

# SEWERAGE & WATER BOARD OF NEW ORLEANS BOARD OF DIRECTORS' MEETING

WEDNESDAY, APRIL 17, 2019

9:00 AM

6 2 5 S T . J O S E P H S T R E E T  
2 <sup>N</sup> <sup>D</sup> F L O O R B O A R D R O O M

LaToya Cantrell, President • Tamika Duplessis, President Pro Tem • Jay H. Banks, Councilmember  
• Joseph Peychaud • Robin Barnes • Ralph Johnson • Alejandra Guzman • Lynes Sloss  
• Maurice Sholas • Janet Howard • Glen Pilie`

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## FINAL AGENDA

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1. **ROLL CALL**
2. **APPROVAL OF MINUTES (dated March 20, 2019)**
3. **EXECUTIVE DIRECTOR'S REPORTS**
4. **COMMITTEE REPORTS**
  - a. Finance and Administration Report
  - b. Pension Committee Report
5. **ACTION ITEMS**
  - c. Resolution (R-079-2019) Request to Adopt the Executive Directors Employee Advisory Council
6. **CORRESPONDING RESOLUTIONS**

**General Superintendent's Recommendations**

  - d. Resolution (R-058-2019) Change Order No. 1 for Contract 30205- New Orleans East Basin- Plum Orchard Neighborhood Sewer Rehabilitation
  - e. Resolution (R-057-2019) Final Acceptance for Contract 30216- Restoration of Existing Gravity Flow Sewer Mains by Point Repair at Various Sites Throughout Orleans Parish
  - f. Resolution (R-059-2019) Final Acceptance for Contract 30205- New Orleans East Basin- Plum Orchard Neighborhood Sewer Rehabilitation
  - g. Resolution (R-070-2019) Contract Amendment No. 3 to the Agreement Between the SWBNO And CH2M Hill Engineers, Inc.

- h. Resolution (R-062-2019) Amendment No. 4 to the Agreement between Sewerage and Water Board of New Orleans and CH2M Hill Engineers, Inc. for Emergency Program Management and Recovery
- i. Resolution (R-065-2019) Authorization third renewal agreement with Black & Veatch for Preparation of the Report on Operations for 2018
- j. Resolution (R-067-2019) Specifications for Furnishing Janitorial Services
- k. Resolution (R-069-2019) Requisition NO. EE 19-0003 -Emergency Letter Bid Specification to purchase of a Motor and Starter for Pump A
- l. Resolution (R-068-2019) Contract Extension for Information Systems Facilities Management with Avenu Insights Analytics

**7. PRESENTATION ITEMS**

- m. Organizational Culture Update

**8. EXECUTIVE SESSION**

**9. PUBLIC COMMENT**

**10. INFORMATION ITEMS**

- n. Preliminary Financial Results through February 28, 2019
- o. Human Resources Report March 1-30, 2019
- p. General Superintendent's Report
- q. Report of the Special Counsel
- r. FEMA March Project Worksheet Status
- s. DBE Participation on Contracts
  - Bid Recommendations
  - Construction Review Committee
  - Staff Contract Review Committee
  - Final Acceptance of Construction Contracts with DBE Participation
  - First and Final Acceptance Contracts with DBE Participation

**11. ADJOURNMENT**

# BOARD OF DIRECTORS' MEETING

March 20, 2019

MEETING MINUTES

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**

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## ROLL CALL

The Board of Directors of the Sewerage and Water Board (SWBNO) met on Wednesday, March 20, 2019 at 9:08 AM in the Board Room at 625 St. Joseph Street. Special Counsel, Ms. Yolanda Grinstead, called the roll and confirmed the following members were present: Director Lewis Stirling, III, Director Lynes Sloss, Director Dr. Tamika Duplessis, Director Nicole Barnes, Director Ralph Johnson, Director Alejandra Guzman, Director Robin Barnes, Councilmember Jay H. Banks, and Hon. LaToya Cantrell.

The following member(s) were absent: Director Andrew Amacker, Director Joseph Peychaud

Also present were: Ms. Geneva Coleman, The Hawthorne Agency, Inc.; Ms. Brenda Thornton, Communirep; Mr. Lloyd Lazard; Mr. Ramsey Green, Chief Administrative Officer, Infrastructure; Ms. Fannie Marcotte Bennett, BHA; Mr. Happy Johnson, Public Advocate; Mr. Pat Bryant, Justice and Beyond.

Staff present were: Mr. Ghassan Korban, Executive Director; Ms. Yvette Downs, Chief Financial Officer; Mr. Robert Turner, General Superintendent; Mr. Bruce Adams, Deputy General Superintendent; Mr. Richard Rainey, Deputy Director, Communications; Ms. Yolanda Grinstead, Special Counsel; Ms. Mary Beth Arceneaux, Mr. Edward Morris, Legal Department; Mr. Dexter Joseph, Budget Department; Mr. Robert Jackson, Customer Service; Mr. Curtis Elmore, Communications; Ms. Candace Newell, Ms. Jacqueline Winston, Board Relations.

Prior to the beginning of the meeting, Mayor LaToya Cantrell gave her opening remarks. Mayor Cantrell stated this is a good work we are doing, and we are focusing on the sustainability of this utility. Mayor Cantrell appreciates the dedication of the Board as well as the men and women who work for SWBNO. Mayor Cantrell stated she is recommitted to this work every day. After reading one of the newspaper articles on Tuesday, March 19, 2019, the Mayor responded by saying we have been honest every step of the way and we will not turn around. Mayor Cantrell stated as we find out more, we will do more and will continue to inform our public. This is simply a part of the process and not “new” news. Mayor Cantrell stated we began following up on financial instability matters over seven months ago, and the March 19<sup>th</sup> meeting was merely a follow up.

Mayor Cantrell stated Executive Director Korban has been in position since September 2018 and has hit the ground running. If he had not, we would not be where we are today. At this point, the Mayor stated we continue to find ourselves with cash flow woes in terms of a utility. We are also auditing ourselves internally and our bonding capacity in the future looks healthy if we stay on this trajectory with some upfront and recurring resources, the cash we need to make this utility stable while we move through our plan of action to be better. The Mayor stated this is information we have been providing to the public since day one.

Mayor Cantrell stated she will not allow for SWBNO to be criticized for doing the right thing because we are doing the right thing. Progress is being made as it relates to billing issues, and we have been open and honest about resources for money for bills which had gone unpaid, heavily on the commercial side. The Mayor did not want to target any specific entity because through a spirit of cooperation, we are trying to work through the issues, so we can get the dollars which are owed to this utility, and we are making progress. Mayor Cantrell stated we are winning in the public as it relates to the need to look for additional revenue streams in our city so we can get our fair share across the board. The Mayor wants SWBNO to stay focused, honest and transparent about where we are, where we need to go and how we are adequately taking the steps to get there, but we cannot do it alone and this is where the Board comes in.

Subsequent to the legislative changes which were adopted last year, we now have a City Council member serving on the Board as well as a retired Civil Engineer who will be appointed to the Board. In addition, every position on SWBNO was declared vacant at the beginning of 2019. As a result, the Selection Committee has submitted its results, and we are identifying the appointments for the current Board meeting moving forward. The Mayor hopes to have this information prior to the Governmental Affairs Committee of the New Orleans City Council by March 26, 2019 and with a City Council meeting happening on March 28, 2019. This is important because the Mayor would like to have the new compliment of the Board in place by our April 2019 meeting. A planning meeting has been scheduled for governance on May 17, 2019, placing us right at the top of hurricane season.

Mayor Cantrell stated we want to be prepared as best we can not only for hurricane season but insuring this utility is ready and we are able to communicate effectively with the people we serve. Which is the rationale behind the new Board structure, which the Mayor does not anticipate much change at all. There is a possibility we can run out of money. The Mayor stated we are keeping the finances at the forefront of everything we do. There is no time for politics. It is time for action, which is what we are about.

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### **APPROVAL OF PREVIOUS MINUTES**

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Director Lynes Sloss moved for approval of the Minutes of February 20, 2019. Director Lewis Stirling seconded. The motion carried.

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### **REPORT OF THE EXECUTIVE DIRECTOR**

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Executive Director Ghassan Korban expressed his appreciation to Mayor Cantrell for speaking from the heart. Mr. Korban stated it was very invigorating and he appreciates her leadership. Mr. Korban believes it is warranted to focus on some of the issues which took place at the Public Works Committee meeting on Tuesday, March 19, 2019, specifically the story and inaccuracy in terms of the message it sends. Mr. Korban felt it was the responsible thing to do for the Mayor's sake, for the public's sake and for the City Council's sake. Mr. Korban apologized for not being more responsive at the time during the meeting to recognize things he may have been able to clarify, and he was not equipped sufficiently to respond in a meaningful way. Mayor Cantrell stated Mr. Korban did the right

thing.

Mr. Korban was grateful to have the opportunity at the Board of Directors' meeting to share what the leadership team knows and what they have learned. Mr. Korban stated while the math shown on the charts at the Public Works Committee meeting on Tuesday, March 19, 2019 was very accurate, the term "billed" was misleading. The term "billed" implied there were bills sent to the customers; however, in this reference, "billed" was more about metered water. The number was very inclusive and included numbers such as metered water which serves the Sewerage and Water Board building at 625 St. Joseph Street in particular. There is a meter associated with this building which is accounted for and it is part of the larger billed number that everybody saw at the Public Works Committee meeting. Although we meter this building, we do not necessarily send a bill to ourselves for the use of water. This applies to many other SWBNO facilities, municipalities, municipal facilities, schools and prisons. The large question then becomes should we continue to provide free water. Nevertheless, it is a number so inclusive it pushes the discrepancy between what we are billing versus what we are collecting, and the discrepancy amounted to \$134 million.

Mr. Korban stated while his team cannot give an accurate number at this time because the process goes through a lot of auditing, they know the \$134 million is way off in terms of what is potentially collectible. The number is closer to \$50 million. Mr. Korban stated part of the money is carried over from previous years to 2017 and 2018, and at some point, becomes less likely to be collected. The leadership team is going to be working very diligently to produce an accurate number very shortly.

Mr. Korban believes it is very important for everybody to recognize the scale of the problem, and SWBNO is going to do everything it can to collect as much of that \$50 million as possible. Mr. Korban stated we do have a collection agency on board, but we have not been able to utilize it effectively because we want to be true to what is collectible and go after this amount. The collection agency is projected to start as early as April 1, 2019, targeting the more accurate and larger accounts to maximize the benefit of the effort. This is aligned with the City Council's desire for us to be more urgent about going after the money, and we will. We are working toward the same outcome and mission.

Mr. Korban recognized a new addition to his team. Ms. Cristy Harowski joined SWBNO the week of March 11, 2019 as a contract employee for the time being. Ms. Harowski is an employee of the Greater New Orleans Foundation (GNOF). Mayor Cantrell stated she supports the partnership with GNOF, with the understanding there are cash flow issues with our utility, being able to provide Mr. Korban with the support needed. The Mayor stated Ms. Harowski reports directly to the Executive Director of SWBNO. Mayor Cantrell believes Mr. Korban did the right thing by tapping great talent, Ms. Harowski was leaving the Business Council.

Mr. Korban touched on employees of SWBNO being allowed to appear at public meetings and voice their personal opinions and grieve their own matters on their own behalf. Mr. Korban stated it is important to note we all have work to do. The policy states employees must seek approval from their supervisor before making the decision to leave their posts to handle personal business. What leadership objects to is employees making a decision on their own and basically disappearing from the job site. In other words, employees must have approval for time away from work.

