

# ***SEWERAGE & WATER BOARD OF NEW ORLEANS***

## **FINANCE COMMITTEE MEETING**

**TUESDAY, DECEMBER 2, 2014**

**8:00 AM**

### **COMMITTEE MEMBERS**

Mr. Mark Moody, Chair • Mrs. Robin Barnes • Mr. Scott Jacobs • Mrs. Kerri Kane  
• Mr. Wm. Raymond Manning

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### **FINAL AGENDA**

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#### **ACTION ITEMS**

1. Approval of Previous Report
2. General Superintendent's Recommendations
3. Change Orders
4. 2015 Operating Budget – (R-265-2014)
5. 2015 Capital Budget – (R-266-2014)
6. 2015 Appropriation Resolution (R-253-2014)
7. Commercial Flood Insurance Policy for Facilities (R-255-2014)
8. Award of Contract to Provide Design and Engineering Services for Sewer Pump Station A – Structural Rehabilitation (R-260-2014)
9. Award of Contract to Provide Owner's Representation and Construction Management Services for Capital Projects at the Wastewater Treatment Plants (R-261-2014)
10. Amendment No. 3 to Agreement with MWH Americas, Inc. for Emergency Sewer Assessment Phase II (R-262-2014)
11. Award of Contract to Provide Assessments, Design, Construction, and Program Management Services for SELA and Drainage System (R-263-2014)
12. Amendment to Agreement with Stanley Consultants, Inc. for Design and Engineering Services for the Water Hammer Hazard Mitigation Project (R-264-2014)
13. Amendment No. 3 to Agreement with Black and Veatch Corporation for Design and Engineering Services for the EBWWTP Sludge Dryer Project (R-267-2014)
14. Award of Engineering Support Services in the Areas of Engineering Surveying Services, Materials Testing and Geotechnical Engineering Services (R-268-2014)
15. Award of Contract to Provide Staff Support for Water Line Replacement Program (R-276-2014)

#### **PRESENTATION ITEMS**

16. Committee Responsibilities By-Laws Change
17. Financial Results through October 2014

#### **INFORMATION ITEMS**

18. Change Order Analysis
19. FEMA Project Worksheet Status
20. Topics for Future Discussions

21. 2015 Committee/Board Meeting Schedule

22. Response to Questions

23. Any Other Matters

**REFERENCE MATERIALS (In Binders)**

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



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

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

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

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

November 4, 2014

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

The Finance Committee of the Sewerage and Water Board of New Orleans met on Tuesday November 4, 2014 at 8:00 A.M. in the Board Room, 625 St. Joseph Street to consider the following matters.

### **ACTION ITEMS**

#### **Item 1      APPROVAL OF PREVIOUS REPORT**

The report of the Regular Finance Committee Meeting held on Tuesday, October 7, 2014 was received. Upon a motion of Ms. Kane and second by Ms. Barnes the report was approved.

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

##### **R-237-2014 – FURNISHING LIQUID FERRIC SULFATE REQ.** **NOSALW140037 & CM140018**

Mr. Becker recommended item 1 to Kemira Water Solutions, Inc. to furnish and deliver 200,000 pounds of Liquid Sulfate to the Algiers Water Plant in the amount of \$135,400.00 and item 2 to Kemira Water Solutions, Inc. to furnish and deliver 2,000,000 pounds of Liquid Sulfate to the Carrollton Water Plant in the amount \$1,354,000.00.

**R-238-2014 – FURNISHING FIRE HYDRANT ANTI-TAMPERING  
DEVICES – REQ. NO. YW140064**

Mr. Becker recommended McGard, LLC. in the amount of \$369,200.00.

**R-239-2014 – FURNISHING 4" AND 5" FIRE HYDRANT REPAIR PARTS  
SWB DRAWING NUMBERS 11824-W-62 & 11825-W-62 – REQ. NO.  
YW140065**

Mr. Becker recommended Precision Seals & Mfg. in the amount of \$784,525.00.

**R-240-2014 – FURNISHING BRASS WATER SERVICE FITTINGS – REQ.  
NO. YW140098**

Mr. Becker recommended sections I, II, III, IV, and VI to A. Y. McDonald Mfg. Co. in the amount of \$539,902.75 and V to La. Utilities Supply Company in the amount of \$39,722.50.

**R-241-2014 – FURNISHING METER BOXES AND METER BOX PARTS –  
REQ.NO. YW140099**

Mr. Becker recommended A. Y. McDonald Mfg. in the amount of \$686,634.50.

**R-242-2014 – LEAK DETECTION SERVICES – REQ. NO. CN140033**

Mr. Becker recommended Echologics, LLC. in the amount of \$954,000.00.

**R-243-2014 – CONTRACT 8129 – KATRINA RELATED REPAIRS TO  
GARAGE #2 AT CENTRAL YARD**

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

Upon a motion by Ms. Kane and seconded by Ms. Barnes, the above bids 1- 6 were approved and bid 7 was rejected.

**CONTRACT RENEWAL**

**R-244-2014 – FIRST AND FINAL RENEWAL OF CONTRACT FOR  
FURNISHING SOLID WALL (PVC) PIPE SDR 26 & 35 POLYVINYL  
CHLORIDE (PVC) C-900 PIPE FOR THE WATER DISTRIBUTION  
SYSTEM – REQ. NO. YW140001**

Mr. Becker recommended the Board approve this first and only renewal to Cimsco, Inc. in the amount of \$248,364.50.

**R-245-2014 – FIRST AND FINAL RENEWAL OF CONTRACT FOR FURNISHING FULL CIRCLE STAINLESS STEEL REPAIR AND TAP CLAMPS, BRONZE SERVICE SADDLES AND TRANSITIONAL COUPLINGS FOR CAST IRON, DUCTILE IRON AND TRANSITE PIPE – REQ. NO. YW130099**

Mr. Becker recommended the Board approve this first and only renewal to La. Utilities Supply Company in the amount of \$329,278.10 and to H. D. Supply Waterworks, LTD in the amount of \$23,110.00.

**R-246-2014 – FIRST AND FINAL RENEWAL OF CONTRACT 3696 – CLEANING AND CCTV INSPECTION OF SANITARY SEWER MAINS AT SCATTERED SITES WITHIN ORLEANS PARISH**

MR. Becker recommended the Board approve this first and only renewal to Blue Flash in the amount of \$741,625.00.

Upon a motion by Ms. Barnes and seconded by Mr. Jacobs the above renewals were approved.

**REPORT OF FINAL ACCEPTANCE**

**R-247-2014 – CONTRACT 3698 – RESTORATION OF EXISTING GRAVITY SEWER MAINS BY EXCAVATION & REPLACEMENT FROM MANHOLE TO MANHOLE AT VARIOUS SITES THROUGHOUT ORLEANS PARISH**

Mr. Becker recommended the Board accept the above contract.

Upon a motion by Mr. Jacobs and seconded by Ms. Barnes the above contract was accepted.

**Item 3**

**CHANGE ORDERS**

**R-249-2014 – RATIFICATION OF CHANGE ORDER #3 FOR CONTRACT 4188 – EMERGENCY REPAIRS TO THE FLORIDA CANAL**

Mr. Becker recommended the ratification of change order no. 3 for contract 4188 – Emergency Repairs to the Florida Canal in the amount of \$211,093.00. This brings the total for change orders to \$211,093.00 or 9.5% of the original contract.

Upon a motion by Mr. Jacobs and seconded by Ms. Barnes the ratification was approved.

**R-250-2014 – RATIFICATION OF CHANGE ORDER #9 FOR CONTRACT 3661 – MODIFICATIONS TO EAST BANK WASTEWATER TREATMENT PLANT FLOOD PROTECTION SYSTEM**

Mr. Becker recommended the ratification of change order no. 9 for contract 3661- Modifications to East Bank Wastewater Treatment Plant Flood Protection System in the amount of \$34,006.00. This brings the total for change orders to \$3,328,672.15 or 13.6% of the original contract.

Upon a motion by Mr. Jacobs and seconded by Ms. Barnes the ratification was approved.

**Item 4      R-233-2014 –AMENDMENT TO AGREEMENT WITH MWH AMERICAS, INC. FOR THE WATER LINE REPLACEMENT PROGRAM**

Ms. Goddard recommended amendment to the agreement with MWH Americas, Inc., for the Water Line Replacement Program to identify FEMA eligible ADA curb ramps as related to the construction of FEMA eligible water line replacements contained in the 53 separate FEMA PW's issued to the Board not to exceed the amount of \$459,442.80.

Upon a motion by Ms. Kane and seconded by Ms. Barnes the amendment was approved.

**Item 5      R-235-2014 – AWARD OF CONTRACT TO PROVIDE SCHEDULER FOR CAPITAL PROGRAM MANAGEMENT**

Ms. Goddard recommended award of contract to Integrated Logistical Support, Inc. to provide a scheduler for the Capital Program Management at a rate of \$105 per hour.

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

**Item 6      R-236-2014 –AWARD OF CONTRACT TO PROVIDE DESIGN AND ENGINEERING SERVICES FOR STRUCTURAL REPAIRS AND IMPROVEMENTS TO DPS 17 STATION D**

Ms. Goddard recommended award of contract to Stantec to provide design and engineering services for structured repairs and improvements to Drainage Pump Station 17/Sewer Pump Station D at an amount not to exceed \$194,758.

**PRESENTATION**

**Item 7      FINANCIAL RESULTS THROUGH SEPTEMBER**

Mr. Miller stated that there was a strong third quarter in sales. He anticipates more capital draw downs in October. There is approximately 94 million left in the bond proceeds. By the year end we are expected to spend no less than 10 million. The Days of Cash is ahead of schedule. We have 480 days for water, 523 for sewer and 257 for drainage. The debt service coverage thru the third quarter is 2.35 for water and 2.98 for sewer. This strong third quarter has brought us to where we hoped we would be at this time.

**Item 8      COMMITTEE RESPONSIBILITIES**

Mr. Grant discussed the subsequent changes and responsibilities of the Finance Committee.

**Item 9      2015 OPERATING BUDGET**

Mr. Miller discussed the 2015 Operating Budget components and processes.

**INFORMATION ITEMS**

**Item 10      EMPLOYEE HEALTH CARE COMMUNICATIONS**

Communication to employees on a change in the Health Insurance Provider.

**Item 11      CHANGE ORDER ANALYSIS**

The committee received the report.

**Item 12      FEMA PROJECT WORKSHEET STATUS**

The committee received the report.

**Item 13      TOPICS FOR FUTURE DISCUSSION**

None

**Item 14      2014 COMMITTEE/BOARD MEETING SCHEDULE**

The committee received the report.

**Item 15      RESPONSE TO QUESTIONS**

None

**Item 16      ANY OTHER MATTERS**

None

**Item 17      ADJOURNMENT**

Adjourned at 9:10 am

**REFERENCE MATERIAL (IN BINDERS)**

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

**ATTENDANCE**

**Present:**

Ms. Kerri Kane  
Mr. Scott Jacobs  
Ms. Robin Barnes  
Mr. Wm. Raymond Manning

**Absent**

Mr. Mark Moody

Also in attendance were Cedric S. Grant, Director; Robert Miller, Deputy Executive Director; Joseph Becker, General Superintendent; Madeline Goddard, Deputy Superintendent; Nolan Lambert, Special Counsel; Rosita Thomas, Interim Finance Administrator; Dexter Joseph, Budget Director; Robert Jackson, Utility Sr. Services Manager; Tiffany Carter, Utility Services Manager; Raymond Gable, Irma Mahannuar, Internal Audit; Kathleen LaFrance, Executive Director Analyst; Jason Higginbotham, Utility Sr. Services Manager; and Randy Smith, Royal Engineers.



Finance Committee  
November 4, 2014  
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Respectfully submitted,

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Mr. Scott Jacobs, Temporary Chair

FURNISHING RUBBER P.V.C. HIP BOOTS - REQ. NO. YW150001

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BE IT RESOLVED by the Sewerage and Water Board of New Orleans that one (1) bid was received on November 13, 2014 after advertising according to the Public Bid Law, for Furnishing Rubber P.V.C. Hip Boots. The low bid was hereby accepted and contract awarded therefore to **Southeast Safety & Supply** for the total amount of \$199,999.95.

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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 December 17, 2014.

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

**FURNISHING AND DELIVERING VARIOUS HEAVY DUTY AND REGULAR VEHICLES  
- REQ. NO. YG140110**

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**BE IT RESOLVED** by the Sewerage and Water Board of New Orleans that two (2) bids were received on November 13, 2014 after advertising according to the Public Bid Law, for Furnishing and Delivering Various Heavy Duty and Regular Vehicles. The low bid was hereby accepted and contract awarded therefore to **Lamraque Ford Trucks Sales, Inc.** for the total amount of **\$339,406.00.**

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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 December 17, 2014.

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

**FURNISHING AND DELIVERING VARIOUS CONSTRUCTION EQUIPMENT AND TRAILERS - REQ. NO. YG140112**

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**BE IT RESOLVED** by the Sewerage and Water Board of New Orleans that five (5) bids were received on November 20, 2014 after advertising according to the Public Bid Law, for Furnishing and Delivering Various Construction Equipment and Trailers. The low bid was hereby accepted and contract awarded therefore, on an item-by-Item basis:

Items 1 and 3, to **Duhon Machinery Co., Inc.** for the total amount of **\$90,500.00**.

Item 2, to **Lee Tractor Co., Inc.** for the total amount of **\$99,800.00**.

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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 December 17, 2014.

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

**CONTRACT 3794 - REHABILITATION OF BIO-REACTOR TRAIN #1 AT THE  
EAST BANK WASTEWATER TREATMENT PLANT**

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**BE IT RESOLVED** by the Sewerage and Water Board of New Orleans that two (2) bids were received on November 14, 2014 after advertising according to the Public Bid Law, for performing work under Contract 3794. The low bid was hereby accepted and contract awarded therefore to **Industrial and Mechanical Contractors, Inc.** for the total amount of **\$1,274,250.00.**

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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 December 17, 2014.

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

**CONTRACT 6252 - INSTALLATION OF TRANSFORMERS T2 AND T3 AND  
CONSTRUCTION OF NEW ELECTRICAL DUCT BANK AT CARROLLTON WATER  
PLANT**

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**BE IT RESOLVED** by the Sewerage and Water Board of New Orleans that four (4) bids were received on November 14, 2014 after advertising according to the Public Bid Law, for performing work under Contract 6252. The low bid was hereby accepted and contract awarded therefore to **Frischhertz Electric Co., Inc.** for the total amount of **\$249,870.00.**

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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 December 17, 2014.

