



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

Sewerage & Water Board of NEW ORLEANS

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

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April 7, 2015

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

The Finance Committee of the Sewerage and Water Board of New Orleans met on Tuesday, April 7, 2015 at 8:00 AM. in the Board Room, 625 St. Joseph Street to consider the following matters.

ATTENDANCE

Present:

Ms. Robin Barnes
Ms. Kerri Kane
Mr. Scott Jacobs

Absent

Mr. Mark Moody
Mr. Wm. Raymond Manning

Also in attendance were Cedric S. Grant, Executive Director; Robert Miller, Deputy Director; Joseph Becker, General Superintendent; Madeline Goddard, Deputy General Superintendent; Nolan Lambert, Special Counsel; Harold Marchand, Deputy Special Counsel; Robert Jackson, Community & Intergovernmental Relations; Hazel Bell, Chief Accountant; Dexter Joseph, Budget Director; Emanuel Lain, Sr., Budget Dept.; Jason Higginbotham, Emergency Management; Kevin Garrison, Budget Dept.; Courtney Wilson-Renthrope, Internal Audit; Willie M. Mingo, Jr., Purchasing Director; Brenda Thornton, Communirep, Inc.; Clark Zelenka, Eagan Insurance; Renee' Lapeyrolerie; CDM Smith; Michael R.C. Reese attorney representing Fleming Construction Co. LLC.

ACTION ITEMS

Item 1 APPOINTING TEMPORARY CHAIR

The Finance Committee appointed Ms. Barnes as temporary chair of the Finance Committee. Upon a motion of Mr. Jacobs and seconded by Ms. Kane, the appointment was approved.

APPROVAL OF PREVIOUS REPORT

The report of the Regular Finance Committee Meeting held on Tuesday, March 3, 2015 was received. Upon a motion of Mr. Jacobs and seconded by Ms. Kane, the report was approved.

Item 2

GENERAL SUPERINTENDENT'S RECOMMENDATIONS

Bids

**R-057-2015 – REQ. NO. YG150060 – FURNISHING & DELIVERING
AUTOMOTIVE BATTERIES**

Mr. Becker recommended award to the low bid of NAPA Auto Parts (Covington) for the total amount of \$56,922.27.

**R-058-2015 – REQ. NO. ME150001 – FURNISHING JANITORIAL SERVICES
FOR THE CARROLLTON WATER PLANT COMPLEX**

Mr. Becker recommended award to the low bid of KSM Janitorial for the total amount of \$76,120.00.

**R-059-2015 – REQ. NO. SA150001 – FURNISHING JANITORIAL SERVICES AT
CENTRAL YARD COMPLEX**

Mr. Becker recommended award to the low bid of Crescent Building Services for the total amount of \$44,368.32.

**R-060-2015 – REQ. NO. YG150070 - REBUILDING & INSTALLING
AUTOMATIC TRANSMISSIONS IN MEDIUM AND HEAVY DUTY TRUCKS**

Mr. Becker noted that no bids had been received and recommended that this item be rebid.

**R-061-2015 – PAINTING AND INSPECTION OF 4 FOUR MILLION GALLON
WATER TANKS AT THE MWPP**

Mr. Becker noted that the three lowest bids were rejected due to failure to comply with bid specifications and the fourth bid was over the estimated bid amount. He recommended that this item be rebid.

**R-062-2015 – CONTRACT 2106 - INSTALLATION OF NEW WATER, SEWER
AND DRAIN SERVICE CONNECTIONS AT VARIOUS SITES THROUGHOUT
ORLEANS PARISH**

Mr. Becker recommended award to the only bid received which was from Fleming Construction for amount of \$2,336,550.00.

**R-064-2015 - CONTRACT 2111 – WATER MAIN POINT REPAIR, WATER
SERVICE CONNECTIONS, WATER VALVE AND FIRE HYDRANT
REPLACEMENT AT VARIOUS SITES THROUGHOUT ORLEANS PARISH**

Mr. Becker recommended award to the second low formal bid be awarded to Drennan Construction for the total amount of \$3,197,190.00. The apparent low bidder Mastec was not recommended for award of the contract because lack of the proper licenses.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane, the General Superintendent's recommendations were approved.

R-063-2015 – CONTRACT 2110 – WATER MAIN LINE REPLACEMENTS AND EXTENSIONS AT SCATTERED LOCATIONS THROUGHOUT ORLEANS PARISH

Mr. Becker recommended award to Drennan Construction for the total amount of \$988,150.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane, staff recommendation was approved.