Mr. Korban stated the leadership team is very reasonable and is encouraging workers to grieve their issues; however, the team needs to know about it in advance. It is also important to know there are

many procedures in place which allow our employees to grieve any issues they may have outside the public arena. Mr. Korban stated this administration is very concerned about the well-being of our workers in terms of environment, safety and training. Mr. Korban further stated this administration cares about its employees and wants them to be happy working for SWBNO.

Councilmember Banks asked Mr. Korban to clarify statements about retaliation for workers who were at the Public Works Committee meeting to talk about their own issues. Councilmember Banks wanted to make sure the Board as well as the public are clear about SWBNO policy as it relates to employees who are in essence “whistle blowers” or have a grievance they want to talk about.

Mr. Korban stated there is a very strong and clear “whistle blower” policy. We have an independent entity which allows employees to share concerns, especially safety on behalf of other employees, and there is a process which protects them. There is a lot of oversight and redundancy which does not allow for retaliation. Mr. Korban was very adamant about not tolerating such behavior, especially when someone brings in a legitimate concern to the attention of the administration. Sometimes, discipline can be misconstrued as retaliation. For example, if an employee decides to just show up at a public meeting without first notifying his supervisor, the supervisor could opt to discipline the employee. In this situation, the action taken by the supervisor is not retaliation, it is the implementation of a policy and sending a message there are policies to be adhered to, and if you do not, you will be penalized. There is a difference between retaliation and holding people accountable to policies which are on the books.

Mr. Korban also stated administration did commit to providing written documentation officially to the Council as a result of the Public Works Committee meeting on Tuesday, March 19, 2019. Ms. Grinstead stated each department has its own internal policy on how much lead time you would need to ask for an excuse to be out. Our Operations divisions will often ask for a longer period of time because if somebody is out, they need to make provisions to replace them. Thus, Operations will ask for 24- to 48-hour notice or longer. Generally, internal departments will ask for 24-hour notice.

### Drainage Pumping Status

114 of 120 drainage pumps are available during rain events. Repairs underway on the following pumps:

Station	Neighborhood	Total Pumps	Designed Total Capacity (cfs)	Pumps Out	Station Operational Capacity	Estimated Repair Completion
1	Broadmoor	11	6,825	1	99%	4/26/2019
6	17 <sup>th</sup> Street Canal	15	9,580	2	98%	5/31/2019
4	Gentilly	6	3,720	1	73%	3/29/2019
20	N.O. East	2	500	1	50%	4/19/2019

Mr. Korban stated Operations continues to hold firm on their commitment to finishing all the pumps which have been down. The dates have been steady. Six (6) pumps are down.

### SWBNO SELF-GENERATED POWER

Unit	FREQUENCY	MEGAWATTS	STATUS	EST. RETURN
Turbine 1	25 Hz	~6 MW*	Available	
Turbine 3	25 Hz	~7 MW*	Available	
Turbine 4	25 Hz	20 MW	Out of Service	3/21/2019
Turbine 5	25 Hz	20 MW	Out of Service	3/31/2019
Turbine 6	60 Hz	15 MW**	Available	
Carrollton Freq. Changer (1&2)	Converts 60 to 25 Hz	8.5 MW	Available	
Station D Freq. Changer (3&4)	Converts 60 to 25 Hz	12 MW	Available	
Five EMDs	25 Hz	12.5 MW	Available	
TOTAL AVAILABLE	25 Hz	86 MW	66 MW	
TOTAL AVAILABLE	60 Hz	15 MW	15 MW	

\*Actual capacity, not nameplate, due to age of machinery

\*\*T6 can produce 3.75 MW of 25 Hz power through current frequency changer.

In terms of power, Mr. Korban stated we have spent a lot of money in the past 1 ½ years bringing the power capacity to what it needs to be, and we are in good shape. Mr. Korban stated it is also important to know, since we are still using a very old and fragile system, things are likely to go wrong; thus, it is important to continue to focus on the big picture and the long-term solution of replacing much of this equipment.

Mr. Korban stated Turbine 4 has recently been refurbished, but something went wrong at 1:30 AM on March 20, 2019. Due to the awareness, skill and diligence of our staff, with Mr. Robert Turner at the helm, they were able to switch around quickly enough and not lose any pressure in any meaningful way. With the use of the water hammer, they were able to maintain 60 psi throughout this change in shift and it was business as usual. Mr. Korban stated this happens all the time, and it is just part of our daily lives and legality we face on an ongoing basis. Therefore, they are not looking for recognition.

Mr. Korban stated Turbine 4 should be back in service within a day. Turbine 5 should be down for approximately three more weeks before they are able to bring it back on line. Because of the weather we are having, Turbine 6 is our workhorse for the time being, producing 60 Hz and powering the 60 Hz fresh water pumps to feed the city. Mr. Korban stated Pump A continues to be down at the Carrollton Water Plant (CWP); however, we are on track in terms of putting a used, inexpensive motor in it to bring it back on line. Once Pump A is on line, we are going to do the same thing for Pump B, proactively, so they are both on electric motors and not steam.

Mr. Korban wanted to make sure the Board was aware of some of the issues brought up at the March 19, 2019 Public Works Committee meeting so everyone would be using and sharing the same information as we move forward with the Public Works Committee. Mr. Korban stated the Public Works Committee talked a lot about collectible and uncollectible, as well as discrepancies. Hopefully, we are going to continue to be aligned and deliver the same message. Mr. Korban believes everyone wants to succeed, and we will have to work together to accomplish the goal.

There was a remark made about the pension payment. Mr. Korban stated we did roll out a payroll at

the beginning of 2019. There were some glitches, though not massive. There are some issues relative to the accuracy of the numbers appearing on somebody's stub relative to the pension plan. Mr. Korban stated sometimes those numbers may not be accurate; however, on the back end, those numbers are protected, and everything now is accurately reflected, and we are in good shape.

Chief Financial Officer Ms. Yvette Downs stated a presentation was given to the Pension Committee back in December 2018 including employer contributions to the pension plan. Her team would be happy to share the information again at the Trustee meeting. Ms. Downs also explained, while the payroll system was contracted through Cogsdale, it is a Microsoft product and is working the way it is supposed to work. A clearer pay stub has been created and has raised a lot of questions because it looks different. Ms. Downs stated the way some things are calculated is more in line with Civil Service than they were before. We have a mailbox now and we are trying to work through any questions people might have. Some of them are just clarifications and some are changes which must be made.

Councilmember Banks inquired as to how employees would get errors on their pay stubs. Ms. Downs stated for the first two weeks, they may not have had medical taken out or they may have had medical taken out twice. Then, her team had to look at the individual account to see why this person was double charged or not charged at all. There was a data transfer issue from the old system to the new system, but it didn't happen to everybody. There was also a problem two weeks ago with leave. Everyone's leave was inaccurate. This was corrected the week of March 11, 2019. Therefore, everyone's leave balances should be correct for the week of March 11, 2019 and March 18, 2019.

Councilmember Banks asked if there would be any more payroll issues or did they need a few more weeks to work out the kinks. Ms. Downs stated there are individuals who have specific questions about their rate and they are working the issues out with HR. If they have questions about their medical, then they would need to contact the benefits office. If anything needs to be refunded, it has been refunded, but it is on a case by case basis. This system is also capable of adding on bank accounts. There are always changes to be made, so we must work with people to make sure we make them correctly. The system is working the way it is supposed to work.

Director Dr. Duplessis asked Ms. Downs to talk about backup and redundancy to make sure the data we have on our employees and their individual cases, whether it relates to insurance, medical, or leave balances, we have something in place to make sure the data remains safe and we have safeguards there. Ms. Downs stated all our data is backed up, so if something does go wrong, we can recover the information. Ms. Downs stated we still have consultants on site to help us in such cases, and the issue was an anomaly. In this instance, the consultant was able to take the last data, the backup, and recreate those people's leaves, mimic the data, and upload it. In other words, the consultant had to rebuild their leave balances based on the data she had in there before.

Mr. Korban stated the leadership team is apologizing to the employees and he appreciates the fact this payroll issue brings anxiety and trepidation, whether it is one person or a thousand. It matters and people expect accurate paychecks, which they deserve. Mr. Korban stated the leadership appreciates their patience. Mr. Korban also stated any time you introduce a system, you will have some glitches, and we are trying to keep them to a minimum.

Mr. Korban stated there were a few more concerns brought up. There were some questions about budgeted amounts for personnel expenditures versus actual. There is a discrepancy. The actual numbers are less than the budgeted numbers, which is always good, but we were questioned as to why

we continued to budget more than the norm, the pattern. Mr. Korban stated they look at those numbers, but at the end of the day, we budget for all the vacancies on the books. Those are not theoretical numbers but, vacancies we intend to fill. Mr. Korban added once you fill them, you need the budgeted amount of money to support those vacancies. However, we did promise to take a tighter look at whether we can look at those numbers closer.

Finally, Mr. Korban stated we had a Water Loss Audit. Again, it is a baseline. We have not done an audit in a couple of years. It is important to know where you are in terms of water production and water loss. In terms of water loss, water mains break because we are not replacing them proactively. The team shared more extensive data in the Finance and Administration Committee meeting, but Mr. Korban wanted to give the Board an idea of how to respond in case somebody asked them about how much water are we losing on an annual basis percentage wise. Fifty-six percent (56%) of the water we produce ends up going without serving every purpose, which is an extremely high number. Mr. Korban stated our mission is to reduce this amount to a bare minimum. The national standard is 15% - 20%, and we want to be in this range as we move forward. We obviously have a long way to go.

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## **COMMITTEE REPORTS**

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### Audit Committee Report

Director Ralph Johnson moved to accept the report of the Audit Committee. Councilmember Jay H. Banks seconded. The motion carried.

### Finance and Administration Committee Report

Councilmember Jay H. Banks moved to accept the report of the Finance and Administration Committee. Director Nicole Barnes seconded. The motion carried.

### Pension Committee Report

Director Lewis Stirling moved to accept the report of the Pension Committee. Director Robin Barnes seconded. The motion carried. Director Lynes Sloss' name was officially removed from the Pension Committee.

## **ACTION ITEMS**

Director Robin Barnes moved to accept **Resolution (R-056-2019) Cooperative Endeavor Agreement between Sewerage and Water Board of New Orleans and the Greater New Orleans Foundation**. Director Dr. Tamika Duplessis seconded.

## **PUBLIC COMMENT**

The following persons appeared before the Board of Directors to make comments:

- Mr. Lloyd Lazard asked for clarification on the Cooperative Endeavor Agreement (CEA). Mr. Lazard would like details to be made public in the future.
- Mr. Pat Bryant thanked SWBNO for the work they do. Mr. Bryant stated he believed any gift to the City must be brought to the Board of Trust. He asked if vetting was presented to the Board of Trust. Mr. Bryant also inquired as to who sanctioned the idea.
- Mr. Happy Johnson, a public advocate, made another request for an annual public address

entitled “The State of the Sewerage and Water Board.”

Director Sloss asked for an explanation of the Board of Trustees. Ms. Grinstead stated SWBNO is a distinct entity from the City of New Orleans and, therefore, is not under the specific charter Mr. Bryant mentioned. Which is why this agreement was brought to the Board for its review and approval.

Special Counsel Ms. Yolanda Grinstead read the Cooperative Endeavor Agreement into the record.

Councilmember Banks stated the CEA is a good thing and asked Mr. Korban to explain what he would be doing and why we are doing this. Mr. Korban stated he had looked at our organizational chart and his leadership team and noticed there were some gaping holes and some positions which did not reflect his mission or the way he sees things in terms of what this utility should be focusing on. On March 15, 2019, there was an all-day leadership training exercise looking at the overall organization from leadership to how we function consistently to advance the mission of which we are in charge. Mr. Korban stated there was a clear gap in aiding him in certain paths and Ms. Christy Harowski will fill the role of his Chief of Staff. Primarily for now, her duties will be external communications, predominantly with the City Council and the state legislature in terms of our needs, projects or whatever issues for which we need to be made aware which requires the Board’s help, recognizing specific current issues needed to be addressed in a very focused manner, keeping Mr. Korban focused on some of the issues which are time sensitive, keeping tabs on current tasks other leadership teams are performing, and making sure all the logistics are aligned.

