

SEWERAGE & WATER BOARD OF NEW ORLEANS

FINANCE AND ADMINISTRATION COMMITTEE MEETING

MONDAY, MARCH 14, 2016

TIME: 1:00PM

**6 2 5 S T . J O S E P H S T R E E T
2 ^N D F L O O R B O A R D R O O M**

Scott Jacobs, Chair • Joseph Peychaud, Vice Chair • Kimberly Thomas • Dr. Tamika Duplessis • Kerri Kane

TENTATIVE AGENDA

ACTION ITEMS

1. General Superintendent's Recommendations
2. Amendment No. 7 to Agreement with Raftelis Financial Consultants (R-036-2016)

PRESENTATION ITEMS

3. Financial Results through January 2016

EXECUTIVE SESSION

None

INFORMATION ITEMS

4. Appointment of Securities Litigation Monitor
5. Leak Adjustment Policy
6. DBE Participation on Contracts
 - Bid Recommendations – DBE Participation
 - Construction Review Committee
 - Staff Contract Review Committee
 - Final Acceptance Contracts with DBE Participation
 - DBE Participation Report
7. Customer Service Results through February 2016
8. FEMA Project Worksheet Status
9. Review of Previous Report
10. Any Other Matters

**GENERAL SUPERINTENDENT RECOMMENDATIONS
FOR THE MARCH 16, 2016 MEETING**

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

- Item 1 - R-031-2016 - FURNISHING ANHYDROUS AMMONIA
REQ. NOS. AL160001 & CM160001
- Item 2 - R-032-2016 - FURNISHING SOLID WALL (PVC) PIPE SDR
26 & 35 AND POLYVINYL CHLORIDE (PVC)
C-900 PIPE FOR THE WATER DISTRIBUTION
SYSTEM - REQ. NO. YW160003
- Item 3 - R-033-2016 - FURNISHING RECLAIMED ASPHALTIC
PAVEMENTS (RAP) - REQ. NO. YW160001

B. CONTRACT FINAL ACCEPTANCE

- Item 4 - R-034-2016 - CONTRACT 2103 - REPLACEMENT OF WATER
LINES DAMAGED BY HURRICANE KATRINA
WITHIN PORTIONS OF THE BROADMOOR,
LAKEVIEW, MILNEBURG, READ BOULEVARD
EAST AND THE LOWER NINTH WARD
NEIGHBORHOODS
- R-035-2016 - CONTRACT 8136 - CONSTRUCTION OF
STAGING SITE RELOCATION FACILITY AT
CENTRAL YARD 2900 PEOPLES AVENUE, NEW
ORLEANS, LA

**GENERAL SUPERINTENDENT RECOMMENDATIONS
REPORT OF FINAL ACCEPTANCE TO BE
CONSIDERED BY THE FINANCE COMMITTEE AND
THE BOARD'S MEETING OF MARCH 16, 2016**

During February 2016 bids were received and evaluated (as per attached tabulations) and on various items as follows:

1. **FURNISHING ANHYDROUS AMMONIA - REQ. NOS. AL160001 & CM160001**

One (1) bid was received on February 18, 2016 for furnishing anhydrous ammonia to the Carrollton and Algiers Water Plants. It is recommended that awards be made on an item-by-item basis, to the low bidder, as follows:

Item 1, to **Tanner Industries, Inc.** in the total amount of **\$319,000.00**, for furnishing 550,000 pounds of anhydrous ammonia to the Carrollton Water Plant, be accepted based upon the technical review of the proposals.

Item 2, to **Tanner Industries, Inc.** in the total amount of **\$39,050.00**, for furnishing 55,000 pounds of anhydrous ammonia to the Algiers Water Plant, be accepted based upon the technical review of the proposals.

There is no DBE participation.

Funds for this project are budgeted under Account Codes 3224 (Chemicals-New Orleans) and 3244 (Chemicals-Algiers) and Object Code 4701 (Ammonia).

2. **FURNISHING SOLID WALL (PVC) PIPE SDR 26 & 35 AND POLYVINYL CHLORIDE (PVC) C-900 PIPE FOR THE WATER DISTRIBUTION SYSTEM - REQ. NO. YW160003**

One (1) bid was received on February 18, 2016 for furnishing solid wall (pvc) pipe sdr 26 & 35 and polyvinyl chloride (pvc) c-900 pipe for the water distribution system. The bid of LA Utilities Supply Co. in the total amount of \$251, 224.75 was over the estimated amount of \$125,000.00. **It is, therefore, recommended that this bid be rejected.**

GENERAL SUPERINTENDENT RECOMMENDATIONS (CONT'D)

March 16, 2016

Page 2

3. **FURNISHING RECLAIMED ASPHALTIC PAVEMENTS (RAP) - REQ. NO. YW160001**

Three (3) bids were received on February 18, 2016 for furnishing reclaimed asphaltic pavements (rap). The bid of Hamp's Enterprises, LLC contained a slight informality in the actual bid price and in the written price. It is, therefore, recommended that this informality be waived and the low corrected bid of **Hamp's Enterprises, LLC** in the total amount of **\$225,000.00** be accepted based upon the technical review of the proposals.

The three (3) bidders are as follows:

1. Hamp's Enterprises, LLC	\$225,000.00
2. Qualified Transportation	229,500.00
3. Boh Bros. Construction Company	399,750.00

The DBE participation is 30%.

The estimated amount for this project is \$300,000.00.

Funds for this project are budgeted under Account Code 0850 (Warehouse & Grounds) and Object Code 9916 (Miscellaneous).

4.

REPORT OF FINAL ACCEPTANCE

PROPOSAL:

Contracts 2103 and 8136 be considered for acceptance.

EVALUATION:

Contract 2103 - **Boh Bros. Construction, LLC** - Replacement of Water Lines Damaged by Hurricane Katrina within Portions of the Broadmoor, Lakeview, Milneburg, Read Boulevard East and the Lower Ninth Ward Neighborhoods. Total Contract Bid \$4,696,885.00. Total Contract Expenditure \$2,509,460.18. Date Work Order Issued November 7, 2012. Date Work Accepted February 16, 2016. The DBE Participation Goal is 49%. The DBE participation achieved is 49%.

GENERAL SUPERINTENDENT RECOMMENDATIONS (CONT'D)

March 16, 2016

Page 3

Contract 8136 - **Courseault Commercial, Inc.** - Construction of Staging Site Relocation Facility at Central Yard 2900 Peoples Avenue, New Orleans, LA. Total Contract Bid \$1,800,000.00. Total Contract Expenditure \$1,806,749.07. Date Work Order Issued November 12, 2012. Date Work Accepted May 14, 2015. The DBE Participation Goal is 36%. The DBE participation achieved is 36%.

RECOMMENDATION:

The above contracts are recommended for acceptance.

JRB/J
RMAR16.GSR

FURNISHING ANHYDROUS AMMONIA - REQ. NOS. AL160001 & CM160001

BE IT RESOLVED by the Sewerage and Water Board of New Orleans that one (1) bid was received on February 18, 2016 after advertising according to the Public Bid Law, for Furnishing Anhydrous Ammonia. The low bid was hereby accepted and contract awarded therefore, on an item-by-item basis:

Item 1, to **Tanner Industries, Inc.** for the total amount of **\$319,000.00** (550,000 pounds to the Carrollton Water Plant).

Item 2, to **Tanner, Industries, Inc.** for the total amount of **\$39,050.00** (55,000 pounds to the Algiers Water Plant).

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 March 16, 2016.

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

FURNISHING SOLID WALL (PVC) PIPE SDR 26 & 35 AND POLYVINYL CHLORIDE (PVC) C-900 PIPE FOR THE WATER DISTRIBUTION SYSTEM - REQ. NO. YW160003

BE IT RESOLVED by the Sewerage and Water Board of New Orleans that one (1) bid was received on February 18, 2016 after advertising according to the Public Bid Law, for Furnishing Solid Wall (PVC) Pipe SDR 26 & 35 and Polyvinyl chloride (PVC) C-900 Pipe for the Water Distribution system. **It is recommended that all bids be rejected.**

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 March 16, 2016.

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

**FURNISHING RECLAIMED ASPHALTIC PAVEMENTS (RAP) - REQ. NO.
YW160001**

BE IT RESOLVED by the Sewerage and Water Board of New Orleans that three (3) bids were received on February 18, 2016 after advertising according to the Public Bid Law, for Furnishing Reclaimed Asphaltic Pavements (RAP). The bid was hereby accepted and contract awarded therefore to **Hamp's Enterprises, LLC** for the total amount of **\$225,000.00**.

I, Cedric S. Grant, Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on March 16, 2016.

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

FINAL ACCEPTANCE AND CLOSE-OUT TO CONTRACT 2103 - REPLACEMENT OF WATER LINES DAMAGED BY HURRICANE KATRINA WITHIN PORTIONS OF THE BROADMOOR, LAKEVIEW, MILNEBURG, READ BOULEVARD EAST AND THE LOWER NINTH WARD NEIGHBORHOODS

WHEREAS, Contract 2103 is ready for Final Acceptance by the Sewerage & Water Board of New Orleans; and

WHEREAS, the General Superintendent in his report has recommended that this contract receive final acceptance and be closed out.

NOW, THEREFORE, BE IT RESOLVED, by the Sewerage and Water Board of New Orleans that the recommendation of the General Superintendent to authorize final acceptance and to close out Contract by **Boh Bros. Construction, LLC.** for **Contract 2103,** is hereby approved.

I, Cedric S. Grant, Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on March 16, 2016.

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

**FINAL ACCEPTANCE AND CLOSE-OUT TO CONTRACT 8136 - CONSTRUCTION
OF STAGING SITE RELOCATION FACILITY AT CENTRAL YARD 2900 PEOPLES
AVENUE, NEW ORLEANS, LA**

WHEREAS, Contract 8136 is ready for Final Acceptance by the
Sewerage & Water Board of New Orleans; and

WHEREAS, the General Superintendent in his report has
recommended that this contract receive final acceptance and be
closed out.

NOW, THEREFORE, BE IT RESOLVED, by the Sewerage and Water Board
of New Orleans that the recommendation of the General
Superintendent to authorize final acceptance and to close out
Contract by **Courseault Commercial, Inc.** for **Contract 8136,** is
hereby approved.

I, Cedric S. Grant, Executive
Director, Sewerage and Water Board
of New Orleans, do hereby certify
that the above and foregoing is a
true and correct copy of a
resolution adopted at the Regular
Meeting of the said Board, duly
called and held, according to law,
on March 16, 2016.

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



SEWERAGE AND WATER BOARD OF NEW ORLEANS

March 14, 2016

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

Subject: Amendment No. 7 to Agreement with Raftelis Financial Consultants

Dear Directors:

Staff recommends approval of attached Amendment No. 7 to Agreement with Raftelis Financial Consultants in the amount of \$50,680 that provides for work that has been and will be performed in support of fees-in-lieu of construction as part of Article 23 of the Comprehensive Zoning Ordinance.

Staff intends that this will be the final amendment to this contract that originated in 2010 and plans to issue a new request for proposals in the near future for similar work that has been performed under this contract:

1. Extend the financial plan through 2025 and prepare a critical evaluation of future revenues in comparison to previous revenue projections.
2. Develop a comprehensive asset management strategy and identifying the financial and asset data requirements.
3. Prepare bond feasibilities as needed.

Staff will be prepared to discuss this further at the March 14, 2016 meeting of the Finance and Administration Committee.

Robert K. Miller
Deputy Director / Chief Financial Officer

AMENDMENT NO. 6 TO EXISTING CONTRACT WITH
RAFTELIS FINANCIAL CONSULTANTS, INC.

WHEREAS, on April 27, 2010 the Sewerage and Water Board of New Orleans (hereafter "Board") entered into an agreement with Raftelis Financial Consultants, Inc. for a Comprehensive Financial Planning, Cost of Service Study, and Related Services to be performed; and

WHEREAS, analytical services are needed to support fees-in-lieu of construction as part of Article 23 of the Comprehensive Zoning Ordinance; and

WHEREAS, Raftelis Financial Consultants has previously performed similar work for Sewerage and Water Board;

NOW, THEREFORE, BE IT RESOLVED that the President or President Pro Tem is hereby authorized to execute on behalf of the Sewerage and Water Board of New Orleans Amendment No. 7 to the agreement, as amended, with Raftelis Financial Consultants, Inc. for the services described for a fee of \$50,680.

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 March 16, 2016.

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

AMENDMENT NO. 7 TO AGREEMENT

BETWEEN

SEWERAGE AND WATER BOARD OF NEW ORLEANS

AND

RAFTELIS FINANCIAL CONSULTANTS, INC.

THIS AMENDMENT made on this _____ day of _____ 2016 to an Agreement that was originally entered into on April 27, 2010 and subsequently amended on June 23, 2011, January 12, 2012, August 20, 2012, July 10, 2013, March 18, 2014, and September 10, 2015 between the **SEWERAGE AND WATER BOARD OF NEW ORLEANS** (hereinafter "Board"), represented herein by **MITCHELL J. LANDRIEU, PRESIDENT**, and **RAFTELIS FINANCIAL CONSULTANTS, INC.** (hereinafter "Consultant"), represented herein by **PEIFFER A. BRANDT, CHIEF OPERATING OFFICER**.

WITNESSETH:

WHEREAS, on April 27, 2010 the Board entered into an agreement with Consultant for a Comprehensive Financial Planning, Cost of Service Study, and Related Services to be performed;

NOW THEREFORE, Board and Consultant agree to further amend the original Agreement as follows:

ARTICLE I is amended adding the following additional Scope of Work as follows:

I. SCOPE OF WORK:

In addition to the Scope of Work in the original agreement, Consultant and their subcontractors shall:

- a) Perform an evaluation of the feasibility of implementing a drainage fee to fund the necessary capital and operating expenses associated with the Board's drainage efforts per the attached proposal (Attachment "A").

ARTICLE II is amended to read as follows:

II. COMPENSATION

It is mutually agreed and understood that the total cost for services rendered in connection with the work performed under this Amendment shall not exceed the sum of \$50,680 including personnel costs and expenses. Progress payments may be made monthly, based on the percent of project completion.

This Amendment No. 7 contains the entire amendment to the original Agreement, which was previously amended by Amendment No. 1 on June 23, 2011; Amendment No. 2, dated January 12, 2012; Amendment No. 3, dated August 20, 2012; Amendment

No. 4, dated July 10, 2013; Amendment No. 5, dated March 18, 2014; and Amendment No. 6, dated September 10, 2015, between the parties and the remaining provisions of the original Agreement, as amended, shall remain in full effect.

IN WITNESS WHEREFORE, the parties hereto have made and executed this Amendment No. 7 to the original Agreement, as amended, on the day and date first hereinabove written.

SEWERAGE AND WATER BOARD OF NEW ORLEANS

BY: _____
MITCHELL J. LANDRIEU, PRESIDENT

FORM AND LEGALITY APPROVED:

Legal Department

By: _____

Printed Name: _____

RAFTELIS FINANCIAL CONSULTANTS, INC.

BY: Peiffer A. Brandt
PEIFFER A. BRANDT, CHIEF OPERATING OFFICER

CORPORATE TAX I.D.

Table 1 – Fees and Expenses by Task

Task	Task Descriptions	Hours Requirements			Total Fees
		PB	KR	RFC Staff	
	HOURLY RATES	\$270	\$260	\$160	
1	Fee-In-Lieu Research				\$16,180
	<i>Initial discussions</i>		2	0	
	<i>Gather data from literature and City</i>		2	4	
	<i>Review data and perform calculations</i>		8	40	
	<i>F-I-L meeting with staff at City Hall</i>		10	18	
	<i>RFC Internal peer review</i>	2			
2	Fee-in-Lieu Rate Development				\$5,380
	<i>Analyze cost data</i>		4	8	
	<i>Develop fee-in-lieu payment</i>		4	4	
	<i>Conference calls to review fee</i>		2	2	
	<i>RFC internal peer review</i>	2			
3	Prepare Fee-in-Lieu Report				\$6,260
	<i>Develop draft report</i>		2	16	
	<i>Review draft report with working group</i>		2	2	
	<i>Prepare revised/final draft(s)</i>	2	2	8	
4	Review Article 23 of CZO				\$2,320
	<i>Provide comments on Article 23</i>		4	8	
5	Provide Guidance on Impervious Feature Capture				\$15,800
	<i>Work with GIS to optimize process and test outcomes</i>	4	32	40	
TOTAL ESTIMATED HOURS		10	74	150	
PROFESSIONAL FEES		\$2,700	\$19,240	\$24,000	
Total Fees					\$45,940
Total Expenses					\$4,740
TOTAL FEES & EXPENSES					\$50,680

Sewerage and Water Board of New Orleans

Summary of Financial Results

Through January 31, 2016

Prior Year Variances

	Water	Sewer	Drainage
Revenues	(734,112)	(1,064,303)	1,508
Operating Expenses	1,367,159	264,812	835,315
Non-Operating Revenues and Expenses	34,953	35,909	(1,003,162)
Income before Capital Contributions	(2,066,318)	(1,293,206)	(1,836,969)

Budget Variances

	Water	Sewer	Drainage
Revenues	(1,305,522)	(1,965,632)	3,149
Operating Expenses	(1,478,809)	(2,109,919)	(1,240,336)
Non-Operating Revenues and Expenses	46,382	17,857	(4,513,894)
Income before Capital Contributions	219,669	162,144	(3,270,409)

Days of Cash

	Water	Sewer	Drainage
	255.9	241.4	287.9

Projected Debt Service Coverage Times

	Water	Sewer	Drainage
	1.67	2.02	Not Applicable



SEWERAGE AND WATER BOARD OF NEW ORLEANS

March 14, 2016

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

Re: Financial Results through January 2016

Attached is the *Statement of Revenues, Expenses, and Changes in Net Position* with budget and prior year comparisons for the water, sewer, drainage and total systems through January 2016. The Variance Indicators for Financial Results through January 2016 is also attached. The *Statement of Net Assets* and the *Statement of Cash Flows* will be provided after the completion of the 2015 audit.

