & Water Board By-Laws
 - K. 2014 Operating & Capital Budget
 - L. Strategic Plan 2011 – 2020
 - M. Tracking Tool for Commitments to the City Council
 - N. Bond Rating
 13. ANY OTHER MATTERS
 14. ADJOURNMENT

**Commendation to Jay Pedesclaux
For being Selected
Sewerage and Water Board
Employee of the Month for September 2014**

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

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

Whereas, Jay Pedesclaux, Building Maintenance Superintendent, is responsible for the daily operations of the Public Works Building Maintenance Department, the following is a summary from Mr. Mubashir Maqbool, Principal Engineer, outlining your outstanding performance:

Jay Pedesclaux has worked diligently in resolving day to day issues with the construction of the Site Relocation Facility Building at the Central Yard location. This is the New Maintenance Building for Central Yard. Without his extraordinary efforts, this building would not have been completed according to specifications. The building is 98% complete. Jay Pedesclaux has dedicated countless hours of extra work in order to facilitate the contractor achievement towards the target completion of construction task. To date, he continues to work hard despite of his personal challenges to have this building completed. Because of his willingness to work above and beyond his normal scope of work, Jay Pedesclaux should be recognized for the quality services he contributes to the Board.

Now Therefore, Be It Resolved, that upon the recommendation of Mr. Mubashir Maqbool, Principal Engineer that Jay Pedesclaux, Building Maintenance Superintendent be recognized as "Employee of the Month" for September 2014.

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

I, 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 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



Executive Director's Report

Sewerage and Water Board

and City of New Orleans

Update on 100 Day Integration Plan

September 17, 2014

6 Principles

- **ORGANIZATIONAL CHANGE**
- **INFRASTRUCTURE MANAGEMENT INTEGRATION**
- **ENVIRONMENTAL MANAGEMENT INTEGRATION**
- **FINANCIAL INTEGRATION**
- **BUSINESS PROCESS INTEGRATION**
- **INTERGOVERNMENTAL INTEGRATION**



Organizational Change

- **Restructure Board Committee responsibilities**
 - Finance - Operating Budget, Financial Plan, Innovative Finance
 - Operations - Customer Service Initiatives, Business Development, Strategic Plan Implementation
 - Infrastructure, Capital Program and Budget, Stormwater Management
 - Executive Personnel, Oversight of Reforms Implementation
 - Pension – Oversight of the Pension Program
 - Plumbing – Oversight of the Plumbing Code
- **Implement Economic Opportunities Program**
 - **Link S&WB Managers to Economic Opportunity Staff for Recruitment**
 - **Expand partnership with Delgado Community College**
- **Convene DBE Summit**
 - Streamline hiring process with Department of Civil Service
 - Implement Management Training Program
- **Develop Succession Plan Strategy**
- **Implement Management Reorganization Plan**



Bridging the Skills Gap for Water Management in New Orleans

A powerful partnership composed of:

- City of New Orleans – A Mayor willing to leverage policymaking authority and a commitment that all New Orleanians participate in the city's economic growth
- Sewerage & Water Board – A local employer willing to commit positions with career pathways to expand employment opportunities for disadvantaged job seekers
- Delgado Community College – A regional training provider with a proven track record of customizing training and preparing job seekers for skilled positions
- Leveraged with over \$1.1 million in funding from the Ford Foundation, W.K. Kellogg Foundation, Living Cities



Five Year Goal to Train and Hire

● Machinists	75 jobs
● Plant Workers / Operators	50 jobs
● Mechanics	50 jobs
● Electricians	25 jobs
● Welders	50 jobs
Total	250 jobs

Approximately 25% of permanent workforce



Organizational Change

- ***Restructure Board Committee responsibilities***
 - *Finance - Operating Budget, Financial Plan, Innovative Finance*
 - *Operations - Customer Service Initiatives, Business Development, Strategic Plan Implementation*
 - *Infrastructure, Capital Program and Budget, Stormwater Management*
 - *Executive Personnel, Oversight of Reforms Implementation*
 - *Pension – Oversight of the Pension Program*
 - *Plumbing – Oversight of the Plumbing Code*
- ***Implement Economic Opportunities Program***
 - *Link S&WB Managers to Economic Opportunity Staff for Recruitment*
 - *Expand partnership with Delgado Community College*
 - *Streamline hiring process with Department of Civil Service*
 - *Implement Management Training Program*
- **Convene DBE Summit**
 - **USDOT Seminar on DBE Programs**
 - **Align all City DBE Programs**
- ***Develop Succession Plan Strategy***
- ***Implement Management Reorganization Plan***