Councilmember Banks wanted to know how long Ms. Harowski would be serving as Chief of Staff. Mr. Korban stated he wanted to be fiscally responsible because he could not hire somebody when her position was not even in the budget. He, then, approached the Greater New Orleans Foundation (GNOF) and asked what they could do to help us. GNOF found a way to fund this position at least to the end of the year, possibly a year. Mr. Korban asked the Board to allow him to officially and responsibly introduce the position in the budget with SWBNO funding, while seeking and obtaining approval from Civil Service because this will be part of a holistic change in several other positions which the leadership team will be asking for as a package. The employer of record for Ms. Harowski is GNOF. The foundation pays her salary, but she is 100% SWBNO assigned. Councilmember Banks clarified for the public this CEA offers support for Mr. Korban until we can get other mechanisms in place to fill positions internally.

Mayor Cantrell acknowledged everyone seemed to be on one accord and she agreed with the redundancy; however, she will not say that SWBNO has not provided adequate information to the public, particularly at the start of the Board meeting. The Mayor appreciated the fact everyone was saying the same thing.

Ms. Grinstead noted the CEA also reflects the day to day management of the consultant, Ms. Harowski, will be by the Executive Director.

Mr. Korban stated there is no reporting requirement to GNOF. There is no communication required from SWBNO to GNOF in terms of assignments or work performance. The foundation has done its part in terms of availing Ms. Harowski and funding her position. Part of GNOF’s mission of helping SWBNO succeed. Ms. Grinstead stated we have a confidentiality provision as well.

Mayor Cantrell stated it has been demonstrated time and time again the partnership between the Greater New Orleans Foundation and the City of New Orleans. This is not anything new, but it is a step in the right direction as we provide the Executive Director with the resources needed to be effective. The Mayor stated we are here to do a great job, and we need the tools. As President of SWBNO and Mayor of the City of New Orleans, Mayor Cantrell wants to provide leadership across the board.

The Mayor called for the vote. The motion carried, and the CEA passed.

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### **CORRESPONDING RESOLUTIONS**

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The following resolutions were approved at the March 13, 2019 Finance and Administration Committee Meeting:

R-002-2019 – Ratification of change Order No. 1 and Final Acceptance for CO-17-0010 – Emergency Repairs for Turbine 3 Phase I

R-029-2019 – Reconciliation and Final Acceptance for Contract 30203 – Restoration of Gravity Flow Sewer Mains by Point Repair at Various Sites throughout Orleans Parish

R-031-2019 – Reconciliation and Final Acceptance for Contract 2126 – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites throughout Orleans Parish

R-032-2019 – Reconciliation and Final Acceptance for 2136 – Emergency Repair Contractor for Winter Freeze (INGA) – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites throughout Orleans Parish

R-035-2019 – Reconciliation and Final Acceptance for Contract 2135 – Emergency Repair Contractor for Winter Freeze (INGA) – Water Main Point Main Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites throughout Orleans Parish

R-039-2019 – Ratification of Change Order No. 1 and Final Acceptance for Contract CO-17-0019 – Emergency Repairs for Turbine 3 Phase II

R-040-2019 – Final Acceptance for Contract ME 17-0020 – Emergency Temporary Generators at Eight (8) Drainage Underpass Stations

R-041-2019 – Final Acceptance for Contract EE 17-0023 – Accelerate Scope Associated with Power Emergency Event for Contract 6259

R-044-2019 – Final Acceptance for Contract EE 17-0015 – EMD SCADA Project

R-045-2019 – Final Acceptance for Contract EE 17-0007 – Emergency Generator Rentals at Station “D”

R-046-2019 – Final Acceptance for Contract EE 17-0011 – Furnishing 6.6 KV.3000A Switchgear Equipment for STG No. 4

R-021-2019 – Amendment No. 5 to the Agreement between the Sewerage and Water Board of New Orleans and G.E.C., Inc. for Hurricane Katrina Related Drainage Restoration – Broad Underpass Pump Station Design

R-023-2019 – Ratification of Change Order No. 2 for Contract 30014 – Cleaning and CCTV Inspection of Sanitary Sewer Mains as Scattered Sites within Orleans Parish

R-038-2019 – Contract Amendment No. 8 Stanley Consultants, Inc. Water Hammer Hazard Mitigation Project

R-042-2019 – GEE CEE, Construction, Co. LLC

R-043-2019 – Amendment No. 7 to the Agreement between the Sewerage and Water Board of New Orleans and Jacobs

R-054-2019 – Amendment No. 3 to Professional Services Agreement with Richard CPAS

Director Lewis Stirling moved to approve the Corresponding Resolutions in globo. Director Alejandra Guzman seconded.

### **PUBLIC COMMENT**

Mr. Lloyd Lazard stated he has a problem with contracts which have been reconciled. Mr. Lazard was concerned about the use of the term “ratification” and wanted to know at what point will we deal with change.

Mayor Cantrell called for the vote. The motion carried.

### **PRESENTATION ITEMS**

#### Green Infrastructure in New Orleans

Mr. Scott Finney, who manages the Stormwater Permit AMS 4 Municipal Separate Storm and Sewer System in the Department of Environmental Affairs for SWBNO, introduced his staff. Ms. Anna Patterson, Senior City Environmental Planner, and Mr. Cameron Bonnet, the On-staff Landscape Architect, gave the presentation on Green Infrastructure in New Orleans. Mayor Cantrell thanked the presenters, along with the neighborhood leaders and the Greater New Orleans Foundation for partnering with SWBNO.

### **EXECUTIVE SESSION** – None

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## **INFORMATION ITEMS**

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The following items were submitted for informational purposes only:

Preliminary Financial Results through January 31, 2019  
Report of the General Superintendent  
Report of the Special Counsel  
FEMA February Project Worksheet Status  
DBE Participation on Contracts

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**ADJOURNMENT**

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There being no further business to come before the Board, the meeting adjourned at approximately 10:33 AM.



**“RE-BUILDING THE CITY’S WATER SYSTEMS FOR THE 21<sup>ST</sup> 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](http://www.swbno.org)

April 10, 2019

The Finance and Administration Committee met on Wednesday, April 10, 2019 in the S&WB’s Second Floor Board Room located at 625 St. Joseph Street, New Orleans, LA. The meeting convened at approximately 9:00 A.M.

**Present:**

Director Lynes Sloss  
Director Ralph Johnson  
Director Alejandra Guzman  
Director Joseph Peychaud  
Director Dr. Duplessis

**Absent:**

None

**Other Board Members Present:**

None

**EXECUTIVE STAFF REPORT**

Executive Director Ghassan Korban felt that it was very important to start the meeting with the billing issue because it had lingered for the last three to four weeks. Mr. Korban wanted to clarify some of the misunderstandings that took place at the recent Public Works Committee meeting where some numbers were used to arrive at a conclusion. The executive team felt that those numbers which SWBNO provided were misrepresented. The label “billing” was the main issue that created the confusion. Mr. Korban stated that all Civil Service wanted was Accounts Receivable, but we gave them much more than that all lumped together in one number without breaking it down for them. Civil Service had no way of knowing that number was inaccurate and so correctly assumed that we gave them what they asked for when in fact we did not.

Mr. Korban stated that we have, therefore, taken responsibility for that in the last two weeks. The executive team has determined, with the help of outside experts, that the most accurate baseline that we currently have is the audited 2017. That becomes the more solid, certain set of numbers that we can rely on. We are currently working on the 2018 audit which is due at the end of June. Once that happens, Mr. Korban stated that we would have two years of solid, certified audited numbers that we can be certain about in terms of what is reasonably expected to be collected at the end of the day.

Mr. Korban stated that this is the path that we will take as we move forward. In addition, on behalf of the Finance and Administration Committee and our customers, Mr. Korban feels that SWBNO will be on more solid, accurate ground in terms of delivering numbers that are more meaningful and more accurate.

Mr. Korban then introduced Ms. Lisa Daniels, our financial counselor with PFM Corporation. Ms. Daniels stated that each month has about 25,000 records in it that BFM examined over an 18-month period to try and make sense of some of the numbers. Ms. Daniels presented a few slides to recap where she thinks we are and where we would like to be moving forward. The Sewerage and Water Board regularly reports billing information, and that is what Ms. Daniels believes was the intent with the confusing slide, as the billings column came from what was referred to as a consumption report – a list of bills. However, the timing is a problem because the list may reflect items outside of the service period and may also reflect bills that were for entities, like the SWBNO office building, that don't get billed and collected.

Ms. Daniels stated that the other issue with the column that was referenced was that it is a rolled forward number. What stood out was that the billing numbers grew year after year even though collected rather constant. Therefore, without context, it is understandable that those numbers were misinterpreted because those numbers were never intended for Accounts Receivable.

Ms. Daniels stated that the Consumption Report is not the best representation because it shows a snapshot in time at the end of every fiscal year. The Consumption Report was also too broad and included too much information. Therefore, to improve accuracy and transparency and to be able to verify the numbers, PFM would like to provide SWBNO with financial data that is eventually going to be audited on an annual basis. The financial statements try to categorize the bills in the service period in which they are delivered, rather than just provide you with a long list. That Consumption Report did not reflect periodic times as it might have been interpreted.

Mr. Korban stated that some of those accounts receivables from previous years are getting paid in the following years and then all accounted for. That is why it is important to go to the end of the next year to assess where we are.

Director Sloss thinks that the report mixes a financial measure, which is collections, and a production measure, which is metered water, which created the problem.

Ms. Daniels proceeded to explain the AFIN Report. The AFIN system is used to produce the financial records. The system will capture the billing at the time of service and reflect. For example, if SWBNO received a collection today for a bill that was captured two years ago, AFIN is going to account and adjust for previous entries. This will tie back to verifiable activity. Ms. Daniels stated that the auditors would have received this information, which should give everybody some comfort. Also, at the end of the year, PFM will be able to show of the accounts receivables what SWBNO expects to collect, what SWBNO is writing off as doubtful accounts, and what this agency will write off the books all together. Ms. Daniels stated that this is the information you would want to see if you were focused on accounts receivables or uncollected bills.

Ms. Daniels stated that at the end of each year, the AFIN Systems Report will also show non-customer revenues, adjustments for write-offs of bad debt and adjustments to reflect reserves for uncollected accounts. The ending 2018 accounts receivables balance is \$73.4 million, which is cash received as a result of bills.

Mr. Korban stated that although the effort was to clarify the \$134 million misinterpreted number, the \$73.4 million is a more real number. While it is still subject to some audit and evaluation by an outside agency, the total will be much closer to \$73.4 million, which is still a large number and will take a large effort on our part to collect that amount.

Ms. Daniels indicated that approximately \$1 million in non-revenue water was not reflected in the detailed breakdown of the \$73.4 million. The variance represents other revenues such as fees, fines and other collections that come into the revenues that are not true bills.

Ms. Daniels stated that the unapplied amount represents cash that was received but SWBNO does not know where to apply it because sometimes people send in money without good records; therefore, that \$4.2 million is in a holding pattern right now.

Director Johnson was seeking an explanation for why there is \$4.2 million in unapplied amounts and was trying to understand the reconciliation process and why that number is so high. Ms. Downs stated that she would have to get back to him when she receives more clarification on the answer to his question.