Operating Revenues:

Water System Fund (pages 7 and 8, line 5) for January of \$6,090,904 is \$1,305,522 or 17.7% less than budgeted and \$734,112 or 10.8% less than January 2015 due to a large number of accounts being estimated during the month. We anticipate that this will resume to normal during the next two months.

Sewer System Fund (pages 13 and 14, line 5) for January of \$6,846,696 is \$1,965,632 or 22.3% less than budgeted and \$1,064,303 or 13.5% less than January 2015 due to a large number of accounts being estimated during the month. We anticipate that this will resume to normal during the next two months.

Drainage System Fund (pages 19 and 20, line 5) for January of \$3,149 is \$3,149 or 100.0% more than budgeted and \$1,508 or 91.9% more than for January 2015.

Total System Funds (pages 1 and 2, line 5) for January of \$12,940,749 are \$3,268,006 or 20.2% less than budgeted and \$1,796,907 or 12.2% less than January 2015.

Operating Expenses:

Water System Fund (pages 7 and 8, line 18) for January of \$6,639,337 is \$1,478,809 or 18.2% less than budgeted and \$1,367,159 or 25.9% more than January 2015. These expenses do not include the cost of energy during the month due to delays in submitting the invoice for processing.

Sewer System Fund (pages 13 and 14, line 18) for January of \$4,428,845 is \$2,109,919 or 32.3% less than budgeted and \$264,812 or 6.4% more than January 2015. These expenses do not include the cost of contract operations or energy during the month due to delays in submitting the invoice for processing.

Drainage System Fund (pages 19 and 20, line 18) for January of \$3,833,265 is \$1,240,336 or 24.4% less than budgeted and \$835,315 or 27.9% more than January 2015. These expenses do not include the cost of energy during the month due to delays in submitting the invoice for processing.

Total System Funds (pages 1 and 2, line 18) for January of \$14,901,447 are \$4,829,064 or 24.5% less than budgeted and \$2,467,285 or 19.8% more than January 2015. January YTD operating expenses of \$14,901,447 are \$4,829,064 or 24.5% less than budgeted and \$2,467,285 or 19.8% more than January YTD 2015.



SEWERAGE AND WATER BOARD OF NEW ORLEANS

Net Non-Operating Revenues:

Water System Fund (pages 7 and 8, line 28) for January of \$79,757 is \$46,382 or 139.0% more than budgeted and \$34,953 or 78.0% more than January 2015.

Sewer System Fund (pages 13 and 14, line 28) for January of \$56,362 is \$17,857 or 46.4% more than budgeted and \$35,909 or 175.6% more than January 2015.

Drainage System Fund (pages 19 and 20, line 28) for January of \$292,480 is \$4,513,894 or 93.9% less than budgeted and \$1,003,162 or 77.4% less than January 2015.

Total System Funds (pages 1 and 2, line 28) for January of \$428,599 is \$4,449,655 or 91.2% less than budgeted and \$932,300 or 68.5% less than January 2015.

Income Before Contributions in Aid of Construction:

Water System Fund (pages 7 and 8, line 29) for January of -\$468,676 is \$219,669 or 31.9% more than budgeted and \$34,953 or 78.0% less than January 2015.

Sewer System Fund (pages 13 and 14, line 29) for January of \$2,474,213 is \$162,144 or 7.0% more than budgeted and \$1,293,206 or 34.3% less than January 2015.

Drainage System Fund (pages 19 and 20, line 29) for January of -\$3,537,636 is \$3,270,409 or 1223.8% less than budgeted and \$1,836,969 or 108.0% less than January 2015.

Total System Funds (pages 1 and 2, line 29) for January of -\$1,532,099 is \$2,888,597 or 212.9% less than budgeted and \$5,196,492 or 141.8% less than January 2015.

The balances of funds from the Series 2014 bond proceeds available for capital construction as of January 31, 2016 are:

	Water	Sewer	Total
Original Balance	\$11,366,906.05	\$1,400,898.86	\$12,767,804.91
Less Disbursements	(5,000,000.00)	-	(5,000,000.00)
Plus Reimbursements	-	-	-
Plus Income	5,701.62	102,044.00	107,745.62
Ending Balance	\$6,372,607.67	\$1,502,942.86	\$7,875,550.53

We anticipate that the remaining balances of the Series 2014 bonds will be spent shortly.

The balances of funds from the Series 2015 bond proceeds available for capital construction as of January 31, 2016 are:

	Water	Sewer	Total
Original Balance	\$106,219,683.56	\$102,818,404.69	\$209,038,088.25
Less Disbursements	-	(5,000,000.00)	(5,000,000.00)
Plus Reimbursements	-	-	-
Plus Income	674.00	25,382.39	26,056.39



SEWERAGE AND WATER BOARD OF NEW ORLEANS

Ending Balance	\$106,220,357.56	\$97,843,787.08	\$204,064,144.64
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The days-of-cash at July 31, 2015 were 255.9 for the water system, 241.4 for the sewer system, and 287.9 for the drainage system.

The projected coverage for the year ending December 31, 2016, based upon financial results through January 31, 2016, is 1.67 times for the water system and 2.02 times for the sewer system. This is slightly behind the budgeted target of 1.76 times for the water system and slightly ahead of the budgeted target of 1.99 times for the sewer system.

Certification. In connection with the accompanying monthly financial report of the Sewerage and Water Board of New Orleans for the period ended January 31, 2016, I hereby certify that, to my knowledge, the information contained in the report fairly presents, in all material respects, the financial condition and results of the Board.

Robert K. Miller
Deputy Director / Chief Financial Officer

Sewerage and Water Board of New Orleans
Water System Unrestricted Cash and Cash Equivalents
in Days of O&M Expenses at Month End

EUM Attribute: Financial Viability

Description: Establish and maintain an effective balance between long-term debt, assets values, operations and maintenance expenditures, and operating revenues.

**Constituency:
Suppliers and
Bondholders**

Objective: Provide adequate cash to pay invoices on a timely basis

Goal: Cash balance of at least 180 days of O&M expenses.

Currently Meeting Goal: No

Process Operating Within Control Limits:
Yes

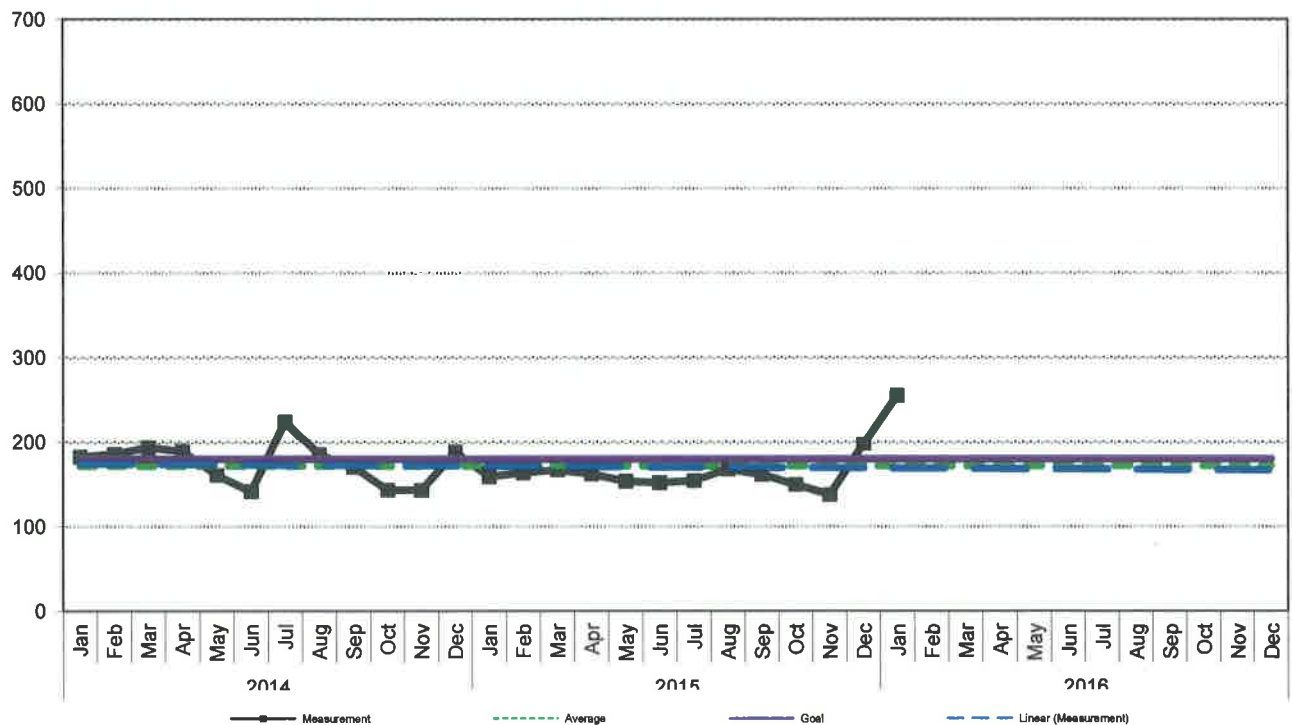
Trend: Favorable

Analysis

Monthly cash balances have remained stable except for repayment of previous inter-system loans. Note: Reclassification of certain current assets from restricted to unrestricted in October 2013 resulted in higher unrestricted balances.

Plans for Improvement

Utilize revenues generated from operations to increase cash balances according to 2011-2020 Financial Plan.



Data Table

[illegible]

Sewerage and Water Board of New Orleans
Sewer System Unrestricted Cash and Cash Equivalents
in Days of O&M Expenses at Month End

EUM Attribute: Financial Viability

Description: Establish and maintain an effective balance between long-term debt, assets values, operations and maintenance expenditures, and operating revenues.

Constituency: Suppliers and Bondholders

Objective: Provide adequate cash to pay invoices on a timely basis

Goal: Cash balance of at least 180 days of O&M expenses.

Currently Meeting Goal: Yes

Process Operating Within Control Limits:
Yes

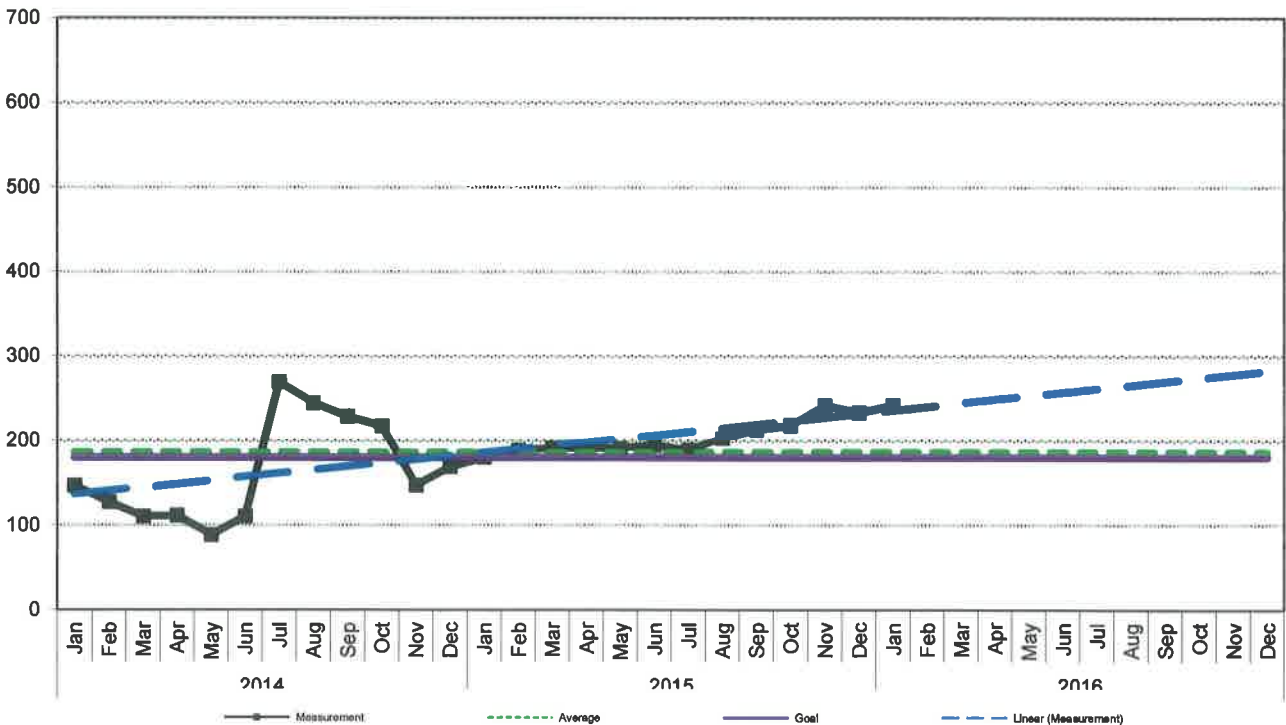
Trend: Favorable

Analysis

Monthly cash balances have remained stable except for repayment of previous inter-system loans. Note: Reclassification of certain current assets from restricted to unrestricted in October 2013 resulted in higher unrestricted balances.

Plans for Improvement

Utilize revenues generated from operations to increase cash balances according to 2011-2020 Financial Plan.



Data Table

[illegible]

Sewerage and Water Board of New Orleans
Drainage System Unrestricted Cash and Cash Equivalents
in Days of O&M Expenses at Month End

EUM Attribute: Financial Viability

Description: Establish and maintain an effective balance between long-term debt, assets values, operations and maintenance expenditures, and operating revenues.

Constituency: Suppliers and Bondholders

Objective: Provide adequate cash to pay invoices on a timely basis

Goal: Cash balance of at least 180 days of O&M expenses.

Currently Meeting Goal: Yes

Process Operating Within Control Limits:
Yes

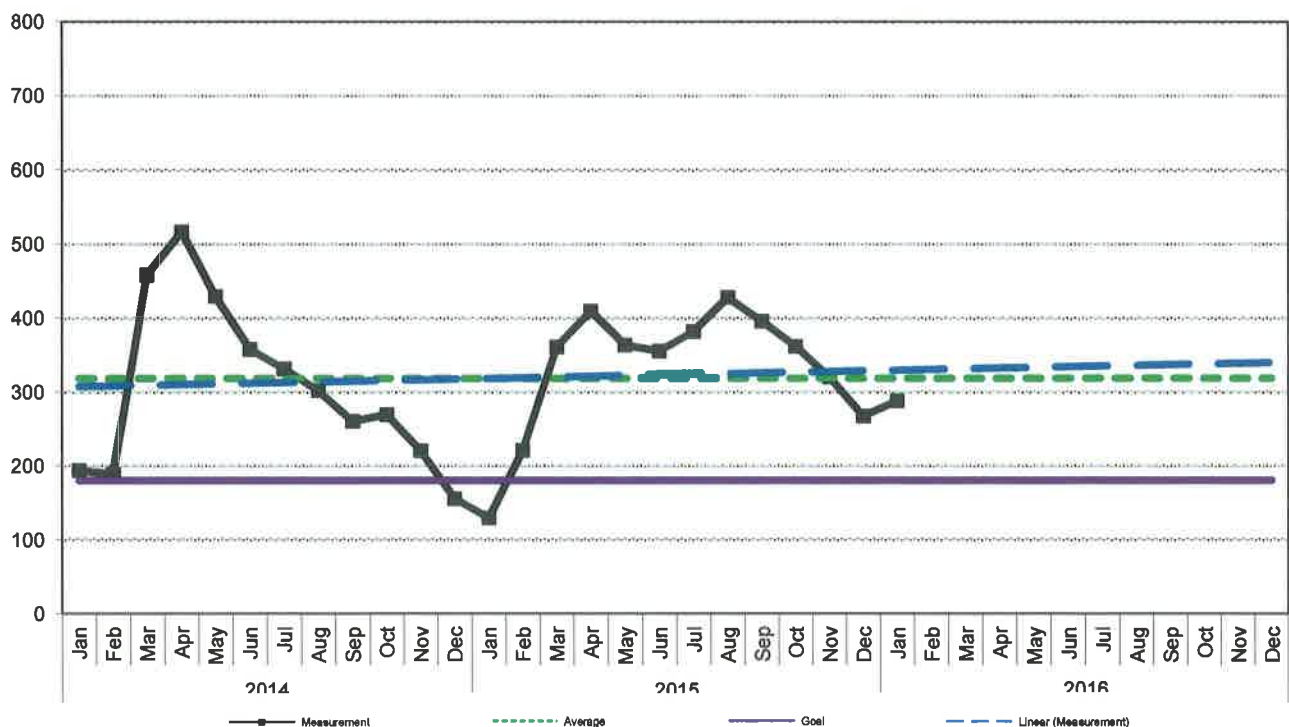
Trend: Favorable

Analysis

Monthly cash balances typically increase during the first quarter from property tax collections and then decrease for the remainder of the year. The long-term goal will not be met until a new revenue stream for the drainage system is created and implemented.