USDOT DBE Summit

All-day summit meeting with US Department of Transportation Civil Rights Office representatives and Sewerage and Water Board on Monday September 22 for roundtable discussion with:

- City of New Orleans
- Housing Authority of New Orleans
- Regional Transit Authority
- New Orleans Aviation Board
- Harrah's

Planned outcome is to create an integration plan for DBE programs in this region.



Infrastructure Management

- **Implement City/S&WB CEA for Coordinated Infrastructure Management**
- **Continue integration of S&WB and DPW Engineering Staffs**
 - **Deliver Recovery Roads Program**
- **Integrate S&WB and DPW Maintenance Staffs**
 - **Deliver Coordinated Maintenance**
- **Coordinate Infrastructure Financial Management**
 - *FEMA*
 - *City Bond Funds*
 - *S&WB Bond Funds*
- **Implement opportunities to facilitate, link, and leverage assets**
 - *Former HDLC Building (City) leased to S&WB for IT Project Site*
 - *CZO Stormwater Management Task Force*
 - *NORA and S&WB Collaboration on Green Infrastructure Pilot Projects*
 - *Implement S&WB Customer Service Centers in Algiers and New Orleans East*
 - *Develop partnership with Public Library to Educate Community on Green Infrastructure*



“A Bump in the Road”, Connecting, Correcting and Coordinating Street Repairs

**Public Meeting with Joint Presentations
and Discussions by DPW and SWB**

- **Capital Improvement Program**
- **Roadway System**
- **Minor Drainage System**
- **Major Drainage System**
- **Water Distribution System**
- **Sewer System**



“A Bump in the Road”, Connecting, Correcting and Coordinating Street Repairs

- Roadway Improvements
- Roadway Assessment
- Future Infrastructure Planning
- Roundtable Discussion – Prioritizing
- Taxes/Millages
- Discussion



Infrastructure System - Path Forward

- 1. Coordinate and leverage ongoing SWBNO and DPW programs to maximize the amount of work completed and avoid duplication of effort.**
- 2. Continue to work with FEMA to identify eligible minor drainage system work and a more technically sound solution to roadway paving.**



Infrastructure System - Path Forward

3. Implement innovative storm water management practices through green/sustainable infrastructure solutions and policies.
4. Improve current infrastructure maintenance by better coordination between SWBNO and DPW and new policies and procedures.
5. Look for additional opportunities to increase funding for infrastructure maintenance and capital improvements.



Business Process Integration

- *Fully Implement Executive Order MJL 10-05*
- **Customer Service Improvements – New Service Centers, New Processes**
 - Water Help
 - Plumber Help
- **New Billing System**
 - *Review all contracts and implement standardized procurement strategy for contracts*
 - *Settlement of Outstanding Claims*
 - *Implement Schools Billing Program*
 - *Produce Mandated Annual Report*



New Customer Account

Management System Capabilities

In addition to providing customer information for representatives, the new CAM system will have capabilities for:

- o Interactive Voice Response
- o Web Portal
- o Smart Phone Applications
- o Mobile Workforce

Implementation begins September 2014 and will continue for approximately eighteen months.



Intergovernmental Integration

- *Conduct Quarterly Reforms Update to the City Council*
- *Coordinated Federal, State and Local Governmental Liaison with City and other Public agencies*
- *Establish and enhance partnerships with Federal, State, Local and Private Partners*
- *Coordinate Urban Waters Strategies across all sectors*
- **Serve as point agency for:**
 - **C40 Global Initiative on Climate**

Change

- *Clinton Global Initiative on Infrastructure Finance*
- *Water Environment Federation*
- *American Water Work Association*





BOARD OF DIRECTOR'S MEETING

AUGUST 20, 2014

MEETING MINUTES

SEWERAGE AND WATER BOARD OF NEW ORLEANS

ROLL CALL

The Executive Director, Cedric S. Grant, called the roll and showed the following members present: **Ms. Suchitra Satpathi, Mr. Marion Bracy, Mrs. Kerri Kane, Mr. Alan C. Arnold, Ms. Kimberly Thomas, Dr. Tamika Duplessis, Mr. Scott Jacobs, Mr. Joseph Peychaud, Mrs. Robin Barnes, Mr. Mark M. Moody (Ten) and a quorum.