Mr. Korban stated that he understands that while we may have a customer's money, we are unable to credit the customer's account. However, the customer is still in bad standing even though he or she has paid. This money is only unapplied because it is unclear what we can tie it to. It came unidentified, possibly with no account number or a check without a bill attached.

Director Dr. Duplessis wanted to know if the \$4.2 million is cumulative from 2017 to now. Director Duplessis was concerned as to how long the issue has existed and at what point do we begin calculating this unapplied value.

Ms. Daniels stated that it is her understanding that the unapplied amount could go back and be tied to some of those 121+ Days accounts, which actually could be more than a year old. Ms. Downs stated that they need to look into that and get back to the Committee with the details.

In the 121+ Days column, some of the accounts are active, meaning they are overdue but are still consuming water. The other accounts are inactive, meaning they have moved on. Mr. Korban stated that this would be the group that we will be relying on a collection agency to go after. That requires a greater effort, and we will capture as much money as we can.

Director Dr. Duplessis wanted to know what our plan is for reporting as accurate information as we can to the City Council in terms of resolutions going forward. Mr. Korban stated that this is our first attempt at communicating our new findings and our new approach as we move forward. Mr. Korban stated that we are going to spend time with the Council, especially since they highlighted the issue for us, and for this we are grateful. The executive team is hopeful that the Council is pleased that the number is not as big as they thought. Mr. Korban stated that the executive team will address any concerns the Council may have, and come the end of June 2019, the CAFR will be submitted and certified. The executive team will provide the Finance and Administration Committee with the final numbers that we can be 100% certain about.

Director Dr. Duplessis asked about the regularity in which we are supposed to submit accounts receivables according to the City Council. Ms. Grinstead stated that we report quarterly. Mr. Korban stated that the executive team will make it a practice to come as frequently as possible to get the Finance and Administration Committee acclimated with the new system, the new approach, and to stay current, outside of the obligations that we owe to the Council on a quarterly basis. Mr. Korban believes that this is a more accurate reflection of what we should share. We also must focus on the \$4.2 million and zero that out.

Director Johnson wanted to know how much of the \$45 million in the 121+Days column is our normal percentage of bad debt or uncollectibles. Ms. Downs stated that for most agencies, it is usually about 2%, but it is much higher for this agency. Director Sloss stated that looking back at previous CAFRs, the collection rate has been in the 90th percentile. Thus, non-collectibles would be about 10%.

Director Guzman wanted to get an understanding of why we are in this situation, and do we know what processes from our side we can improve to be in a better situation. Mr. Korban stated that we are in this situation because of a couple of years of inaccurate billings. Transfer accounts were in the 12,000 range where people were not even receiving bills. There were inaccurate as well as untimely bills. Moving forward, everything looks positive in terms of a higher collection rate, more accurate bills, more timely bills, a smaller number in transfer accounts, better accounting and more current numbers. Mr. Korban stated that this approach, compared to the previous approach, is going to get us to a much better place.

Director Sloss felt that the executive team gave a good, clear report that addressed people's concerns about what our accounts receivables situation is right now, errors and misinterpretations in the past. Mr. Korban also mentioned one other point that people may be misunderstanding. The Sewerage and Water Board has two enterprise funds - water and sewer and the drainage account which is a stand-alone. The two funds are separate and distinct. Collecting or not collecting water and sewer does not help or hurt the drainage enterprise because it is 100% reliant on taxes or millages.

### **ACTION ITEMS**

**Resolution (R-058-2019)** Change Order No. 1 for Contract 30205 - New Orleans East Basin - Plum Orchard Neighborhood Sewer Rehabilitation

There were two parts to this Change Order, one that dealt with additional work added to the project and one that reconciled quantities at the end of the work. Mr. Ron Spooner pointed out that there were two typographical errors. The 540 days should be 705 days and the \$935,904 should be added to the first paragraph. The Operations Department will make the corrections.

Director Ralph Johnson moved to accept R-058-2019. Director Guzman seconded. The motion carried.

Director Dr. Duplessis felt that Change Order No. 1 was significant enough to have been a separate entity and maybe should have come before the Board before both were presented at the same time. Director Duplessis explained that the Committee had previously talked about having a threshold so that there are triggers in place when contracts exceed exorbitant amounts. The Procurement Policy that is being developed should address some of these issues.

**Resolution (R-057-2019)** Final Acceptance for Contract 30216- Restoration of Existing Gravity Flow Sewer mains by Point Repair at Various Sites throughout Orleans Parish

**Resolution (R-059-2019)** Final Acceptance for Contract 30205 - New Orleans East Basin - Plum Orchard Neighborhood Sewer Rehabilitation

Director Johnson noted that R-057-2019 adjusts the resolution to the actual amount of work performed, which is \$111,000 less. Also, the date needs to be changed on R-059-2019.

Director Dr. Duplessis moved to accept R-057-2019 and R-059-2019 with the exceptions noted in discussion. Director Johnson seconded. The motion carried.

**Resolution (R-070-2019)** Contract Amendment No. 3 to the Agreement between SWBNO and CH2M Hill Engineers, Inc.

The date should be changed to reflect that this resolution is extending the contract duration to April30, 2019, not 2018.

Director Joseph Peychaud wanted to know why the DBE percentage was so low. Mr. Ron Spooner stated that all the emergency contracts DBE participation was set at 10%.

**Resolution (R-062-2019)** Amendment No. 4 to the Agreement between Sewerage and Water Board of New Orleans and Jacobs for Emergency Program Management and Recovery

Director Duplessis wanted to know why there was a request for a second extension. General Superintendent Robert Turner explained that the extension beyond April 2019 was to complete the new scope of work involving the EMDs which were part of the emergency work. The scope now includes additional work in further developing the requirement to finish the work for the EMDs such as noise mitigation on the site, including construction management of some of the work that is ongoing at Drainage Pumping Station 1 and Drainage Pumping Station 4 as well. Director Duplessis then asked if this would not have been a good candidate for a new contract. Both Mr. Turner and Mr. Spooner stated it would not because this is the continuation of the existing emergency design repairs that were started back in 2017 associated with the EMDs as well as the continuation of the project management scope and construction administration that they are doing at DPS 4. So that contract is still under construction, just delayed. Therefore, this resolution extends the contract for an additional four months through August 30, 2019. Mr. Spooner stated that the emergency work and professional services with Jacobs are projected to be completed by August 30, 2019.

**Resolution (R-065-2019)** Authorization of Third Renewal Agreement with Black & Veatch for Preparation of the Report on Operations for 2018

Mr. Dexter Joseph asked for approval to continue doing their report for 2019 for the Budget Department. This is the third of a four-year renewal process. Director Duplessis stated that Black & Veatch has been extremely helpful to the Board in helping us understand our financials.

Director Joseph Peychaud moved to accept the R-065-2019. Director Alejandra Guzman seconded. The motion carried.

**Resolution (R-067-2019)** Specifications for Furnishing Janitorial Services  
The DBE participation is 30%.

**Resolution (R-069-2019)** Requisition NO. EE 19-0003 - Emergency Letter Bid Specification to Purchase of a Motor and Starter for Pump A

Mr. Robert Turner stated that the Operations Department is recommending the purchase of a motor from Energy Management Corporation in the amount of \$100,305.00.

Director Sloss asked if this purchase would be taking us off of steam power for Pump A. Mr. Turner stated that it would take us off of steam power. Director Sloss thinks that is a big deal. Mr. Spooner gave kudos to the Operations staff because all of this work via facility maintenance and operations is being done in house. The only thing that we're buying is the equipment itself.

Director Dr. Duplessis moved to accept R-067-2019 and R-069-2019. Director Johnson seconded. The motion carried.

**Resolution (R-068-2019)** Contract Extension for Information Systems Facilities Management with Avenu Insights Analytics

Ms. Yvette Downs asked for an extension through the end of the year. Ms. Downs stated that we are billed for the number of hours that the contractors work. Ms. Melinda Nelson, the Technology Director, stated that the hourly rates have been stable since 2000. Ms. Nelson also stated that the rates differ based on the job. The DBE goal is 35%.

Director Dr. Duplessis stated that all the former names of Avenu Insights Analytics should be included in the resolution as part of their history.

Director Guzman moved to accept R-068-2019 as amended. Director Dr. Duplessis seconded. The motion carried.

Director Sloss pointed out that we had financial statements last month that left some credit balances in some of the expense accounts. The new financial statement more accurately reflects our state of affairs through January and February 2019. Also, there were some discrepancies between the agenda and the Board sheet presentation that was given. Director Sloss asked that the Board gets what it needs because things were a little confusing for the members.

**PRESENTATION ITEMS** – None

**INFORMATION ITEMS**

The information items were received.

**EXECUTIVE SESSION** - None

**PUBLIC COMMENT**- None

There being no further business to come before the Finance and Administration Committee, the meeting adjourned at approximately 10:11 AM.

Respectfully submitted,

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Lynes Sloss, Chair



**“RE-BUILDING THE CITY’S WATER SYSTEMS FOR THE 21<sup>ST</sup> CENTURY”**

# **EMPLOYEES’ RETIREMENT SYSTEM OF THE 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](http://www.swbno.org)

April 10, 2019

The Pension Committee met on Wednesday, April 10, 2019 in the Board Room, 625 St. Joseph Street, New Orleans, LA. The meeting convened at approximately 11:15 AM.

## **Present:**

Director Joseph Peychaud  
Director Ralph Johnson  
Councilmember Jay H. Banks  
Mr. Marvin Russell  
Mr. Christopher Bergeron  
Ms. Chante’ Powell  
Ms. Latressia Matthews

## **Other Board Members Present:**

Director Dr. Tamika Duplessis

## **Absent:** None

Also in attendance: Special Counsel Yolanda Grinstead; Mr. Ghassan Korban, Executive Director; Ms. Yvette Downs, Chief Financial Officer; Mr. Dexter Joseph, Budget Director; Mr. Curtis Elmore, Communications; Mr. Edward Morris, Ms. Mary Beth Arceneaux, Legal Department; Mr. Octave Francis, FFC Investments; Mr. Howard Rodgers, Regions; Mr. Bernard Robertson, RWA; Ms. Candace Newell, Ms. Jacqueline Winston, Board Relations.

## **ACTION ITEMS:** None

## **PRESENTATION ITEMS**

### **Chief Financial Officer’s Pension Update**

Chief Financial Officer Yvette Downs mentioned that the Pension Committee had received some information for the last two months on the reciprocity agreement which exists between the SWBNO’s pension program and the City’s employee pension program. Hence, the working team wanted to update the Pension Committee on what has been going on and what they think should be some of the next steps. Ms. Downs stated that the City of New Orleans amended its retirement plan for all new

employees hired after January 1, 2018. A SWBNO working team has been reviewing potential impacts and options.

Ms. Downs stated that the working team has looked at some of those impacts affecting people who want to transfer between SWBNO and the New Orleans Municipal Employees Retirement System (NOMERS). The group has discussed and received input from SWBNO employees at various locations and they have met with NOMERS Board of Trustees, legal counsel, and Civil Service to determine such things as employee classifications, new hires, and transfers, to name a few.

Ms. Downs stated there are several options the Working Group could look at moving forward, everything from terminating the Reciprocity Agreement to making no change at all. Ms. Downs allowed two members of the Working Group to talk about what they have been doing and the informational sessions that they have had with employees.

Director Joseph Peychaud wanted it stated for the record that once these meetings have concluded, then there would be a recommendation from the Working Group which would come back to the Pension Committee for the Committee to look at, review and move forward. Director Peychaud asked for confirmation from Ms. Downs.

Ms. Downs stated the sessions were held the week prior to the Pension Committee meeting, and the Working Group would provide an update on what happened, what the feedback was, what they heard, and what they think the next steps should be.