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

**CONTRACT 8142 - REPAVING OPEN CUTS IN STREETS, DRIVEWAYS,  
SIDEWALKS RESULTING FROM THE REPAIR TO THE SEWERAGE AND WATER  
BOARD OF NEW ORLEANS UNDERGROUND UTILITIES**

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**BE IT RESOLVED** by the Sewerage and Water Board of New Orleans that three (3) bids were received on November 14, 2014 after advertising according to the Public Bid Law, for performing work under Contract 8142. The low bid was hereby accepted and contract awarded therefore to **Fleming Construction Company** for the total amount of **\$2,471,050.00**.

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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 December 17, 2014.

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

**CONTRACT 30015 - RESTORATION OF EXISTING GRAVITY SEWER BY POINT  
REPAIR AND CIPP LINING OF SEWER MAINS AT VARIOUS SITES  
THROUGHOUT ORLEANS PARISH**

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**BE IT RESOLVED** by the Sewerage and Water Board of New Orleans that four (4) bids were received on November 14, 2014 after advertising according to the Public Bid Law, for performing work under Contract 30015. The low bid was hereby accepted and contract awarded therefore to **Wallace C. Drennan, Inc.** for the total amount of **\$1,988,550.00.**

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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 December 17, 2014.

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





**RATIFICATION OF CHANGE ORDER NO. 7 FOR CONTRACT 1353 -  
HURRICANE RELATED REPLACEMENT OF THE BOILER PRE HEATERS  
AT THE CARROLLTON WATER PURIFICATION PLANT – POWER  
COMPLEX**

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

**WHEREAS**, insulation of water, drain, air and oil lines was required to allow air and fluids to circulate as required in order to keep the air preheaters in proper operation in all temperature conditions, and

**WHEREAS**, routing of drain lines to the nearest roof drains was required. These drain lines were not shown on the contract drawings but required for the units to relieve excess water from the upper bearings, and

**WHEREAS**, an additional forty five (45) Contract days will be granted to the Contractor to complete work.

**WHEREAS**, this Change Order, in the amount of \$22,605.11 brings the accumulated Contract change order total to \$463,210.37 or 16.8% of the original Contract value.

**NOW THEREFORE BE IT RESOLVED**, the approval of Change Order No. 7 for Contract 1353 is ratified by the Sewerage and Water Board of New Orleans.

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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 December 17, 2014.

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





# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** November 16, 2014

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

**To:** Cedric S. Grant  
Executive Director

**Re:** Hurricane Katrina Replacement of the Boiler Pre Heaters at the Carrollton Water Purification Plant – Power Complex, Contract 1353 – Change Order #7

Enclosed please find a recommendation from Network Engineering Department for approval of Change Order No. 7 for the above contract.

The additional work is:

- Insulation of water, drain, air and oil lines required to allow upper and lower bearing fluids to circulate as required to keep the air preheaters in proper operation in all temperature conditions.
- Routing of drain lines to the nearest roof drains. These drain lines were not shown on the contract drawings but required for the units to relieve excess water from the upper bearings.

The contractor has requested an additional 45 days to be added to his contract to complete the work. This additional work will not be eligible for FEMA reimbursement because it is not related to repair of Katrina damages.

The required DBE participation goal on this contract is 6% and will remain unchanged through this change order. Previous change orders on this contract totaled \$440,605.26. This Change Order is at a cost of \$22,065.11 and brings the accumulated total of Change Orders to \$463,210.37, which is 16.8% of the original bid amount of the contract.

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

Joseph Becker, P.E.  
General Superintendent

cc: Goddard, Deputy General Superintendent  
Carter, EDB  
Higginbotham, Emergency management  
Dennis, Network Engineering  
Thomas, CH2MHill



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

**Date:** November 16, 2014

**From:** Reid L. Dennis, P.E.  
Network Engineering

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

**Re:** Hurricane Katrina Replacement of the Boiler Pre Heaters at the Carrollton Water Purification Plant – Power Complex, Contract 1353 – Change Order #7

**Description of Change Order:**

- Insulation of water, drain, air and oil lines required to allow upper and lower bearing fluids to circulate as required to keep the air preheaters in proper operation in all temperature conditions.
- Routing of drain lines to the nearest roof drains. These drain lines were not shown on the contract drawings but required for the units to relieve excess water from the upper bearings.

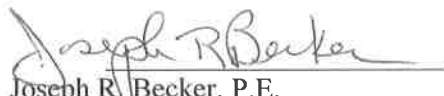
This cost is not eligible for FEMA reimbursement. This change results in a net increase in cost in the amount of \$22,605.11. The Contractor has requested forty five (45) additional contract days to complete the work.

Please see the attached scope of changes form.

Original Contract Bid Price:	\$2,757,426.00
DBE Participation:	6%
Previous Change Orders Approved:	\$440,605.26
This Change Order Amount:	\$22,605.11
Total Cumulative Change Order % of Original Contract:	16.8%
Total Cumulative Dollar Change Order Amount:	\$463,210.37

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

I concur:

  
Joseph R. Becker, P.E.  
General Superintendent

Cc:

Reid L. Dennis, P.E., FEMA Program Management Supervisor, Network Engineering  
Madeline Goddard, Deputy General Superintendent  
Nolan Lambert, Special Counsel  
Jason P Higginbotham, EMS Director  
Rosita Thomas, Finance Director  
Bob Moeinian, Chief of Operations  
Tiffany Carter, EDB Director  
Dexter Joseph, Budget Director  
Roy Thomas, Program Manager, CH2M HILL  
Hunter Hyche, Construction Manager, CH2M HILL

**SCOPE OF CHANGES  
WATER PROGRAM  
CONTRACT 1353  
(Change Order NO. 7)**

8/18/2014

ADDITIONAL ITEMS TO BE ADDED TO CONTRACT

Item #	FCO#	Detailed Description	Units	Unit Price	Quantity	Amount	Days	Comments
1	7	Pre-heaters 1&2. Drain line installation and insulation of air pre-heater piping	1	\$ 22,605.11	1	\$22,605.11	45	Ineligible for FEMA reimbursement

Contract DBE% Current DBE%		6.0%	6.0%	
Amount of previous Change Orders		Original \$ 2,757,426.00	Original Contract Days	
Amount this Change Order		\$ 440,605.26	Days Previously Added	
Change Orders to date		\$22,605.11	Days this Change Order	
		463,210.37	Days Added to date	
			BASE	
			370	
			487	
			45	
			532	
			902	

**REVISED CONTRACT AMOUNT \$ 3,220,636.37**

**REVISED CONTRACT DAYS**

**% OF ORIGINAL CONTRACT  
AMOUNT**

This Change Order	0.8%
Previous Change Order	16.0%
<b>TOTAL TO DATE</b>	<b>16.8%</b>

Work Order Date 1/24/2012

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

**Proposed By:**

Delaney Branch 8/18/14  
Alfred C. Conliffe of Louisiana, Inc.  
Contractor Representative Date

**Approved By:**

Reid Dennis 8/25/14  
Reid Dennis  
S&WB Project Manager Date

M. Ron Spooher 8/25/14  
M. Ron Spooher  
Chief of Engineering Date



**RATIFICATION OF CHANGE ORDER NO. 10 FOR CONTRACT 1350 -  
HURRICANE RELATED REPAIRS TO TURBINE 4 AT THE CARROLLTON  
WATER PURIFICATION PLANT – POWER COMPLEX**

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

**WHEREAS**, the Contractor shall furnish and install a GCS supplied high pressure Servo Actuation System with LVDT Feedback for Turbine #4 Steam Turbine Generator, and

**WHEREAS**, this Change Order, in the amount of \$42,925.62, brings the accumulated Contract change order total to \$1,645,647.51, or 12.91% of the original Contract value.

**NOW THEREFORE BE IT RESOLVED**, the approval of Change Order No. 10 for Contract 1350 is ratified by the Sewerage and Water Board of New Orleans.

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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 December 17, 2014.

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







# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** October 28, 2014

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

**To:** Cedric S. Grant  
Executive Director

**Re:** Contract 1350 – Hurricane Katrina Related Repairs to Turbine 4 at the Carrollton Water Purification Plant – Power Complex

Enclosed please find a recommendation for approval of Change Order No. 10 for the above captioned contract.

The contractor will provide and install a CGS supplied high pressure Servo Actuation System with LVDT feedback for the turbine #4 generator.

This change order is in the amount of \$42,925.62. This cost is not eligible for FEMA reimbursement because this part is related to repair of Katrina damages. The required DBE participation goal on this contract is 5% percent and will remain unchanged through this approved change order. Previous change orders to this contract totaled \$1,602,721.89. This Change Order brings the cumulative total of Change Orders to \$1,645,647.51, which is 12.91% of the original bid amount of the Contract.

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

Joseph R. Becker, P.E.  
General Superintendent

**Cc:** Madeline Fong-Goddard, Deputy General Superintendent  
Jason P. Higginbotham, Director of Emergency Management  
Reid L. Dennis, P.E., FEMA Program Manager Supervisor  
Tiffany Carter, EDB Director  
Roy Thomas, P.E., CH2M HILL



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

**Date:** October 28, 2014

**From:** Reid L. Dennis, P.E.  
Network Engineering

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

**Re:** Contract 1350 – Hurricane Katrina Related Repairs to Turbine 4 at the Carrollton Water Purification Plant – Power Complex


This change order is in the amount of \$42,925.62. The change encompasses the following:

The contractor will provide and install a GCS supplied high pressure Servo Actuation system with LVDT Feedback for Turbine 4 generator.

Original Contract Bid Price:	\$12,750,000.00
DBE Participation:	5%
Previous Change Orders Approved:	\$1,602,721.89
This Change Order Amount:	\$42,925.62
Total Cumulative Change Order % of Original Contract:	12.91%
Total Cumulative Dollar Change Order Amount:	\$1,645,647.51

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

I concur:

  
Joseph R. Becker  
General Superintendent

cc:

Jason P Higginbotham, EMS Director  
Rosita Thomas, Finance Director  
Bob Moeinian, Chief of Operations  
Tiffany Carter, EDB Director  
Hunter Hyche, CH2M HILL  
Ron Spooner, Chief of Engineering

Reid L. Dennis, Network Engr  
Madeline Fong-Goddard, Dep Gen Supt  
Roy Thomas, CH2M HILL  
Dexter Joseph, Budget Director  
Nolan Lambert, Special Counsel  
Network Engineering

**SCOPE OF CHANGES  
WATER PROGRAM  
CONTRACT 1350  
(Change Order NO. 10)**

ADDITIONAL ITEMS TO BE ADDED TO CONTRACT

Item #	ECOP#	Detailed Description	Units	Unit Price	Quantity	Amount	Days	Comments
1	12	STG #4 Electronic Controls Upgrade for Steam Turbine #4 Generator - Add-on for GCS Supplied High Pressure Service Acquisition System with LVDT Feedback	1	\$42,925.62	1	\$42,925.62	0	Ineligible
					TOTAL	\$42,925.62		

Contract DBE%	5.0%
Current DBE%	5.0%

Original	\$	12,750,000.00
Amount of previous Change Orders	\$	1,602,721.89
Amount this Change Order	\$	\$42,925.62
Change Orders to date	\$	1,645,647.51

REVISED CONTRACT AMOUNT \$ 14,395,647.51

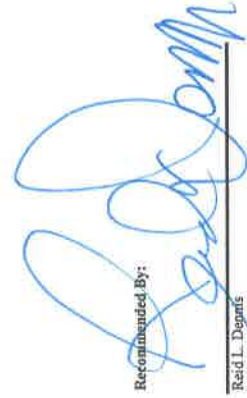
BASE	
Original Contract Days	340
Days Previously Added	649
Days this Change Order	0
Days Added to date	649
REVISED CONTRACT DAYS	989

**% OF ORIGINAL CONTRACT AMOUNT**

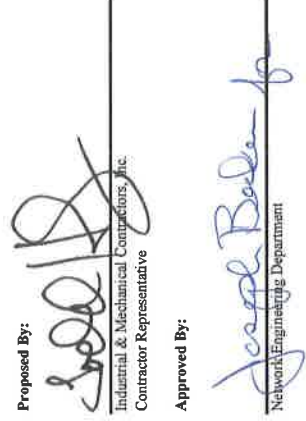
This Change Order	0.34%
Previous Change Order	12.57%
<b>TOTAL TO DATE</b>	<b>12.91%</b>

Work Order Date 1/18/2012

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

Recommended By:   
Reid L. Deparis  
S&WB Project Manager

Date: 9/3/14

Proposed By:   
Industrial & Mechanical Contractors, Inc.  
Contractor Representative

Date: 8.25.14

Approved By:   
Network Engineering Department

Date

Date



**RATIFICATION OF CHANGE ORDER NO. 6 FOR CONTRACT 1352 -  
HURRICANE RELATED REPLACEMENT OF THE PUMP PACKAGE AT THE  
CARROLLTON WATER PURIFICATION PLANT – POWER COMPLEX**

**WHEREAS**, the Sewerage and Water Board entered into Contract 1352 with Industrial & Mechanical Construction, Inc. in the amount of \$2,721,890.00 for the FEMA funded Replacement of the Pump Package at the Carrollton Water Purification Plan – Power Complex and

**WHEREAS**, the Contractor shall furnish and install conduit for the MCC, cut welds to the 8” boiler feed water suction piping and then reweld piping, cut and patch concrete pad to install duct bank from new MCC to existing power manhole, provide additional labor to install butterfly valve, procure and install controller for valve, add 4” piping, insulate and paint, and furnish and install copper tubing from diesel pump to diesel tank, and

**WHEREAS**, the Contractor will be granted two hundred eight (208) additional Contract days to complete this work and

**WHEREAS**, this Change Order, in the amount of \$113,837.02, brings the accumulated Contract change order total to \$269,258.22 or 9.89% of the original Contract value.

**NOW THEREFORE BE IT RESOLVED**, the approval of Change Order No. 6 for Contract 1352 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 December 17, 2014.

---

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





# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

---

**Date:** October 28, 2014

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

**To:** Cedric S. Grant  
Executive Director

**Re:** Contract 1352 – Hurricane Katrina Related Replacement of the Pump Package at the Carrollton Water Purification Plant – Power Complex

Enclosed please find a recommendation for approval of Change Order No. 6 for the above captioned contract.

This change order encompasses the following work:

- Furnish and install conduit to run the feeder lines for a new MCC.
- Cut welds to 8" boiler feed water suction piping and reweld 8" piping
- Cut & patch concrete pad to install duct bank from new MCC to existing power manhole
- Provide additional labor to install butterfly valve
- Procure and install controller for valve, add 4" piping, insulate and paint
- Furnish and install copper tubing from diesel pump to diesel tank

This cost for the above list is not eligible for FEMA reimbursement. The contractor will require an additional 208 calendar days to complete this additional work.