Absent: Mr. Wm. Raymond Manning (One).

**Ms. Suchitra Satpathi, Mayor's Representative

Also present were: Brenda Thornton, CommuniRep, Inc; Richard Rainey, Times Picayune; Sharmaine A. James, Condall Consulting; Geneva Coleman, The Hawthorne Agency, Inc.; Randy Smith, Royal Engineers; Susan N. Nolan, Jeff Duplantis, MWH; Hayne Rainey, City of New Orleans; Reginald Crear, IMS Engineers; Renee' Lapeyrolerie, CDM Smith; David Timol, Maurice Pitts, NRI; Terri Dupre, Meyer Engineers; Paul T. West, Chester Engineers.

Staff present were: Cedric S. Grant, Executive Director; Robert Miller, Deputy Director; Joseph Becker, Madeline Fong Goddard, General Superintendent's Office; Nolan Lambert, Special Counsel; Brian Ferrara, Harold Marchand, Yolanda Gristead, Legal Department; Kathleen LaFrance, Executive Director's Office; Tiffany Carter, Alvin Porter, Veronica Johnson Christmas, EDBP Department; Jacqueline K. Shine, Revenue Administration Department; Rosita Thomas, Finance Administration Department; Dexter Joseph, Budget Department; Jason Higginbotham, Emergency Management Department; Bobby Nathan, EEOC, Equal Employment Opportunity Department; Raymond Gable, Irma Mahannuar, Internal Audit Department.

APPROVAL OF PREVIOUS REPORT

Ms. Kimberly Thomas moved to accept the minutes of the Regular Board Meeting held on May 21, 2014. Mr. Marion Bracy seconded the motion. The motion carried.

HONORS AND AWARDS

ASCE – Centennial Award

The Executive Director, Mr. Cedric S. Grant presented the General Superintendent, Mr. Joseph Becker with the prestigious American Society of Civil Engineers (ASCE) – Centennial Award of 2014 for the top engineering project in the state over the past 100 years for the city’s drainage system.

The Board congratulated staff for their hard work and excellence.

REPORT OF THE EXECUTIVE DIRECTOR

The Executive Director, Mr. Cedric S. Grant presented a slide overview on his 100 Day Integrated Management Plan of the Sewerage and Water Board of New Orleans. The presentation focused on six principles as follows:

- Organizational Change
- Infrastructure Management Integration
- Environmental Management Integration
- Financial Integration
- Business Process Integration
- Intergovernmental Integration

He also discussed plans for the Board and the City of New Orleans to host the upcoming Water Environmental Federation (WEF) Conference and is expecting nearly 18,000 attendees. It is the goal of Sewerage and Water Board of New Orleans to be the leader of water management strategies.

COMMITTEE REPORTS

OPERATIONS COMMITTEE

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

Mrs. Marion Bracy moved acceptance of the Operations Committee Report and approval of the Operations Committee recommendations, therein. Ms. Kimberly Thomas seconded the motion. The motion carried.

FINANCE COMMITTEE

The Acting Temporary Chairperson, Mr. Scott Jacobs reported on the summary and actions taken by the Finance Committee. The Finance Committee Report for the month of August was presented and recommended for approval.

Mr. Scott Jacobs moved acceptance of the Finance Committee Report and approval of the Finance Committee recommendations inclusive of the Finance Committee recommendations, therein. Mr. Marion Bracy seconded the motion. The motion carried.

INFRASTRUCTURE COMMITTEE

Chairperson, Mrs. Kerri Kane reported on the summary and actions taken by the Infrastructure Committee. The Infrastructure Committee Report for the month of August was presented and recommended for approval.

Mr. Mark M. Moody moved acceptance of the Finance Committee Report and approval of the Finance Committee recommendations, therein. Mrs. Robin Barnes seconded the motion. The motion carried.

PENSION COMMITTEE

The Mayor's representative, Ms. Suchitra Satpathi reported on the summary and actions taken by the Pension Committee. The Pension Committee Report for the month of August was presented and recommended for approval.