Ms. Chante' Powell thanked everyone who worked outside of their normal working hours to organize these sessions and informed the Pension Committee as to what has been done thus far. Ms. Powell stated the three employee pension trustees (Chante' Powell, Christopher Bergeron, Latressia Matthews) who are a part of the Sub-committee Working Group held three informational sessions with employees to discuss the recent changes made to the retirement system for the City of New Orleans (NOMERS) and the possible ramifications on the Reciprocity Agreement which currently exist between SWBNO's plan and the City's plan.

Mr. Christopher Bergeron elaborated on what was learned at those meetings. The Sub-committee Working Group went forward with the idea they would recommend the modification of the Reciprocity Agreement, pending no severe disagreements by employees. Mr. Bergeron stated the employees had more questions about the details of how it happened and about why NOMERS changed their plan. Mr. Bergeron further stated he was not able to answer those question in their session because it was a decision made by NOMERS. Some employees wanted to know why SWBNO did not inform its employees who were transferring to the City that NOMERS had a different plan. Mr. Bergeron stated his opinion was if a SWBNO employee transferred to the City, it is as if the employee were getting another job with a company in the private sector; therefore, it is not the responsibility of SWBNO to educate our employees on other plans' benefits. Nevertheless, the Working Group feels SWBNO would like to protect its employees. Mr. Bergeron pointed out if the City agrees with SWBNO, employees hired before January 1, 2018 would be considered Tier 1 or Tier 2 employees, then they would be grandfathered into the same benefits they accrue right now.

Ms. Powell stated, most of the employees prefer to modify the current Reciprocity Agreement which would protect any benefits employees have earned and accumulated at SWBNO or NOMERS employees transferring between both systems and would protect our plan.

Ms. Grinstead stated that the Working Group is scheduled to meet with representatives from NOMERS to discuss what the proposed changes would be as they relate to the Reciprocity Agreement. Because this is a very technical and complex issue, Ms. Grinstead felt that two meetings would be necessary. It is not just the calculation moving from 2.5 to 1.9 that is of concern, but it is also the fact that NOMERS no longer has the Rule of 80 as part of its benefits plan for new employees. The meeting with NOMERS is in early May 2019. Before any decisions are made, the Working Group is coming back to the Pension Committee to get the Pension Committee's approval regarding any recommendations, which could be modifications of the Reciprocity Agreement or termination of the Reciprocity Agreement. Ultimately, the matter would be brought to the Board of Trustees before any decision could be made.

Director Peychaud felt that SWBNO has initiated a good process. Director Peychaud appreciates the fact that the employees are involved, and the expectation is that recommendations will be brought to the Pension Committee and to the Board that really move us forward in terms of the Reciprocity Agreement. Director Peychaud feels that we are on target.

Mr. Marvin Russell wanted to make a clarification for our Board members. Mr. Russell stated that in our rules and regulations, other than having direct reciprocity with the City of New Orleans, we can accept money from people who come in from other entities, such as the State of Louisiana. However, their time is actuarially based. Our actuary will determine how much time the money in their pension plan will purchase. That protects our pension plan. The new hires will have an opportunity to make up the difference of time. Thus, being actuarially based is already in our rules and regulations.

The Pension Committee concluded that the best meeting date is the second Wednesday in the month.

Under **INFORMATION ITEMS**, Ms. Downs stated that the Pension Committee had received the Scorecard for the most recent financial update. Mr. Octave Francis with FFC Investment Advisors of Raymond James gave a brief overview of the report. Mr. Francis stated that the portfolio two months in is doing extremely well. There was no rebalancing in this data.

**EXECUTIVE SESSION** – None

**PUBLIC COMMENTS** – None

**ADJOURNMENT:**

There being no further business to come before the Pension Committee, Mr. Ralph Johnson made a motion to adjourn. Councilmember Jay H. Banks seconded. The motion carried. The meeting adjourned at approximately 11:31 AM.

Respectfully submitted,

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Mr. Joseph Peychaud, Chair

**REQUEST TO ADOPT THE EXECUTIVE DIRECTOR EMPLOYEE ADVISORY  
COUNCIL**

**WHEREAS**, the Sewerage & Water Board of New Orleans (SWBNO) Board of Directors (Board) encourages the Executive Director to have purposeful dialogue with employees of the SWBNO; and

**WHEREAS**, such dialogue is an essential component for effective governance, oversight and accountability; and

**WHEREAS**, the SWBNO desires to foster great communication, professional development and employee incentives as a part of a comprehensive work experience for employees; and

**WHEREAS**, the Executive Director Employee Advisory Council (EDEAC) is comprised of three standing committees, the committees and responsibilities are as follows:

1. The Employee Communications Committee of the EDEAC is responsible for: working with a representative from the Communications Department on all communication items; partnering with Human Resources to develop correspondence for and/or other special announcements and events; providing an avenue for employee issues to be heard and considered; proposing possible solutions and/or courses of action in response to employee issues; and communicating with SWBNO departments on SWBNO outreach events.
2. The Professional Development Committee of the EDEAC is responsible for: partnering with the Training Unit to identify training and certification opportunities for employees; promoting the SWBNO as an organization full of credentialed professionals capable of providing the best water services available to the City of New Orleans; and working with Human Resources to locate opportunities for partnerships with third-party organizations for professional development of SWBNO employees.
3. The Employee Incentive Committee is responsible for: administering a Recognition Awards Program, implementing a National Commemorative Observance program, and recognizing holidays and birthdays to promote unity among all SWBNO employees; managing the funds allocated out of SWBNO's budget for the Employee Incentive Committee, and developing programs in collaboration with department heads and Human Resources to effectively boost morale and productivity among employees throughout the organization.

**NOW, THEREFORE, BE IT RESOLVED** the Sewerage and Water Board of New Orleans hereby approves the permanent creation of the Executive Director Employee Advisory Council and acceptance of its bylaws.

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I, Ghassan Korban, Executive Director,  
Sewerage & Water Board of New Orleans, do  
hereby certify that the above and foregoing  
is a true and correct copy of a resolution  
adopted at a meeting of its Board of Directors  
duly called and held, according to law on  
April 17, 2019.

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**Ghassan Korban, Executive Director**  
**SEWERAGE AND WATER BOARD NEW ORLEANS**

**GENERAL SUPERINTENDENT RECOMMENDATIONS  
FOR THE APRIL 17, 2019 MEETING**

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

Item 1 - R-067-2019 - FURNISHING JANITORIAL SERVICES AT  
SEWERAGE AND WATER BOARD LOCATIONS -  
REQ. NO. SA19-0001

**B. EMERGENCY REPAIR**

Item 2 - R-069-2019 - REQ. NO. EE 19-0003 - EMERGENCY LETTER  
BID SPECIFICATION FOR 2019 PURCHASE OF  
A MOTOR AND STARTER FOR PUMP "A" IN  
THE HIGH LIFT PUMP ROOM AT THE  
CARROLLTON WATER PLANT

**C. CONTRACT FINAL ACCEPTANCE**

Item 3 - R-059-2019 - CONTRACT 30205 - NEW ORLEANS EAST  
BASIN - PLUM ORCHARD NEIGHBORHOOD  
SEWER REHABILITATION

R-057-2019 - CONTRACT 30216 - RESTORATION OF  
EXISTING GRAVITY FLOW SEWER MAINS BY  
POINT REPAIR AT VARIOUS SITES  
THROUGHOUT ORLEANS PARISH

**GENERAL SUPERINTENDENT RECOMMENDATIONS  
REPORT OF FINAL ACCEPTANCE TO BE  
CONSIDERED BY THE FINANCE AND ADMINISTRATION COMMITTEE  
AND THE BOARD'S MEETING OF APRIL 17, 2019**

During March 2019 bids were received and evaluated (as per attached tabulations) on various items as follows:

**1. FURNISHING JANITORIAL SERVICES AT SEWERAGE AND WATER BOARD LOCATIONS - REQ. NO. SA19-0001**

Three (3) bids were received on March 21, 2019 for furnishing this service. It is recommended that the low bid of ETI, Inc. in the total amount of \$394,808.40 be accepted based upon the technical review of the proposals.

**The three (3) bidders are as follows:**

1. ETI, Inc.	\$394,808.40
2. Crescent Building Services	399,209.10
3. Hubb's Properties, LLC	423,699.62

The DBE participation is 30%.

The estimated amount for this project is \$450,000.00.

Funds for this project are budgeted under Account Codes 0801 (Administration Building - St. Joseph St.), 0811 (Building Maintenance) and 7100 (Mechanical Engineering) and Object Codes 3370 (Contract Janitorial Services) and 3220 (Rep & Maint Bldg, Furn, A/C).

**2. REQUISITION NO. EE 19-0003 - EMERGENCY LETTER BID SPECIFICATION FOR 2019 PURCHASE OF A MOTOR AND STARTER FOR PUMP "A" IN THE HIGH LIFT PUMP ROOM AT THE CARROLLTON WATER PLANT**

Four (4) bids were received on March 22, 2019 for furnishing a motor and starter for Pump "A" in the High Lift Pump Room located at the Carrollton Water Plant. It is recommended that the low bid of Energy Management Corporation in the total amount of \$100,305.00 be accepted based upon the technical review of the proposals.

**The four (4) bidders are as follows:**

1. Energy Management Corporation	\$100,305.00
2. Louis Allis	135,898.00
3. Red Stick Armature Works, Inc.	172,100.00
4. HECO, Inc.	181,499.94

**GENERAL SUPERINTENDENT RECOMMENDATIONS (CONT'D)**

April 17, 2019

Page 2

There is no DBE participation.

The estimated amount for this project is \$150,000.00.

Funds for this project are budgeted under Account Code 2100 (Operation and Maintenance) and Object Code 4400.

3.

**REPORT OF FINAL ACCEPTANCE**

**PROPOSAL:**

Contracts 30205 and 30216 be considered for acceptance.

**EVALUATION:**

Contract 30205 - **Wallace C. Drennan, Inc.** - New Orleans East Basin Sewer Rehabilitation, Plum Orchard Neighborhood Sewer Rehabilitation. Total Contract Bid \$6,777,860.00. Total Contract Expenditure \$7,768,136.46. Date Work Order Issued January 9, 2017. Date Work Accepted December 15, 2018. The DBE Participation Goal is 36%. The DBE Participation Achieved is 49.85%.

Contract 30216 - **Wallace C. Drennan, Inc.** - Restoration of Gravity Flow Sewer Mains by Point Repair at Various Sites Throughout Orleans Parish. Total Contract Bid \$1,724,600.00. Total Contract Expenditure \$2,227,034.00. Date Work Order Issued May 31, 2018. Date Work Accepted December 13, 2018. The DBE Participation Goal is 36%. The DBE Participation Achieved is 29.54%.

**RECOMMENDATION:**

The above contracts are recommended for acceptance.

**RATIFICATION OF CHANGE ORDER NO.1 FOR CONTRACT NO. 30205-  
NEW ORLEANS EAST BASIN-PLUM ORCHARD NEIGHBORHOOD  
SEWER REHABILITATION**

**WHEREAS**, the Sewerage and Water Board of New Orleans entered into Contract No. 30205 with Wallace Drennan, Inc. in the amount of \$6,777,860.00 for the sewer rehabilitation of the gravity sewer system; and,

**WHEREAS**, this Change Order represents the following bid items associated with additional defects discovered as a result of CCTV inspections performed in the field - Field Change Order 1: Item 24-Removal and Replacement of sewer mainline 18-inch PVC greater than 10-ft in depth; Item 25-Sanitary Sewer Point Repair, 12-ft long on 8-inch main less than 10 feet depth; Item 36 Removal and Replace Sewer Service Lateral on 6-inch main PVC; Item -39 Sanitary Sewer Pipe Lining on 12-inch main cured-in-place and Field Change Order 2; Item 08, Removal and Disposal of existing composite concrete pavement; Extending the contract time by 180 calendar days and increasing the contract value by \$935,904.00; and,

**WHEREAS**, Change Order also represents a reconciliation of final quantities resulting in an additional increase of the contract by \$54,372.46 and increasing the contract time by 160 calendar days resulting in a total accumulated contract change order amount of \$990,276.46, or 14.61 percent of the original contract value, and extending the contract time by 340 calendar days, for a total of 705 contract days; and,

**NOW, THEREFORE, BE IT RESOLVED**, by the Sewerage and Water Board of New Orleans that Change Order No. 1 be hereby approved.