Contract Renewal

R-065-2015 – REQ. NO. PM140018 – FIRST RENEWAL OF CONTRACT FOR FURNISHING AIR CONDITIONING AND HEATING MAINTENANCE

Mr. Becker recommended award to XCEL Air Conditioning Services, Inc. for their first renewal effective May 1, 2015 in the amount of \$61,767.00.

R-066-2015 – REQ. NO. YW140004 – FINAL RENEWAL OF CONTRACT FOR FURNISHING FIRE EXTINGUISHERS SERVICE FOR SEWERAGE AND WATER BOARD

Mr. Becker recommended award to Hebert S. Hiller for this first and only renewal effective May 1, 2015 in the amount of \$50,496.00.

R-067-2015 – REQ. NO. YW140005 – FIRST AND FINAL RENEWAL OF CONTRACT FOR FURNISHING FLASHLIGHTS & BATTERIES

Mr. Becker recommended award to General Mill Supplies, Inc. for this first and only renewal effective May 1, 2015 in the amount of \$42, 222.40.

R-068-2015 – REQ. NO. MH130008 – FIRST RENEWAL OF CONTRACT FOR FURNISHING POSITIVE DISPLACEMENT TYPE COLD WATER METERS FOR THE METER SHOP AT THE MAIN WATER PLANT

Mr. Becker recommended award to Mueller Systems, for this first renewal, effective May 1, 2015 in the amount of \$1,830,900.00.

Upon a motion by Ms. Kane and seconded by Mr. Jacobs, staff recommendations for the above contracts renewals were approved.

Contract Final Acceptance

R-069-2015 – FINAL ACCEPTANCE AND CLOSE OUT TO CONTRACT 1353 – HURRICANE KATRINA RELATED REPAIRS TO REPLACE BOILER PRE-HEATERS AT THE MAIN WATER PURIFICATION PLANT – POWER COMPLEX

Mr. Becker recommended contract 1353 for acceptance. The contractor is Alfred Conhagen, Inc. The total contract expenditure is \$3,220,636.37.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane, staff recommendation was approved.

Item 3

CHANGE ORDER

R-051-2015 – RATIFICATION OF CHANGE ORDER NO. 7 FOR CONTRACT ME-0017 – EMERGENCY REPAIRS TO PANOLA STREET STATION AT MAIN WATER PURIFICATION PLANT –POWER COMPLEX

Mr. Becker recommended ratification of change order no. 7 for contract ME 11-0017 – Emergency Repairs to Panola Street Station at Main Water Purification Plant – Power Complex in the amount of \$33,166.25.

R-052-2015 – RATIFICATION OF CHANGE ORDER NO. 11 FOR CONTRACT 1350 – HURRICANE RELATED REPAIRS TO TURBINE 4 AT THE CARROLLTON WATER PURIFICATION PLANT –POWER COMPLEX

Mr. Becker recommended ratification of change order no. 11 for contract 1350 – Hurricane Related Repairs to Turbine 4 at the Carrollton Water Purification Plant – Power Complex in the amount of \$140,627.57.

R-053-2015 – RATIFICATION OF CHANGE ORDER NO. 8 FOR CONTRACT 1351 – HURRICANE RELATED REPAIRS TO A & B PUMPS AND AUXILIARIES AT MAIN WATER PURIFICATION PLANT – POWER COMPLEX

Mr. Becker recommended ratification of change order no. 8 for contract 1351– Hurricane Related Repairs to A & B Pumps and Auxiliaries at the Main Water Purification Plant Power Complex in the amount of \$174,208.03.

R-054-2015 – RATIFICATION OF CHANGE ORDER NO. 7 FOR CONTRACT 1352 – HURRICANE RELATED REPLACEMENT OF THE PUMP PACKAGE AT THE CARROLLTON WATER PURIFICATION PLANT –POWER COMPLEX

Mr. Becker recommended ratification of change order no. 7 for contract 1352– Hurricane Related Replacement of the Pump Package at the Carrollton Water Purification Plant – Power Complex in the amount of \$3,425.88.

**R-055-2015 – RATIFICATION OF CHANGE ORDER NO. 7 FOR
CONTRACT 6247 – HAZARD MITIGATION GRANT PROJECT –RETROFIT
OF GENERATOR #4**

Mr. Becker recommended ratification of change order no. 7 for contract 6247– Hazard Mitigation Grant Project –Retrofit of Generator #4 in the amount of \$18,426.21.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane, staff recommendations for five change orders were approved.

