



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

Sewerage & Water Board OF NEW ORLEANS

LATOYA CANTRELL, PRESIDENT

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

February 12, 2020

The Finance and Administration Committee met on Wednesday, February 12, 2020, 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
Director Ralph Johnson
Director Alejandra Guzman

Absent: None

2. ACTION ITEMS

General Superintendent's Report

a. Bid/Renewal

- Resolution (R-017-2020) Recommendation for Award of Contract 1370A – 60Hz Transformer/Switchgear Project
- Resolution (R-026-2020) Recommendation for Award of Contract 30223 – South Shore basin Sewer Rehabilitation No. 4
 - **Director Janet Howard moved to accept Bids/Renewals. Director Ralph Johnson seconded. The motion carried.**

b. Change Orders

- Resolution (R-020-2020) Ratification of Change Order No. 3 for Contract 30102 – DPS 17/Station D Structural Repairs
 - o Director Joseph Peychaud asked would a lead abatement test be done as part of the original scope of work or not for this project. Mr. Turner stated no not for this contract because this is an old structure. There was no testing done during the design phase. Moving forward testing will be done as part of the scope of work.
- Resolution (R-021-2020) Ratification of Change Order No. 2 for Contract 30109 – Sewer Pumping Station A Structural Rehabilitation
 - o **Director Ralph Johnson moved to accept Change Orders. Director Alejandra Guzman seconded. The motion carried.**

c. Contract Amendments

- Resolution (R-023-2020) Amendment of Change Order No. 5 for Emergency Professional Services Agreement Between the Sewerage and Water Board of New Orleans and Jacobs Engineering Group
 - o Director Janet Howard asked if there is money left on the contract, is it for work that's not done? What will happen if you must reassign money, will they receive it back. Mr. Turner stated SWBNO has not paid for it yet. It's an ongoing process.
 - o Director Ralph Johnson asked whether this extension was due to the explosion from T5 happening, not based on the work the contractors will do. Mr. Turner stated yes.
- Resolution (R-024-2020) Ratification of Contract Amendment No. 3 for Professional Services Between the Sewerage and Water Board of New Orleans and ECM Consultants, Inc. for Design and Engineering Services for Water Line Replacement Program
 - o Mr. Turner explained for this contract they would like to amend the current agreement to incorporate additional design work, provide for fixed compensation rather than based on percentage of construction costs. This project/program will remove management work from its scope and reduce the costs accordingly and provide for a fixed termination date.
 - o Director Janet Howard asked for a better understanding of the contract because the cost has doubled, and it's still not finished. Mr. Turner stated originally this contract was selected to do a neighborhood and there was an amount of work constipated to be done in that neighborhood. The way FEMA works with public assistance is they fill out a project worksheet form and estimate the cost of that work. The way the

contract was written, the consultants was getting paid 18% of the construction cost. Once time passed DPW decides they not doing those streets, they just patched and repair. Now that DPW changed the overall scope of work in that neighborhood, the original design no longer applies. He stated the consultants went back looked at those original designs and modify those designs and created a different package that will be included with the Department of Public Works bid documents. The Department of Public Works are the ones to go out and bid the projects. There were multitudes of changes that occurred within that timeframe, and if SWBNO stick with 18% which was the original contract, the facility will end up paying more money. Mr. Turner informed the committee the objective is to get hold around the contract and better control cost moving forward. They are converting from the original contract at hand that open at 18% to a set contract that will not exceed value.

- Resolution (R-025-2020) Ratification of Contract Amendment No. 3 for Professional Services Between the Sewerage and Water Board of New Orleans and Richard C. Lambert, LLC for Water Line Replacement Program
 - o Director Joseph Peychaud asked to explain the DBE participation in each case and if it haven't been met, it will be met by residential inspectors' services? General Superintendent Mr. Turner stated during the construction phase of the work, SWBNO must have an inspector on site inspecting the work as the contractors progresses with his work. Typically the DBE participation will provide those residents on site.

- Resolution (R-022-2020) Ratification of Contract Amendment No. 2 for Professional Services Between the Sewerage and Water Board of New Orleans and HNTB
 - o **Director Ralph Johnson moved to accept Contract Amendments in globo. Director Joseph Peychaud seconded. The motion carried.**

Chief Financial Officer Yvette Downs presented the December Financials overview. The revenues have surpassed the anticipated amount by 18%, and operating expenditures are below budget by 10%. These revenues are primarily due to receipt of 2019 ad valorem taxes and \$35 million dollars received from the Fair Share agreement. Additional adjustments will take place during the audit review. Also, the sewer revenues are higher than the budget amount by \$14.4 million and water revenues are higher than budget amount by \$7.9 million. Expenses through December are below the budgeted straight-line amount by 10%.

3. **INFORMATION ITEMS** –

The information items were received.

4. **PUBLIC COMMENT –**

None

5. **ADJOURNMENT**

There being no further business to come before the Finance and Administration Committee, Director Janet Howard moved to adjourn. Director Joseph Peychaud seconded. The motion carried. The meeting adjourned at approximately 10:15 AM.

Respectfully submitted,

Lynes Sloss, Chair