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I, Ghassan Korban, Executive Director of the  
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 April 17, 2019

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**Ghassan Korban**  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** 3/23/2019

**From:** Bruce Adams, P.E., *Bruce Adams 03/25/2019*  
Deputy Director of Engineering and Construction

**To:** Robert Turner, P.E., CFM,  
General Superintendent

**Subject:** Contract No. 30205- Sewer Rehabilitation New Orleans East Basin-Plum Orchard Neighborhood

Enclosed please find Change Order No. 1 and final acceptance for the subject contract, which is recommended for approval.

Contract No. 30205 with Wallace C. Drennan, Inc. was for the rehabilitation of the gravity sewer system located in the New Orleans East Basin-Plum Orchard Neighborhood. This administrative change order is composed of Field Change Orders No. 1 and No. 2, increasing the contract value by \$990,276.46, or 14.61 percent of the original contract value, and extends the contract time by 540 calendar days, for a total of 705 contract days.

Please forward this change order to the attention of the appropriate Board committees for their consideration and approval.

cc: M. Ron Spooner, P.E. Chief of Engineering  
Mark Johnson, Project Manger  
Alvin Porter, EDBP  
Dexter Joseph, Budget  
Legal Dept  
Rosita Thomas, Finance  
Conestler Green, Purchasing  
Stentac-SSERP/ESSA Project Manger Consultant

MJ/RT

*Approved*

*3-25-2019*

# Sewerage & Water Board of New Orleans: Change Order 2019 Approval Form

Contract # 30205 P/O# \_\_\_\_\_

Date: 3/18/2019

Project Name: New Orleans East Basin-Plum Orchard Neighborhood Sewer Rehabilitation Job/Project # 30205/C1381

Reason for Change Order: Administrative Change Order of FCO- 01 and FCO-02

Change Order Amount: \$990,276.46 Contract Amount Prior To Change Order: \$6,777,860.00

Original Contract Amount: \$6,777,860.00 Total Spent to Date: \$7,768,136.46

PW#: N/A Vendor: Wallace C. Drennan, Inc.

C. P. Item # 317/99.7 % C. P. Item # 375/0.3 % C. P. Item # / %

**Source of funding for Change Order:**

System Funds: 990,276.46 Bonds: \$ \_\_\_\_\_ FEMA: \$ \_\_\_\_\_ Anticipated FEMA: \$ 26,230.95

**Total Funding:** \$ 990,276.46

FUND Code CAP ORGN Code 7400 ACTIVITY Code 2330 OBJECT Code 3300

Total Project Investment to Date: (Place total amount of contracts on projects)

- Survey Phase \$ 0.00
- Design Phase \$ N/A
- Testing Phase \$ 0.00
- Value of A/E Contract for this work to Date: \$ 0.00
- Construction Contract Value to Date: \$7,768,136.46
- Value of Project Management to Date: \$ N/A
- Value of other Professional Services to Date: \$ N/A
- Total Investment to Date: \$7,768,136.46

**RECORDATION**

- Is this change order more than 10% of the original contract and more than \$100,000?  Yes  No
- Does this change order put the total % of change orders above 20% of the original contract and is it more than \$100,000?  Yes  No
- If the answer is yes to either one of these questions recordation is required by state law within 30 days. If the original contract and/or previous change orders have not yet been recorded they must be recorded at this time.

**VENDOR SELECTION AND DBE INFORMATION**

- Type of Procurement Used: [**Should always be RFP for amendments.**]
- Local Vendor:  Yes  No
- DBE:  Yes  No. If Yes, % 36

# Sewerage & Water Board of New Orleans: Change Order Approval Form 2019

## ACTION CRITICAL

Objective consideration of alternatives: Describe other actions considered. If none, explain why

- I recommend approval for the above project (If not recommending for approval, please indicate a reason below, and return this to the previous signatory)

Mark W. Johns Date: 3-18-19

- Level Two (2) Project Manager, S&WB, Engineering Department  
Requested Response Date:   /  /

\_\_\_\_\_ Date: \_\_\_\_\_

- Level One (1) Manager, S&WB, Engineering Department  
Requested Response Date:   /  /

Melvin R. Spencer Date: 3/23/19

- Deputy Director, General Superintendent, S&WB, Engineering Department  
Requested Response Date:   /  /

Brian D. Adams Date: 03/25/2019

- James Annaccone, Fiscal Manager, PDU  
Requested Response Date:   /  /

\_\_\_\_\_ Date: \_\_\_\_\_

- Executive Director, S&WB

Requested Response Date:   /  /  

\_\_\_\_\_ Date: \_\_\_\_\_

- Willie Mingo, Director of Procurement, S&WB  
Requested Response Date:   /  /

\_\_\_\_\_ Date: \_\_\_\_\_

**Sewerage & Water Board of N.O.**  
**Field Change Order**

2018

Field Change Order No.: 01                      Contract No.: 30205                      PO# NA  
 Project Manager: Mark Johnson                      Date: 4/25/2018

**Project Name:** New Orleans East Basin – Plum Orchard Neighborhood Sewer Rehabilitation

**Job/Project #:** 030205

\*\*\*\*\*

You are hereby requesting to make the following (In Scope) change(s) in accordance with the terms and conditions of the above referenced Contract:

Contract No. 30205 is a combination SSERP/ESSA sewer rehabilitation contract in the New Orleans East Basin and the items added by this change order were necessary to complete Consent Decree repairs on sewer lines that were identified in the Remedial Measures Action Plan (RMAP) and reported to the EPA.

The scope of work in this change order was not include in the original design because a significant number of sewer line CCTV inspections (38 mainline sewer segments) could not be completed prior to the design phase. Sewer line segments that could not be inspected prior to design were added to this contract as *Find and Fix* lines. During the course of construction, these thirty-eight (38) *Find and Fix* CCTV inspections were completed and during the CCTV video review process, the Engineer discovered numerous defects that required repair by either a combination of additional mainline sewer point repairs and CIPP lining, or full mainline sewer segment replacement.

Secondly, CIPP pre-lining CCTV inspections documented several unanticipated "critical damage" locations that required additional mainline sewer point repairs to be completed in advance of the CIPP lining installations. Also, CIPP pre-lining CCTV inspections documented significant potable water inflow and infiltration at mainline sewer pipe joints and service lateral connections that prohibited the CIPP lining installations on 15 mainline sewer segments. Following a request to the S&WB, Echologic identified potable water leaks adjacent to these mainline sewer segments. This evaluation resulted in the issuance of numerous work orders by the S&WB to repair the water leaks and thus eliminated the inflow/infiltration impacts on these mainline sewer segments. Additional time was required to complete the water leak repairs in advance of the required CIPP lining installations.

This Change Order for Ratification of sewer rehabilitation was needed to address the additional bid item quantities, along with the additional contract time requirements to complete this scope of work, are as follows:

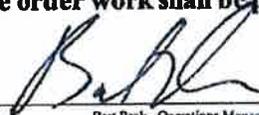
- Item No. 24: 516 LF of 18" Sewer Main Replacement;
- Item No. 25: 32 each of 8" Sewer Main Point Repairs;
- Item No. 36: 2,600 LF of 6" Service Lateral Replacement;
- Item No. 39: 720 LF of 12" Sewer Main CIPP lining.
- Contract time increased by 180 days

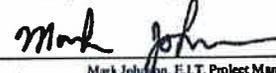
For the Additive ( <del>Deductive</del> ) Sum of:	\$	<u>935,904.00</u>
Original Agreement Amount	\$	6,777,860.00
Sum of Previous Changes	\$	0.00
This Change Order Add ( <del>Deduct</del> )	\$	935,904.00
Present Agreement Amount	\$	7,713,764.00

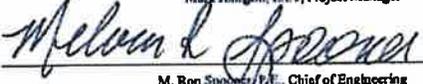
By this change order, the time for completion shall be increased by One Hundred Eighty (180) calendar days. Accordingly, the Contract Time is now five hundred forty (540) calendar days and the substantial completion date is 06/02/2018. Your acceptance of this Change Order shall constitute a modification to our contract, which will be performed in accordance with and subject to all other terms and conditions in this Contract, as fully as if the same were repeated in this acceptance.

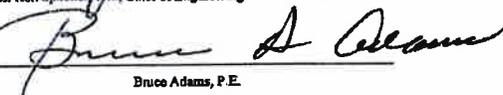
The monetary adjustment to this Contract, if any, shall constitute a full and final settlement of any and all claims arising out of or related to the change set forth herein, including claims for impact and delay costs.

**The Director of Procurement will direct the Contractor to increase the penal sum of the existing Performance, Payment Bonds and Insurance or to obtain additional bonds on the basis of a \$100,000.00 or greater value change order. The Contractor Shall: Provide written confirmation within one (1) week of request: from their bonding company/agent (attorney-in-fact) that the amounts of the Performance, Payment Bonds and Insurance have been adjusted to 100% of the new contract amount. NOTE: No Invoices for change order work shall be paid without approved supporting documentation.**

Contractor:   
Bart Peak, Operations Manager, Wallace C. Drennan, Inc.

Level 2 Manager:   
Mark Johnson, E.I.T., Project Manager

Level 1 Manger:  9/27/18  
M. Ron Spooner, E.E., Chief of Engineering

Interim General Superintendent:  04/30/2018  
Bruce Adams, P.E.

Director of Procurement/Designee: \_\_\_\_\_

Fiscal Manager PDU: \_\_\_\_\_

**Note: Procurement Request The Following Attachments Accompany This Document: Contractors Supporting Documents, Requesting Department Independent Contract Estimate, (ICE).**

**SCOPE OF CHANGES  
SSERP Contract No. 30205  
Field Change Order No. 01**

CONTRACT MODIFICATION FOR BID ITEM AND TIME EXTENSION

Item No.	FCO#	Detailed Description	Units	Unit Price	Quantity	Amount	Days	Comments
24	01	Remove & Replace Sewer Mainline, 18" PVC >10-ft Depth	LF	\$444.00	516	\$ 229,104.00	15	See attached Change Order Details for explanation.
25	01	Sanitary Sewer Point Repair, 12-LF, 8" Main <10-ft Depth	EA	\$7,700.00	32	\$ 246,400.00	60	
36	01	Remove & Replace Sewer Service Lateral, 6" PVC	LF	\$166.00	2600	\$ 431,600.00	45	
39	01	Sanitary Sewer Pipe Lining, 12" Cured-In-Place	LF	\$40.00	720	\$ 28,800.00	0	
—	01	Ecological identified water leak repairs required to eliminate significant inflow/infiltration impacting CIPP lining installations	—	---	---	---	60	
						\$ 935,904.00	180	

**CONTRACT DBE %**

Contract DBE %	36.0%
Current DBE %	50.0%
Forecasted DBE %	50.0%

**CONTRACT AMOUNT**

Original	\$ 6,777,860.00
Sum of Previous Change Orders	\$ -
Amount this Change Order	\$ 935,904.00
Change Order Total to Date	\$ 935,904.00
<b>REVISED CONTRACT AMOUNT</b>	<b>\$ 7,713,764.00</b>