Plans for Improvement

Utilize revenues generated from operations to increase cash balances according to 2011-2020 Financial Plan.



Data Table

[illegible]

SEWERAGE AND WATER BOARD OF NEW ORLEANS
ALL SYSTEM FUNDS
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH PRIOR YEAR COMPARISONS
JANUARY 2016

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Prior Year	MTD Variance	%	YTD Actual	YTD Prior Year	YTD Variance	%
Operating revenues:								
1 Sales of water and delinquent fees	5,813,375	6,593,200	(779,825)	-11.8%	5,813,375	6,593,200	(779,825)	-11.8%
2 Sewerage service charges and del fees	6,802,537	7,872,803	(1,070,266)	-13.6%	6,802,537	7,872,803	(1,070,266)	-13.6%
3 Plumbing inspection and license fees	38,090	45,454	(7,364)	-16.2%	38,090	45,454	(7,364)	-16.2%
4 Other revenues	286,747	226,199	60,548	26.8%	286,747	226,199	60,548	26.8%
5 Total operating revenues	12,940,749	14,737,656	(1,796,907)	-12.2%	12,940,749	14,737,656	(1,796,907)	-12.2%
Operating Expenses:								
6 Power and pumping	505,098	1,947,083	(1,441,985)	-74.1%	505,098	1,947,083	(1,441,985)	-74.1%
7 Treatment	605,886	1,367,680	(761,794)	-55.7%	605,886	1,367,680	(761,794)	-55.7%
8 Transmission and distribution	1,495,275	1,154,671	340,604	29.5%	1,495,275	1,154,671	340,604	29.5%
9 Customer accounts	252,350	238,544	13,806	5.8%	252,350	238,544	13,806	5.8%
10 Customer service	183,156	271,644	(88,488)	-32.6%	183,156	271,644	(88,488)	-32.6%
11 Administration and general	1,587,032	1,938,025	(350,993)	-18.1%	1,587,032	1,938,025	(350,993)	-18.1%
12 Payroll related	4,152,354	951,392	3,200,962	336.5%	4,152,354	951,392	3,200,962	336.5%
13 Maintenance of general plant	1,203,416	796,541	406,875	51.1%	1,203,416	796,541	406,875	51.1%
14 Depreciation	4,679,821	3,540,766	1,139,055	32.2%	4,679,821	3,540,766	1,139,055	32.2%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	185,403	185,762	(359)	-0.2%	185,403	185,762	(359)	-0.2%
17 Provision for claims	51,656	42,054	9,602	22.8%	51,656	42,054	9,602	22.8%
18 Total operating expenses	14,901,447	12,434,162	2,467,285	19.8%	14,901,447	12,434,162	2,467,285	19.8%
19 Operating income (loss)	(1,960,698)	2,303,494	(4,264,193)	-185.1%	(1,960,698)	2,303,494	(4,264,193)	-185.1%
Non-operating revenues (expense):								
20 Two-mill tax	5,692	-	5,692	0.0%	5,692	-	5,692	0.0%
21 Three-mill tax	80,201	366,809	(286,608)	-78.1%	80,201	366,809	(286,608)	-78.1%
22 Six-mill tax	81,129	370,742	(289,613)	-78.1%	81,129	370,742	(289,613)	-78.1%
23 Nine-mill tax	121,583	555,724	(434,141)	-78.1%	121,583	555,724	(434,141)	-78.1%
24 Interest income	139,994	67,624	72,370	107.0%	139,994	67,624	72,370	107.0%
25 Other Income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	428,599	1,360,899	(932,300)	-68.5%	428,599	1,360,899	(932,300)	-68.5%
29 Income before capital contributions	(1,532,099)	3,664,393	(5,196,492)	-141.8%	(1,532,099)	3,664,393	(5,196,492)	-141.8%
30 Capital contributions	226,602	91,580	135,022	147.4%	226,602	91,580	135,022	147.4%
31 Change in net position	(1,305,497)	3,755,973	(5,061,470)	-134.8%	(1,305,497)	3,755,973	(5,061,470)	-134.8%
32 Net position, beginning of year					2,033,069,995	1,968,799,361	64,270,634	3.3%
33 Net position, end of year					2,031,764,498	1,972,555,334	59,209,164	3.0%

SEWERAGE AND WATER BOARD OF NEW ORLEANS
ALL SYSTEM FUNDS
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH BUDGET COMPARISONS
JANUARY 2016

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
Operating revenues:								
1 Sales of water and delinquent fees	5,813,375	7,108,525	(1,295,150)	-18.2%	5,813,375	7,108,525	(1,295,150)	-18.2%
2 Sewerage service charges and del fees	6,802,537	8,735,378	(1,932,841)	-22.1%	6,802,537	8,735,378	(1,932,841)	-22.1%
3 Plumbing inspection and license fees	38,090	52,151	(14,061)	-27.0%	38,090	52,151	(14,061)	-27.0%
4 Other revenues	286,747	312,700	(25,954)	-8.3%	286,747	312,700	(25,954)	-8.3%
5 Total operating revenues	12,940,749	16,208,754	(3,268,006)	-20.2%	12,940,749	16,208,754	(3,268,006)	-20.2%
Operating Expenses:								
6 Power and pumping	505,098	1,208,768	(703,670)	-58.2%	505,098	1,208,768	(703,670)	-58.2%
7 Treatment	605,886	1,755,226	(1,149,340)	-65.5%	605,886	1,755,226	(1,149,340)	-65.5%
8 Transmission and distribution	1,495,275	3,063,413	(1,568,138)	-51.2%	1,495,275	3,063,413	(1,568,138)	-51.2%
9 Customer accounts	252,350	348,462	(96,112)	-27.6%	252,350	348,462	(96,112)	-27.6%
10 Customer service	183,156	450,959	(267,803)	-59.4%	183,156	450,959	(267,803)	-59.4%
11 Administration and general	1,587,032	3,338,198	(1,751,166)	-52.5%	1,587,032	3,338,198	(1,751,166)	-52.5%
12 Payroll related	4,152,354	2,359,419	1,792,935	76.0%	4,152,354	2,359,419	1,792,935	76.0%
13 Maintenance of general plant	1,203,416	2,623,397	(1,419,981)	-54.1%	1,203,416	2,623,397	(1,419,981)	-54.1%
14 Depreciation	4,679,821	4,359,411	320,410	7.3%	4,679,821	4,359,411	320,410	7.3%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	185,403	-	185,403	0.0%	185,403	-	185,403	0.0%
17 Provision for claims	51,656	223,258	(171,602)	-76.9%	51,656	223,258	(171,602)	-76.9%
18 Total operating expenses	14,901,447	19,730,511	(4,829,064)	-24.5%	14,901,447	19,730,511	(4,829,064)	-24.5%
19 Operating income (loss)	(1,960,698)	(3,521,757)	1,561,059	-44.3%	(1,960,698)	(3,521,757)	1,561,059	-44.3%
Non-operating revenues (expense):								
20 Two-mill tax	5,692	199	5,493	2762.7%	5,692	199	5,493	2762.7%
21 Three-mill tax	80,201	1,338,711	(1,258,510)	-94.0%	80,201	1,338,711	(1,258,510)	-94.0%
22 Six-mill tax	81,129	1,353,075	(1,271,946)	-94.0%	81,129	1,353,075	(1,271,946)	-94.0%
23 Nine-mill tax	121,583	2,028,176	(1,906,593)	-94.0%	121,583	2,028,176	(1,906,593)	-94.0%
24 Interest income	139,994	5,650	134,344	2377.7%	139,994	5,650	134,344	2377.7%
25 Other Income	-	152,444	(152,444)	-100.0%	-	152,444	(152,444)	-100.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	428,599	4,878,255	(4,449,655)	-91.2%	428,599	4,878,255	(4,449,655)	-91.2%
29 Income before capital contributions	(1,532,099)	1,356,498	(2,888,597)	-212.9%	(1,532,099)	1,356,498	(2,888,597)	-212.9%
30 Capital contributions	226,602	-	226,602	0.0%	226,602	-	226,602	0.0%
31 Change in net position	(1,305,497)	1,356,498	(2,661,995)	-196.2%	(1,305,497)	1,356,498	(2,661,995)	-196.2%
32 Net position, beginning of year					2,033,069,995	1,968,799,361	64,270,634	3.3%
33 Net position, end of year					2,031,764,498	1,968,532,134	63,232,364	3.2%

SEWERAGE AND WATER BOARD OF NEW ORLEANS
WATER SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH PRIOR YEAR COMPARISONS
JANUARY 2016

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Prior Year	MTD Variance	%	YTD Actual	YTD Prior Year	YTD Variance	%
Operating revenues:								
1 Sales of water and delinquent fees	5,813,375	6,593,200	(779,825)	-11.8%	5,813,375	6,593,200	(779,825)	-11.8%
2 Sewerage service charges and del fees	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	19,045	22,727	(3,682)	-16.2%	19,045	22,727	(3,682)	-16.2%
4 Other revenues	258,484	209,089	49,395	23.6%	258,484	209,089	49,395	23.6%
5 Total operating revenues	6,090,904	6,825,016	(734,112)	-10.8%	6,090,904	6,825,016	(734,112)	-10.8%
Operating Expenses:								
6 Power and pumping	109,571	972,540	(862,969)	-88.7%	109,571	972,540	(862,969)	-88.7%
7 Treatment	595,235	495,145	100,090	20.2%	595,235	495,145	100,090	20.2%
8 Transmission and distribution	872,243	643,268	228,975	35.6%	872,243	643,268	228,975	35.6%
9 Customer accounts	126,003	119,026	6,977	5.9%	126,003	119,026	6,977	5.9%
10 Customer service	89,986	129,671	(39,685)	-30.6%	89,986	129,671	(39,685)	-30.6%
11 Administration and general	573,132	711,589	(138,457)	-19.5%	573,132	711,589	(138,457)	-19.5%
12 Payroll related	1,813,526	443,430	1,370,096	309.0%	1,813,526	443,430	1,370,096	309.0%
13 Maintenance of general plant	602,563	391,808	210,755	53.8%	602,563	391,808	210,755	53.8%
14 Depreciation	1,737,062	1,246,023	491,039	39.4%	1,737,062	1,246,023	491,039	39.4%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	95,834	103,201	(7,367)	-7.1%	95,834	103,201	(7,367)	-7.1%
17 Provision for claims	24,182	16,477	7,705	46.8%	24,182	16,477	7,705	46.8%
18 Total operating expenses	6,639,337	5,272,178	1,367,159	25.9%	6,639,337	5,272,178	1,367,159	25.9%
19 Operating income (loss)	(548,433)	1,552,838	(2,101,271)	-135.3%	(548,433)	1,552,838	(2,101,271)	-135.3%
Non-operating revenues (expense):								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	79,757	44,804	34,953	78.0%	79,757	44,804	34,953	78.0%
25 Other Income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	79,757	44,804	34,953	78.0%	79,757	44,804	34,953	78.0%
29 Income before capital contributions	(468,676)	1,597,642	(2,066,318)	-129.3%	(468,676)	1,597,642	(2,066,318)	-129.3%
30 Capital contributions	212,444	83,936	128,508	153.1%	212,444	83,936	128,508	153.1%
31 Change in net position	(256,232)	1,681,578	(1,937,810)	-115.2%	(256,232)	1,681,578	(1,937,810)	-115.2%
32 Net position, beginning of year	321,394,805	317,835,814	3,558,991	1.1%	321,394,805	317,835,814	3,558,991	1.1%
33 Net position, end of year	321,138,573	319,517,392	1,621,181	0.5%	321,138,573	319,517,392	1,621,181	0.5%

SEWERAGE AND WATER BOARD OF NEW ORLEANS
WATER SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH BUDGET COMPARISONS
JANUARY 2016

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
Operating revenues:								
1 Sales of water and delinquent fees	5,813,375	7,108,525	(1,295,150)	-18.2%	5,813,375	7,108,525	(1,295,150)	-18.2%
2 Sewerage service charges and del fees	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	19,045	24,977	(5,932)	-23.8%	19,045	24,977	(5,932)	-23.8%
4 Other revenues	258,484	262,923	(4,440)	-1.7%	258,484	262,923	(4,440)	-1.7%
5 Total operating revenues	6,090,904	7,396,426	(1,305,522)	-17.7%	6,090,904	7,396,426	(1,305,522)	-17.7%
Operating Expenses:								
6 Power and pumping	109,571	255,222	(145,651)	-57.1%	109,571	255,222	(145,651)	-57.1%
7 Treatment	595,235	781,813	(186,578)	-23.9%	595,235	781,813	(186,578)	-23.9%
8 Transmission and distribution	872,243	1,620,582	(748,339)	-46.2%	872,243	1,620,582	(748,339)	-46.2%
9 Customer accounts	126,003	173,983	(47,980)	-27.6%	126,003	173,983	(47,980)	-27.6%
10 Customer service	89,986	218,593	(128,607)	-58.8%	89,986	218,593	(128,607)	-58.8%
11 Administration and general	573,132	1,158,967	(585,835)	-50.5%	573,132	1,158,967	(585,835)	-50.5%
12 Payroll related	1,813,526	1,097,607	715,919	65.2%	1,813,526	1,097,607	715,919	65.2%
13 Maintenance of general plant	602,563	1,097,443	(494,880)	-45.1%	602,563	1,097,443	(494,880)	-45.1%
14 Depreciation	1,737,062	1,621,250	115,812	7.1%	1,737,062	1,621,250	115,812	7.1%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	95,834	-	95,834	0.0%	95,834	-	95,834	0.0%
17 Provision for claims	24,182	92,686	(68,504)	-73.9%	24,182	92,686	(68,504)	-73.9%
18 Total operating expenses	6,639,337	8,118,146	(1,478,809)	-18.2%	6,639,337	8,118,146	(1,478,809)	-18.2%
19 Operating income (loss)	(548,433)	(721,720)	173,287	-24.0%	(548,433)	(721,720)	173,287	-24.0%
Non-operating revenues (expense):								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	79,757	-	79,757	0.0%	79,757	-	79,757	0.0%
25 Other Income	-	33,375	(33,375)	-100.0%	-	33,375	(33,375)	-100.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	79,757	33,375	46,382	139.0%	79,757	33,375	46,382	139.0%
29 Income before capital contributions	(468,676)	(688,345)	219,669	-31.9%	(468,676)	(688,345)	219,669	-31.9%
30 Capital contributions	212,444	-	212,444	0.0%	212,444	-	212,444	0.0%
31 Change in net position	(256,232)	(688,345)	432,113	-62.8%	(256,232)	(688,345)	432,113	-62.8%
32 Net position, beginning of year					321,394,805	317,835,814	3,558,991	1.1%
33 Net position, end of year					321,138,573	317,835,814	3,302,759	1.0%

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SEWER SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH PRIOR YEAR COMPARISONS
JANUARY 2016