Mr. Joseph Peychaud moved acceptance of the Pension Committee Report and approval of the Pension Committee recommendations, therein. Mr. Scott Jacobs seconded the motion. The motion carried.

EXECUTIVE COMMITTEE

The Mayor's representative, Ms. Suchitra Satpathi reported on the summary and actions taken by the Executive Committee. The Executive Committee Report for the month of August was presented and recommended for approval.

Mr. Arnold suggested for the new Board Members to read the Annual reports from previous years including the Annual Report of 2013 and write down any questions they may have for the purpose of gaining a better understanding of the history of the Board.

Following a brief discussion, Ms. Suchitra Satpathi directed staff to provide the full Board with the last decade of all of the Sewerage and Water Board's Annual reports for their review.

Mr. Marion Bracy moved acceptance of the Executive Committee Report and approval of the Executive Committee recommendations, therein. Ms. Kimberly Thomas seconded the motion. The motion carried.

The Executive Director, Mr. Cedric S. Grant stated staff would provide this information to all of the Board Members and he encouraged them to read and review the material. Also, Staff would add an agenda item to future Board agendas titled: "Response to Questions".

CORRESPONDING RESOLUTIONS

The following resolutions were adopted:

R- 139-2014 – Award of Green Infrastructure Project-Central City Neighborhood

R-140-2014 – Award of Green Infrastructure Project-Rabouin International High School Green Infrastructure Lab

R-141-2014 – Contract 1378 – Hurricane Katrina Related Repairs to Boilers/Duct/Elevator at Main Water Purification Plant Power Complex

R-142-2014 – First and Final Renewal of Contract for Furnishing Anhydrous Ammonia – Req. Nos. CM130028 & AL130035

R-143-2014 – First and Final Renewal of Contract for Furnishing Fluorosilicic Acid – Req. No. CM130020

R-144-2014 – First and Final Renewal of Contract for Furnishing Liquid Polyphosphate – Req. No. CM130019

R-145-2014 – First and Final Renewal of Contract for Furnishing Sodium Hypochlorite – Req. No. CM130017

R-146-2014 – First and Final Renewal of Contract 30008 – Restoration of Existing Gravity Sewer by Point Repair and CIPP Lining Sewer Mains at various sites throughout Orleans Parish

R-147-2014 – Final Acceptance and Close Out to Contract 1367 – Purchase of Gearbox for "G" Basin at the Carrollton Water Plant

R-148-2014 – Final Acceptance and Close Out to Contract 3657 – Sewer Main Replacement from Manhole to Manhole and Water Main Replacement Work

R-149-2014 – Final Acceptance and Close Out to Emergency Repair for Reconstruction of the 54" Sewer Force Main on Florida Avenue (Spain St. to Music St.)

R-150-2014 – Amendment to Agreement with Brown and Caldwell for the Water Line Replacement Program

R-151-2014 – Amendment to Agreement with ECM Consultants, Inc. for the Water Line Replacement Program

R-152-2014 – Amendment to Agreement with Atkins North American, Inc. for the Water Line Replacement Program

R-153-2014 – Amendment to Agreement with Design Engineering, Inc. for the Water Line Replacement Program

R-154-2014 – Amendment to Agreement with Evans-Graves Engineers, Inc. for the Water Line Replacement Program

R-155-2014 – Amendment to Agreement with Black & Veatch Corporation for the Water Line Replacement Program

R-156-2014 – Amendment to Agreement with Digital Engineering & Imaging, Inc. for the Water Line Replacement Program

R-157-2014 – Amendment to Agreement with G.E.C., Inc. for the Water Line Replacement Program

R-158-2014 – Amendment to Agreement with Hartman Engineering, Inc. for the Water Line Replacement Program

R-159-2014 – Amendment to Agreement with Lambert Engineers for the Water Line Replacement Program

R-160-2014 – Amendment to Agreement with Arcadis for the Water Line Replacement Program

R-161-2014 – Amendment to Agreement with Linfield, Hunter & Junius, Inc. for the Water Line Replacement Program

R-162-2014 – Amendment to Agreement with Meyers Engineers, LTD for the Water Line Replacement Program