The total cost of this change order is \$113,837.02. This cost is not eligible for FEMA reimbursement.

The required DBE participation goal on this contract is 26% percent and will remain unchanged through this approved change order. Previous change orders to this contract totaled \$155,421.20. This Change Order brings the cumulative total of Change Orders to \$269,258.22, which is 9.89% of the original bid amount of the Contract.

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

Joseph R. Becker, P.E.  
General Superintendent

cc: Madeline Fong-Goddard, Deputy General Superintendent  
Reid L. Dennis, P.E., FEMA Program Manager Supervisor, Network Engineering  
Tiffany Carter, EDB Director  
Roy Thomas, CH2M HILL  
Jason Higginbotham, Director of Emergency Management





# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

---

**Date:** October 28, 2014

**From:** Reid L. Dennis, P.E.  
Network Engineering

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

**Re:** Contract 1352 – Hurricane Katrina Related Replacement of the Pump Package at the Carrollton Water Purification Plant – Power Complex

The Contractor will:

- Furnish and install conduit to run the feeder lines for a new MCC.
- Cut welds to 8" boiler feed water suction piping and reweld 8" piping
- Cut and patch concrete pad to install duct bank from new MCC to existing power manhole
- Provide additional labor to install butterfly valve
- Procure and install controller for valve, add 4" piping, insulate and paint
- Furnish and install copper tubing from diesel pump to diesel tank


This cost for the above list is not eligible for FEMA reimbursement. The contractor will require an additional 208 calendar days to complete this additional work.

This change results in a net increase in cost in the amount of \$\$113,837.02.

Original Contract Bid Price:	\$2,721,890.00
DBE Participation:	26%
Previous Change Orders Approved:	\$155,421.20
This Change Order Amount:	\$113,837.02
Total Cumulative Change Order % of Original Contract:	9.89%
Total Cumulative Dollar Change Order Amount:	\$269,258.22

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

I concur:

  
Joseph R. Becker, P.E.  
General Superintendent

cc:

Reid L. Dennis, Network Engineering  
Rosita Thomas, Finance Director  
Bob Moeinian, Chief of Operations  
Tiffany Carter, EDB Director  
Nolan Lambert, Special Counsel

Jason P Higginbotham, EMS Director  
Madeline Fong-Goddard, Dep Gen Superintendent  
Roy Thomas, Program Manager, CH2M HILL  
Dexter Joseph, Budget Director  
Melvin R. Spooner, Chief of Engineering

**SCOPE OF CHANGES  
WATER PROGRAM  
CONTRACT 1352  
(Change Order NO. 6)**

**ADDITIONAL ITEMS TO BE ADDED TO CONTRACT**

Item #	PCOW	Detailed Description	Units	Unit Price	Quantity	Amount	Days	Comments
1	6	Furnish and install constants for Motor Control Center	1	\$37,993.18	1	\$37,993.18	45	Ineligible
<b>TOTAL</b>						<b>\$37,993.18</b>	<b>45</b>	

<b>Contract DBE%</b>	<b>26.0%</b>
<b>Current DBE%</b>	<b>26.0%</b>

<b>Original</b>	<b>\$ 2,721,898.00</b>
<b>Amount of previous Change Orders</b>	<b>\$ 155,421.20</b>
<b>Amount this Change Order</b>	<b>\$37,993.18</b>
<b>Change Orders to date</b>	<b>\$ 193,414.38</b>

<b>BASE</b>	<b>300</b>
<b>Original Contract Days</b>	<b>357</b>
<b>Days Previously Added</b>	<b>45</b>
<b>Days this Change Order</b>	<b>402</b>

**REVISED CONTRACT DAYS 702**

**REVISED CONTRACT AMOUNT \$ 2,915,304.38**



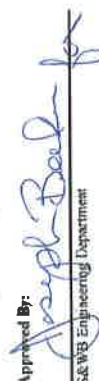
**% OF ORIGINAL CONTRACT AMOUNT**

<b>This Change Order</b>	<b>1.40%</b>
<b>Previous Change Order</b>	<b>5.71%</b>
<b>TOTAL TO DATE</b>	<b>7.11%</b>

Work Order Date **5/17/2012**

It is mutually agreed to perform and accept the above revisions in accordance with the original contract and applicable specifications for the above price. It is also confirmed by the Contractor that the DBE % will remain in tact throughout this change order.

**Recommended By:**  **S&WB Project Manager**  
 3rd I. Dennis  **Date** 9/4/12

**Proposed By:**  **Contractor Representative**  
 Industrial & Mechanical Contractors, Inc.  **Date** 8/14/12  
**Approved By:**  **S&WB Engineering Department** **Date** \_\_\_\_\_



**AMENDMENT NO. 4 TO THE AGREEMENT BETWEEN THE SEWERAGE AND WATER BOARD OF NEW ORLEANS AND WALDEMAR S. NELSON AND COMPANY FOR HURRICANE KATRINA RELATED WATER RESTORATION PROJECTS #5 – TASKS IN POWER PLANT – CARROLLTON PLANT**

**WHEREAS**, on January 14, 2009 the Sewerage and Water Board of New Orleans (Board) awarded a contract to Waldemar S. Nelson and Company in the amount of \$2,377,665.20 to perform design services for Hurricane Katrina Related Water Restoration Project Repairs at the Power Plant – Carrollton Plant and

**WHEREAS**, additional design and construction inspection services are required to complete the FEMA funded work beyond the original completion dates for contract work within the Carrollton Water and

**WHEREAS**, Waldemar S. Nelson submitted a fee in the amount of \$262,668.50 for the required additional engineering services related to additional construction administration beyond the original contract end dates; and

**NOW THEREFORE BE IT RESOLVED**, that the President or President Pro Tem is hereby authorized to execute on behalf of the Board an amendment to the existing agreement with Waldemar S. Nelson and Company for Hurricane Katrina Related Repairs to the Power Plant - Carrollton Plant shall be amended increasing the fee authorized to be paid to Waldemar S. Nelson and Company to \$3,206,704.57.

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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 December 17, 2014.

---

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





# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** November 13, 2014

**From:** Reid L. Dennis, P.E.  
Network Engineering

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

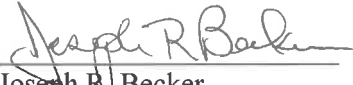
**Re:** **Hurricane Katrina Related Repairs for Water Restoration Project**  
**Additional Engineering Services for Waldemar S. Nelson**

This request is in the amount of \$262,668.50. The amendment is for design services which continued beyond the original construction contract completion dates for Contracts 1350, 1351, 1352, 1353, and ME-11-0017 (see attached spreadsheet).

Original Contract Amount:	\$2,377,665.20
DBE Participation:	36%
Previous Amendments Approved:	\$566,370.87
This Amendment Amount:	\$262,668.50
Total Cumulative Amendment % of Original Contract:	34.9%
Total Cumulative Dollar Amendment Amount:	\$829,039.37

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

I concur:

  
Joseph R. Becker  
General Superintendent

cc:

Jason P Higginbotham, EMS Director  
Rosita Thomas, Finance Director  
Bob Moeinian, Chief of Operations  
Tiffany Carter, EDB Director  
Hunter Hyche, Construction Mgr, CH2M HILL  
Ron Spooner, Chief of Engineering

Reid L. Dennis, P.E., FEMA Program Management Supv.  
Madeline Fong-Goddard, Deputy General Superintendent  
Roy Thomas, Program Manager, CH2M HILL  
Dexter Joseph, Budget Director  
Nolan Lambert, Special Counsel  
Network Engineering



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

---

**Date:** November 13, 2014

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

**To:** Cedric S. Grant  
Executive Director

**Re:** **Hurricane Katrina Related Repairs for Water Restoration Project**  
**Additional Engineering Services for Waldemar S. Nelson**

Attached please find a Contract Addendum No. 4, for Additional Engineering Services performed by Waldemar S. Nelson and Company.

This request in the amount of \$262,668.50 is for design services which continued beyond the original construction contract completion dates for Contracts 1350, 1351, 1352, 1353, and ME-11-0017.

This cost is expected to be eligible for FEMA reimbursement. The required DBE participation goal on this contract is 36% percent and will remain unchanged through this approved AES request. Previous amendments to this contract totaled \$566,370.87. This request brings the cumulative total of amendments to \$829,039.37, which is 34.9% of the original bid amount of the Design Contract.

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

Joseph R. Becker, P.E.  
General Superintendent

**Cc:** Madeline Fong-Goddard, Deputy General Superintendent  
Jason P. Higginbotham, Director of Emergency Management  
Reid L. Dennis, P.E., FEMA Program Manager Supervisor  
Tiffany Carter, EDB Director  
Roy Thomas, P.E., CH2M HILL

**AMENDMENT NO. 4  
HURRICANE KATRINA RELATED WATER RESTORATION PROJECTS**

AES #	Contract #	Detailed Description	Cost	FEMA Eligible (1)
20	1350	Request for additional engineering services to continue providing design services beyond original construction contract completion date of 12/23/2012. (see attached spreadsheet)	\$ 42,060.50	Yes
21	1351	Request for additional engineering services to continue providing design services beyond original construction contract completion date of 7/23/2012. (see attached spreadsheet)	\$ 105,945.00	Yes
22	1352	Request for additional engineering services to continue providing design services beyond original construction contract completion date of 7/14/2013. (see attached spreadsheet)	\$ 42,083.50	Yes
23	1353	Request for additional engineering services to continue providing design services beyond original construction contract completion date of 1/28/2013. (see attached spreadsheet)	\$ 41,861.50	Yes
24	ME 11-0017	Request for additional engineering services to continue providing design services beyond original construction contract completion date of 5/16/2013. (see attached spreadsheet)	\$ 30,718.00	Yes

**Amount \$ 262,668.50**

NOTE (1) It is the Engineering Departments opinion that this work should be eligible for FEMA reimbursement. Information has been sent to FEMA for their review and ultimate determination of eligibility.

CONTRACT DBE %	
Contract DBE%	36%
Current DBE%	36%

% OF ORIGINAL CONTRACT AMOUNT	
These AES tasks	11.0%
Previous Approved AES tasks	23.8%
TOTAL TO DATE	34.9%

CONTRACT AMOUNT	
Original Amount	\$ 2,377,665.20
Previously Approved AES for Gen No. 4 (R-003-2013)	\$ 229,771.00
Previously Approved AES 1 through 16 (R-167-2013)	\$ 272,564.37
Previously Approved AES for Gen No. 4 (R-204-2013)	\$ 64,035.50
Current Request for AES during Construction Phase	\$ 262,668.50
Accumulated Amended Tasks to Date	\$ 829,039.37
REVISED CONTRACT AMOUNT	\$ 3,206,704.57

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

Proposed By:

  
Steve Pumilia  
W. S. Nelson and Company


Recommended By:

  
Reid Dennis  
S&WB Project Manager

Approved By:

  
M. Ronald Spooner  
Chief of Engineering

Approved By:

  
Joseph Becker  
General Superintendent

11/11/14  
Date

11/12/14  
Date







## SEWERAGE AND WATER BOARD

### Inter-Office Memorandum

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**Date:** December 17, 2014  
**To:** Board of Directors *ry*  
**From:** Dexter Joseph, Planning & Budget Director  
**Re:** 2015 Operation and Maintenance Budget

Please find per your request a detailed copy of the 2015 Operations and Maintenance Budget for the Water, Sewer, and Drainage Systems.

This memo places emphasis on showing what the financial revenue projections are for each system for the upcoming year of 2015 and the corresponding Operating Expenses that the Revenue will be used to cover.

Your staff is presenting to you a balanced budget for your consideration with funds available after covering expenses and Debt Service to help fund the 2015 Capital Budget.

The recommended budget will be placed on the December 2014's Finance Committee and full Board agenda for your consideration. Each department's budget and funds to finance it are as follows:

#### **Proposed 2015 Operating Budget**

Water Revenues	\$ 83,263,239
Sewerage Revenues	\$ 97,930,932
Drainage Revenues	<u>\$ 47,924,050</u>
<b>Total</b>	<b>\$ 229,118,221</b>

Water Expenses	\$ 71,680,615
Sewerage Expenses	\$ 55,868,190
Drainage Expenses	<u>\$ 40,056,107</u>
<b>Total</b>	<b>\$ 167,604,912</b>

Thank you for your time and dedication to the Sewerage and Water Board.

cc: Cedric S. Grant

## 2015 OPERATING BUDGET

**WHEREAS**, the Sewerage and Water Board has reviewed the Recommended 2015 Operating Budget of which **\$71,680,615** is for the Water Department, **\$55,868,190** is for the Sewerage Department, and **\$40,056,107** is for the Drainage Department for a Grand Total of **\$167,604,912**; and

**WHEREAS**, it is the intent of the Board that the Executive Director maintain budgetary controls by department; and

**WHEREAS**, the authorized departmental budgets for 2015 are:

<u>Departments</u>	<u>2015 BUDGET</u>
Executive Director	\$5,945,328
General Administrative	4,091,120
Personnel Administration	2,362,326
Finance Administration	2,380,616
Information Systems Administration	6,598,586
Revenue & Customer Services	9,606,688
Purchasing Administration	688,640
Support Services	13,214,779
Miscellaneous Expenditures	(3,127,674)
General Superintendent	594,490
Operations	58,492,693
Facility Maintenance	12,007,963
Networks	38,127,258
Engineering	4,912,967
Plumbing	1,233,272
Payroll Related	<u>10,475,860</u>
<b>GRAND TOTAL</b>	<b>\$167,604,912</b>

**NOW THEREFORE BE IT RESOLVED** that the Sewerage and Water Board of New Orleans does hereby approve the 2015 Operating Budget in the amount of **\$167,604,912**.

---

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 Regularly Monthly Meeting of said Board,  
duly called and held, according to law on  
December 17, 2014.

---

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



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

### Inter-Office Memorandum

---

**Date:** December 17, 2014

**From:** Dexter Joseph, Planning and Budget Director

DJ

**To:** Board of Directors

**Re:** 2015 Capital Budget and 2015-2024 Capital Programs.

Please find attached a Resolution for the 2015 Capital Budget and the 2015 – 2024 Capital Program. The Capital Program is a Plan of future Capital Projects which includes the Budget year of 2015 and future years beyond the Budget year through 2024 or for 10 years.