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Prior Year	Variance		Actual	Prior Year	Variance	
Operating revenues:								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges and del fees	6,802,537	7,872,803	(1,070,266)	-13.6%	6,802,537	7,872,803	(1,070,266)	-13.6%
3 Plumbing inspection and license fees	19,045	22,727	(3,682)	-16.2%	19,045	22,727	(3,682)	-16.2%
4 Other revenues	25,114	15,469	9,645	62.4%	25,114	15,469	9,645	62.4%
5 Total operating revenues	6,846,696	7,910,999	(1,064,303)	-13.5%	6,846,696	7,910,999	(1,064,303)	-13.5%
Operating Expenses:								
6 Power and pumping	70,302	210,543	(140,241)	-66.6%	70,302	210,543	(140,241)	-66.6%
7 Treatment	6,114	869,044	(862,930)	-99.3%	6,114	869,044	(862,930)	-99.3%
8 Transmission and distribution	566,911	461,516	105,395	22.8%	566,911	461,516	105,395	22.8%
9 Customer accounts	126,002	119,026	6,976	5.9%	126,002	119,026	6,976	5.9%
10 Customer service	91,318	131,100	(39,782)	-30.3%	91,318	131,100	(39,782)	-30.3%
11 Administration and general	551,267	687,648	(136,381)	-19.8%	551,267	687,648	(136,381)	-19.8%
12 Payroll related	1,308,888	324,544	984,344	303.3%	1,308,888	324,544	984,344	303.3%
13 Maintenance of general plant	186,826	131,410	55,416	42.2%	186,826	131,410	55,416	42.2%
14 Depreciation	1,417,143	1,136,146	280,997	24.7%	1,417,143	1,136,146	280,997	24.7%
15 Amortization	0	0	0	0.0%	0	0	0	0.0%
16 Provision for doubtful accounts	88,736	82,562	6,174	7.5%	88,736	82,562	6,174	7.5%
17 Provision for claims	15,338	10,494	4,844	46.2%	15,338	10,494	4,844	46.2%
18 Total operating expenses	4,428,845	4,164,033	264,812	6.4%	4,428,845	4,164,033	264,812	6.4%
19 Operating income (loss)	2,417,851	3,746,966	(1,329,115)	-35.5%	2,417,851	3,746,966	(1,329,115)	-35.5%
Non-operating revenues (expense):								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	56,362	20,453	35,909	175.6%	56,362	20,453	35,909	175.6%
25 Other Income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	56,362	20,453	35,909	175.6%	56,362	20,453	35,909	175.6%
29 Income before capital contributions	2,474,213	3,767,419	(1,293,206)	-34.3%	2,474,213	3,767,419	(1,293,206)	-34.3%
30 Capital contributions	4,800	4,800	(4,800)	-100.0%	4,800	4,800	(4,800)	-100.0%
31 Change in net position	2,474,213	3,772,219	(1,298,006)	-34.4%	2,474,213	3,772,219	(1,298,006)	-34.4%
32 Net position, beginning of year	780,771,672	732,566,915	48,204,757	6.6%	780,771,672	732,566,915	48,204,757	6.6%
33 Net position, end of year	783,245,885	736,339,134	46,906,751	6.4%	783,245,885	736,339,134	46,906,751	6.4%

SEWERAGE AND WATER BOARD OF NEW ORLEANS
SEWER SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH BUDGET COMPARISONS
JANUARY 2016

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
Operating revenues:								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges and del fees	6,802,537	8,735,378	(1,932,841)	-22.1%	6,802,537	8,735,378	(1,932,841)	-22.1%
3 Plumbing inspection and license fees	19,045	27,173	(8,128)	-29.9%	19,045	27,173	(8,128)	-29.9%
4 Other revenues	25,114	49,777	(24,663)	-49.5%	25,114	49,777	(24,663)	-49.5%
5 Total operating revenues	6,846,696	8,812,328	(1,965,632)	-22.3%	6,846,696	8,812,328	(1,965,632)	-22.3%
Operating Expenses:								
6 Power and pumping	70,302	256,934	(186,632)	-72.6%	70,302	256,934	(186,632)	-72.6%
7 Treatment	6,114	961,709	(955,595)	-99.4%	6,114	961,709	(955,595)	-99.4%
8 Transmission and distribution	566,911	1,340,891	(773,980)	-57.7%	566,911	1,340,891	(773,980)	-57.7%
9 Customer accounts	126,002	173,983	(47,981)	-27.6%	126,002	173,983	(47,981)	-27.6%
10 Customer service	91,318	221,148	(129,830)	-58.7%	91,318	221,148	(129,830)	-58.7%
11 Administration and general	551,267	1,230,654	(679,387)	-55.2%	551,267	1,230,654	(679,387)	-55.2%
12 Payroll related	1,308,888	718,156	590,732	82.3%	1,308,888	718,156	590,732	82.3%
13 Maintenance of general plant	186,826	240,934	(54,108)	-22.5%	186,826	240,934	(54,108)	-22.5%
14 Depreciation	1,417,143	1,333,810	83,333	6.2%	1,417,143	1,333,810	83,333	6.2%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	88,736	-	88,736	0.0%	88,736	-	88,736	0.0%
17 Provision for claims	15,338	60,545	(45,207)	-74.7%	15,338	60,545	(45,207)	-74.7%
18 Total operating expenses	4,428,845	6,538,764	(2,109,919)	-32.3%	4,428,845	6,538,764	(2,109,919)	-32.3%
19 Operating income (loss)	2,417,851	2,273,564	144,287	6.3%	2,417,851	2,273,564	144,287	6.3%
Non-operating revenues (expense):								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	-	-	-	0.0%	-	-	-	0.0%
22 Six-mill tax	-	-	-	0.0%	-	-	-	0.0%
23 Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%
24 Interest income	56,362	-	56,362	0.0%	56,362	-	56,362	0.0%
25 Other Income	-	38,505	(38,505)	-100.0%	-	38,505	(38,505)	-100.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	56,362	38,505	17,857	46.4%	56,362	38,505	17,857	46.4%
29 Income before capital contributions	2,474,213	2,312,069	162,144	7.0%	2,474,213	2,312,069	162,144	7.0%
30 Capital contributions	-	-	-	0.0%	-	-	-	0.0%
31 Change in net position	2,474,213	2,312,069	162,144	7.0%	2,474,213	-	-	-
32 Net position, beginning of year	-	-	-	-	780,771,672	732,566,915	48,204,757	6.6%
33 Net position, end of year	-	-	-	-	783,245,885	732,566,915	50,678,970	6.9%

SEWERAGE AND WATER BOARD OF NEW ORLEANS
DRAINAGE SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH PRIOR YEAR COMPARISONS
JANUARY 2016

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Prior Year	MTD Variance	%	YTD Actual	YTD Prior Year	YTD Variance	%
Operating revenues:								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges and del fees	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	-	-	-	0.0%	-	-	-	0.0%
4 Other revenues	3,149	1,641	1,508	91.9%	3,149	1,641	1,508	91.9%
5 Total operating revenues	3,149	1,641	1,508	91.9%	3,149	1,641	1,508	91.9%
Operating Expenses:								
6 Power and pumping	325,225	763,999	(438,774)	-57.4%	325,225	763,999	(438,774)	-57.4%
7 Treatment	4,537	3,491	1,046	30.0%	4,537	3,491	1,046	30.0%
8 Transmission and distribution	56,121	49,887	6,234	12.5%	56,121	49,887	6,234	12.5%
9 Customer accounts	345	492	(147)	-29.9%	345	492	(147)	-29.9%
10 Customer service	1,852	10,873	(9,021)	-83.0%	1,852	10,873	(9,021)	-83.0%
11 Administration and general	462,633	538,788	(76,155)	-14.1%	462,633	538,788	(76,155)	-14.1%
12 Payroll related	1,029,940	183,418	846,522	461.5%	1,029,940	183,418	846,522	461.5%
13 Maintenance of general plant	414,027	273,323	140,704	51.5%	414,027	273,323	140,704	51.5%
14 Depreciation	1,525,616	1,158,596	367,020	31.7%	1,525,616	1,158,596	367,020	31.7%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	833	-	833	0.0%	833	-	833	0.0%
17 Provision for claims	12,136	15,083	(2,947)	-19.5%	12,136	15,083	(2,947)	-19.5%
18 Total operating expenses	3,833,265	2,997,950	835,315	27.9%	3,833,265	2,997,950	835,315	27.9%
19 Operating income (loss)	(3,830,116)	(2,996,309)	(833,807)	27.8%	(3,830,116)	(2,996,309)	(833,807)	27.8%
Non-operating revenues (expense):								
20 Two-mill tax	5,692	-	5,692	0.0%	5,692	-	5,692	0.0%
21 Three-mill tax	80,201	366,809	(286,608)	-78.1%	80,201	366,809	(286,608)	-78.1%
22 Six-mill tax	81,129	370,742	(289,613)	-78.1%	81,129	370,742	(289,613)	-78.1%
23 Nine-mill tax	121,583	555,724	(434,141)	-78.1%	121,583	555,724	(434,141)	-78.1%
24 Interest income	3,875	2,367	1,508	63.7%	3,875	2,367	1,508	63.7%
25 Other Income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	292,480	1,295,642	(1,003,162)	-77.4%	292,480	1,295,642	(1,003,162)	-77.4%
29 Income before capital contributions	(3,537,636)	(1,700,667)	(1,836,969)	108.0%	(3,537,636)	(1,700,667)	(1,836,969)	108.0%
30 Capital contributions	14,158	2,844	11,314	397.8%	14,158	2,844	11,314	397.8%
31 Change in net position	(3,523,478)	(1,697,823)	(1,825,655)	107.5%	(3,523,478)	(1,697,823)	(1,825,655)	107.5%
32 Net position, beginning of year					930,903,518	918,396,632	12,506,886	1.4%
33 Net position, end of year					927,380,040	916,698,809	10,681,231	1.2%

SEWERAGE AND WATER BOARD OF NEW ORLEANS
DRAINAGE SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH BUDGET COMPARISONS
JANUARY 2016

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
Operating revenues:								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges and del fees	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	-	-	-	0.0%	-	-	-	0.0%
4 Other revenues	3,149	-	3,149	0.0%	3,149	-	3,149	0.0%
5 Total operating revenues	3,149	-	3,149	0.0%	3,149	-	3,149	0.0%
Operating Expenses:								
6 Power and pumping	325,225	696,612	(371,387)	-53.3%	325,225	696,612	(371,387)	-53.3%
7 Treatment	4,537	11,704	(7,167)	-61.2%	4,537	11,704	(7,167)	-61.2%
8 Transmission and distribution	56,121	101,940	(45,819)	-44.9%	56,121	101,940	(45,819)	-44.9%
9 Customer accounts	345	497	(152)	-30.6%	345	497	(152)	-30.6%
10 Customer service	1,852	11,218	(9,366)	-83.5%	1,852	11,218	(9,366)	-83.5%
11 Administration and general	462,633	948,577	(485,944)	-51.2%	462,633	948,577	(485,944)	-51.2%
12 Payroll related	1,029,940	543,655	486,285	89.4%	1,029,940	543,655	486,285	89.4%
13 Maintenance of general plant	414,027	1,285,020	(870,993)	-67.8%	414,027	1,285,020	(870,993)	-67.8%
14 Depreciation	1,525,616	1,404,351	121,265	8.6%	1,525,616	1,404,351	121,265	8.6%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	833	-	833	0.0%	833	-	833	0.0%
17 Provision for claims	12,136	70,027	(57,891)	-82.7%	12,136	70,027	(57,891)	-82.7%
18 Total operating expenses	3,833,265	5,073,601	(1,240,336)	-24.4%	3,833,265	5,073,601	(1,240,336)	-24.4%
19 Operating income (loss)	(3,830,116)	(5,073,601)	1,243,485	-24.5%	(3,830,116)	(5,073,601)	1,243,485	-24.5%
Non-operating revenues (expense):								
20 Two-mill tax	5,692	199	5,493	2762.7%	5,692	199	5,493	2762.7%
21 Three-mill tax	80,201	1,338,711	(1,258,510)	-94.0%	80,201	1,338,711	(1,258,510)	-94.0%
22 Six-mill tax	81,129	1,353,075	(1,271,946)	-94.0%	81,129	1,353,075	(1,271,946)	-94.0%
23 Nine-mill tax	121,583	2,028,176	(1,906,593)	-94.0%	121,583	2,028,176	(1,906,593)	-94.0%
24 Interest income	3,875	5,650	(1,775)	-31.4%	3,875	5,650	(1,775)	-31.4%
25 Other Income	-	80,564	(80,564)	-100.0%	-	80,564	(80,564)	-100.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%
28 Total non-operating revenues	292,480	4,806,374	(4,513,894)	-93.9%	292,480	4,806,374	(4,513,894)	-93.9%
29 Income before capital contributions	(3,537,636)	(267,227)	(3,270,409)	1223.8%	(3,537,636)	(267,227)	(3,270,409)	1223.8%
30 Capital contributions	14,158	-	14,158	0.0%	14,158	-	14,158	0.0%
31 Change in net position	(3,523,478)	(267,227)	(3,256,251)	1218.5%	(3,523,478)	(267,227)	(3,256,251)	1218.5%
32 Net position, beginning of year					930,903,518	918,396,632	12,506,886	1.4%
33 Net position, end of year					927,380,040	918,129,405	9,250,635	1.0%



SEWERAGE AND WATER BOARD

Inter-Office Memorandum

Date: February 24, 2016
From: Harold D. Marchand, Deputy Special Counsel
To: Cedric S. Grant, Executive Director
Re: Securities Litigation Monitor

Staff has recommended that the Board retain a law firm to monitor and review all current and prior asset holdings of the Board's Employees' Pension Fund for any and all legal action connected with said assets by its active and passive money managers with the ability to calculate losses, theories of recovery and possible representation in either class or individual action in Federal or State court.

A Request for Qualifications was issued and a selection committee chose a short list of three (3) firms on September 25, 2015. Subsequently, a Request for Proposals was issued to the aforementioned firms to provide price proposals.

The Selection Committee has chosen and recommends the firm of Robbins Geller Rudman and Dowd, LLP be awarded a contract to perform securities litigation monitoring for the Board's Employees' Pension Fund.

There is no fee to perform the monitoring. However, should the Board retain the firm for representation in either class or individual action in Federal or State court, there would be a contingency fee starting with 15% for any recovery up to \$5,000,000.

Please place this matter on the agenda of the Pension Committee as an action item and on the agenda of the Finance and Administrative Committee as an information item.

Attached hereto is a proposed resolution for your review.

Should you have any questions regarding this matter, please advise.

DEPUTY SPECIAL COUNSEL

HDM:mkt

Att.

cc: Sharon Judkins
Nolan P. Lambert
Kathleen LaFrance

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APPOINTMENT OF SECURITIES LITIGATION MONITOR

WHEREAS, staff has recommended that the Board retain a law firm to monitor and review all current and prior asset holdings of the Sewerage and Water Board of New Orleans Employees' Pension Fund for any and all legal action connected with said assets by its active and passive money managers with the ability to calculate losses, theories of recovery and possible representation in either class or individual action in Federal or State court; and

WHEREAS, a Request for Qualifications was issued and a selection committee chose a short list of three (3) firms on September 25, 2015; and

WHEREAS, subsequently, a Request for Proposals was issued to the aforementioned three (3) firms to provide price proposals; and

WHEREAS, the Selection Committee has chosen and recommends the firm of Robbins Geller Rudman and Dowd, LLP be awarded a contract to perform securities litigation monitoring for the Sewerage and Water Board of New Orleans Employees' Pension Fund; and

WHEREAS, there is no fee to perform the monitoring services; and

WHEREAS, should the Board retain the firm for representation in either class or individual action in Federal or State court, there would be a contingency fee starting with 15% for any recovery up to \$5,000,000.

NOW, THEREFORE, BE IT RESOLVED, that the President or President Pro Tem is hereby authorized to enter into an agreement with the law firm of Robbins Geller Rudman and Dowd, LLP to perform securities litigation monitoring for the Sewerage and Water Board of New Orleans Employees' Pension Fund at no cost.

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 meeting of the
Board of Trustees of the Sewerage and Water Board of New Orleans,
duly called and held, according to law, on March 16, 2016.

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



SEWERAGE AND WATER BOARD OF NEW ORLEANS

March 14, 2016

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

Subject: Leak Adjustment Policy

Dear Directors:

During the City Council hearings on the water and sewer rate increases in December 2012, Sewerage and Water Board proposed a program of initiatives to mitigate the effect of the rate increases, including a provision to pursue legislative change to allow adjustments for water lost through customer leaks. This legislative change occurred in July 2015 with the enacting of R.S. 33:4071(F) which authorized Sewerage and Water Board to adopt rules and procedures to adjust water bills. After careful consideration, staff recommends incorporation of these rules and procedures into the Service Rules and Regulations:

Adjustment Policy

- Sewerage & Water Board of New Orleans will grant one billing adjustment for water leaks on the customer's service connection every 12 months.
- Adjustments will be calculated over the billing periods when the water leak occurred, up to a maximum of two regular reading cycles.
- A written statement of repairs must be submitted to the Bill Adjustment Department within 60 days of discovery of the water leak. The written statement must include the service address, billing periods over which the leak occurred, location of the leak and a copy of the repair receipt with a clear description of the completed repair. No adjustment will be made until after the repair is completed.