R-163-2014 – Amendment to Agreement with MWH Americas, Inc. for the Water Line Replacement Program

R-164-2014 – Amendment to Agreement with Neel Schaffer for the Water Line Replacement Program

R-165-2014 – Amendment to Agreement with NY Associates, Inc. for the Water Line Replacement Program

R-166-2014 – Amendment to Agreement with Rahman & Associates, Inc. for the Water Line Replacement Program

R-167-2014 – Amendment to Agreement with Richard C. Lambert Consultants, LLC for the Water Line Replacement Program

R-168-2014 – Amendment to Agreement with Royal Engineering for the Water Line Replacement Program

R-169-2014 – Ratification of Change Order No. 5 for Contract 6247 – Hazard Mitigation Grant Project – Retrofit of Generator #4

R-170-2014 – Change Order No. 3 for Contract 5222 – Hurricane Katrina Related Repairs to Canal Boulevard Drainage Underpass Pumping Station

R-171-2014 – Ratification of Change Order No. 1 for Contract 3698 – Restoration of Existing Gravity Sewer Mains by Excavation and Replacement from Manhole to Manhole at various sites throughout Orleans Parish

R-172-2014 – Ratification of Change Order No. 7 for Contract 3661 – Modifications to East Bank Wastewater Treatment Plant Flood Protection System

R-173-2014 – Ratification of Change Order No. 9 for Contract 1350 – Hurricane Related Repairs to Turbine 4 at the Carrollton Water Purification Plant – Power Complex

R-174-2014 – Ratification of Change Order No. 5 for Contract 1352 – Hurricane Related Replacement of the Pump Package at the Carrollton Water Purification Plant – Power Complex

R-175-2014 – Ratification of Change Order No. 6 for Contract 8139 – Hurricane Katrina Related Replacement of the Central Yard Annex Building

R-176-2014 – Change Order No. 4 for Contract 5221 – Hurricane Katrina Related Repairs to Pontchartrain Boulevard Drainage Underpass Pumping Station

R-177-2014 – Change Order No. 4 for Contract 5226 – Hurricane Katrina Related Repairs to Franklin Avenue Drainage Underpass Pumping Station

R-178-2014 – Change Order No. 3 for Contract 5223 – Hurricane Katrina Related Repairs to St. Bernard Avenue Drainage Underpass Pumping Station

R-179-2014 – Resolution Requesting State of Louisiana, Department of Transportation and Development Authorization to Exercise, Options on Louisiana Avenue Canal – State Project No. H.011352, Orleans Parish

R-180-2014 – Authorization for the Executive Director to Execute an Agreement with Entergy New Orleans (ENO) for the Payment of Temporary Relocation and De-energizing of ENO's Electric Distribution Facilities Along and Adjacent to the Vicinity of the Napoleon Avenue Phase II SELA Project (Carondelet to Constance)

R-181-2014 – Revision to Septage Waste Program

R-182-2014 – Amendment to the Intergovernmental Agreement between the State of Louisiana Coastal Protection and Restoration Authority and the Sewerage and the Water Board of New Orleans and St. Bernard Parish

R-183-2014 – Amendment of the Intergovernmental Agreement between the State of Louisiana Coastal Protection and Restoration Authority and the Sewerage and Water Board of New Orleans

R-184-2014 – Amendment to the Intergovernmental Agreement between the State of Louisiana Coastal Protection and Restoration Authority and the Sewerage and Water Board of New Orleans

R-185-2014 – Cooperative Endeavor Agreement with the City of New Orleans for the Coordination of All Repair, Maintenance, and Construction Projects with City Agencies

UNFINISHED BUSINESS

- First and Final Renewal of Contract 2101 – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites Throughout Orleans Parish (R-186-2014)

The General Superintendent, Mr. Joseph Becker provided background information on the subsequent contract which was approved on June 16, 2014 by the Board. However, the resolution for authorization of the first and final renewal of Contract 2101 was inadvertently omitted from the Finance Committee Agenda in August. Therefore, staff is requesting approval for the first and final renewal of the above contract.

Mr. Marion Bracy moved approval of the First and Final Renewal of Contract 2101 – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites Throughout Orleans Parish, resolution therein (R-186-2014). Mr. Alan C. Arnold seconded the motion. The motion carried.