Item 4 R-046-2015 – RENEWAL OF GOVERNMENT CRIME POLICY

Mr. Miller recommended the authorization to renew insurance with Zurich/Fidelity & Deposit for an annual premium of \$6,335.00 for the period May 1, 2015 to May 1, 2016.

Upon a motion by Ms. Kane and seconded by Mr. Jacobs, R-046-2015 was approved.

Item 5 R-047-2015 – FLEET PHYSICAL DAMAGE INSURANCE

Mr. Miller recommended approval of R-047-2015 for property insurance coverage from Lexington Insurance through the Board's insurance broker, Eagan Insurance, for a total of \$209,224.05.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane, R-047-2015 was approved.

Item 6 R-048-2015 – PROPERTY INSURANCE RENEWAL FOR 2015-2016

Mr. Miller recommended approval of R-048-2015 – to purchase commercial property insurance for the period May 20, 2015 to May 20, 2016 in the amount of \$656,369.01.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane, R-048-2015 was approved.

**Item 7 R-049-2015 -AMENDMENT NO. 2 TO THE AGREEMENT BETWEEN THE
SEWERAGE & WATER BOARD OF NEW ORLEANS AND ROYAL ENGINEERS
& CONSULTANTS, LLC FOR HURRICANE KATRINA RELATED WATER
RESTORATION PROJECTS**

Staff recommended that Royal Engineers & Consultants fees be increased to the total amount of \$816,840.37.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane, R-049-2015 was approved.

**Item 8 R-050-2015 - RESOLUTION TO APPROVE TWO ATTORNEYS TO PROVIDE
PROFESSIONAL LEGAL SERVICES FOR ADMINISTRATIVE HEARING**

Staff recommended that Deborah L. Wilson, APLC and Lee Phillips, Attorney at Law be to provide professional legal services to conduct administrative hearings on behalf of the Board. The hourly rate is \$75.

Upon a motion by Mr. Jacobs and seconded by Ms. Kane, R-050-2015 was approved.

Item 9 R-056-2015 -AMENDMENT TO AGREEMENT WITH STANLEY CONSULTANTS, INC. FOR DESIGN AND ENGINEERING SERVICES FOR THE WATER HAMMER HAZARD MITIGATION PROJECT

Staff recommended that the fee paid to Stanley Consultants, Inc. for Water Hammer Hazard Mitigation Project to be increased due to an additional scope of work. The increase amount is \$465,034.89 for a total fee of \$4,028,159.05.

Upon a motion by Ms. Kane and seconded by Ms. Jacobs, R-056-2015 was approved.

Item 10 R-070-2015 – CONTRACT 6249 – HMGP RETROFIT POWER DISTRIBUTION NETWORK (DESIGN-BUILD)

Staff recommended that no action be taken.

Item 11 EXECUTIVE SESSION

None

PRESENTATION ITEMS

Item 12 FINANCIAL RESULTS THROUGH FEBRUARY 2015

Mr. Miller presented the Financial Report through February 2015 and concluded that everything was within its navigational buoys for the first two months of the year. The financial audit is proceeding without incident and will be completed no later than April 30, 2015.

Item 13 TOPICS FOR FUTURE DISCUSSIONS

Mr. Grant stated that there was an oil spill at mile marker 116 in St. James Parish. It hasn't affected our Carrollton Water Intake or the Algiers Water Intake and the water plant(s) are fully operational and we are monitoring the situation.

Item 14 RESPONSE TO QUESTIONS

None

INFORMATION ITEMS

Item 15 CHANGE ORDER ANALYSIS - The committee received the report.

Item 16 FEMA PROJECT WORKSHEET STATUS - The committee received the report.

Item 17 2015 COMMITTEE/BOARD MEETING SCHEDULE - The committee received the report.

Item 18 ANY OTHER MATTERS – None.

ADJOURNMENT

Mr. Jacobs moved for adjournment and Ms. Kane seconded. The Finance Committee adjourned at 8:45 AM.

REFERENCE MATERIAL (IN BINDERS)

- A. Sewerage & Water Board By-Laws
- B. 2015 Operating & Capital Budgets
- C. Strategic Plan
- D. Tracking Tool for Commitments to the City Council
- E. Bond Rating

Respectfully submitted,

Ms. Robin Barnes, Temporary Chair