Adjustment Method:

- Sewerage & Water Board will charge full water rates for normal consumption during the affected billing period and 50% of the rate for the excess water consumed by the leak based on the average of the past 12 previous months of consumption.
- Sewerage & Water Board will charge full sewer rates for normal consumption during the affected billing period and 50% of the rate for the excess water consumed by the leak based on the average of the past 12 previous months of consumption and excluding the amount of water not passing into the sanitary sewer system during the leak.

- There will be no adjustments of the ready to serve charges.
- Water bills, including City of New Orleans sanitation charges, are required to be paid within 30 days from the date of the bill to avoid a late payment penalty. Late payment penalties will not apply pending an adjustment.

These rules would take effect immediately upon adoption by the Board of Directors. Staff believes that the fiscal impact of this policy change is adequately reflected in the 2016 Operating Budget.



Robert K. Miller
Deputy Director / Chief Financial Officer



DRAFT

Sewerage and Water Board of New Orleans Leak Adjustment Policy

Adjustment Policy

- Sewerage & Water Board of New Orleans will grant one billing adjustment for water leaks on the customer's service connection every 12 months.
- Adjustments will be calculated over the billing periods when the water leak occurred, up to a maximum of two regular reading cycles.
- A written statement of repairs must be submitted to the Bill Adjustment Department within 60 days of discovery of the water leak. The written statement must include the service address, billing periods over which the leak occurred, location of the leak and a copy of the repair receipt with a clear description of the completed repair. Photos verifying the repair and the location of the leak are strongly recommended. No adjustment will be made until after the repair is completed.

Adjustment Method:

- Sewerage & Water Board will charge full water rates for normal consumption during the affected billing period and 50% of the rate for the excess water consumed by the leak based on the average of the past 12 previous months of consumption.
- Sewerage & Water Board will charge full sewer rates for normal consumption during the affected billing period and 50% of the rate for the excess water consumed by the leak based on the average of the past 12 previous months of consumption and excluding the amount of water not passing into the sanitary sewer system during the leak.
- There will be no adjustments of the ready to serve charges.
- Water bills, including City of New Orleans sanitation charges, are required to be paid within 30 days from the date of the bill to avoid a late payment penalty. Late payment penalties will not apply pending an adjustment.

How To Apply for an Adjustment:

- Request an Account Investigation through our Customer Service Department:

By mail:

Sewerage & Water Board of New Orleans
Mail Resolving Department
625 Saint Joseph Street
New Orleans, LA 70165

By Phone: (504) 529-2837

By Fax: (504) 585-2455

In Person:

Main Office: 625 Saint Joseph St. New Orleans, LA 70165

8:00a to 5:00p, M-F

Algiers Office: 4021 Behrman Pl. Ste.M-2, New Orleans, LA 70131

8:30a to 4:30p, M-F

- A SWB Inspector will meet with the customer to determine if there is a leak on the customer's side of the meter. The Bill Adjustments Department will send a written notification approving or denying the adjustment to the bill.
- You may request an Administrative Hearing, if you disagree with the results of your Account Investigation. The Hearing Request forms and Policy are located on our website: www.swbno.org.

LEAK ADJUSTMENT POLICY

WHEREAS, During the City Council hearings on the water and sewer rate increases in December 2012, Sewerage and Water Board proposed a program of initiatives to mitigate the effect of the rate increases, including a provision to pursue legislative change to allow adjustments for water lost through customer leaks; and

WHEREAS, this legislative change occurred in July 2015 with the enacting of R.S. 33:4071(F) which authorized Sewerage and Water Board to adopt rules and procedures to adjust water bills; and

WHEREAS, staff has developed recommended rules and procedures to adjust water bills;

NOW, THEREFORE, BE IT RESOLVED that these rules and procedures be approved and incorporated into the Service Rules and Regulations:

Sewerage & Water Board of New Orleans will grant one billing adjustment for water leaks on the customer's service connection every 12 months.

Adjustments will be calculated over the billing periods when the water leak occurred, up to a maximum of two regular reading cycles.

Sewerage & Water Board will charge full water rates for normal consumption during the affected billing period and 50% of the rate for the excess water consumed by the leak based on the average of the past 12 previous months of consumption.

Sewerage & Water Board will charge full sewer rates for normal consumption during the affected billing period and 50% of the rate for the excess water consumed by the leak based on the average of the past 12 previous months of consumption and excluding the amount of water not passing into the sanitary sewer system during the leak.

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 March 16, 2016.

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



SEWERAGE AND WATER BOARD

Inter-Office Memorandum

Date: March 1, 2016

To: Deputy Judkins, Administration
Deputy Miller, Chief Finance Officer
Deputy Rivers, Logistics

cc: Kathleen LaFrance, Executive Director's Office

From: Tiffany Carter

Re: EDBP Contract/Certification Summary – February 2016

Analyses were conducted for State and Local DBE participation on the following contact(s):

Construction Contract(s)

No proposals submitted for review

Good and Services Contract(s)

The EDBP Department has reviewed three (3) bids submitted to the Procurement Department on Thursday, February 18, 2016 for the Sewerage & Water Board of New Orleans Contract – **Furnishing Reclaimed Asphaltic Pavement (RX-YW16-0001)**. Based upon SLDBE participation analysis, the Economically Disadvantaged Business Program recommends that the SLDBE participation submitted by Hamp's Enterprises, Qualified Transportation, and Boh Brothers Construction Company, LLC be accepted.

The Construction Review Committee Meeting was held on February 11, 2016 and the following Open Market Contracts were reviewed:

1. Contract #1381 Furnish and Installation of Air Compressors and Associated Equipment at the Main Water Purification Plant
Suggested Goal: 20%
2. Contract #8145 Re-paving of Open Cuts in Streets, Driveways, and Sidewalks Resulting from the Repair to the Sewerage and Water Board Underground Utilities Repairs
Suggested Goal: 36%
3. Contract #8151 Furnishing Skilled and Unskilled Labor for Maintenance
Suggested Goal: 20%

The Staff Contract Review Committee Meeting was held on February 11, 2016, and the following Open Market Contracts were reviewed:

1. RFP for Classification/Compensation/Organizational Analysis Study (Suggested goal 35%) *
2. Furnishing Solid Waste Disposal Services (Suggested goal 15%)

Contract renewals

1. Furnishing Air Conditioning and Heating Services for the SWBNO (0% Participation)
2. Furnishing Totalizing Fluid Meters and Counting Devices Water Meters for the SWBNO (0% Participation)

Renewal of Construction Contracts with SLDBE Participation

No contracts reviewed

Final acceptance of Construction Contracts with SLDBE Participation

The Economically Disadvantaged Business Program reviewed reports for the following construction projects with SLDBE participation to report approval or noncompliance for contract Final Acceptance:

1. Contract #2103 - Replacement of water lines damaged by Hurricane Katrina within portions of the Broadmoor, Lakeview, Milneburg, Read Blvd East and the Lower Ninth Ward Neighborhoods
2. Contract #3788: Hurricane Related 404 HMGP Burke Sewage Pumping Station
3. Contract #8136: Katrina Related Construction of Staging Site Relocation Facility at Central Yard

Sewerage & Water Board of New Orleans contracts with State and Local DBE Participation Summary for February 2016

**Previously reviewed at the February 15, 2016 Finance and Administration Committee Meeting*



SEWERAGE AND WATER BOARD

Inter-Office Memorandum

Date: March 1, 2016

To: Deputy Judkins, Administration
Deputy Miller, Chief Finance Officer
Deputy Rivers, Logistics

cc: Kathleen LaFrance, Executive Director's Office

From: Tiffany Carter

Re: EDBP Contract/Certification Summary – February 2016

Analyses were conducted for State and Local DBE participation on the following contract(s):

Construction Contract(s)

No proposals submitted for review

Good and Services Contract(s)

The EDBP Department has reviewed three (3) bids submitted to the Procurement Department on Thursday, February 18, 2016 for the Sewerage & Water Board of New Orleans Contract – **Furnishing Reclaimed Asphaltic Pavement (RX-YW16-0001)**. Based upon SLDBE participation analysis, the Economically Disadvantaged Business Program recommends that the SLDBE participation submitted by Hamp's Enterprises, Qualified Transportation, and Boh Brothers Construction Company, LLC be accepted.

The Construction Review Committee Meeting was held on February 11, 2016 and the following Open Market Contracts were reviewed:

1. Contract #1381 Furnish and Installation of Air Compressors and Associated Equipment at the Main Water Purification Plant
Suggested Goal: 20%
2. Contract #8145 Re-paving of Open Cuts in Streets, Driveways, and Sidewalks Resulting from the Repair to the Sewerage and Water Board Underground Utilities Repairs
Suggested Goal: 36%
3. Contract #8151 Furnishing Skilled and Unskilled Labor for Maintenance
Suggested Goal: 20%

The Staff Contract Review Committee Meeting was held on February 11, 2016, and the following Open Market Contracts were reviewed:

1. RFP for Classification/Compensation/Organizational Analysis Study (Suggested goal 35%) *
2. Furnishing Solid Waste Disposal Services (Suggested goal 15%)

Contract renewals

1. Furnishing Air Conditioning and Heating Services for the SWBNO (0% Participation)
2. Furnishing Totalizing Fluid Meters and Counting Devices Water Meters for the SWBNO (0% Participation)

Renewal of Construction Contracts with SLDBE Participation

No contracts reviewed

Final acceptance of Construction Contracts with SLDBE Participation

The Economically Disadvantaged Business Program reviewed reports for the following construction projects with SLDBE participation to report approval or noncompliance for contract Final Acceptance:

1. Contract #2103 - Replacement of water lines damaged by Hurricane Katrina within portions of the Broadmoor, Lakeview, Milneburg, Read Blvd East and the Lower Ninth Ward Neighborhoods
2. Contract #3788: Hurricane Related 404 HMGP Burke Sewage Pumping Station
3. Contract #8136: Katrina Related Construction of Staging Site Relocation Facility at Central Yard

Sewerage & Water Board of New Orleans contracts with State and Local DBE Participation Summary for February 2016

**Previously reviewed at the February 15, 2016 Finance and Administration Committee Meeting*



SEWERAGE AND WATER BOARD

Inter-Office Memorandum

Date: February 18, 2016

To: Willie Mingo, Procurement Director

From: Tiffany Carter, EDBP Director

Cc: EDBP Compliance Team

Re: EDBP Department Analysis for Furnishing Reclaimed Asphaltic Pavement (RX-YW16-0001)

The EDBP Department has reviewed three (3) bids submitted to the Procurement Department on Thursday, February 18, 2016 for the Sewerage & Water Board of New Orleans Contract – **Furnishing Reclaimed Asphaltic Pavement (RX-YW16-0001)**.

The estimated budget is \$300,000.00 and the Staff Contract Review Committee approved **Thirty-percent (30%) SLDBE participation**.

The bid totals and summaries are as follows:

Hamp's Enterprises	\$ 229,500.00
Qualified Transportation, LLC	\$ 229,500.00
Boh Brothers Construction Company, LLC	\$ 399,750.00

Hamp's Enterprises submitted Boines Construction Equipment Company, Inc. (Eligible Board Certified SLDBE Company) to provide material supply of product for \$73,500.00 – 32.02%.

Qualified Transportation, LLC submitted Boines Construction Equipment Company, Inc. (Eligible Board Certified SLDBE Company) to furnish material for \$68,850.00 – 30.00%.

Boh Brothers Construction Company, LLC submitted SAV Trucking Service, LLC (Eligible Board Certified SLDBE Company) to provide dump truck hauling services for \$120,000.00 – 30.01%.

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program recommends that the SLDBE participation submitted by Hamp's Enterprises, Qualified Transportation, and Boh Brothers Construction Company, LLC be accepted.

ds/tc

Construction Review Committee Recommendations

Thursday, February 11, 2016

Sewerage and Water Board of New Orleans
Economically Disadvantaged Business Program

Open Market Contracts

One year contract, no renewal options

1. Contract #1381	Furnish and Installation of Air Compressors and Associated Equipment at the Main Water Purification Plant
Estimated Cost:	\$190,000
Suggested Goal:	20%
Areas of Participation:	Equipment Removal, Electrical Work, Platform, and Structural Changes

One year contract, with one (1) one-year renewal option

2. Contract #8145	Re-paving of Open Cuts in Streets, Driveways, and Sidewalks Resulting from the Repair to the Sewerage and Water Board Underground Utilities Repairs
Estimated Cost:	\$1,960,200.00
Suggested Goal:	36%
Areas of Participation:	Removal, Repair, and Installation

One year contract, with two (2) one-year renewal options

3. Contract #8151	Furnishing Skilled and Unskilled Labor for Maintenance
Estimated Cost:	\$2,650,000.00
Suggested Goal:	20%
Areas of Participation:	Excavation, General Construction, Electrical

Staff Contract Review Committee Recommendations

Thursday, February 11, 2016

Sewerage and Water Board of New Orleans
Economically Disadvantaged Business Program

Open Market Contracts

One Time Service Only, 35% SLDBE Participation, no renewal options.

1. **RFP for Classification/Compensation/Organizational Analysis Study (*)**
Budget Amount: \$200,000.00
Areas of Participation: Marketing, organizational studies and proportional analysis

Open Market, 15% SLDBE Participation, one (1) year with two (2), one (1) year renewal options.

2. **Furnishing Solid Waste Disposal Services**
Budget Amount: \$65,000.00
Areas of Participation: Solid waste disposal related services

Renewal Contracts

Second and final renewal, 0% SLDBE Participation.

1. **Furnishing Air Conditioning and Heating Services for the Sewerage & Water Board of New Orleans**
Renewal Cost: \$61,767.00
Prime Contractor: XCEL Air Conditioning Services, Inc.
Percentage Goal Justification: Does not lend itself to SLDBE participation due to warranty requirements and the specialized nature of the work involved, that it cannot be subdivided.

Second of four (4) renewals, 0% SLDBE Participation.

2. **Furnishing Totalizing Fluid Meters and Counting Devices Water Meters for the Sewerage & Water Board of New Orleans**
Renewal Cost: \$1,890,900.00
Prime Contractor: Mueller Systems
Percentage Goal Justification: Does not lend itself to SLDBE participation because the products cannot be sub-divided into any line items per commercially useful function(s) and are items shipped directly from the manufacturer.

(*) Previously reviewed at the February 15, 2016 Finance and Administrative Committee Meeting



SEWERAGE AND WATER BOARD

Inter-Office Memorandum

Date: March 1, 2016
To: Vickie Rivers, Deputy Director
cc: General Superintendent Office
From: Tiffany Carter, EDBP Director
Re: EDBP Department Analysis for Final Acceptance (Construction Contracts)

The EDBP Department has reviewed three (3) contracts to analyze final SLDBE Participation on the following Construction Projects:

1) Contract #2103 - Replacement of water lines damaged by Hurricane Katrina within portions of the Broadmoor, Lakeview, Milneburg, Read Blvd East and the Lower Ninth Ward Neighborhoods

The Prime Contractor is Boh Brothers Construction Co., LLC
The SLDBE participation goal is 36%. The SLDBE participation achieved is 49.18.51%.

The Economically Disadvantaged Business Program recommends that the participation on subject contract be approved for Final Acceptance.

2) Contract #3788: Hurricane Related 404 HMGP Burke Sewage Pumping Station

The Prime Contractor is Industrial & Mechanical Contractors, Inc.
The SLDBE participation goal is 36%. The SLDBE participation achieved is 38.95%.

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

3) Contract #8136: Katrina Related Construction of Staging Site Relocation Facility at Central Yard

The Prime Contractor is Courseault Construction, Inc.
The SLDBE participation goal is 36%. The SLDBE participation achieved is 25.51%.

The Economically Disadvantaged Business Program recommends that the participation on subject contract be recognized as noncompliant with standards of effort to meet the SLDBE participation goal.