INFORMATION ITEMS

The following items were submitted for informational purposes only:

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

ADJOURNMENT

There being no further business the meeting adjourned.

**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

**EAST BANK WASTEWATER TREATMENT PLANT MUNICIPAL WATER POLLUTION PREVENTION
ENVIRONMENTAL AUDIT**

WHEREAS, on August 21, 2014, the Board's wastewater operator (Veolia Water North America) completed the Louisiana Municipal Water Pollution Prevention report for the East Bank Wastewater Treatment Plant for the period June 1, 2013 to May 31, 2014; and

WHEREAS, the Board has reviewed the Municipal Water Pollution Prevention Environmental Audit Report, prepared for the Louisiana Department of Environmental Quality, which is attached to this resolution; and

WHEREAS, though no corrective action is needed at this time, the Board will continue to take whatever actions are necessary to maintain permit requirements contained in the Louisiana Water Discharge Permit System (LWPDPs) Number LA0038091.

NOW, THEREFORE BE IT RESOLVED that the Board hereby acknowledges receipt and review of the report and assures performance of any actions necessary to maintain permit requirements.

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

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

**WEST BANK WASTEWATER TREATMENT PLANT MUNICIPAL WATER POLLUTION
PREVENTION ENVIRONMENTAL AUDIT**

WHEREAS, on September 2, 2014, the Board's wastewater operator (Veolia Water North America) submitted the Louisiana Municipal Water Pollution Prevention report for the West Bank Wastewater Treatment Plant for the period September 1, 2013 to August 31, 2014; and

WHEREAS, the Board has reviewed the Municipal Water Pollution Prevention Environmental Audit Report, prepared for the Louisiana Department of Environmental Quality, which is attached to this resolution; and

WHEREAS, though no corrective action is needed at this time, the Board will continue to take whatever actions are necessary to maintain permit requirements contained in the Louisiana Water Discharge Permit System (LWPDPS) Number LA0038105.

NOW, THEREFORE BE IT RESOLVED that the Board acknowledges receipt and review of the report and assures performance of any actions necessary to maintain permit requirements.

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

**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

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

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

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

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

**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

R-199-2014

**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

R-201-2014

**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

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

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

**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**

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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Exhibit C	Form of Continuing Disclosure Certificate
Exhibit D	Form of Notice of Redemption
Exhibit E	Form of Certificate of Determination

**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 other 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 Refunding 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. Interest on the Bonds shall be calculated on the basis of a 360-day year consisting of twelve thirty-day months.

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

(c) The Bonds may 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 2.05 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*.

(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

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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

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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,

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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

Drainage Basic Bond Res Final

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

EXHIBIT C
to Basic Bond Resolution

CONTINUING DISCLOSURE CERTIFICATE

§ _____
CITY OF NEW ORLEANS, LOUISIANA
DRAINAGE SYSTEM REFUNDING BONDS, SERIES 2014

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.
7. The *ad valorem* tax levies and collections of the Issuer for the prior tax year.
8. The millage rates for the prior tax year.
9. 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	\$ 590,000	_____%	2019	\$1,835,000	_____%
2015	1,490,000	_____%	2020	1,935,000	_____%
2016	1,575,000	_____%	2021	2,040,000	_____%
2017	1,660,000	_____%	2022	2,145,000	_____%
2018	1,750,000	_____%			

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

FEMA Project Update as of **8-26-14**

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

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

Hurricane Katrina

Estimated Project Cost	\$ 801,487,840.66
Obligated Amount	\$ 663,365,488.54
Not Eligible PW ¹	\$ 10,896,751.08
Not Eligible Loan PW ²	\$ 70,111,970.25
Insurance Deduction ³	\$ 2,747,339.04
Version Request ⁴	\$ 0
Loan/Advancement PW Version Request ⁵	\$ 35,239,590.88
Appeal Amount ⁶	\$ -
Close Out Reconciliation ⁷	\$ 5,817,195.63
Submitted Project Cost	\$ 709,921,775.90
Awaiting Obligation ⁸	\$ 13,309,505.26
Total Invoices in Progress at State	\$ 157,175.69
Total Paid by State (LAPA Data)	\$ 371,281,604.21
SPS HMGP Grant	\$ 20,082,538.00
Power Plant HMGP GRANT	\$ 141,175,000.00
Power Plant HMGP Amendment 1	\$ 9,620,389.00

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

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

³ National Flood Insurance deductions.