Sewerage and Water Board's 2015 Recommended Capital Budget total is \$393,989,000 of which the funds are projected to be available through Sewerage and Water Board's Revenues and through Bond proceeds to finance the Capital Budget are \$347,541,000. Each department's budget and funds to finance it are as follows:

The 2015 Recommended Drainage Department Budget is \$139,452,000 of which the funds are projected to finance it are \$100,547,000.

The 2015 Recommended Water Department Budget is \$164,140,000 of which the funds are projected to finance it are \$159,277,000.

The 2015 Recommended Sewerage Department Budget is \$90,397,000 of which the funds are projected to finance it is \$87,717,000.

Thank you for your time and dedication to the Sewerage and Water Board.

cc: Cedric S. Grant

**2015 CAPITAL BUDGET & 2015-2024 CAPITAL PROGRAM**

**WHEREAS**, the recommended funding for 2015 Capital Budget for the water, sewerage, and drainage systems is **\$393,989,000** and the recommended 2015-2024 Capital Program is **\$2,606,099,000**; and

**WHEREAS**, the drainage system portion of the recommended funding for 2015 Capital Budget is **\$100,547,000**; and

**WHEREAS**, the water system portion of the recommended funding for 2015 Capital Budget is **\$159,277,000** and

**WHEREAS**, the sewerage system portion of the recommended funding for 2015 Capital Budget is **\$87,717,000**; and

**NOW THEREFORE BE IT RESOLVED** that the Sewerage and Water Board of New Orleans does hereby approve the 2015 Capital Budget funding totaling **\$347,541,000** and accept the Ten Year Capital Program totaling **\$2,606,099,000**.

---

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 Regularly Monthly Meeting of said Board,  
duly called and held, according to law on  
December 17, 2014.

---

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



## SEWERAGE AND WATER BOARD

### Inter-Office Memorandum

---

**Date:** November 21, 2014

**From:** Rosita P. Thomas, *RPT.* Interim Finance Administrator

**To:** Robert Miller, Deputy Director

**RE:** 2015 OPERATING BUDGET AND 2015 CAPITAL BUDGET BLANKET  
APPROPRIATIONS RESOLUTION

**Attn:** Anita Simmons

---

Please find attached Resolution # R-253-2014 for the 2015 Operating Budget and 2015 Capital Budget Blanket Appropriations dated December 17, 2014 for the Finance Committee, and the Full Board approval. Place this resolution on the Finance Committee agenda as an action item.

This resolution is prepared annually and forwarded to the Board of Liquidation in accordance with the Board's policy and Louisiana State Statute.

Please contact me at 585-2364, if further discussion is necessary.

cc: Cedric S. Grant  
Dexter Joseph

**2015 Operating Budget and 2015 Capital Budget Blanket Appropriations  
December 17, 2014**

**WHEREAS**, as authorized by Louisiana R.S. 33:4083 that all funds received by the Board from water rates, and from the city by appropriation from its treasury, shall be deposited to the credit of the Board as collected, with fiscal agent of the city, and shall not be paid out except upon duly adopted resolution of appropriation, and;

**WHEREAS**, Louisiana R.S. 33:4094 specifically outlines the procedure for disbursement of Board funds on deposit with the Board of Liquidation, City Debt,

**NOW, THEREFORE, BE IT RESOLVED** by the Sewerage and Water Board of New Orleans, that this resolution of appropriation is adopted to authorize and empower the disbursement of funds as identified in its 2015 Operating Budget and 2015 Capital Budget, by those designated parties, both within the Board as specified by its by-laws and by and through warrants drawn on the Board of Liquidation, City Debt.

---

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 December 17, 2014.

---

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



## SEWERAGE AND WATER BOARD

### Inter-Office Memorandum

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**Date:** November 21, 2014  
**To:** Cedric S. Grant, Executive Director  
**From:** Steven Klepeis, Risk Manager  
**Re:** Renewal of Flood Insurance at 36 Locations

---

The Sewerage and Water Board Flood Insurance Schedule contains 36 locations which renew in January each year. (See attached schedule.) The remaining locations renew in August, owing to the original procedure in obtaining Flood Insurance.

In 2015, working through our broker, we will join the August renewal locations with the January renewal locations, so that all Flood Insurance renews in January and not during Hurricane Season in August.

The attachment presents the expiring premiums and the renewal premiums, per location. The renewal premium of \$177,117.00 is only \$467 more than the expiring premium of \$176,650.00. This is due to adjustments made in accordance with the National Flood Insurance Program.

We recommend renewal of Flood Insurance for the attached locations, in the amount of \$177,117.00

Respectfully,

Steven P Klepeis  
Risk Manager



**COMMERCIAL FLOOD INSURANCE POLICY FOR FACILITIES**

WHEREAS, The Sewerage & Water Board of New Orleans desires to renew its Commercial Flood Insurance policy for its facilities for the period January 12, 2015 through February 15, 2016; and

WHEREAS, the Board has maintained commercial Flood Insurance in accordance with FEMA's Obtain and Maintain Insurance requirements; and

WHEREAS, the Board requested its Flood Insurance broker, Charles Kennedy, Jr., of The Kennedy Financial Group to secure price quotations for such renewal on facilities; and

WHEREAS, the Kennedy Financial Group obtained a flood insurance quote of \$177,117.00 from Wright Flood Insurance for the existing coverage limits, which represents an increase of \$467.00 over the previous year's premium; and

WHEREAS, this quote includes required adjustments in premium and slight increase in rates over the previous year;

NOW THEREFORE, BE IT RESOLVED that the Interim Executive Director of the Sewerage & Water Board of New Orleans, is hereby authorized and directed to purchase commercial flood insurance coverage for its facilities through the Board's Flood Insurance broker, Charles Kennedy Jr., of The Kennedy Financial Group for a total of \$177,117.00.

---

I, Cedric S. Grant, Executive Director,  
Sewerage & 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 December 17, 2014

---

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

Sewerage Water Board of New Orleans  
Flood Schedule 2015-2016

Policy Number	Flood Zone	Insured Location	Building	Building Coverage	Contents Coverage	Deductible	Expiring Premium	Renewal Premium	Term
171151053978 01	A1	8800 S Claiborne Ave	Power Bldg (Low-High Lift)	\$500,000.00	\$500,000.00	\$ 5,000.00	\$12,520.00	\$12,520.00	01/12/2015-2016
171151054002 01	A1	8800 S Claiborne Ave	Turbine 6/Power House NO3	\$500,000.00	\$500,000.00	\$ 10,000.00	\$1,095.00	\$1,095.00	01/12/2015-2016
171151054005 01	A1	8800 S Claiborne Ave	LABOR (Laborre) HOUSE	\$50,000.00	\$10,000.00	\$ 1,000.00	\$241.00	\$241.00	01/12/2015-2016
171151054069 01	A1	8800 S Claiborne Ave	Ammonia Flouride Bldg	\$500,000.00	\$500,000.00	\$ 10,000.00	\$1,422.00	\$1,422.00	01/12/2015-2016
171151054073 01	A1	8800 S Claiborne Ave	RECYCLE BASIN MCC	\$200,000.00	\$500,000.00	\$ 2,000.00	\$2,053.00	\$2,053.00	01/12/2015-2016
171151054074 01	A1	8800 S Claiborne Ave	FERRIC PUMP BUILDING	\$100,000.00	\$500,000.00	\$ 1,000.00	\$1,139.00	\$1,139.00	01/12/2015-2016
171151054078 01	A1	8800 S Claiborne Ave	POLYMER PUMP BUILDING	\$100,000.00	\$500,000.00	\$ 1,000.00	\$1,139.00	\$1,139.00	01/12/2015-2016
171151054092 01	A1	8800 S Claiborne Ave	FILTER GALLERY	\$500,000.00	\$500,000.00	\$ 5,000.00	\$14,619.00	\$14,619.00	01/12/2015-2016
171151054095 01	A1	8800 S Claiborne Ave	SLUDGE PUMP HOUSE	\$500,000.00	\$500,000.00	\$ 1,250.00	\$1,984.00	\$1,931.00	01/12/2015-2016
171151054100 01	A1	8800 S Claiborne Ave	L Basin Flocculator Motor Control C	\$500,000.00	\$500,000.00	\$ 1,250.00	\$1,333.00	\$1,319.00	01/12/2015-2016
171151054105 01	A1	8800 S Claiborne Ave	MUD PUMP HOUSE	\$500,000.00	\$500,000.00	\$ 1,000.00	\$20,752.00	\$20,545.00	01/12/2015-2016
171151054119 01	A2	6501 Florida Ave	OXYGEN CONTROL BUILDING	\$500,000.00	\$75,000.00	\$ 1,250.00	\$1,159.00	\$1,149.00	01/12/2015-2016
171151054123 01	A2	6501 Florida Ave	PLANT SHOP	\$500,000.00	\$300,000.00	\$ 1,250.00	\$49,115.00	\$48,623.00	01/12/2015-2016
171151054127 01	A2	6501 Florida Ave	Administration and Laborat	\$500,000.00	\$500,000.00	\$ 1,000.00	\$2,321.00	\$2,299.00	01/12/2015-2016
171151054134 01	A2	6501 Florida Ave	4MW EMGCY GEN ELECTRICAL SU	\$500,000.00	\$500,000.00	\$ 5,000.00	\$2,222.00	\$2,222.00	01/12/1015-2016
171151054187 01	A2	3501 E Canal St	CHLORINE HANDLING STN	\$500,000.00	\$100,000.00	\$ 2,000.00	\$9,096.00	\$8,668.00	01/12/2015-2016

Sewerage Water Board of New Orleans  
Flood Schedule 2015-2016

Policy Number	Flood Zone	Insured Location	Building	Building Coverage	Contents Coverage	Deductible	Expiring Premium	Renewal Premium	Term
171151054190 01	A2	3501 E Canal St	YARD WATER PUMP BLDG	\$500,000.00	\$50,000.00	\$ 2,000.00	\$8,193.00	\$7,808.00	01/12/2015-2016
171151054136 01	B	900 Lamarque St	Old Head House & PU Unit	\$300,000.00	\$100,000.00	\$ 1,250.00	\$3,215.00	\$3,184.00	01/12/2015-2016
171151054144 01	B	900 Lamarque St	NEW FILTER GALLERY	\$500,000.00	\$400,000.00	\$ 1,000.00	\$2,670.00	\$2,670.00	01/12/2015-2016
171151054146 01	B	900 Lamarque St	OLD FILTER GALLERY	\$500,000.00	\$400,000.00	\$ 1,000.00	\$2,670.00	\$2,670.00	01/12/2015-2016
171151054150 01	B	900 Lamarque St	EIMCO 1	\$500,000.00	\$200,000.00	\$ 1,000.00	\$2,168.00	\$2,168.00	01/12/2015-2016
171151054153 01	B	900 Lamarque St	EIMCO 2	\$500,000.00	\$200,000.00	\$ 1,000.00	\$2,168.00	\$2,168.00	01/12/2015-2016
171151054155 01	B	900 Lamarque St	EIMCO 3 4	\$500,000.00	\$200,000.00	\$ 1,000.00	\$2,168.00	\$2,168.00	01/12/2015-2016
171151054157 01	B	900 Lamarque St	BOAT SHED	\$90,000.00	\$10,000.00	\$ 1,000.00	\$1,006.00	\$1,006.00	01/12/2015-2016
171151054160 01	B	900 Lamarque St	GUARD SHACK	\$50,000.00	\$50,000.00	\$ 1,000.00	\$643.00	\$643.00	01/12/2015-2016
171151054162 01	B	900 Lamarque St	OLD FILTER ELECTRIC BLDG	\$450,000.00	\$400,000.00	\$ 1,000.00	\$2,585.00	\$2,585.00	01/12/2015-2016
171151054165 01	B	900 Lamarque St	FERRIC BUILDING	\$500,000.00	\$100,000.00	\$ 1,000.00	\$1,877.00	\$1,877.00	01/12/2015-2016
171151054170 01	B	900 Lamarque St	5 MIL GALLON STORAGE TANK BLDG	\$500,000.00	\$500,000.00	\$ 1,000.00	\$2,880.00	\$2,880.00	01/12/2015-2016
171151054172 01	B	900 Lamarque St	LOW LIFT PUMP BUILDING	\$400,000.00	\$200,000.00	\$ 1,000.00	\$2,005.00	\$2,005.00	01/12/2015-2016
171151054174 01	B	900 Lamarque St	LOW LIFT BUILDING 2	\$400,000.00	\$200,000.00	\$ 1,000.00	\$2,005.00	\$2,005.00	01/12/2015-2016
171151054179 01	B	900 Lamarque St	PAC BUILDING	\$500,000.00	\$100,000.00	\$ 1,000.00	\$1,877.00	\$1,877.00	01/12/2015-2016
171151054180 01	B	900 Lamarque St	CHEMICAL BUILDING	\$400,000.00	\$100,000.00	\$ 1,000.00	\$1,714.00	\$1,714.00	01/12/2015-2016

Sewerage Water Board of New Orleans  
Flood Schedule 2015-2016

Policy Number	Flood Zone	Insured Location	Building	Building Coverage	Contents Coverage	Deductible	Expiring Premium	Renewal Premium	Term
171151054182 01	B	900 Lamarque St	LOWER COAST WATER TOWER BUILDING	\$500,000.00	\$500,000.00	\$ 1,000.00	\$2,880.00	\$2,880.00	01/12/2015-2016
171151065401 01	A1	8800 S Claiborne Ave	NAHOCL BUILDING	\$500,000.00	\$500,000.00	\$ 10,000.00	\$1,422.00	\$1,678.00	02/15/2015-2016 *
171151065407 01	A1	8800 S Claiborne Ave	HEAD HOUSE	\$500,000.00	\$500,000.00	\$ 5,000.00	\$9,187.00	\$10,841.00	02/15/2015-2016 *
171151065435 01	A2	6501 Florida Ave	ELECTRICAL SUBSTATION	\$500,000.00	\$300,000.00	\$ 1,000.00	\$1,107.00	\$1,306.00	02/15/2015-2016 *
* 2/15 estimated premium							\$176,650.00	\$177,117.00	





## SEWERAGE AND WATER BOARD

### Inter-Office Memorandum

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**Date:** November 22, 2014

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

**From:** Madeline Fong Goddard, Deputy General Superintendent

**Re:** Award of Contract to Provide Design and Engineering Services for Sewer Pump Station A – Structural Rehabilitation

Attached you will find the proposed resolution which, if adopted by the Board, would authorize the execution of an agreement with Black & Veatch Corporation. (BV) to provide project administration and management, preliminary engineering analysis, preliminary and final design, bidding and construction phase services for the structural rehabilitation of Sewer Pump Station (SPS) A.