Sewerage & Water Board New Orleans Contracts with SLDBE Participation January 2016

Category	Category Dollar Amount	SLDBE Dollar Value
Goods and Services Contracts	\$ -	\$ -
Construction Contracts	\$ 1,777,140	\$ 642,404
Professional Services Contracts	\$ -	\$ -
Grand Total	\$ 1,777,140	\$ 642,404

**Sewerage and Water Board of New Orleans
Customer Service Report
Indicators of Metric Results
February 2016**

	Goal	Goal Met		Within Control Limits		Trend
Billing Accuracy / Reasonable						
	Meters Read	Green		Green		Green
	Estimated Bills	Green		Green		Yellow
	High Bill Complaints	Yellow		Green		Yellow
	Adjusted Bills	Yellow		Green		Yellow
Problem Resolution						
	Customer Contacts	Green		Green		Yellow
	Call Wait Time	Yellow		Green		Yellow
	Abandoned Calls	Yellow		Green		Green
	Emergency Abandoned Calls	Yellow		Green		Yellow
	Low Water Pressure	Yellow		Yellow		Yellow
	Water System Leaks	Yellow		Yellow		Yellow
	Sewer System Leaks	Yellow		Yellow		Yellow
Collections Effectiveness						
	Accounts Off for Non-Payment	White		Green		Yellow
	Receivables 30 to 120 Days Old	White		Green		Green
	Receivables 120 Days and Older	White		Green		Green

Green = Favorable Variance

Yellow = Minimal Variance / No Action Recommended

Red = Unfavorable Variance / Action Recommended

Sewerage and Water Board of New Orleans Meters Read as a Percentage of Total Meters

Constituency:
Customer Ratepayers

Objective: Provide Accurate Bills

Goal: Read 98% or more of meters each month

Currently Meeting Goal: Yes

Process Operating Within Control Limits:
Yes

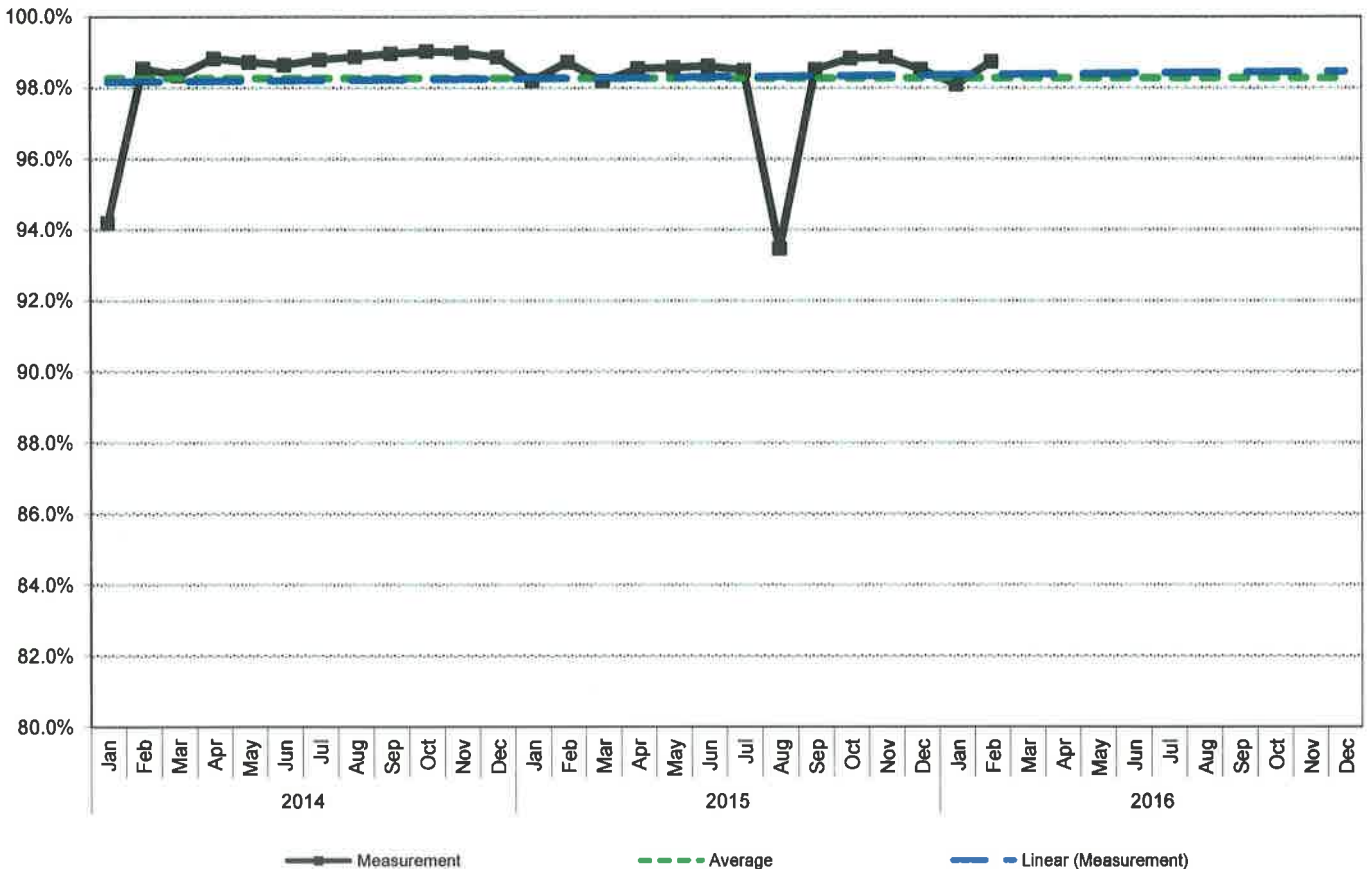
Trend: Level

Analysis

The purpose of the customer billing and collection processes is to collect revenues from customer accounts that are billed according to the service rules and are based upon accurate metered consumption. Obtaining an accurate reading is the first step in that process. Staff has maintained a reading rate near or above the goal since April 2010 except for two months affected by Hurricane Isaac in 2012 and a winter freeze in January 2014.

Plans for Improvement

Staff is working to reduce the number of estimated and erroneous readings. Also, the Automated Meter Reading pilot project is also intended to reduce the number of estimated and erroneous readings, as well as to reduce the cost of obtaining a validated reading.



Data Table

[illegible]

Sewerage and Water Board of New Orleans Bills Estimated as a Percentage of Total Bills

EUM Attribute:
Customer Satisfaction

Description: Provides reliable, responsive, and affordable services in line with explicit, customer-accepted service levels. Receives timely customer feedback to maintain responsiveness to customer needs and emergencies.

Constituency:
Customer Ratepayers

Objective: Provide Accurate Bills

Goal: Bill Accounts With Less Than 2% Estimated

Currently Meeting Goal: Close

Process Operating Within Control Limits:
Yes

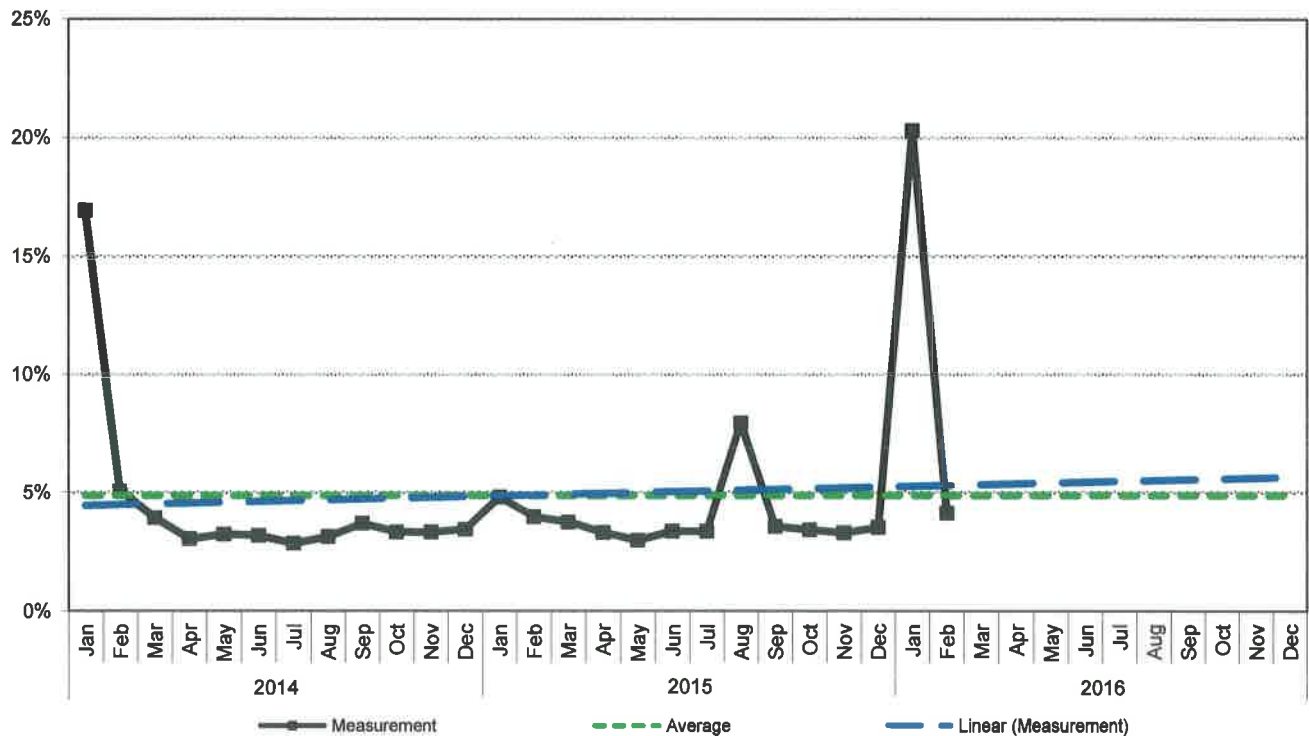
Trend: Level

Analysis

A bill is estimated if the meter is not read by the designated billing date. Bills are also estimated when a meter is read and the reliability of the reading is doubtful and the account is placed on an exception report. If the reading is not verified by the billing date, the bill will be estimated. Spikes in estimated bills usually occur when the Meter Reading department is unable to read a large section of meters during extreme weather.

Plans for Improvement

Current plans are focused on obtaining readings for accounts each month and verifying the reliability of each reading. Future plans will focus on advanced metering infrastructure that allows for readings to be obtained automatically several times daily.



Data Table

[illegible]

Sewerage and Water Board of New Orleans

Bills Adjusted as a Percentage of Total Bills Computed

Constituency:
Customer Ratepayers

Objective: Provide Accurate Bills

Goal: Reduce percentage over time

Currently Meeting Goal: No

Process Operating Within Control Limits:
Yes

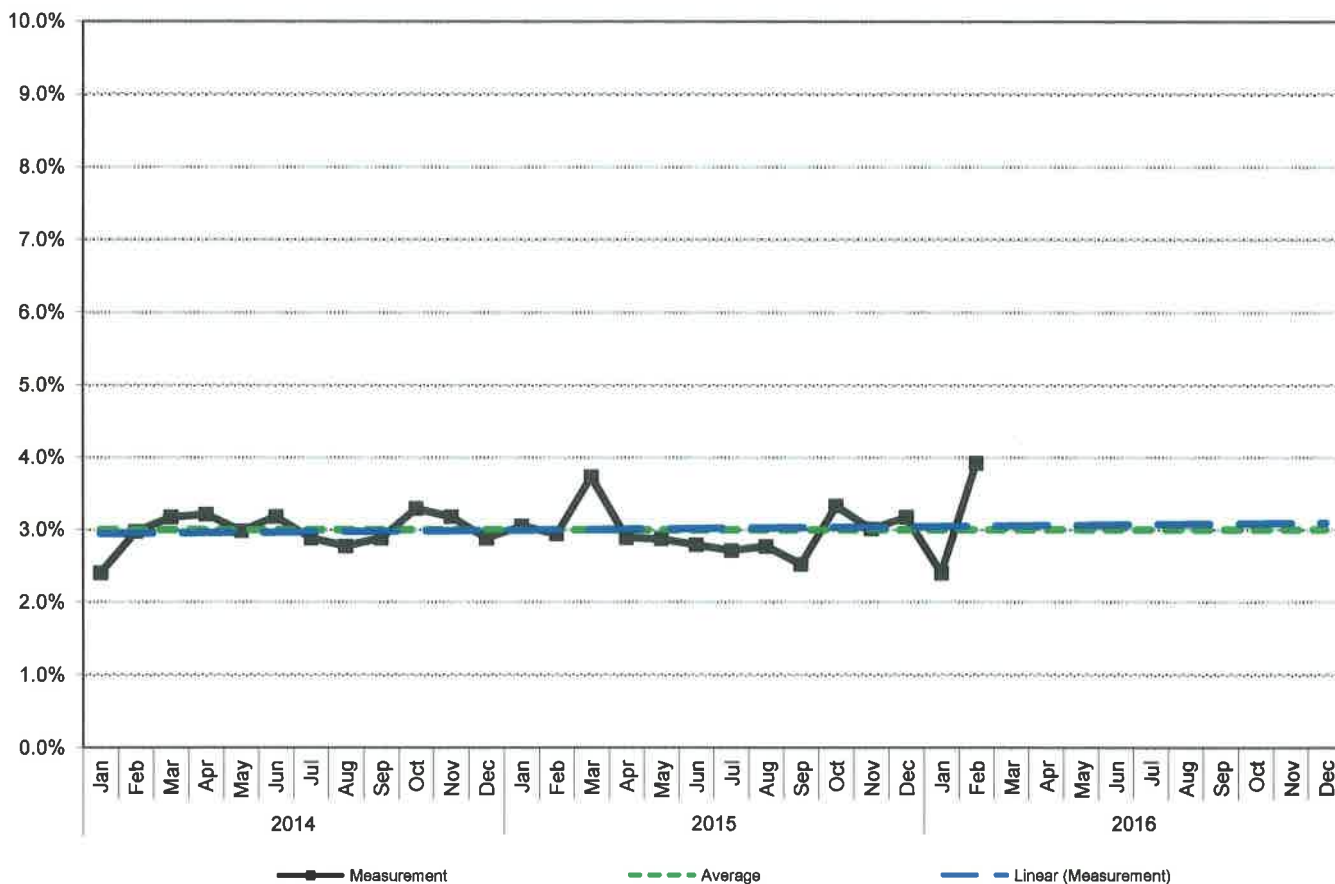
Trend: Level

Analysis

Customers request adjustments to their bill due to higher than normal amounts. The higher billed amount may be due to: a leak; one or more estimated readings followed by an actual reading; an erroneous meter reading; or increased water, sewer, or sanitation rates. Before an adjustment can be made, an inspection of the meter and service line must be performed.

Plans for Improvement

Staff is working to reduce the number of estimated and erroneous readings. Also, the Automated Meter Reading pilot project is also intended to reduce the number of estimated and erroneous readings, as well as to reduce the cost of obtaining a validated reading.



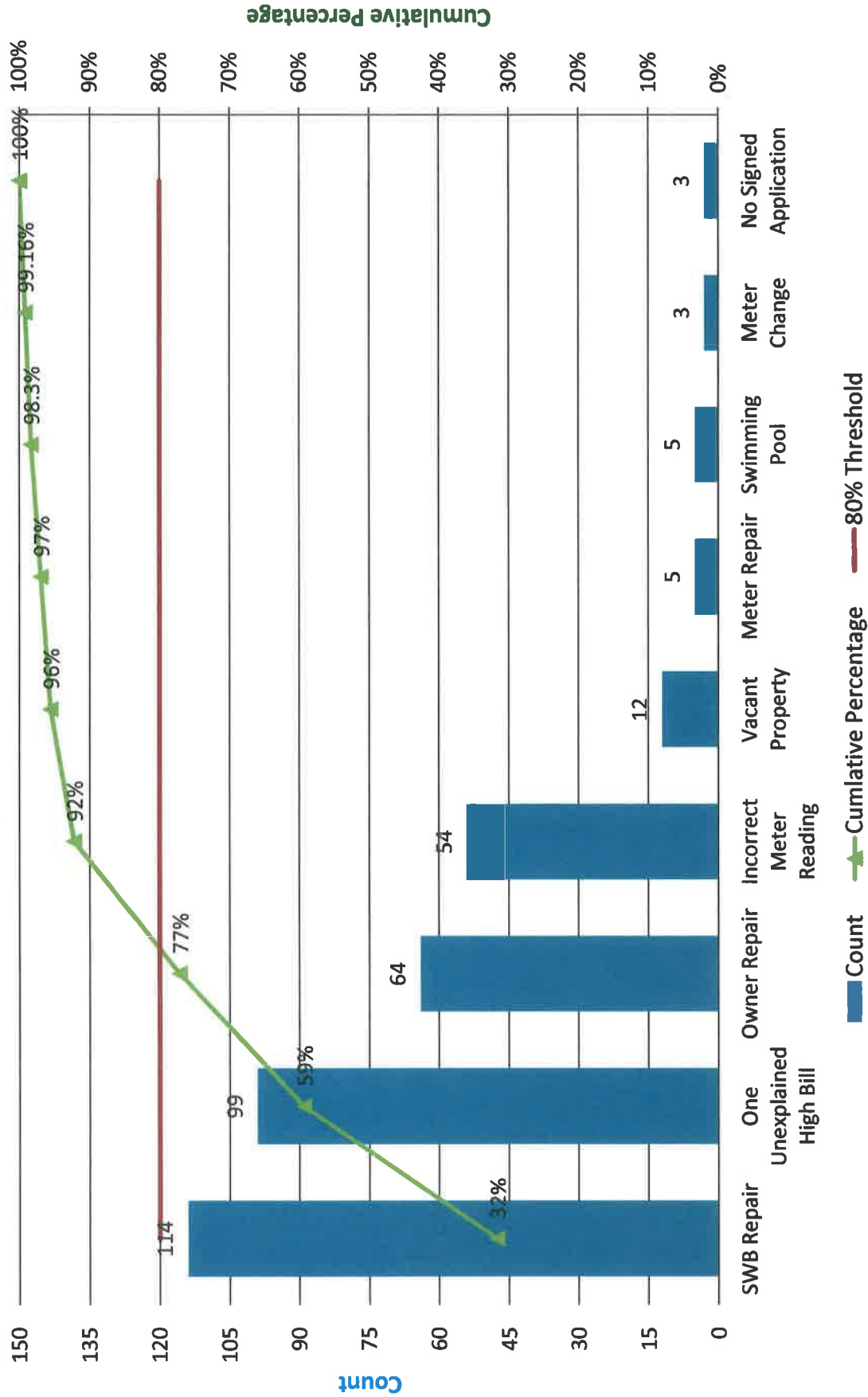
Data Table

[illegible]