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

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

⁶ Amount that is currently under appeal or arbitration.

⁷ Amount that will be reconciled when Project Worksheet's are closed out.

⁸ Amount pending obligation in FEMA Million Dollar Queue or Funding Review Queue.

Hurricane Gustav

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

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

Hurricane Isaac

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

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

Sewerage and Water Board of New Orleans Committee & Regular Board Meeting Schedule

2014 Calendar of Events

WEDNESDAY	SEPTEMBER 3, 2014	8:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	SEPTEMBER 3, 2014	10:30 AM	PENSION COMMITTEE
MONDAY	SEPTEMBER 8, 2014	8:00 AM	OPERATIONS COMMITTEE
TUESDAY	SEPTEMBER 9, 2014	8:00 AM	FINANCE COMMITTEE
FRIDAY	SEPTEMBER 12, 2014	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	SEPTEMBER 17, 2014	9:00 AM	REGULAR BOARD
WEDNESDAY	OCTOBER 1, 2014	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	OCTOBER 1, 2014	10:30 AM	PENSION COMMITTEE
MONDAY	OCTOBER 6, 2014	9:00 AM	OPERATIONS COMMITTEE
TUESDAY	OCTOBER 7, 2014	8:00 AM	FINANCE COMMITTEE
FRIDAY	OCTOBER 10, 2014	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	OCTOBER 15, 2014	9:00 AM	REGULAR BOARD
WEDNESDAY	NOVEMBER 3, 2014	9:00 AM	OPERATIONS COMMITTEE
TUESDAY	NOVEMBER 4, 2014	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	NOVEMBER 5, 2014	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	NOVEMBER 5, 2014	10:30 AM	PENSION COMMITTEE
FRIDAY	NOVEMBER 7, 2014	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	NOVEMBER 19, 2014	9:00 AM	REGULAR BOARD
MONDAY	DECEMBER 1, 2014	9:00 AM	OPERATIONS COMMITTEE
TUESDAY	DECEMBER 2, 2014	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	DECEMBER 3, 2014	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	DECEMBER 3, 2014	10:30 AM	PENSION COMMITTEE
FRIDAY	DECEMBER 5, 2014	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	DECEMBER 17, 2014	9:00 AM	REGULAR BOARD

NOTE: RECOMMENDATIONS:

NOTE: TIME CHANGE OF THE FINANCE COMMITTEE HAS BEEN MOVED TO 8:00 AM, AS INDICATED ON THE CALENDAR

SEPTEMBER – MOVED TO SECOND WEEK DUE TO HOW THE DAYS FALL DURING FIRST WEEK (LABOR DAY 9/1/2014)

OCTOBER – MOVED TO SECOND WEEK DUE TO HOW THE DAYS FALL DURING FIRST WEEK

Sept Bd mtg 2010

SEPTEMBER 2014 BOARD MEETING		
INVESTMENTS MATURED FOR AUGUST 2014		
PREPARED BY: STEVE WOOLRIDGE		
<u>FUND</u>	<u>AMOUNT</u>	
DRAINAGE SYSTEM FUND - 2 MILL	1,378.05	
DRAINAGE SYSTEM FUND - 3 MILL	911,722.28	
DRAINAGE SYSTEM FUND - 6 MILL	1,306,546.60	
DRAINAGE SYSTEM FUND - 9 MILL	14,954,694.33	
WATER REVENUE & REF BP 2014	59,075,435.07	
MONEY MARKET FUND	35,697,668.30	
<u>SYSTEM FUNDS INVESTED</u>	<u>AMOUNT</u>	<u>% INVESTED</u>
WATER SYSTEM FUND	7,212,840.97	0.00%
SEWERAGE SYSTEM FUND	21,541,245.49	21.01%
AD VALORUM TAXES & WATER SEWERAGE & DRAINAGE BOND PROCEEDS	111,947,444.63	99.76%
AWARDED JOB/CONTRACT BALANCES		
WATER SYSTEM FUND	8,257,679.27	
SEWERAGE SYSTEM FUND	11,102,264.79	
DRAINAGE, BONDS AND BANS PROCEEDS	257,503,732.05	