BV was selected from a short list of qualified engineering and consulting firms approved by the Board on October 15, 2014 to provide design and engineering services for the replacement and rehabilitation of Sewerage & Water Board of New Orleans facilities. The firm was selected for their strong background and experience in structural rehabilitation. SPS A is a critical facility located adjacent to the Mahalia Jackson Theater. The station is experiencing the impacts of subsidence. The resulting cracks are being monitored for increased movement over time and short term fixes are being planned; however a long term final solution is required to ensure the facility can continue to operate.

Staff would like to enter into an agreement with BV to provide the above stated services; however at an initial level of effort for an amount not to exceed of \$83,101 to perform the preliminary engineering analysis, including geotechnical and non-destructive testing, in order to define the final scope of services.

The project shall be funded by Board system funds. This matter should be placed on the agenda of the upcoming Finance Committee as an action item.

MADELINE FONG GODDARD, P.E.  
DEPUTY GENERAL SUPERINTENDENT

**AWARD OF CONTRACT TO PROVIDE DESIGN AND ENGINEERING SERVICES FOR SEWER PUMP STATION A – STRUCTURAL REHABILITATION**

**WHEREAS**, at the October 15, 2014 Board Meeting, the Board approved a list of engineering and consulting firms for the replacement and rehabilitation of Sewerage & Water Board of New Orleans facilities and directed staff to enter into negotiations for project(s) with the most qualified candidate based upon the firm's ability to perform the work for the project's size and complexity; and

**WHEREAS**, the staff has reviewed the list and recommended Black & Veatch Corporation (BV) to provide project administration and management, preliminary engineering analysis, preliminary and final design, bidding and construction phase services for the structural rehabilitation of Sewer Pump Station (SPS) A; and

**WHEREAS**, BV is providing a phased approach with a level of effort for an amount not to exceed of \$83,101 to perform the preliminary engineering analysis, including geotechnical and non-destructive testing, to define the final scope of service; and

**WHEREAS**, BV plans to comply with the DBE participation goal, to meet or exceed the participation goal of 35% with Condall Consulting Group, LLC, Greenpoint Engineering and Trigon Associates LLC.

**NOW THEREFORE, BE IT RESOLVED**, by the Sewerage and Water Board of New Orleans that the President or President Pro-Tem is hereby authorized to enter into an agreement on behalf of the Sewerage and Water Board of New Orleans with Black & Veatch Corporation to provide project administration and management, preliminary engineering analysis, preliminary and final design, bidding and construction phase services for the structural rehabilitation of Sewer Pump Station (SPS) A.

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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 December 17, 2014.

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





## SEWERAGE AND WATER BOARD

### Inter-Office Memorandum

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**Date:** November 21, 2014

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

**From:** Madeline Fong Goddard, Deputy General Superintendent

**Re:** Award of Contract to Provide Owner's Representative and Construction Management Services for Capital Projects at the Wastewater Treatment Plants

Attached you will find the proposed resolution which, if adopted by the Board, would authorize the execution of an agreement with Veolia North America (Veolia) to provide owner's representative and construction manager services for capital projects at the wastewater treatment plants.

Veolia was selected from a short list of qualified engineering and consulting firms approved by the Board on October 15, 2014 to provide design and engineering services for the replacement and rehabilitation of Sewerage & Water Board of New Orleans facilities. The firm was selected for their ability to provide experienced staff with knowledge of not just construction management but also of the operations and maintenance of the East and West Bank Wastewater Treatment Plants.

Staff would like to enter into an agreement with Veolia to provide an owner's representative and construction manager for planned capital improvements including but not limited to the Effluent pump variable frequency drive installation, Contract 3795-Return activated sludge piping installation, Contract 3792-Central wetlands expansion and Contract 3794-Rehabilitation of the bioreactor train. The scope is negotiated for a level of effort not to exceed 1.7 FTE at an agreed upon hourly rates. Due to the size and expected scope of work this project does not allow any subcontracting opportunities, include SLDBE.

The project shall be funded by Board system funds. This matter should be placed on the agenda of the upcoming Finance Committee as an action item.



**AWARD OF CONTRACT TO PROVIDE OWNER'S REPRESENTATION AND CONSTRUCTION MANAGEMENT SERVICES FOR CAPITAL PROJECTS AT THE WASTEWATER TREATMENT PLANTS**

**WHEREAS**, at the October 15, 2014 Board Meeting, the Board approved a list of engineering and consulting firms for the replacement and rehabilitation of Sewerage & Water Board of New Orleans facilities and directed staff to enter into negotiations for project(s) with the most qualified candidate based upon the firm's ability to perform the work for the project's size and complexity; and

**WHEREAS**, the staff has reviewed the list and recommended Veolia North America (Veolia) to provide qualified personnel, approved by the Board, with knowledge and experience in not only construction management, but also in the operation and maintenance of the East and West Bank Wastewater Treatment Plants to perform the tasks of owner's representative and construction management services for capital projects planned at the plants; and

**WHEREAS**, Veolia shall provide the services for the duration of the following capital projects: Bio-solids incineration system improvements, Effluent pump variable frequency drive installation, Contract 3795-Return activated sludge piping installation, Contract 3792-Central wetlands expansion, Contract 3794-Rehabilitation of the bio reactor train, and miscellaneous projects as requested by staff, for a level of effort not to exceed 1.7 FTE at an agreed upon fixed hourly rates.

**NOW THEREFORE, BE IT RESOLVED**, by the Sewerage and Water Board of New Orleans that the President or President Pro-Tem is hereby authorized to enter into an agreement on behalf of the Sewerage and Water Board of New Orleans with Veolia North America to provide owner's representative and construction management services for capital projects at the East and West Bank Wastewater Treatment Plants.

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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 December 17, 2014.

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



## SEWERAGE AND WATER BOARD

### Inter-Office Memorandum

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**Date:** November 21, 2014

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

**From:** Madeline Fong Goddard, Deputy General Superintendent

**Re:** Amendment No. 3 to Agreement with MWH America, Inc. for Emergency Sewer Assessment Phase II

Attached you will find the proposed resolution which, if adopted by the Board, would authorize the execution of amendment to the MWH Americas, Inc. to identify FEMA eligible ADA curb ramps as related to the construction of FEMA eligible sewer repairs (ESSA II) on sewer main lines.

The City has entered into an arbitration agreement with FEMA and GOHSEP, dated April 25, 2014 for installation of curb ramps under the requirements set forth in the Americans with Disabilities Act (ADA) and Department of Justice Guidance at corners and median divided areas throughout the City and required to be installed by the City as a result of other damages to City streets, curbs and sidewalks from Hurricane Katrina. The scope of work, including site visits, project description and scope development, cost estimations and documentation, and level of effort has been requested by the City.

The cost to perform the determination for 970 intersections shall not exceed the amount of \$293,000 and shall be funded by FEMA.

This matter should be placed on the agenda of the upcoming Finance Committee as an action item.

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MADELINE FONG GODDARD, P.E.  
DEPUTY GENERAL SUPERINTENDENT

**AMENDMENT NO. 3 TO AGREEMENT WITH MWH AMERICAS, INC. FOR EMERGENCY SEWER ASSESSMENT  
PHASE II**

**WHEREAS**, on August 16, 2006, the Sewerage and Water Board of New Orleans (herein after "Board") adopted resolution R-97-2006 at its regular meeting that authorized the Board to enter into an agreement with MWH Americas, Inc. (MWH) to perform emergency sewer assessment (ESSA II) for the sum of \$8,484,224.00; and

**WHEREAS**, on September 24, 2007, the Board and MWH entered into an agreement for engineering and professional services in association with the FEMA funded ESSA II project, and

**WHEREAS**, on August 17, 2011, the Board adopted resolution R-124-2011 that authorized the Board to enter into an amendment with MWH due to FEMA providing additional facility survey for manholes, line cleaning and CCTV inspections for those Sewer Pump Station areas that were operating on temporary pumps for prolonged period of time at the cost of \$3,723,047.13; and

**WHEREAS**, on September 28, 2011, the Board and MWH entered into Amendment No. 1 for additional engineering and professional services in association with the FEMA funded ESSA II project; and

**WHEREAS**, on July 17, 2013, the Board and MWH entered into Amendment No. 2 for a time extension through December 31, 2015 in association with the FEMA funded ESSA II project, and

**WHEREAS**, the City of New Orleans has entered into an arbitration agreement with FEMA and GOHSEP, dated April 25, 2014 for installation of curve ramps under the requirements set forth in the Americans with Disabilities Act (ADA) and Department of Justice Guidance at corners and median divided areas throughout the City and required to be installed by the City as a result of other damages to City streets, curbs and sidewalks from Hurricane Katrina; and

**WHEREAS**, the City has requested the Board to identify FEMA eligible ADA curb ramps as related to the construction of FEMA eligible sewer repairs (ESSA II) on sewer main lines; and

**WHEREAS**, the Consultant has developed a scope of work to include site visits, project description and scope development, cost estimations and documentation, and a level of effort for 970 intersections at a total not to exceed amount of \$293,000.

**NOW THEREFORE BE IT RESOLVED**, that the agreement with MWH Americas, Inc. for the Emergency Sewer Assessment Phase II shall be amended to include identification of FEMA eligible ADA curb ramps as related to the construction of FEMA eligible sewer repairs for a total not to exceed amount of \$293,000 and the President and/or President Pro-Tem shall be authorized to execute the amendment to this contract.

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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 December 17, 2014.

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



# SEWERAGE AND WATER BOARD

## Inter-Office Memorandum

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**Date:** November 22, 2014

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

**From:** Madeline Fong Goddard, Deputy General Superintendent

**Re:** Award of Contract to Provide Assessments, Design, Construction and Program Management Services for SELA and Drainage Program

Attached you will find the proposed resolution which, if adopted by the Board, would authorize the execution of an agreement with BCG Engineering & Consulting, Inc. (BCG) to provide assessments, design, construction and program management services for the Southwest Louisiana Urban Flood Control Project (SELA), the Board's drainage system and the Wetlands Assimilation Project A-2.

BCG was selected from a short list of qualified engineering and consulting firms approved by the Board on October 15, 2014 to provide design and engineering services for the replacement and rehabilitation of Sewerage & Water Board of New Orleans facilities. The firm was selected for successfully providing the services listed above for SELA for Orleans Parish since 2006 and recommend their selection to continue providing those services at a fixed hourly rate based upon times and material. This recommendation also supports Resolution R-26-2006, whereas the Board approved BCG, formerly Brown, Cunningham and Gannuch, Inc. as the engineer to provide the above services for SELA through the end of the SELA construction activities, including contract closeout and financial completion, in Orleans Parish.

At the request of the City to qualify the Department of Public Work's drainage master plan (currently in draft), staff recommends contracting with BCG utilizing the model developed by BCG with the U.S. Army Corps of Engineers New Orleans. The task includes data acquisition to verify the accuracy of model components interface between the City's and BCG's model; analysis of storm high water mark for model calibration, effort to combine the two models, verify storage area boundaries and discharge locations, verify drainage infrastructure and, if needed, refinement of the City's model. The cost for this level of effort is an amount not to exceed of \$908,000.

At the direction of St. Bernard Parish, and specifically Adam Faschan of BCG has been requested to provide design, bid and construction administration services for a dechlorination facility to work in conjunction with the Wetlands Assimilation Project A-2 at an amount not to exceed of \$64,250. The dechlorination facility is to be located at the East Bank Wastewater Treatment Facility and shall provide for the removal of any residual chlorine in the effluent prior to discharge into the wetlands.

BCG plans to comply with the DBE participation goal to meet or exceed the established DBE participation goal of 35% with Greenpoint Engineering, ILSI Engineering, Infinity Engineering Consultants, MSMM Engineering, Royal Engineers & Consultants and Trigon Associates.

The project shall be funded by Board system funds and CPRA grant. This matter should be placed on the agenda of the upcoming Finance Committee as an action item.

MADELINE FONG GODDARD, P.E.  
DEPUTY GENERAL SUPERINTENDENT

c: Ron Spooner, Mubashir Maqbool, Felicia Bergeron

**AWARD OF CONTRACT TO PROVIDE ASSESSMENTS, DESIGN, CONSTRUCTION AND PROGRAM MANAGEMENT SERVICES FOR SELA AND DRAINAGE SYSTEM**

**WHEREAS**, at the October 15, 2014 Board Meeting, the Board approved a list of engineering and consulting firms for the replacement and rehabilitation of Sewerage & Water Board of New Orleans facilities and directed staff to enter into negotiations for project(s) with the most qualified candidate based upon the firm's ability to perform the work for the project's size and complexity; and

**WHEREAS**, the staff has reviewed the list and recommended BCG Engineering & Consulting Inc. (BCG) to provide the assessments, design, construction and program management services for the Southeast Louisiana Urban Flood Control Project (SELA), the Sewerage & Water Board of New Orleans (Board) drainage system and Wetlands Assimilation Project A-2; and

**WHEREAS**, BCG will contract for the general scope of services for SELA and the drainage system to include but not limited to the following at a fixed schedule on a time and materials basis:

- Analyses and modeling to evaluate the systems that work in conjunction with the Board's systems and facilities
- Assessments for the development and preparation of preliminary design reports for proposed drainage and/or green infrastructure improvements
- Providing detailed design plans, specifications and contract documents and bid services
- Providing construction inspection and contract administration
- Providing program management and oversight
- Preparing grant applications and providing implementation and management services; and

**WHEREAS**, BCG will contract for the following specific scope of services:

- Analyses and modeling to evaluate and combine the Board's major drainage model with the City of New Orleans Department of Public Works' model at an amount not to exceed of \$908,000; and
- Design, bid and construction administration services for a dechlorination facility at the East Bank Wastewater Treatment Plant for the Wetlands Assimilation Project A-2 at an amount not to exceed of \$64,250 with the support and direction of the co-stakeholder, St. Bernard Parish; and

**WHEREAS**, BCG will comply with the DBE participation goal to meet or exceed the established DBE participation goal of 35% with Greenpoint Engineering, ILSI Engineering, Infinity Engineering Consultants, MSMM Engineering, Royal Engineers & Consultants and Trigon Associates.

**NOW THEREFORE, BE IT RESOLVED**, by the Sewerage and Water Board of New Orleans that the President or President Pro-Tem is hereby authorized to enter into an agreement on behalf of the Sewerage and Water Board of New Orleans with BCG

Engineering & Consulting, Inc. to provide assessment, design, construction and program management services for SELA and the Drainage System.

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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 December 17, 2014.