Sewerage and Water Board of New Orleans

Chart of Reasons for Adjustments

February 2016



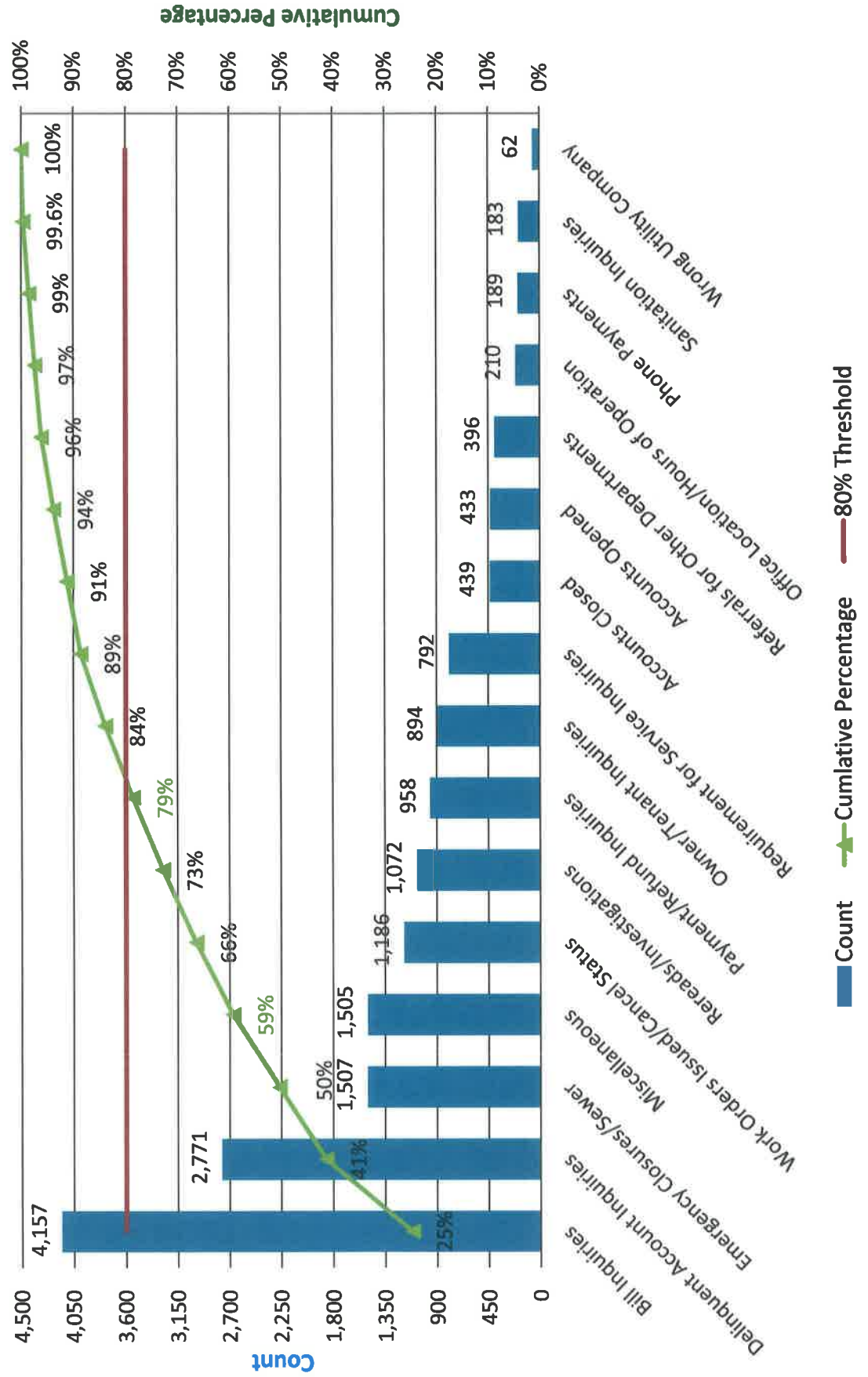
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[illegible]

Sewerage and Water Board of New Orleans

Chart of Types of Customer Calls

February 2016



[illegible]

[illegible]

[illegible]

Sewerage and Water Board of New Orleans Total Service Requests about Low Water Pressure

Constituency:
Customer
Ratepayers

Currently Meeting Goal: No

Objective: Provide Timely Information and Respond Promptly to Requests

Process Operating Within Control Limits: Close

Goal: Reduce Number of Service Requests

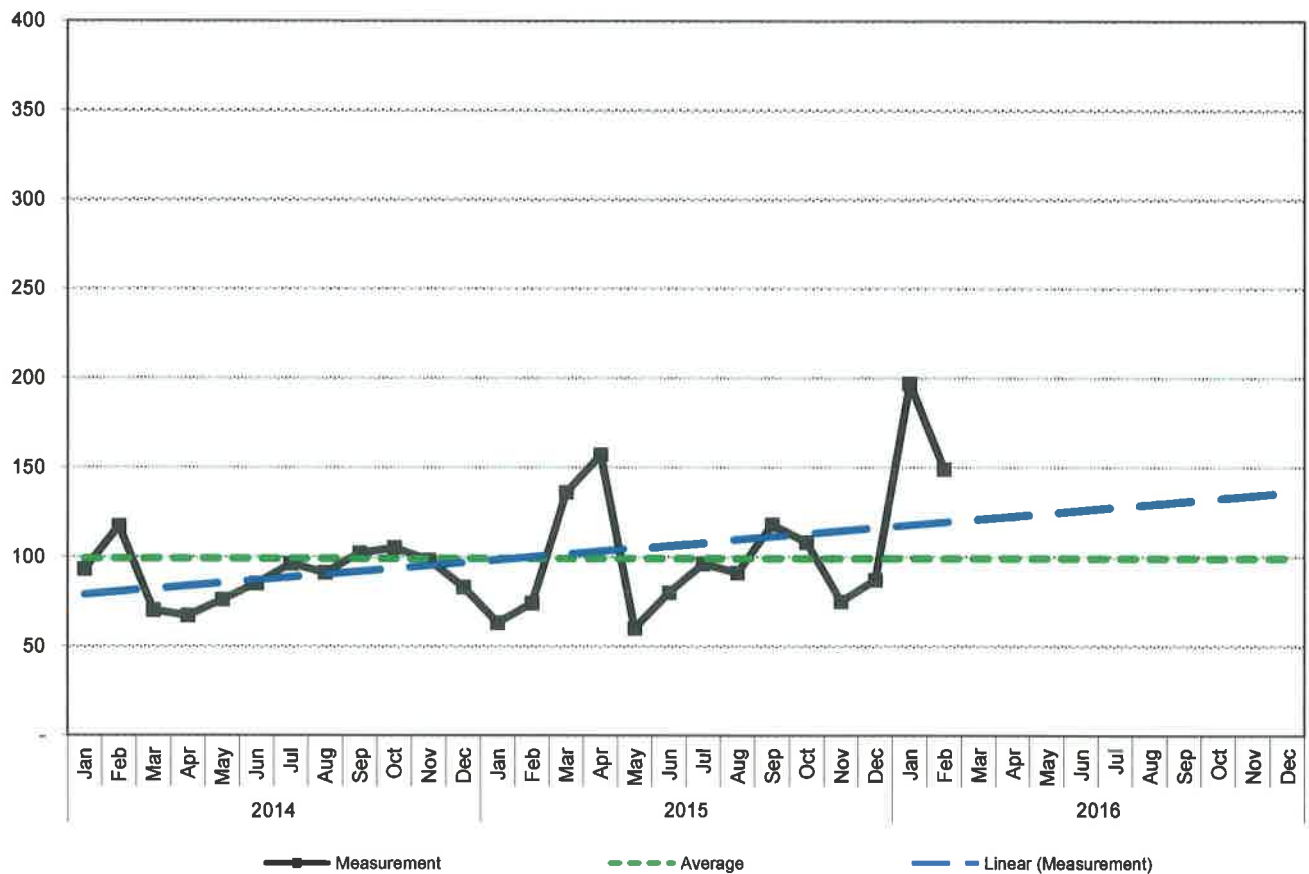
Trend: Unfavorable

Analysis

Customers contact the Sewerage and Water Board to request resolution to low water pressure. System pressure can be impaired by power failures at the treatment plants, by water main breaks, and by certain types of repair activities.

Plans for Improvement

Staff continues to make repairs to the water system to reduce the number of occasions of low pressure.



Data Table

[illegible]

Sewerage and Water Board of New Orleans Total Service Requests for Water System Leaks

**Constituency:
Customer
Ratepayers**

Currently Meeting Goal: No

Objective: Provide Timely Information and Respond Promptly to Requests

Process Operating Within Control Limits: Close

Goal: Reduce Number of Service Requests

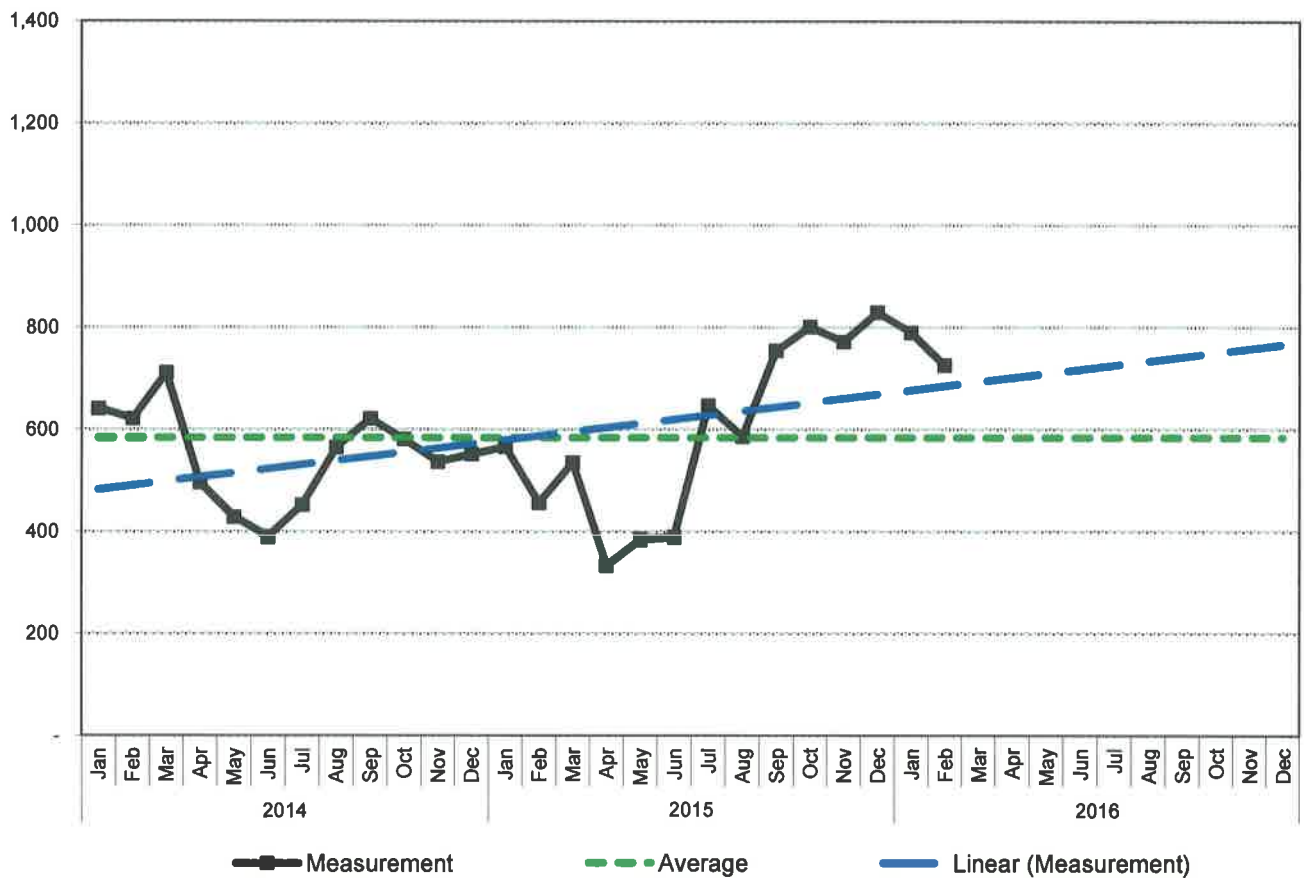
Trend: Unfavorable

Analysis

Customers contact the Sewerage and Water Board to request repairs to leaking mains, services and fire hydrants.

Plans for Improvement

Staff is working with FEMA to expand beyond point repairs to line replacements for water mains with high frequency of failure.



Data Table

[illegible]

Sewerage and Water Board of New Orleans Total Service Requests for Sewer System Leaks

**Constituency:
Customer
Ratepayers**

Currently Meeting Goal: No

Objective: Provide Timely Information and Respond Promptly to Requests

Process Operating Within Control Limits: No

Goal: Reduce Number of Service Requests

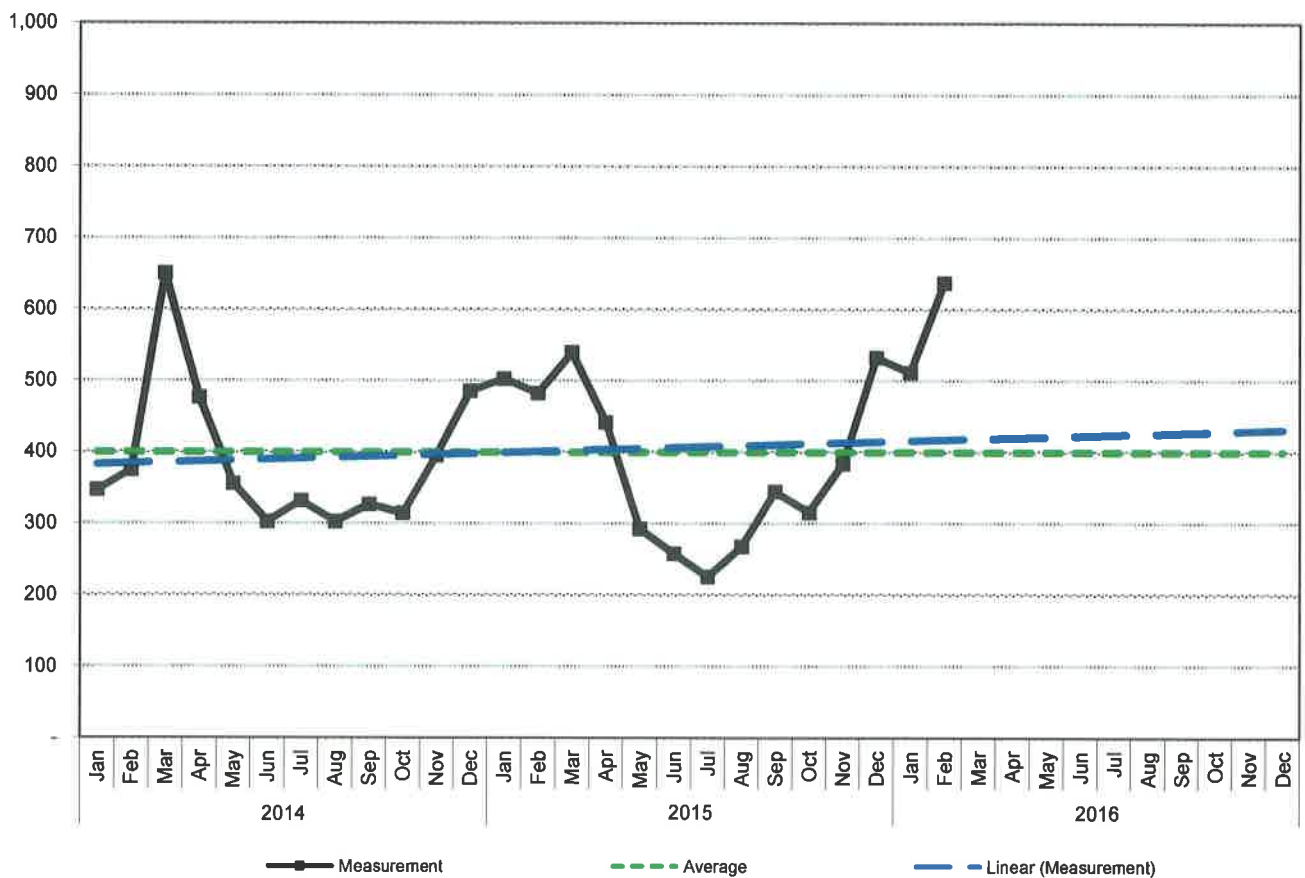
Trend: Level

Analysis

Customers contact the Sewerage and Water Board to request repairs to leaking sewer collection mains and service lines.

