



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

Sewerage & Water Board OF NEW ORLEANS

LATOYA CANTRELL, PRESIDENT

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December 11, 2019

The Finance and Administration Committee met on Wednesday, December 11, 2019, in the Board Room located at 625 St. Joseph Street, New Orleans, LA. The meeting convened at approximately 9:00 A.M.

1. ROLL CALL

Present:

Director Lynes Sloss
Director Janet Howard
Director Joseph Peychaud

Absent:

Director Ralph Johnson
Director Alejandra Guzman

Director Joseph Peychaud moved to rearrange the agenda to take up the GSO's report first. Director Janet Howard seconded. The motion carried.

2. ACTION ITEMS

General Superintendent's Report

a. Bid/Renewal

- Resolution (R-204-2019) Recommendation for Award of Contract 8164 -Furnishing Skilled and Unskilled Labor for Maintenance
 - o **Special Counsel Yolanda Grinstead stated they received a bid protest on R-204-2019. Once the matter is resolved and a bid protest is heard, they are recommending deferring this resolution.**
 - o **Director Janet Howard moved to defer R-204-2019 in Bids/Renewals. Director Joseph Peychaud seconded. The motion carried.**

b. Change Orders

- Resolution (R-184-2019) Ratification of Change Order No. 7 for Contract 1368 – HMGP Oak Street Pump Station Upgrade and Rehabilitation Project
- Resolution (R-199-2019) Ratification of Change Order No. 1 for Contract 30208 – New Orleans East Basin – Village De L'est/Venetian Isles Neighborhoods – Sewer Rehabilitation
- Resolution (R-200-2019) Ratification of Change Order No. 1 for Contract 1384 – Sycamore Filter Gallery Backwash Pump Replacement
- Resolution (R-203-2019) Ratification of Change Order No. 1 for Contract YG19-0001 – Furnishing and Delivering Gasoline and Diesel Fuel Services
 - **Mr. Turner gave a brief overview of each change order and the reason behind each resolution. Director Janett Howard asked for clarity about the reason behind the recommission of the tertiary pumping station that has not been used in decades.**
 - **Director Joseph Peychaud moved to accept Change Orders. Director Janet Howard seconded. The motion carried.**

c. Contract Amendments

- Resolution (R-179-2019) Ratification of Contract Amendment No. 3 for Professional Services Between the Sewerage and Water Board and Veolia Water North America, LLC for Capital Program Management (CPM) Services
- Resolution (R-202-2019) Ratification of Contract Amendment No. 8 for Professional Services Between the Sewerage and Water Board and CH2M Hill Engineers, Inc. for Program management and Design and Engineering Services for the Retrofit Power Plant Hazard Mitigation Grant Program
 - **Mr. Turner gave a brief overview of the contract amendments and the supporting reasons the amendments were necessary. He also mentioned in R-202-2019 that it was extended because additional consulting services were requested.**
 - **Director Janet Howard moved to approve Contract Amendments. Director Joseph Peychaud seconded. The motion carried.**
- Resolution (R-188-2019) Ratification of Contract Amendment No.2 for Professional Services Between the Sewerage and Water Board and Leonard C. Quick & Associates, Inc. for Louisiana 2020

- Resolution (R-189-2019) Ratification of Contract Amendment No.2 for Professional Services Between the Sewerage and Water Board and Leonard C. Quick & Associates, Inc. for Napoleon II 2020
- Resolution (R-190-2019) Ratification of Contract Amendment No.2 for Professional Services Between the Sewerage and Water Board and Leonard C. Quick & Associates, Inc. for Napoleon Avenue III 2020
- Resolution (R-191-2019) Ratification of Contract Amendment No.8 for Professional Services Between the Sewerage and Water Board and Leonard C. Quick & Associates, Inc. for Claiborne I 2020
 - o **Special Counsel Yolanda Grinstead stated that additional information is necessary before moving forward with the four Quick & Associates contract amendments.**
 - o **Director Janet Howard moved to defer resolutions R-188-2019 to R-191-2019 in Contract Amendments. Director Joseph Psychaud seconded. The motion carried.**

d. Final Acceptance

- Resolution (R-201-2019) Final Acceptance for Contract 1384 – Sycamore Filter Gallery Backwash Pump Replacement
 - o **Director Joseph Psychaud moved to approve Final Acceptance. Director Janet Howard seconded. The motion carried.**
 - o **Director Lynes Sloss made a motion to take up the presentation items. Director Psychaud moved to accept. Director Janet Howard seconded. The motion carried.**

3. PRESENTATION ITEMS

Chief Financial Officer Yvette Downs presented the 2020 Operating and Capital Budget overview. The recommended budget includes \$281M in operating expenses, the largest portions of which will be for personnel and services/utilities – a 4% increase from 2019. Total expenses during 2020 will be about \$361 million. Revenues are anticipated to be \$337 million coming from our water sales, sewer sales, drainage millage and from other revenues. The recommended capital budget is \$325M. Ms. Downs indicated that Fair Share funds will be used for capital projects, not operating expenses. There was conversation around 2019 actual expenses, and Ms. Downs stated that she would circulate the most updated figures to the committee.

Chief Financial Officer's Recommendations

e. Finance Resolutions

- Resolution (R-186-2019) 2020 Operating Budget and 2020 Capital Budget Blanket Appropriations
 - **Director Joseph Peychaud moved to accept R-186-2019. Director Janet Howard seconded. The motion carried.**

- Resolution (R-209-2019) Adoption of 2020 Operating Budget
 - **Director Janet Howard moved to accept R-209-2019. Director Joseph Peychaud seconded. The motion carried.**

- Resolution (R-208-2019) Adoption of 2020 Capital Budget
 - **Director Joseph Peychaud moved to accept R-208-2019. Director Janet Howard seconded. The motion carried.**

- Resolution (R-162-2019) Resolution to Lease SWBNO Batture Property to Wood Resources, L.L.C.
 - **Director Joseph Peychaud moved to accept Change Orders. Director Janet Howard seconded. The motion carried.**

- Resolution (R-192-2019) Resolution to Lease SWBNO Property to St. Charles Parish
 - **Director Peychaud asked whether these properties were still necessary and beneficial to SWBNO. Special Counsel Grinstead stated that they were.**
 - **Director Joseph Peychaud moved to accept Change Orders. Director Janet Howard seconded. The motion carried.**

- Resolution (R-206-2019) Sewerage and Water Board Adoption of Certain Provisions of the Louisiana Procurement Code (LPC)
 - **Procurement Director Patti Wallace stated that this resolution is intended to adopt certain provisions of the state public bid law that allow for sole source and approved dealer procurements.**

- **Director Sloss indicated that he had additional questions about language limiting dealers to Louisiana and would prefer to send the resolution to the Audit Committee for further discussion.**
- **Director Janet Howard moved to defer R-206-2019. Director Joseph Peychaud seconded. The motion carried.**

4. EXECUTIVE SESSION

- **Director Joseph Peychaud moved to enter Executive Session. Director Janet Howard seconded. The motion carried.**
- **Director Janet Howard moved to leave Executive Session. Director Joseph Peychaud seconded. The motion carried.**
- **Director Joseph Peychaud moved to approve Special Counsel's recommendation. Director Janet Howard seconded. The motion carried.**

5. INFORMATION ITEMS –

The information items were received.

6. PUBLIC COMMENT –

None

7. ADJOURNMENT

There being no further business to come before the Finance and Administration Committee, Director Joseph Peychaud moved to adjourn. Director Janet Howard seconded. The motion carried. The meeting adjourned at approximately 10:25 AM.

Respectfully submitted,

Lynes Sloss, Chair