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



## SEWERAGE AND WATER BOARD

### Inter-Office Memorandum

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**Date:** November 22, 2014

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

**From:** Madeline F. Goddard, Deputy General Superintendent

**Re:** Amendment to Agreement with Stanley Consultants, Inc. for Design and Engineering Services for the Water Hammer Hazard Mitigation Project

Attached you will find the proposed resolution, which if adopted by the Board, would authorize the execution of an amendment to Stanley Consultants, Inc. for additional surveying and sub-surface utility engineering in the vicinity of the Pump Room, Panola and Leonidas area for the captioned project.

The increased in the level of effort associated with surveying was a result of the staff requested change in alignment for the discharge line to go into Leonidas Street around the pump station before tying back in to the existing transmission mains. The number of utilities found above those shown on the record drawings resulted in an increased level of effort to the sub-consultant performing the work.

The cost to perform the additional scope of work is \$37,940.50 and shall be funded by FEMA.

This matter should be placed on the agenda of the upcoming Finance Committee as an action item.

**C:** Ron Spooner  
Chris Bergeron



**AMENDMENT TO AGREEMENT WITH STANLEY CONSULTANTS, INC. FOR DESIGN AND ENGINEERING SERVICES FOR THE WATER HAMMER HAZARD MITIGATION PROJECT**

**WHEREAS**, by action of the Sewerage and Water Board of New Orleans (Board), through the adoption of Resolution R-174-2011, Stanley Consultants, Inc. was awarded the agreement for design and engineering services for the Water Hammer Hazard Mitigation Project at the Carrollton Water Treatment Plant for \$2,499,362.06 ; and

**WHEREAS**, by action of the Sewerage and Water Board of New Orleans (Board), through the adoption of Resolution R-75-2014, Stanley Consultants, Inc. amended the agreement for additional scope of work for the design and management of elevated storage water tanks, off-site bladder tanks, and property acquisition for the bladder tanks; performance of a second preliminary design report (PDR) per request from FEMA to evaluate replacement of the Claiborne Water Pumping Station pumps versus the original repair and upgrade of same pumps; and additional Supplemental Services, including surveying, field exploration, and other geotechnical services as associated with the elevated storage tanks and bladder tanks by \$1,025,821.60; and

**WHEREAS**, the level of effort for the existing contract has increased due to the following reasons:

- Additional subsurface utility engineering to locate existing facilities in the Pump Room, Panola and Leonidas area; and
- Survey along Leonidas Street including topographical surveying not originally included in the scope of work.

**NOW THEREFORE, BE IT RESOLVED**, that the President and/or President Pro Tem shall be authorized to execute the amendment to this agreement with Stanley Consultants, Inc. for the Water Hammer Hazard Mitigation Project increasing the fee authorized to be paid to Stanley Consultants, Inc. by \$37,940.50 to a total fee of \$3,563,124.16.

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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 December 17, 2014.

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



## SEWERAGE AND WATER BOARD

### Inter-Office Memorandum

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**Date:** November 25, 2015

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

**From:** Madeline Fong Goddard, Deputy General Superintendent

**Re:** Amendment No. 3 to Agreement with Black and Veatch Corporation for Design and Engineering Services for the EBWWTP Sludge Dryer Project

Attached you will find the proposed resolution which, if adopted by the Board, would authorize the execution of Amendment No. 3 to the existing Agreement with Black and Veatch Corporation for additional design and engineering services to address the new Maximum Available Control Technology regulations for Sewage Sludge Incinerators for the captioned project.

The original Agreement was entered into on December 22, 2010. Additional structural design services were approved in Amendment Nos. 1 and 2 to increase the structural integrity of the East Bank Wastewater Treatment Plant Solids Dewatering and Disposal Building to accommodate the proposed sludge dryer. The project was advertised and bid in mid-2013; however both bids were significantly over the estimated budget and rejected by the Board.

As the Board prepared to repackage the contract for advertisement, Veolia, the operator for the EBWWTP made the board aware the new regulations with a compliance deadline of February 21, 2016 shall impact the fluidized bed incinerator and its future operations. Veolia performed air emissions testing August 11-13, 2014. The results indicated that the existing pollution control equipment would not comply and that modifications are required. Thus in order to minimize the amount of downtime for the incinerator, and ensure coordination of the new equipment for pollution control with the sludge drying system configuration, as well as prevent additional loads to the existing foundation, additional design services are required to review the air emissions data, identify suitable pollution control upgrades, evaluate the upgrades to minimize impacts to the drying system configuration and structural systems, and established a basis of design for detailed design scope.

The cost to perform the additional scope of work is \$87,082. and shall be funded by FEMA and Board system funds. The cumulative total for the agreement with BV is \$735,356.

This matter shall be placed on the agenda of the upcoming Finance Committee as an action item.

**AMENDMENT TO THE AGREEMENT WITH BLACK AND VEATCH CORPORATION FOR DESIGN AND  
ENGINEERING SERVICES FOR THE EBWWTP SLUDGE DRYER PROJECT**

**WHEREAS**, by action of the Sewerage and Water Board of New Orleans (Board) through the adoption of Resolution R-183-2010, Black and Veatch Corporation (BV) was awarded an agreement for design and engineering services for the East Bank Wastewater Treatment Plant (EBWWTP), Sludge Dryer Project; and

**WHEREAS**, by action of the Board through the adoption of Resolution R-021-2012, the agreement with BV was amended to increase the scope of work for an amount not to exceed \$28,366.00 for additional design for repairs to existing columns and wind post at the EBWWTP Solids Dewatering and Disposal Building at elevation 60.00; and

**WHEREAS**, by action of the Board through the adoption of Resolution R-098-2012, the agreement with BV was amended to increase the scope of work for an amount not to exceed \$169,908.00 for additional design, including a column supported free-standing metal structure connecting to the existing foundation at elevation 15.33 and extending to elevation 60.00 located in the southwest corner EBWWTP Solids Dewatering and Disposal Building; and

**WHEREAS**, the scope of work for the agreement has increased due to the following reasons:

- The Environmental Protection Agency has implemented new Maximum Available Control Technology (MACT) Standards for Sewage Sludge Incinerators (SSI), with a compliance date of February 21, 2016.
- Air emissions testing performed August 11- 13, 2014 indicated that modifications are required of the fluidized bed incinerator pollution control systems to comply with the new regulations for several pollutants.
- The modification needs to be coordinated with the sludge drying system configuration to minimize equipment downtime, avoid equipment and structural interferences, and prevent additional loads from exceeding the capacity of the existing foundation; and

**WHEREAS**, additional services are required to review the air emissions data, identify suitable pollution control upgrades, evaluate the upgrades to minimize impacts to the drying system configuration and structural systems, and established a basis of design for detailed design scope for an amount not to exceed of \$87,082.

**NOW, THEREFORE BE IT RESOLVED** that the President and/or President Pro Tem shall be authorized to execute the amendment to this agreement with Black and Veatch Corporation for the EBWWTP Sludge Dryer Project, increasing the fee authorized to be paid to BV by \$87,082 to a total cumulative fee of \$735,356.

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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 December 17, 2014.

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



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** November 25, 2014

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

**To:** Cedric S. Grant  
Executive Director


**Re:** Engineering Support Services RFQ

In an effort to identify firms interested and qualified to provide engineering support services, the SWB staff developed an RFQ and advertised for interested firms. Submittals were collected and evaluated individually before a public meeting was held for the review of the above mentioned RFQ on Friday, November 21 at 1 pm in the Carrollton Water Plant Auditorium. At that meeting, individual evaluations of the proposals were tabulated and averaged for the purposes of identifying acceptable candidates in the areas of surveying, materials testing and geotechnical services. Scores were presented for each of the three areas and were presented as attached to this document.

For the purposes of awarding work from the SWB, it has been determined that firms scoring above 60 would be eligible for work assignment, in the area of their expertise.

There has been one adjustment to the scores for one firm subsequent to the meeting held on the 21<sup>st</sup>. In response to request, available representatives of the review staff met with Patriot Engineering and Environmental to discuss their scores for geotechnical services. At that meeting, they provided supplemental information documenting registration in the state of Louisiana along with a list of their experience. Based upon this supplemental information, Patriot's score was adjusted to a 73.25 for that service.

Please present this to the appropriate Board committees for their review and approval.

  
Joseph Becker, P.E.  
General Superintendent

cc: Mingo, Carter, Spooner, Moeinian  
Hirsch, Dubourg, Vincent, Miller

**AWARD OF ENGINEERING SUPPORT SERVICES IN THE AREAS OF  
ENGINEERING SURVEYING SERVICES, MATERIALS TESTING AND  
GEOTECHNICAL ENGINEERING SERVICES**

**WHEREAS**, the Sewerage and Water Board advertised for and obtained a number of submittals for engineering support services and

**WHEREAS**, after review of the submittals an approved list in each of the areas has been developed, and

**WHEREAS**, the approved list for surveying services includes 9 firms: BFM Corporation, Gandolfo Kuhn, Willbros Engineers, Linfield, Hunter & Junius, Dragon Limited, GOTECH Inc, Bryant Hammett Associates, Batture Engineering, and Newell Engineering, and

**WHEREAS** the approved list for geotechnical services includes 13 firms: PSI, Eustis Engineering Services, Stantec, Ardaman & Associates, Terracon Consultants, Beta Group Eng. & Const. Services, Southern Earth Sciences, Tolunay-Wong Engineers, Gulf South Engineering & Testing, Fugro Consultants, Kenall, Inc., APS Design & Testing and Patriot Engineering & Environmental, and

**WHEREAS** the approved list for materials testing services includes 14 firms: PSI, Eustis Engineering Services, Stantec, Ardaman & Associates, Southern Earth Sciences, Terracon Consultants, Beta Group Eng. & Const. Services, Tolunay-Wong Engineers, Gulf South Engineering & Testing, Fugro Consultants, Alpha Testing & Inspection, Kenall, Inc., Patriot Engineering & Environmental, BFA Environmental Consultants.

**NOW THEREFORE BE IT RESOLVED**, that the above listed firms be approved to perform Engineering Survey Services, Geotechnical Services and Materials Testing for the SWB on an as needed basis.

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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 December 17, 2014.

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



## SEWERAGE AND WATER BOARD

### Inter-Office Memorandum

---

**Date:** November 25, 2014

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

**From:** Madeline Fong Goddard, Deputy General Superintendent

**Re:** Award of Contract to Provide Staff Support for Water Line Replacement Program

Attached you will find the proposed resolution which, if adopted by the Board, would authorize the execution of an agreement with MWH America, Inc. (MWH) to provide staff support to Network Engineering, Networks and Emergency Management for the Water Line Replacement Program.

MWH was selected from a short list of qualified engineering and consulting firms approved by the Board on October 15, 2014 to provide design and engineering services for the replacement and rehabilitation of Sewerage & Water Board of New Orleans facilities. The firm was selected for their successful management of the sewer system and consent decree, their corresponding work on the FEMA funded water line replacement and sewer repairs, and the ongoing analysis for the City's ADA work. As both the City and Board ramps up the multi-million dollar FEMA Roads Recovery Program, its evident that staff requires additional support to ensure at close-out that all federal funds shall be retained.

The scope of services shall include program planning and administration – document and refine standard operation procedures for work between City and Board departments from design through construction and contract close-out; assisting Emergency Management with the processing, management and close-out of project worksheets; providing program controls including maintaining a document control system, schedule and cost controls and information management; supplementing Board engineers in management of the design engineers, deliverables and other activities as requested; providing construction management services; assisting with final completion and acceptance of contracts and providing supplemental water valve shuts, assessment, training and support for the Board field crews.

MWH plans to meet the DBE participation goal of 35% with 18% for construction services with CDW Services, 5% for construction/support with GOTECH, Inc., 7% for program controls support with Royal Engineers and

Consultants and 5% Emergency management staff support with Trigon Associates LLC.

The scope of services is for staff support upon request, at a fixed hourly rate, for an amount not to exceed of 2% of the direct administrative costs allotted by FEMA for the Water Line Replacement Program and 3% of the program management budget allotted for each of the 53 FEMA project worksheets. This matter should be placed on the agenda of the upcoming Finance Committee as an action item.

## AWARD OF CONTRACT TO PROVIDE STAFF SUPPORT FOR WATER LINE REPLACEMENT PROGRAM

**WHEREAS**, at the October 15, 2014 Board Meeting, the Board approved a list of engineering and consulting firms for the replacement and rehabilitation of Sewerage & Water Board of New Orleans facilities and directed staff to enter into negotiations for project(s) with the most qualified candidate based upon the firm's ability to perform the work for the project's size and complexity; and

**WHEREAS**, the staff has reviewed the list and recommended MWH America, Inc. (MWH) to provide staff support to Networks Engineering, Networks and Emergency Management for the Water Line Replacement Program; and

**WHEREAS**, MWH shall provide the following scope of services:

- Program planning and administration – document and refine standard operation procedures for work between City and Board departments from design through construction and contract close-out
- Assist Emergency Management with the processing, management and close-out of project worksheets
- Provide program controls including maintaining a document control system, schedule and cost controls and information management
- Supplement Board engineers in management of the design engineers, deliverables and other activities as requested
- Provide construction management services
- Assist with final completion and acceptance of contracts
- Provide supplemental water valve shuts, assessment, training and support for the Board field crews; and

**WHEREAS**, MWH plans to meet the DBE participation goal of 35% with CDW Services (18% for construction services), GOTECH, Inc. (5% for construction/ support), Royal Engineers and Consultants (7% for program controls support) and Trigon Associates LLC. (5% Emergency management staff support); and

**WHEREAS**, MWH shall enter into an agreement for a level of effort at fixed hourly rates, for an amount not to exceed of 2% of direct administrative costs allotted by FEMA for the Water Line Replacement Program and 3% of the program management budget allotted for each of the 53 FEMA project worksheets.

**NOW THEREFORE, BE IT RESOLVED**, by the Sewerage and Water Board of New Orleans that the President or President Pro-Tem is hereby authorized to enter into an agreement on behalf of the Sewerage and Water Board of New Orleans with MWH America, Inc. to provide staff support for the Water Line Replacement Program.

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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 December 17, 2014.

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







## SEWERAGE AND WATER BOARD OF NEW ORLEANS

November 4, 2014

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

Dear Directors:

Subject: Recommended Changes to Bylaws Article VI Section 6 Finance Committee

The rules associated with Committees of the Board of Directors of Sewerage and Water Board of New Orleans are defined in Article VI of the Bylaws. Sections 1 through 4 and 12 through 18 are common to all Committees. Section 6 defines the role of the Finance Committee.

There are key issues that may be added in order to clarify that defined role: financial reporting, financing strategies; alternative financing mechanisms; credit ratings; internal control assisment; and audit compliance.

I recommend that the bylaws related to the Finance Committee be modified to specifically address these responsibilities as shown on the attached proposed update to Article VI Section 6.