Plans for Improvement

Staff has recently expanded the use of Networks Department field staff focused on sewer system repairs.



Data Table

[illegible]

[illegible]

Sewerage and Water Board of New Orleans

Water and Sewer Receivables 30 to 120 Days Old

EUM Attribute: Financial Viability

Description: Establishes and maintains an effective balance between long-term debt, asset values, operations and maintenance expenditures, and operating revenues

**Constituency:
Customer Ratepayers**

Objective: Efficient use of resources in providing services

Goal: None established

Currently Meeting Goal: Not Applicable

Process Operating Within Control Limits: Yes

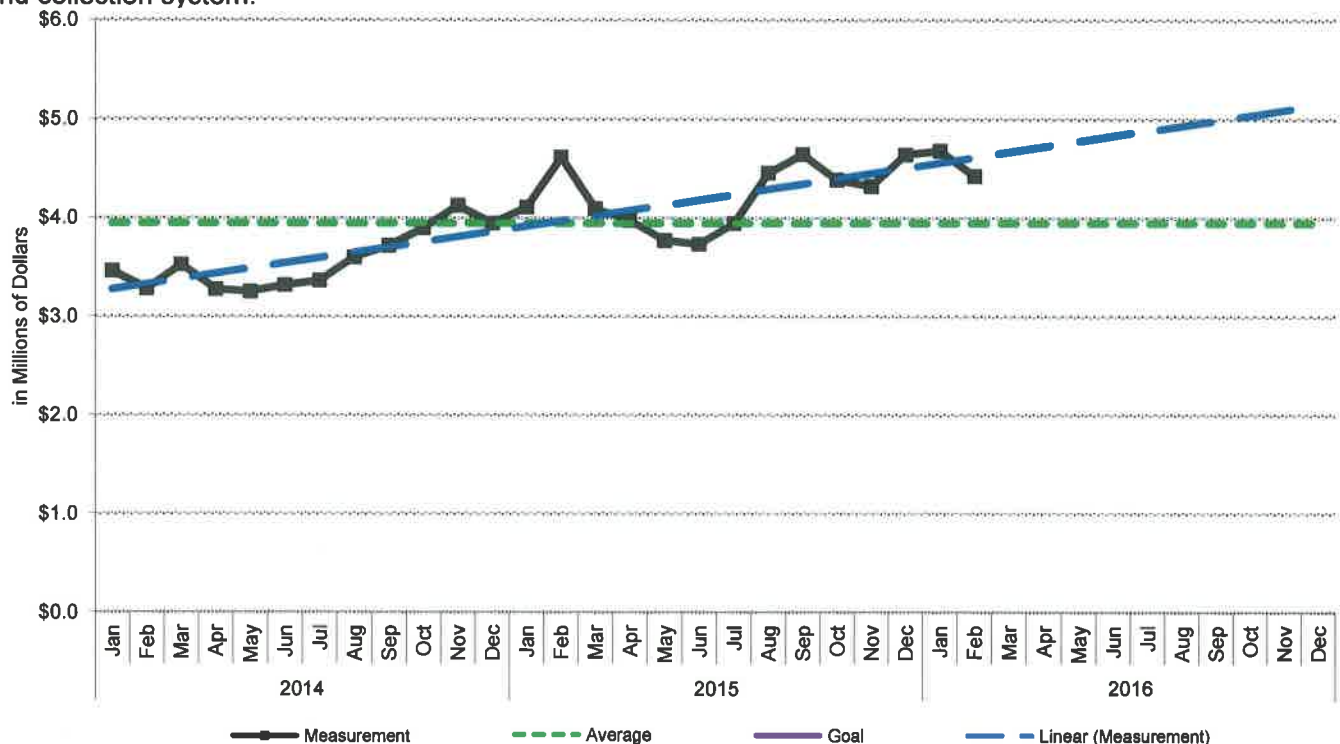
Trend: Level, when adjusted for rate increases.

Analysis

Water and sewer accounts receivable that are 30 to 120 days old are handled by internal staff using service disconnection. When those accounts are turned-off and final bills sent, the remaining balances after 30 days are sent to a collection agency. The uncollectable balances for 2007 and 2008 were higher than normal due to accounts that remained open for vacated facilities and were written off in 2011 and 2012, .

Plans for Improvement

It appears that the higher post-Katrina accounts receivable balances have been resolved through standard collection practices and that annual collection rates now exceed 98% of annual billings. Staff intends to use standard process improvement methods to continue collection practices pending implementation of new billing and collection system.



Data Table

[illegible]

Sewerage and Water Board of New Orleans Water and Sewer Receivables 120 Days and Older

EUM Attribute: Financial Viability

Description: Establishes and maintains an effective balance between long-term debt, asset values, operations and maintenance expenditures, and operating revenues

Constituency:
Customer Ratepayers

Objective: Efficient use of resources in providing services

Goal: None established

Currently Meeting Goal: Not Applicable

Process Operating Within Control Limits: Yes

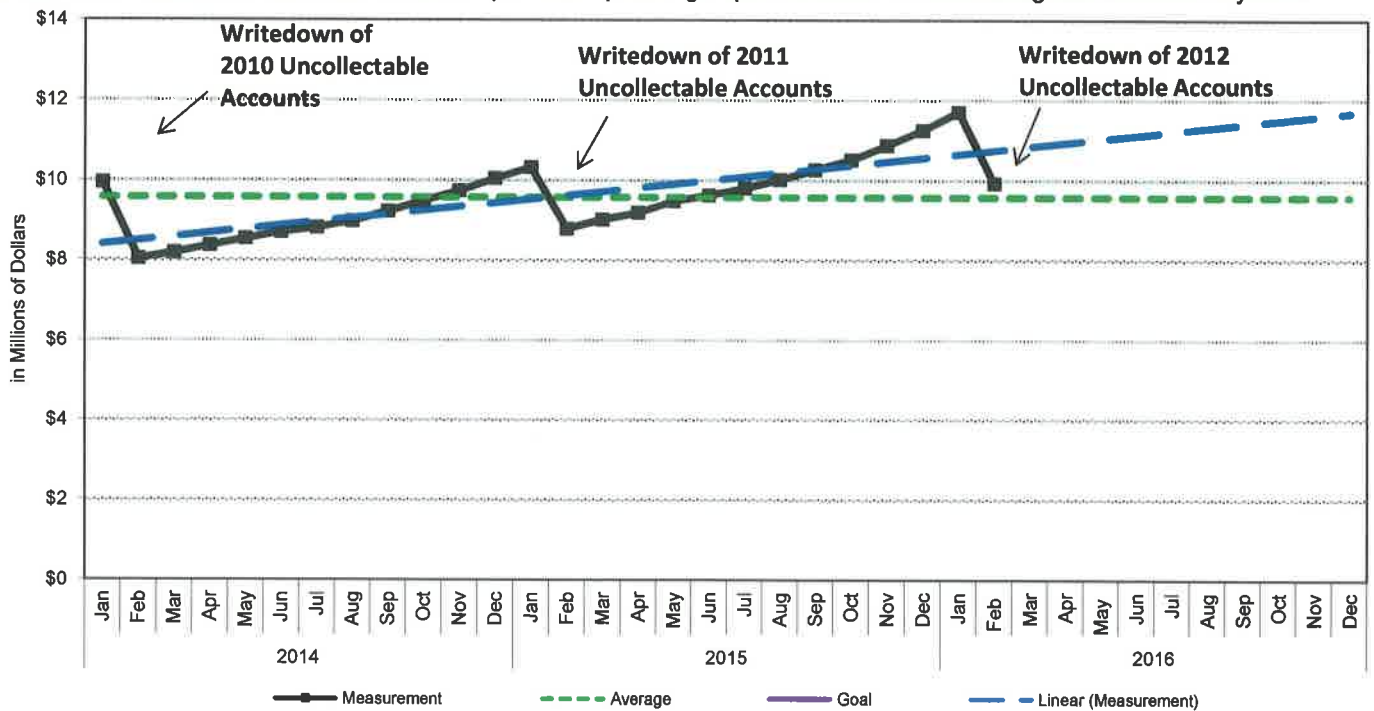
Trend: Increasing, but at a rate less than the overall rate increase

Analysis

Water and sewer accounts receivable that are 120 days and older are handled by a collection agency. When those accounts remain uncollected after three years, the balances are written off as part of an annual process. The uncollectable balances for 2007 and 2008, which were written off early in 2011 and 2012, were higher than normal due to accounts that remained open post-Katrina for residences and businesses but were not occupied.

Plans for Improvement

It appears that the higher post-Katrina accounts receivable balances have been resolved through standard collection practices and that annual collection rates now exceed 98% of annual billings. Staff intends to use standard process improvement methods to continue collection practices pending implementation of new billing and collection system.



Data Table

[illegible]

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

FEMA Project Update as of **3-1-16**

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

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

Hurricane Katrina

Estimated Project Cost	\$ 949,203,561.21
Obligated Amount	\$ 683,014,725.70
Not Eligible PW ¹	\$ 10,896,751.08
Not Eligible Loan PW ²	\$ 71,526,568.73
Insurance Deduction ³	\$ 2,747,339.04
Insurance Settlement ⁴	\$ 2,303,000.00
Version Request ⁵	\$ 50,863,152.67
Appeal Amount ⁶	\$ 0
Close Out Reconciliation ⁷	\$ 0
Submitted Project Cost	\$ 836,261,350.26
Awaiting Obligation ⁸	\$ 140,017,150.51
Total Invoices in Progress at State	\$ 24,369,069.89
Total Paid by State (LAPA Data)	\$ 394,537,131.20
SPS HMGP Grant	\$ 20,082,538.00
Power Plant HMGP GRANT	\$ 141,175,000.00
Power Plant HMGP Amendment 1	\$ 9,620,389.00
Settlement Amount	\$ 128,986,034.00

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

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

³ National Flood Insurance deductions.

⁴ Insurance Settlement

⁵ Amount that FEMA is reviewing documentation to adjust scope of work or cost adjustments

⁶ Amount that is currently under appeal or arbitration.

⁷ Amount that will be reconciled when Project Worksheets are closed out.

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

Hurricane Gustav

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

Original ESTIMATED PROJECT COST	\$ 750,945.28
PROJECT SUBMITTED AMOUNT	\$ 750,945.28
NFIP Reduction	\$ -
OBLIGATED Amount	\$ 544,884.26
Amount Paid by State	\$ 518,864.38

Hurricane Isaac

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

Site	Estimated	Insurance Claim	FEMA Claim	PW Amount
CAT B Emergency Labor/Equipment	\$ 1,217,743.75	\$ -	\$ 1,398,010.67	\$ 1,398,010.67
East Bank Waste Water Treatment Plant	\$ 873,596.00	\$ 367,636.00	\$ 505,960.00	\$ 224,987.37
West Bank Waste Water Treatment Plant	\$ 118,755.00	\$ 38,887.00	\$ 79,868.00	\$ 28,053.10
East Bank Water Plant	\$ 184,556.00	\$ 36,850.00	\$ 174,706.00	\$ 74,678.91
West bank Water Plant	\$ 2,269.74	\$ -	\$ 2,269.74	\$ 2,269.74
Sewer Pumping Stations/DPS	\$ 94,063.80	\$ -	\$ 94,377.90	\$ 80,711.15
Central Yard Roof Repairs	\$ 6,053.60	\$ -	\$ 6,053.60	\$ 6,053.60
Central Yard Fence	\$ 18,836.61		\$ 18,836.61	\$ 18,836.61
Total	\$ 2,515,874.50	\$ 443,373.00	\$ 2,280,082.52	\$ 1,833,601.15



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

Sewerage & Water Board OF NEW ORLEANS

MITCHELL J. LANDRIEU, *President*
Scott Jacobs, *President Pro-Tem*

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

February 15, 2016

The Finance and Administration Committee of the Sewerage and Water Board of New Orleans met on Monday, February 15, 2016 at 2:00 PM in the Board Room, 625 St. Joseph Street to consider the following matters.

PRESENT:

Scott Jacobs, Chair
Joseph Peychaud, Vice-Chair
Kerri Kane
Kimberly Thomas

ABSENT:

Dr. Tamika Duplessis

OTHER COMMITTEE/BOARD MEMBERS PRESENT:

Eric C. Blue
Alan Arnold

ACTION ITEMS:

Item 1 General Superintendent's Recommendations

Bids:

Mr. Joseph Peychaud moved to accept the General Superintendent's Recommendations for award of contracts for the items listed below. Mrs. Kimberly Thomas seconded and the motion carried.

- R-019-2016 – Replacement of Pumps at the Boulevard "X" Sewage Pumping Station.
- R-027-2016 – Waterline Replacements and Extensions at Scattered Locations.

Contract Renewal:

- R-020-2016 – First and Final Renewal of Contract for Furnishing Liquid Ferric Sulfate – REQ. NOS. ALW140037 & CM140018.

Contract Final Acceptance:

- R-021-2016 – Contract 3788 – 404 HMGP Replacement of Burke Sewage Pumping Station

Item 2 Change Orders

Mrs. Kerri Kane moved to accept the Ratification of Change Orders as described in resolutions R-024-2016 and R-025-2016. Mrs. Kimberly Thomas seconded and the motion carried.

Item 3 Entergy Relocation Agreement for Florida Avenue Phase III SELA Project (R-028-2016)

Nolan Lambert asked the Committee to grant Sewerage and Water Board the authority to negotiate with Entergy and execute the agreement for the three separate intersections listed below:

- Treasure and Painters
- Benefit and Deers
- Abundance and Eads

Mr. Joseph Peychaud moved to grant authorization to the Legal Department to negotiate and execute an agreement with Entergy. Mrs. Kerri Kane seconded and the motion carried.

PRESENTATION ITEMS:

Item 4 Preliminary Unaudited Financial Results through December 2015

Mr. Miller presented the summary of preliminary unaudited financial results for the water, sewer and drainage systems through December 2015.

Item 5 Executive Session (Willie Randle, et al v. Marcia Nell Noland, et al CDC No. 2013-9514, Div. J)

Mr. Joseph Peychad moved to go into executive session. Mrs. Kerri Kane seconded and the motion carried.

Mrs. Kerri Kane moved to return to regular session. Mrs. Kimberly Thomas seconded and the motion carried.

Mrs. Kerri Kane moved to accept the Counsel's recommendation. Mrs. Kimberly Thomas seconded and the motion carried.

INFORMATION ITEMS:

Items 6 – 11 The committee received all information items.

ANY OTHER MATTERS:

Mr. Grant invited the Committee to attend the meetings listed below:

- Vice President Joe Biden plans to visit the Port of New Orleans on Wednesday, February 17, 2016 at 11:00 a.m. to mark the 7th anniversary of the American Recovery and Reinvestment Act. The event will address the Obama Administration's investments in New Orleans, particularly Stimulus/AARA infrastructure investments such as TIGER at the Port and streetcar.
- Special Board Meeting on Saturday, February 20, 2016 at 7:00 p.m. The meeting will be held at the Hilton Riverside.

ADJOURNMENT

There being no further business to come before the Committee, the meeting adjourned at 2:48 PM.

Also in attendance were Cedric S. Grant, Executive Director; Robert Miller, Deputy Director; Joseph Becker, General Superintendent; Bruce Adams, Deputy General Superintendent; Kimberly Johnson, Deputy Director of Continuous Improvement; Sharon Judkins, Deputy Director of Administration; Nolan Lambert, Special Counsel; Harold Marchand, Legal Counsel; Robert Jackson, Community & Intergovernmental Relations Administrator; Valerie Rivers, Deputy Director of Logistics; Willie Mingo, Purchasing Administrator; Rosita Thomas, Utility Finance Administrator; Steve Woolridge, Finance-Treasury; Brenda Thornton, CommuniRep, Inc.; and Randy Smith, Royal Engineers.

Respectfully submitted,

Mr. Scott Jacobs, Chair