Cedric S. Grant  
Executive Director

# BYLAWS OF SEWERAGE & WATER BOARD OF NEW ORLEANS

## ARTICLE VI – COMMITTEES

### FINANCE COMMITTEE

#### Section 6:

The Finance Committee shall be in charge of the financial affairs of the Board, subordinate to the Board's direction.

The following matters are illustrative of those brought before the Finance Committee for consideration: financial reporting; Operating Budget; financing strategies; alternative financing mechanisms; Capital and Operating Budget recommendation and review, banking,; bond issues,; review and recommendation for award of all contracts, and all bid appeals,; internal controls assessment; internal and external audit reports compliance,; ~~or and~~ other matters of a financial nature.

# BYLAWS OF SEWERAGE & WATER BOARD OF NEW ORLEANS

## ARTICLE VI – COMMITTEES

### ALL COMMITTEES

#### Section 1:

There shall be four (4) standing Committees, to be named respectively: the Executive Committee, the Finance Committee, the Operations Committee, and the Committee on Infrastructure and Operating Systems.

In addition, a Pension Committee is established in accordance with the "Rules and Regulations of the Employees Retirement System of the Sewerage and Water Board of New Orleans."

A Plumbing Conference Committee is established in accordance with the Plumbing Code of the City of New Orleans.

Other Ad Hoc Committees may be formed by the Board or by the President of the Board.

The President of the Board shall appoint the Chairpersons and all members of the foregoing Committees. The President of the Board may appoint the Vice Chairpersons of the three (3) standing Committees. The make-up of the Committees may be re-examined periodically and new appointments made so that all members of the Board may participate in all phases of Sewerage and Water Board operations and administration. Each Board member must be assigned to serve on at least one (1) Committee.

#### Section 2:

The Executive Committee shall consist of five (5) members made up as follows: the President Pro Tern, who shall Chair the Executive Committee, and the Chairpersons of the other three (3) Committees, and the Chairperson of the Plumbing Conference Committee.

Section 3:

Each of the other standing committees shall consist of five (5) members of the Board, to be appointed by the President. Three (3) members of any standing committee shall constitute a quorum.

Section 4:

In the absence of the Committee Chairperson and the Vice Chairperson at any meeting of a committee, the committee may elect a Chairperson Pro Tern.

Section 12:

Any of the Committees may meet upon regular call of the Chairperson and shall meet upon ruling to that effect by the Board.

Section 13:

All reports of Committees for submission at the regular meeting of the Board shall be in writing and action thereon may be deferred to the subsequent regular meeting of the Board.

Section 14:

Both the President of the Board and the President Pro Tern shall be ex-officio members of each and all committees, both with the right to vote the same as any other member of said committees. Both the President of the Board, and the President Pro Tern, when acting as ex-officio members of a Committee in accordance with the foregoing, shall be true members in every sense and shall be counted towards the establishment of a quorum for the meeting.

Section 15:

Action taken by a Committee of the Board shall be by a majority of those present.

Section 16:

Except in instances where the Board shall declare a matter to be an emergency, all matters to be brought before the Board shall first be considered by a Committee of the Board.

Matters that appear before the Board under its consideration of "New Business" shall be assigned by the President or in his absence the President Pro Tem to the appropriate Committee of the Board.

Section 17:

Whenever there is an absence of a quorum required for a Committee of the Board to meet, the Executive Director shall reschedule the Committee Meeting to the next available date and time at which a quorum can be reasonably anticipated. Absent a quorum, there shall be no meeting of the Committee, however, the members present may, if they so desire, receive information or reports pertaining to matters on the agenda for such meeting.

Section 18:

Items not acted upon by the Committee to which they were originally assigned, due to that Committee not meeting because of a lack of a quorum, may, at the discretion of the President or President Pro Tem be placed temporarily upon the agenda of the Executive Committee. If there is no final action taken on the item by the Board, or if the entire matter addressed thereat is not disposed of, any further action regarding the item shall be considered by the Committee to which the item was originally assigned.



**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**CHANGE ORDER ANALYSIS SUMMARY FOR FISCAL YEAR 2014**

As of November 22, 2014

	<u><b>Total Active Contracts (\$)</b></u>	<u><b>Total Change Orders (\$)</b></u>	<u><b>Percentage Contract</b></u>
<b>WATER</b>			
Construction	\$ 310,409,382	\$ 4,446,789	1.4%
Design	\$ 57,846,655	\$ 19,890,094	34.4%
Total Water	\$ 368,256,038	\$ 24,336,883	6.6%
<b>SEWERAGE</b>			
Construction	\$ 184,952,065	\$ 4,787,084	2.6%
Design	\$ 14,527,111	\$ 7,823,817	53.9%
Total Sewerage	\$ 199,479,176	\$ 12,610,901	6.3%
<b>DRAINAGE</b>			
Construction	\$ 54,871,451	\$ 2,463,073	4.5%
Design	\$ 28,924,258	\$ 2,074,469	7.2%
Total Drainage	\$ 83,795,709	\$ 4,537,542	5.4%
<b>Total Program</b>	<b>\$ 651,530,923</b>	<b>\$ 41,485,326</b>	<b>6.4%</b>





# Sewerage & Water Board of New Orleans

## Committee & Board of Director's Meeting Schedule

2015

<b>THURSDAY</b>	<b>JANUARY 1, 2015</b>	<b>HOLIDAY</b>	<b>NEW YEAR'S DAY / OFFICE CLOSED</b>
MONDAY	JANUARY 5, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	JANUARY 6, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	JANUARY 7, 2015	<b>9:00 AM</b>	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	JANUARY 7, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	JANUARY 9, 2015	9:00 AM	EXECUTIVE COMMITTEE
<b>MONDAY</b>	<b>JANUARY 19, 2015</b>	<b>HOLIDAY</b>	<b>MLK DAY / OFFICE CLOSED</b>
WEDNESDAY	JANUARY 21, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	FEBRUARY 2, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	FEBRUARY 3, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	FEBRUARY 4, 2015	<b>9:00 AM</b>	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	FEBRUARY 4, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	FEBRUARY 6, 2015	9:00 AM	EXECUTIVE COMMITTEE
<b>TUESDAY</b>	<b>FEBRUARY 17, 2015</b>	<b>HOLIDAY</b>	<b>MARDI GRAS/ OFFICE CLOSED</b>
WEDNESDAY	FEBRUARY 18, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	MARCH 2, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	MARCH 3, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	MARCH 4, 2015	<b>9:00 AM</b>	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	MARCH 4, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	MARCH 6, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	MARCH 18, 2015	9:00 AM	BOARD OF DIRECTOR'S
WEDNESDAY	APRIL 1, 2015	<b>9:00 AM</b>	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	APRIL 1, 2015	10:30 AM	PENSION COMMITTEE
<b>FRIDAY</b>	<b>APRIL 3, 2015</b>	<b>HOLIDAY</b>	<b>GOOD FRIDAY / OFFICE CLOSED</b>
MONDAY	APRIL 6, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	APRIL 7, 2015	8:00 AM	FINANCE COMMITTEE
FRIDAY	APRIL 10, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	APRIL 15, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	MAY 4, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	MAY 5, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	MAY 6, 2015	<b>9:00 AM</b>	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	MAY 6, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	MAY 8, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	MAY 20, 2015	9:00 AM	BOARD OF DIRECTOR'S
<b>MONDAY</b>	<b>MAY 25, 2015</b>	<b>HOLIDAY</b>	<b>MEMORIAL DAY / OFFICE CLOSED</b>
MONDAY	JUNE 1, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	JUNE 2, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	JUNE 3, 2015	<b>9:00 AM</b>	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	JUNE 3, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	JUNE 5, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	JUNE 17, 2015	9:00 AM	BOARD OF DIRECTOR'S

# Sewerage & Water Board of New Orleans

## Committee & Board of Director's Meeting Schedule

2015

WEDNESDAY	JULY 1, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	JULY 1, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	JULY 3, 2015	HOLIDAY	INDEPENDENCE DAY/OFFICE CLOSED
MONDAY	JULY 6, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	JULY 7, 2015	8:00 AM	FINANCE COMMITTEE
FRIDAY	JULY 10, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	JULY 15, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	AUGUST 3, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	AUGUST 4, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	AUGUST 5, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	AUGUST 5, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	AUGUST 7, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	AUGUST 19, 2015	9:00 AM	BOARD OF DIRECTOR'S
TUESDAY	SEPTEMBER 1, 2015	8:00 AM	OPERATIONS/ FINANCE COMMITTEE
WEDNESDAY	SEPTEMBER 2, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	SEPTEMBER 2, 2015	10:30 AM	PENSION
FRIDAY	SEPTEMBER 4, 2015	9:00 AM	EXECUTIVE COMMITTEE
MONDAY	SEPTEMBER 7, 2015	HOLIDAY	LABOR DAY / OFFICE CLOSED
WEDNESDAY	SEPTEMBER 16, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	OCTOBER 5, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	OCTOBER 6, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	OCTOBER 7, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	OCTOBER 7, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	OCTOBER 9, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	OCTOBER 21, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	NOVEMBER 2, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	NOVEMBER 3, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	NOVEMBER 4, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	NOVEMBER 4, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	NOVEMBER 6, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	NOVEMBER 18, 2015	9:00 AM	BOARD OF DIRECTOR'S
THURSDAY	NOVEMBER 26, 2015	HOLIDAY	THANKSGIVING / OFFICE CLOSED
FRIDAY	NOVEMBER 27, 2015	HOLIDAY	VETERANS DAY / OFFICE CLOSED
WEDNESDAY	DECEMBER 2, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	DECEMBER 2, 2015	10:30 AM	PENSION COMMITTEE
MONDAY	DECEMBER 7, 2015	8:00 AM	OPERATIONS COMMITTEE
TUESDAY	DECEMBER 8, 2015	8:00 AM	FINANCE COMMITTEE
FRIDAY	DECEMBER 11, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	DECEMBER 16, 2015	9:00 AM	BOARD OF DIRECTOR'S
FRIDAY	DECEMBER 25, 2015	HOLIDAY	CHRISTMAS DAY / OFFICE CLOSED

NOTE: DUE TO THE LABOR DAY HOLIDAY IN SEPTEMBER, WE ARE ATTEMPTING TO HOLD THE OPERATIONS AND FINANCE COMMITTEES AS A JOINT MEETING.

Presented for your careful consideration by Board Member Alan Arnold

*Management responses shown in bold below. October 2014*

**ANALYSIS OF NET ASSETS ON BALANCE SHEET**

all numbers in this request for answers to questions are in thousands

	2004	2009	2013
	1,826,416	2,248,235	2,891,420
Depr	(546,973)	(643,843)	(783,552)
Net	1,279,442	1,604,392	2,107,837
Unrestricted Cash available	3,043	21,159	30,326
Free Cash Flow(exc grants)	58,991	26,051	52,972
% rate of return on assets	4.6	1.6	2.5
Long Term Debt	270,900	228,878	170,255
% of Assets	21.1	14.3	8.1

Of the \$828,395 increase since 2004, how much was contributed capital from Fed, State or other sources?

*Essentially all capital improvements made between 2005 and 2013 were funded by contributed capital from federal and state programs.*

Of the work completed, how much was repair of damage from the storm at market rate and how much was new construction?

*Essentially all capital improvements made between 2005 and 2013 were for construction related to damage following Hurricane Katrina.*

The 5 year Capital Budget in 2004 was 1.9 billion. Of the items listed in that budget, which ones have actually been constructed?

*Management has not analyzed the 2004-2008 Capital Improvement Plan to determine which projects have been constructed as that plan was made irrelevant by the damage following Hurricane Katrina. Instead, a new capital improvement plan was developed based upon the new needs that existed as a result of the storm.*

Isn't a budget supposed to reflect capital needs THAT WILL BE MET in each year or is it just a Capital Needs Statement?

*Prior to 2014, management used the Capital Improvement Plan to identify capital needs and the preferred schedule for constructability, noting that funding was not available at that time to fully execute the plan. Beginning in 2014, the Capital Improvement Plan was developed to provide for full funding within the constraints of the program of water and sewer rates adopted for 2013-2020.*

Is it the intention of this Board to budget capital needs each year based on greatest need and ability to pay?

*It is management's intent to recommend a capital budget each year based upon priority, constructability, and funding availability.*

Would it not be helpful if the Board was furnished comparative statistics such as rate of return and debt to equity and other metrics from systems that are similar to ours?

*Comparative financial statistics are particularly helpful when establishing water and sewer rates to achieve particular financial objectives. The key financial metrics used between the occasions for establishing water and sewer rates are the debt service coverage ratio and the days of unrestricted cash on hand.*

The drainage department would have to be treated separately since at present it is supported only by property taxes. Water and sewer can be treated as a single unit since there are many publicly owned systems that are supported only by fee for service.

#### ANALYSIS OF MAJOR LIABILITIES OTHER THAN DEBT

	2,004	2,009	2,013
Pension	0	1,855	15,430
Post Ret Health	0	24,474	54,778

The pension plan is presently under scrutiny by the Pension Comm. However the question is why the liability of \$15,430,000 on the Balance Sheet is different from the unfunded liability amount reported in the Actuarial Report? That amount for 2013 is \$62,379,320.

*This information will be provided under separate cover.*

The Post Retirement Health Benefit plan has had a dramatic increase. The cost curve appears to be out of control. This is a defined benefit plan like the pension plan. In my two years this activity was never reported on by the Finance Comm who must have had the oversight responsibility. I was on the Pension Comm and it was not included in its duties of oversight. This matter needs immediate attention. The questions are too numerous for this report. Isn't the Pension Comm with its employee members better suited to handle this issue?

*Post-retirement health benefits are paid on an annual cost basis. The difference between the annual cost basis and the actuarial basis is a non-cash expense recorded as a long-term liability. Changes to the funding for post-retirement health benefits are appropriately considered by the Finance Committee according to the Sewerage and Water Board bylaws. The cost of these benefits is not paid from Pension Fund assets.*

A copy of the actuarial report should be furnished to the appropriate committee. Regardless, I request a copy of the report ASAP.

*A copy of the actuarial report as of January 1, 2014 has been provided to the Finance and Pension Committees and will be provided to other members of the Board of Directors upon request.*

#### ANALYSIS OF OPERATING EXPENSES

2004

2009

2013

Total (exc depr&amor) major increases	115,938	130,574	144,693
Adm & Gen	14,978	13,504	17,333
Payroll related	18,794	35,085	34,928

Payroll expenses for other than adm & gen are included  
in the costs of the other general department categories

Comparing these line items from the annual report with the OPERATING BUDGET is not possible because different categories are used. Payroll Related is only \$10,573 in the BUDGET.

Of the \$28,785 increase from 2004 to 2013, \$18,561 was due to these two categories or 64.5%. An explanation is requested especially because of the change in the head count.

*Until 2007, the Board recognized the cost of providing post-employment medical benefits as an expense when the benefit premiums were due. Adoption of GASB Statement 45 ACCOUNTING AND FINANCIAL REPORTING BY EMPLOYERS FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS changed how the cost was computed to an actuarial basis, making the numbers reported in the 2004 CAFR no longer comparable to the corresponding numbers reported in 2013.*

Personnel head count	1,118	836	871
Payroll			
regular	30,165	29,947	29,706
overtime & other	8,886	15,795	17,319
Total	39,051	45,742	47,025
reg per person av	27	36	34
total per person av	34.9	54.7	53.9
PAYROLL RELATED per emp	16.8	41.9	40.1
Total	51.7	96.6	94.0

There is a sizable difference between the headcount in the 2013 annual report and the Black & Veatch report of April 2014. It states the head count at 1,028. What is the basis of the difference?

*The 2013 CAFR report headcount is as of December 31, 2013. The Black & Veatch report headcount is as of the time when their review was performed.*

Have we hired 157 new employees since Jan 1 2014?

*Sewerage and Water Board has hired approximately 130 employees since January 1, 2014. However, approximately 110 employees have terminated service since that time.*

It states 189 additional employees need to be hired to fill vacancies. Is that report an accurate



picture of personnel?

*Yes, that is a reasonable estimate.*

What part of the 2013 payroll was sick pay, vacation pay, and overtime?

*This information will be provided under separate cover.*

Please break down the components of PAYROLL RELATED.

*This information will be provided under separate cover.*

Of the net 247 employees released after the storm, how many had vested pensions and what was the average length of their employment?

*Management did not perform an analysis of the pension status and average length of employment for employees who terminated service following Hurricane Katrina.*

What was the value of their regular salaries?

*Management did not perform an analysis of the value of their regular salaries for employees who terminated service following Hurricane Katrina.*

Of the new employees hired since the storm, how many were working for city and brought their retirement vesting rights with them?

*Management did not perform an analysis of the employees hired following Hurricane Katrina who had previously worked for the city and brought their retirement vesting rights with them. Note that any employees who joined Sewerage and Water Board after previous service with City of New Orleans also brought their retirement contributions with them.*

Does civil service give special preference to employees working for the city over other civil service workers in state or public systems?

*No.*

In general does civil service give preference to civil service workers over those in the private sector if qualifications are similar??

*For jobs that are original entry positions, there is no preference given between civil service workers and private sector applications. For jobs that are promotional positions, there are no applications received from outside the civil service system.*

Are sick days and vacation earned a function of Civil Service or is discretion allowed to the employer?

*The allotment of sick days and vacation days is part of the Civil Service rules and regulations.*

Every employee earns a maximum of 13 sick days per year.  
What was the total number of sick days cashed in 2013?

*This information will be provided under separate cover.*

What was the average per employee?

*This information will be provided under separate cover.*

As stated in the annual report except for a few individuals hired before Jan 1, 1979 all employees earn 13 vacation days per year. Bonus days are earned for length of service up to a maximum of 20 days for 20 years of service. However only a maximum of 45 days can be cashed and only at separation. If that is correct, what is the average amount of vacation days cashed in a year at separation?

*This information will be provided under separate cover.*

Is this also purely a function of Civil Service regulations or is any discretion allowed?

*The limitation on days which may be earned during service and cashed upon termination is part of the Civil Service Rules and Regulations.*

In 2013 what was the highest amount of overtime earned by one employee and what was the average and the mean for all employees?

*This information will be provided under separate cover.*

How many employees (excluding top mgmt) collected no overtime?

*This information will be provided under separate cover.*

What amount of overtime is attributable to covering vacation, sick days and holidays?

*Industry best-practices indicate that utility-wide overtime of approximately 7% to 8% as compared to regular time is for covering vacation, sick days, holidays, and the twenty-first shift of round-the-clock schedules as well as for completion of jobs begun on regular time but completed most efficiently by the same workers.*

What amount is attributable to understaffing?

*The amount in excess of the 7% to 8% would be attributable to understaffing.*

Are essential employees rotated so weekends are not overtime?

*Yes.*

Of the other expenses, Maintenance of General Plant needs an explanation.  
It has increased from \$10,764,000 in 2004 to \$27,647,127 in 2013. Is that a number that is



expected to grow at least at the inflation rate or has much of that been catch up and covered by FEMA reimbursement and will begin a reversal to the mean?

*Maintenance of General Plant has increased due to: repair of storm-related damage of existing infrastructure; ongoing age-related maintenance of existing infrastructure; increased costs following Hurricane Katrina; temporary facilities to be maintained such as temporary sewer bypass pump stations; and new facilities to be maintained such as backup power generators and drainage and sewer pump stations. While storm-related damage of existing infrastructure will eventually be completed; the remaining maintenance will continue on an on-going basis.*

In conclusion the staffing problem is the most important issue facing the Board now that the capital needs are being addressed. The 2014 Black & Veatch report highlights that fact in its report.

It lists three main problems to solving the problem: 1) Lack of Qualified Candidates 2) Cumbersome Hiring Process 3) Pay Limits and Residency Requirements. My analysis suggests that our current compensation system is a product of the past. To compensate for low salaries the Board adopted a very generous benefits program that pushed the costs into the future just as it did with the Capital Program. Those costs are now damaging the system and will hamper a solution to the staffing problem.

It is imperative that we design a pay system that we can afford without jeopardizing the 10 yr Capital Program. Fairness to the existing loyal hard working employees is important however difficult to define but we must try. It is clear to me that changes to both the pension plan and the post retirement benefits is necessary. That process cannot be done in a piecemeal fashion. It request immediate attention and very careful analysis.

## **ANALYSIS OF REVENUE AND BUDGET ESTIMATES OF REVENUE**

Revenue is going up due to the increase in rates. However the projected increase in the number of customers appears to be high based on available estimates from reliable sources like the Community Data Center of New Orleans. It uses mail addresses and Entergy connections to determine growth patterns. Observers also point out that there is very little in the way of new single housing being created. Most of the action is in renovation. In that case a unit may have already been counted, than goes offline during renovation and then comes back on when finished.

The description and numbers of units is not in the annual report. A five year history and projection is included in the Official Statement for the bond sale which projects a 2% annual increase in both single family and multi family units for the next five years. This projection is critically important to the budget process for estimating future revenues. It also projects commercial units to increase by 2% per yr and industrial is flat. From 2008 to 2013 multi family increased at 1.5% per yr. Commercial units increased 1% per year.

In 2014 YTD we are below budget for revenue. A thorough analysis of the revenue budget process is requested. Outside data sources and organizations will be needed in the process.

This report also is flawed in that it gives a false picture of the market that the S&WB serves. The 2010 census states that approximately 47% of the population estimated at 379,000 in 2013

live in owner occupied housing, therefore 53% are renters.

*Management respectfully disagrees that the report is flawed.*

The table shows, as a defined term ,106,039 Single Family residents as customers. It lists 4,508 as Multifamily Residential customers. It lists the sales per customer in the single family unit as 51,000 gallons per year. That is an average of 4,250 gal per customer per mth. That is less than the average of 5,300 per mth published in the Official Statement which projects affordably and ranking among regional peers. The cost of that average amount is \$63.52 per month. I live in a 3600 sq. ft. home uptown. My youngest son lives with us while renovating his first time home purchase, an old shotgun double in the Carrollton area. My S&WB bill from Jan-Aug averaged \$80 for the three of us. We do have grass and plants to water. Therefore it is reasonable to assume that an average of 3 persons live in each unit. That suggests that 318,117 people live in the category Single Family Residents. The average multifamily consumption is 147,000 gal. That is 2.9 times greater than the average per address for the single family customer which suggests 8.7 persons live in the 4,508 multi family addresses or 39,219 persons. When that is added to the single family residents the total is 357,336, which is about 20,000 less than the population. The conclusion is that of the 318,117 living in single family units at least 190,800 are living in rental units which equates to 60% of the reported total.

If every rental unit is separately metered, it will also have a separate address for mail and should be separately billed for both S&WB and sanitation. Obviously there are some rental units in a double or other with only one meter for S&WB. That means that the owner is being billed for S&WB and sanitation but in all likelihood the renter has a mailing address and is separately metered for power and directly billed by Entergy. For example does the owner of a shotgun double get 2 sanitation charges if one side is rented and not metered for water?

*Rules for billing of sanitation charges are established by the City of New Orleans, which provides information to Sewerage and Water Board on the number of units to be billed.*

Since the S&WB is responsible for billing for sanitation how is the situation of two sets of cans handled?

*Sewerage and Water Board is responsible for billing the number of sanitation units identified by the City of New Orleans, but is not responsible for determining how many sanitation units are assigned to each dwelling.*

In the Black & Veatch report it states that S&WB staff estimate there are 129,000 meters in the system. The total number of customers reported in Official Statement is 120,591. Is water shut off to 8409 meters or Is there a large category of units that receive metered water but are not considered customers?

*No.*

How many units are inhabitable?

*Sewerage and Water Board does not currently keep records on inhabitable versus uninhabitable properties.*

Of the total how many units have had the water shut off for failure to pay?

*There were 20,385 accounts turned off for non-payment in 2013. However, the number of units turned off will be less than that total due to some accounts being turned off more than one time during 2013.*

If the water is turned off how long is a resident allowed to occupy the unit if a payment plan is not established?

*Sewerage and Water Board does not determine how long a resident may occupy a property after water service has been turned off.*

At what point does the health department or other city agency get involved?

*No other city agencies are involved in the delinquent account or service turn-off process.*

The foregoing may be inaccurate but it helps to more correctly describes the market served than the present description. This distinction is important because it has a bearing on Board policy and creates a more complete description of the customer accounts receivables including the aged accounts that will be written off.

Recognizing that the collection rate is an excellent 98% at present, problems could be developing with the price increases for the next 10 years and the proration of partial collections with sanitation.

There was a 25% increase in 2013 for provision for doubtful accounts.

The Board's stated policy is to write off as uncollectable customer receivables when 3 years is reached.

The finance committee should be closely monitoring that report. I think the report becomes more valuable if the Single Family units that are rental are properly identified. There needs to be special attention given to the accounts of the low income residents in our community for both humanitarian and business reasons.

It is more probable that payment difficulties will occur with renters that we classify as single family residents.

If an account goes into a payment plan, how long does the customer have to repay the outstanding bills?

*The typical payment plan is for three to six months. However, each customer's circumstances are evaluated separately and may be extended in certain cases for up to thirty-six months.*

How are delinquent fees handled in a payment plan?

*Delinquent fees incurred prior to the payment plan are included in the plan. There are no delinquent fees incurred while the customer makes the scheduled payments during the plan. However, if the customer does not make the payments according the schedule, the service is turned off immediately without further notice.*

Until the customer begins paying ( not inc int) the customer eventually needs to pay MORE THAN the normal monthly bill or the outstanding balance will continue to increase. Can a payment plan continue indefinitely?

*No.*

If a customer on a payment plan vacates the premise  
what recourse does the Board have to collect the balance?

*Sewerage and Water Board has the same actions available for collection of delinquent accounts for customers who vacate their resident prior to completion of a payment plan as for customers who vacate their resident without signing a payment plan.*

Is the debt reported to credit agencies?

*The collection agency retained by Sewerage and Water Board reports delinquent accounts to credit agencies.*

Is there any formal collection procedure for bad debts?

*Yes. The Service Rules and Regulations govern the process for collection of accounts receivable.*

Why wait 3 years to write it off?

*The debt remains collectable for up to three years following when the account was last billed.*

What percentage of our bad debts come from the Payment program caused by residents who vacate the premise?

*Management has not computed statistics on what percentage of bad debts come from customers on payment plans who vacate their residence prior to completion of the payment plan.*

The Board's official policy states that it administers its Water Assistance Program for qualifying customers in need of assistance. There are presently 1,400 participants in the program. It is limited to single family residents only. Does that include renters as well as owner occupied residents?

*Yes, the Water Help program is available to renters and owner-occupied residents. However, there are not currently 1,400 participants in the program. There have been 384 accounts provided with assistance through this program during January through September 2014.*

The Board should be furnished a description of the assistance program and the payment plan details. Additionally, an aged receivables account should be furnished and reviewed periodically by the appropriate committee. I request a copy of those reports.

*Extensive information on the Water Help program has been provided to the Operations Committee during 2013 and 2014. Information on accounts receivable balances between 30 and 120 days old and more than 120 days old is provided to the Operations Committee each month.*

Has the Board ever done a cost benefit analysis between incurring bad debts among the poorest among us vs increasing the amount of support in the Water Assistance Program?

*There has not yet been an adequate length of time since the increased funding of Water Help to determine if it has resulted in a corresponding decrease in bad debts. The increase to Water Help occurred in January 2013 and the delinquent accounts for 2013 will not be written off until January 2016.*

As for engineering questions I am clearly unqualified but I have one question that has a large financial component. That pertains to the use of the Carrolton power plant vs. purchased power from Entergy. I recognize that Board's plant is vital to the continuous operation of the system during times of weather and emergency incidents that can interrupt power from Entergy. It costs \$.33 per KW hr just to purchase the fuel to run the Board's power plant to generate power. It costs \$.10 per KW hr to purchase power from Entergy. That equates to \$57,039 for 590,955 hrs for Entergy vs \$128,481 for 336,350 hrs for fuel for the power plant.

I have had discussions with engineers that I respect that claim that mix could be more heavily weighted to Entergy without jeopardizing the integrity of the main function to provide back up for the continuous operation of the system during weather conditions or other emergencies that could negatively impact the system.

To accomplish the goal of a fair, intelligent analysis of this possibility, outside experts would need to be brought to the table to interact with our engineering staff. It seems logical if this was possible our staff would be making proposals to study the issue. It is reasonable to assume that they have done their analysis and have made the decision it is not viable. With great to all involved, differences of opinion on issues like this occur all of the time in many industries. However in many cases after rethinking the issue from a different perspective with help from talented professionals, often positions can change and great rewards can be forthcoming. We are dealing with a large financial reward if that could happen in this issue confronting the S&WB. What have we got to lose by trying?

*The reliability of the public power system must be evaluated in conjunction with the needs for uninterrupted power by the Sewerage and Water Board system. While alternatives are evaluated for consideration, cost savings cannot be realistically and meaningfully achieved by trading reliable service for occasional system disruptions and boil water notices.*