**CONTRACT DURATION**

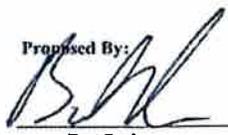
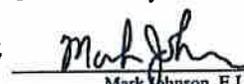
Original Contract Days	360
Days Previously Added	0
Days Added by this Change Order	180
Days Added to Date	180
<b>REVISED CONTRACT DAYS</b>	<b>540</b>

**% OF ORIGINAL CONTRACT AMOUNT**

This Change Order	13.81%
Previous Change Order	0.00%
<b>TOTAL TO DATE</b>	<b>13.81%</b>

Work Order Date	1/9/2017
Work Completion Milestone Date	7/2/2018

*The above revisions are mutually agreed to and accepted. The work is to be performed in accordance with the contract documents. The Unit Prices on this Field Change Order include overhead, profit and all other costs associated with the work. Price changes, or requests for additional compensation, will not be considered after acceptance of this Field Change Order.*

Proposed By:	Recommended By:	Approved By:
		
4/26/18	4/26/18	4/27/18
Date	Date	Date
Bart Peak	Mark Johnson, E.I.T.	Ron Spooner, R.E.
Wallace C. Drennan, Operations Mgr.	S&WB Project Manager	Chief of Engineering

# SWBNO FIELD CONSTRUCTION CHANGE ORDER

2019

Change Order No.: 02

Contract No.: 30205

Project Manager: Mark Johnson

Date: 03/11/19

Project Name: New Orleans East Basin-Plum Orchard Neighborhood Sewer Rehabilitation

Job/Project# 030205

\*\*\*\*\*

You are hereby requesting to make the following (In Scope) change(s) in accordance with the terms and conditions of the above referenced Contract:

Contract No. 30205 is a combination SSERP/ESSA sewer rehabilitation contract in the New Orleans East Basin and the items added by this change order were necessary to complete Consent Decree repairs on sewer lines that were identified in the Remedial Measures Action Plan (RMAP) and reported to the EPA.

The scope of work in this change order was needed to comply the restoration requirement of the new Department of Public Work Restoration requirement for restoring the restoration over the additional pipe repairs added to this contract from Field Change Order I (FCO I).

A contract time extension of one hundred and eighty calendar days (160) is being added to this contract for the following reasons: rainy days, completion of the sewer repairs in (FCO I), repairs of water leaks to complete some of the sewer repairs in (FCO I).

This Change Order for Ratification for restoration over sewer rehabilitation is needed to address the extra bid item quantity to restore the roadway to New DPW restoration ordinance.

- Contract time increased by 120 days

FOR THE (Additive/Deductive) Sum of: \$ 0.00

Original Agreement Amount	\$ <u>6,777,860.00</u>
Sum of Previous Changes	\$ <u>935,904.00</u>
Present Agreement Amount	\$ <u>7,713,764.00</u>
This Change Order Amount	\$ <u>54,372.46</u>
Proposed Agreement Amount	\$ <u>7,768,136.46</u>

The time for completion shall be (increased/decreased) by One Hundred Sixty (160) calendar days due to this Change Order. Accordingly, the Contract Time is now (540) calendar days and the substantial completion date is 12 /15/2018. Your acceptance of this Change Order shall constitute a modification to our Contract and will be performed subject to all the same terms and conditions in our Contract indicated above, as fully as if the same were repeated in this acceptance.

The adjustment, if any, to this Contract shall constitute a full and final settlement of any and all claims arising out of or related to the change set forth herein, including claims for impact and delay costs.

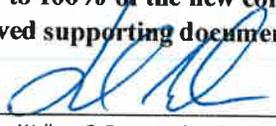
**The Director of Procurement will direct the Contractor to increase the penal sum of the existing Performance, Payment Bonds and Insurance or to obtain additional bonds on the basis of a \$100,000.00 or greater value change order.**

# SWBNO FIELD CONSTRUCTION CHANGE ORDER

2019

**The Contractor Shall: Provide written confirmation within one (1) week of request: from their bonding company/agent (attorney-in-fact) that the amounts of the Performance, Payment Bonds and Insurance have been adjusted to 100% of the new contract amount. NOTE: No Invoices for change order work shall be paid without approved supporting documentation.**

Contractor:



Wallace C. Drennan, Inc. Contractor

Level 2 Manager:

Mark Johnson E.I., Project Manager

Level 1 Manger:



M. Ron Spooner, P.E., Chief of Engineering

Deputy Superintendent:

Bruce Adams, P.E.

Director of Procurement/Designee:

Fiscal Manager PDU:

**Note: Procurement Request The Following Attachments Accompany This Document: Contractors Supporting Documents, Requesting Department Independent Contract Estimate, (ICE).**

SCOPE OF CHANGES  
 SSERP Contract 30205  
 Field Change Order No. 2

ADDITIONAL ITEMS TO BE ADDED TO CONTRACT

Item #	FCO#	Detailed Description	Units	Unit Price	Quantity	Amount	Days	Comments
1	2	Reconciliation of final quantities resulting in an overall increase of the contract. See Scope of Changes sheet for a more detailed analysis.			1	\$54,372.46	160	Eligibility to be determined by S&WB
						\$54,372.46	160	Eligibility to be determined by S&WB

CONTRACT DBE %

CONTRACT DBE %	36.0%
ACHIEVED DBE %	49.9%
FORECASTED DBE %	N/A

% OF ORIGINAL CONTRACT AMOUNT

This Change Order	0.2%
Previous Change Order	15.6%
TOTAL TO DATE	15.8%

CONTRACT AMOUNT

ORIGINAL CONTRACT VALUE	\$6,777,860.00
SUM OF PREVIOUS CHANGE ORDERS	\$935,904.00
AMOUNT THIS CHANGE ORDER	\$54,372.46
CHANGE ORDER TOTAL TO DATE	\$990,276.46
REVISED CONTRACT AMOUNT	\$7,768,136.46

CONTRACT DURATION

ORIGINAL CONTRACT DAYS	365
CONTRACT DAYS PREVIOUSLY ADDED	180
CONTRACT DAYS THIS CHANGE ORDER	160
REVISED CONTRACT DAYS	705

Work Order Date: 1/9/2017

Contract Final Completion Date: 12/15/2018

It is mutually agreed to perform and accept the above revisions in accordance with the original contract and applicable specifications for the above price. It is further agreed that signing this change order that the DBE requirement is being met as per the Contract requirements. This Change Order constitutes a full and complete settlement of the matters set forth herein. This change may not include any potential extended overhead costs that may be associated with this change. This settlement also is limited to and applies to any claims arising out of or in account of the matters described and set forth in this agreement.

Proposed By:

Representative  
 WC Drennan

Recommended By:

Maark Johnson  
 S&WB Project Manager

Approved By:

M. Ron Spooner  
 S&WB Chief of Engineering

*M. Ron Spooner*  
 Date 3/23/18

Scope of Changes: Contract 30205 (Final Acceptance)												
Pay Item	Description	Units	Unit Price	Original Contract		Change Order Quantity	Revised Contract		Total Completed To Date		Final Reconciled	
				Quantity	Amount		Quantity	Amount	Quantity	Amount	Quantity	Amount
01	Removal and Disposal of Existing Portland Cement Concrete Pavement	SY	\$30.00	1500	\$ 45,000.00	-	1500	\$ 45,000.00	2678.15	\$ 80,344.50	1178.15	\$ 35,344.50
02	Removal and Disposal of Existing Asphaltic Concrete Pavement	SY	\$30.00	960	\$ 28,800.00	-	960	\$ 28,800.00	3860.45	\$ 115,813.50	2900.45	\$ 87,013.50
03	Removal and Disposal of Existing Composite Concrete Pavement	SY	\$30.00	6600	\$ 198,000.00	-	6600	\$ 198,000.00	10285.09	\$ 308,552.70	3685.09	\$ 110,552.70
04	Removal and Disposal of Existing Sidewalk, Driveway, Footlap, etc.	SY	\$30.00	2600	\$ 78,000.00	-	2600	\$ 78,000.00	1891.13	\$ 56,733.90	-708.87	\$ (21,266.10)
05	Removal and Disposal of Existing Curbs and Gutters	LF	\$1.00	3400	\$ 3,400.00	-	3400	\$ 3,400.00	7190.61	\$ 7,190.61	3790.61	\$ 3,790.61
06	Install Reinforced Portland Cement Concrete Pavement, 8" Thick	SY	\$50.00	1500	\$ 75,000.00	-	1500	\$ 75,000.00	2678.87	\$ 133,943.50	1178.87	\$ 58,943.50
07	Install Asphaltic Concrete Pavement, 7" Thick Minimum	SY	\$50.00	960	\$ 48,000.00	-	960	\$ 48,000.00	4194.6	\$ 209,730.00	3234.6	\$ 161,730.00
08	Install Composite Concrete Pavement, 10" Thick	SY	\$75.00	6600	\$ 495,000.00	-	6600	\$ 495,000.00	10285.09	\$ 771,381.75	3685.09	\$ 276,381.75
09	Cold Milling and Overlay of Existing Asphaltic Concrete Pavement, 2" Thick	SY	\$10.00	14000	\$ 140,000.00	-	14000	\$ 140,000.00	11044.7	\$ 110,447.00	-2955.3	\$ (29,553.00)
10	Install Interim Pavement, 2" Thick	SY	\$100.00	210	\$ 21,000.00	-	210	\$ 21,000.00	130.66	\$ 13,066.00	-79.34	\$ (7,934.00)
11	Install Concrete Sidewalk, 4" Thick	SY	\$70.00	1200	\$ 84,000.00	-	1200	\$ 84,000.00	1141.65	\$ 79,915.50	-58.35	\$ (4,084.50)
12	Install Concrete Driveway, 6" Thick	SY	\$100.00	300	\$ 30,000.00	-	300	\$ 30,000.00	749.68	\$ 74,968.00	449.68	\$ 44,968.00
13	Install Concrete ADA Accessible Ramp	EA	\$1,000.00	90	\$ 90,000.00	-	90	\$ 90,000.00	46	\$ 46,000.00	-44	\$ (44,000.00)
14	Install Concrete Curbing (Barrier, Mountable or other)	LF	\$10.00	930	\$ 9,300.00	-	930	\$ 9,300.00	1571	\$ 15,710.00	641	\$ 6,410.00
15	Install Concrete Curb and Gutter (Barrier, Mountable or other)	LF	\$20.00	2400	\$ 48,000.00	-	2400	\$ 48,000.00	6397.61	\$ 127,952.20	3997.61	\$ 79,952.20
16	Install Sod	SY	\$5.00	2200	\$ 11,000.00	-	2200	\$ 11,000.00	409	\$ 2,045.00	-1791	\$ (8,955.00)
17	Tree Protection, Installation, Maintenance and Removal	EA	\$100.00	27	\$ 2,700.00	-	27	\$ 2,700.00	0		-27	\$ (2,700.00)
18	Tree Trimming	EA	\$100.00	27	\$ 2,700.00	-	27	\$ 2,700.00	0		-27	\$ (2,700.00)
19	Root Pruning	EA	\$100.00	27	\$ 2,700.00	-	27	\$ 2,700.00	0		-27	\$ (2,700.00)
20	Remove and Replace Sanitary Sewer Main, 8" PVC, <10-ft Depth	LF	\$166.00	2000	\$ 332,000.00	-	2000	\$ 332,000.00	1961	\$ 325,526.00	-39	\$ (6,474.00)
21	Remove and Replace Sanitary Sewer Main, 10" PVC, <10-ft Depth	LF	\$144.00	310	\$ 44,640.00	-	310	\$ 44,640.00	355	\$ 51,120.00	45	\$ 6,480.00
22	Remove and Replace Sanitary Sewer Main, 12" PVC, <10-ft Depth	LF	\$166.00	380	\$ 63,080.00	-	380	\$ 63,080.00	0		-380	\$ (63,080.00)
23	Remove and Replace Sanitary Sewer Main, 15" PVC, <10-ft Depth	LF	\$177.00	210	\$ 37,170.00	-	210	\$ 37,170.00	0		-210	\$ (37,170.00)
24	Remove and Replace Sanitary Sewer Main, 18" PVC, >10-ft Depth	LF	\$444.00	190	\$ 84,360.00	516	706	\$ 313,464.00	706	\$ 313,464.00	0	\$ -
25	Sanitary Sewer Point Repair, 12-LF, 8" Main, <10-ft Depth	EA	\$7,700.00	230	\$ 1,771,000.00	32	262	\$ 2,017,400.00	262	\$ 2,017,400.00	0	\$ -
26	Sanitary Sewer Point Repair, 12-LF, 10" Main, <10-ft Depth	EA	\$8,800.00	20	\$ 176,000.00	-	20	\$ 176,000.00	8	\$ 70,400.00	-12	\$ (105,600.00)
27	Sanitary Sewer Point Repair, 12-LF, 12" Main, <10-ft Depth	EA	\$8,800.00	9	\$ 79,200.00	-	9	\$ 79,200.00	9	\$ 79,200.00	0	\$ -
28	Sanitary Sewer Point Repair, 12-LF, 15" Main, <10-ft Depth	EA	\$8,800.00	8	\$ 70,400.00	-	8	\$ 70,400.00	5	\$ 44,000.00	-3	\$ (26,400.00)
29	Sanitary Sewer Point Repair, 12-LF, 8" Main, >10-ft Depth	EA	\$8,800.00	5	\$ 44,000.00	-	5	\$ 44,000.00	1	\$ 8,800.00	-4	\$ (35,200.00)
30	Sanitary Sewer Point Repair, 12-LF, 18" Main, >10-ft Depth	EA	\$16,000.00	12	\$ 192,000.00	-	12	\$ 192,000.00	2	\$ 32,000.00	-10	\$ (160,000.00)
31	Sanitary Sewer Point Repair, In Excess of 12-LF, 8" Main, <10-ft Depth	LF	\$300.00	170	\$ 51,000.00	-	170	\$ 51,000.00	199	\$ 59,700.00	29	\$ 8,700.00
32	Sanitary Sewer Point Repair, In Excess of 12-LF, 10" Main, <10-ft Depth	LF	\$300.00	15	\$ 4,500.00	-	15	\$ 4,500.00	1	\$ 300.00	-14	\$ (4,200.00)
33	Sanitary Sewer Point Repair, In Excess of 12-LF, 12" Main, <10-ft Depth	LF	\$300.00	15	\$ 4,500.00	-	15	\$ 4,500.00	7	\$ 2,100.00	-8	\$ (2,400.00)
34	Sanitary Sewer Point Repair, In Excess of 12-LF, 15" Main, <10-ft Depth	LF	\$300.00	15	\$ 4,500.00	-	15	\$ 4,500.00	23	\$ 6,900.00	8	\$ 2,400.00
35	Sanitary Sewer Point Repair, In Excess of 12-LF, 18" Main, >10-ft Depth	LF	\$600.00	18	\$ 10,800.00	-	18	\$ 10,800.00	19	\$ 11,400.00	1	\$ 600.00
36	Remove and Replace Sanitary Sewer Service Lateral, 6" PVC	LF	\$166.00	5600	\$ 929,600.00	2600	8200	\$ 1,361,200.00	8115	\$ 1,347,090.00	-85	\$ (14,110.00)
37	Sanitary Sewer Pipe Lining, 8" Cured-In-Place	LF	\$27.00	31000	\$ 837,000.00	-	31000	\$ 837,000.00	29171	\$ 787,617.00	-1829	\$ (49,383.00)
38	Sanitary Sewer Pipe Lining, 10" Cured-In-Place	LF	\$32.00	1500	\$ 48,000.00	-	1500	\$ 48,000.00	705	\$ 22,560.00	-795	\$ (25,440.00)
39	Sanitary Sewer Pipe Lining, 12" Cured-In-Place	LF	\$40.00	630	\$ 25,200.00	720	1350	\$ 54,000.00	686	\$ 27,440.00	-664	\$ (26,560.00)
40	Sanitary Sewer Pipe Lining, 15" Cured-In-Place	LF	\$60.00	300	\$ 18,000.00	-	300	\$ 18,000.00	655	\$ 39,300.00	355	\$ 21,300.00
41	Sanitary Sewer Pipe Lining, 18" Cured-In-Place	LF	\$70.00	1700	\$ 119,000.00	-	1700	\$ 119,000.00	1188	\$ 83,160.00	-512	\$ (35,840.00)
42	Sanitary Sewer Pipe Lining, Service Lateral Internal Reinstatements	EA	\$1.00	790	\$ 790.00	-	790	\$ 790.00	784	\$ 784.00	-6	\$ (6.00)
43	Sanitary Sewer Service Lateral CCTV Inspection	LF	\$40.00	100	\$ 4,000.00	-	100	\$ 4,000.00	0		-100	\$ (4,000.00)
44	Sanitary Sewer Service Lateral Lining, 6" Cured-In-Place	LF	\$325.00	100	\$ 32,500.00	-	100	\$ 32,500.00	0		-100	\$ (32,500.00)
45	Sanitary Sewer Mainline Cleaning, 8" to 12", Find and Fix	LF	\$1.00	6700	\$ 6,700.00	-	6700	\$ 6,700.00	6802.3	\$ 6,802.30	102.3	\$ 102.30
46	Sanitary Sewer Mainline Cleaning, 14" to 18", Find and Fix	LF	\$2.00	2200	\$ 4,400.00	-	2200	\$ 4,400.00	1532.5	\$ 3,065.00	-667.5	\$ (1,335.00)

Scope of Changes: Contract 30205 (Final Acceptance)													
Pay Item	Description	Units	Unit Price	Original Contract		Change Order Quantity	Revised Contract		Total Completed To Date		Final Reconciled		
				Quantity	Amount		Quantity	Amount	Quantity	Amount	Quantity	Amount	
47	Sanitary Sewer Mainline CCTV Inspection, 8" to 18", Find and Fix	LF	\$5.00	8800	\$ 44,000.00	-	8800	\$ 44,000.00	7876.2	\$ 39,381.00	-923.8	\$ (4,619.00)	
48	Sanitary Sewer Manhole, Adjust Frame & Cover, <8"	EA	\$100.00	35	\$ 3,500.00	-	35	\$ 3,500.00	0		-35	\$ (3,500.00)	
49	Sanitary Sewer Manhole, Adjust Frame & Cover, >8"	EA	\$100.00	10	\$ 1,000.00	-	10	\$ 1,000.00	0		-10	\$ (1,000.00)	
50	Sanitary Sewer Manhole, Replace Frame & Cover	EA	\$366.00	120	\$ 43,920.00	-	120	\$ 43,920.00	63	\$ 23,058.00	-57	\$ (20,862.00)	
51	Drainage Catch Basins, Adjust Frame & Cover	EA	\$500.00	6	\$ 3,000.00	-	6	\$ 3,000.00	9	\$ 4,500.00	3	\$ 1,500.00	
52	Install Manhole Isolation Pads	EA	\$500.00	110	\$ 55,000.00	-	110	\$ 55,000.00	27	\$ 13,500.00	-83	\$ (41,500.00)	
53	Sanitary Sewer Manhole, Partial Liner, Cementitious	EA	\$400.00	230	\$ 92,000.00	-	230	\$ 92,000.00	161	\$ 64,400.00	-69	\$ (27,600.00)	
54	Sanitary Sewer Manhole, Full Length Liner, Cementitious	VF	\$125.00	820	\$ 102,500.00	-	820	\$ 102,500.00	811	\$ 101,375.00	-9	\$ (1,125.00)	
55	Sanitary Sewer Flow Diversion, Setup & 48-Hour Operation	EA	\$1,000.00	5	\$ 5,000.00	-	5	\$ 5,000.00	1	\$ 1,000.00	-4	\$ (4,000.00)	
56	Sanitary Sewer Flow Diversion, Additional Operation	HR	\$1,000.00	8	\$ 8,000.00	-	8	\$ 8,000.00	20	\$ 20,000.00	12	\$ 12,000.00	
57	Sanitary Sewer Trench Well Point System, Setup & 48-Hour Operation	EA	\$1,000.00	5	\$ 5,000.00	-	5	\$ 5,000.00	1	\$ 1,000.00	-4	\$ (4,000.00)	
58	Sanitary Sewer Trench Well Point System, Additional Operation	HR	\$1,000.00	8	\$ 8,000.00	-	8	\$ 8,000.00	6	\$ 6,000.00	-2	\$ (2,000.00)	
					<b>\$ 6,777,860.00</b>			<b>\$ 7,713,764.00</b>		<b>\$ 7,768,136.46</b>		<b>\$ 64,372.46</b>	

Original Contract Amount: \$ 6,777,860.00  
Amount of Previous Change Orders: \$ 935,904.00  
Additional Dollar Amount THIS CHANGE ORDER: \$ 54,372.46

Original Contract Days: 365  
Contract Days Previously Added: 180  
Contract Days THIS CHANGE ORDER: 160

REVISED Contract Amount: \$ 7,768,136.46

REVISED Contract Days: 705

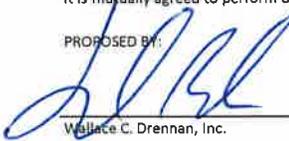
Percent of Original Contract Amount THIS CHANGE ORDER: 0.80%  
Percent of Original Contract Amount PREVIOUS CUMULATIVE CHANGE ORDERS: 13.81%  
Percent of Original Contract Amount ALL CUMULATIVE CHANGE ORDERS: 14.61%

Work Order Date: 1/9/2017  
Work Completion Milestone Date: 12/15/2018

DBE Participation for this Contract: 36.00%  
DBE Participation reach for this Contract: 49.85%

It is mutually agreed to perform & accept the above revisions in accordance with original contract & applicable specifications at the above prices.

PROPOSED BY:

  
Wallace C. Drennan, Inc.  
Contractor

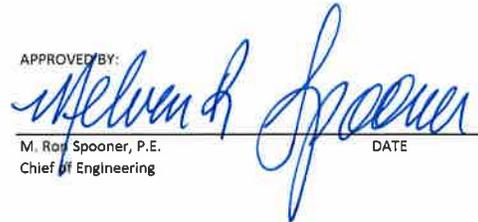
3/12/19  
DATE

RECOMMENDED BY:

  
Mark Johnson, EI  
S & WB Project Manager

3/18/19  
DATE

APPROVED BY:

  
M. Roy Spooner, P.E.  
Chief of Engineering

3/23/19  
DATE

**RATIFICATION OF FINAL ACCEPTANCE AND RECONCILIATION FOR CONTRACT NO. 30216, RESTORATION OF GRAVITY FLOW SEWER MAINS BY POINT REPAIR AT VARIOUS SITES THROUGHOUT ORLEANS PARISH**

**WHEREAS**, the Sewerage and Water Board of New Orleans entered into Contract No. 30216 with Wallace Drennan, Inc. for the amount of \$862,300.00(R-055-2018), and

**WHEREAS**, Wallace Drennan was awarded a one year renewal on October 17, 2018 for the amount of \$862,300.00 (R-158-2018), and

**WHEREAS**, Change Order No.1 was approved by the Board of Directors on December 19, 2018 for the amount of \$613,853.41 (R-194-2018), and

**WHEREAS**, the final dollar amount of work performed decreases the value of the contract by \$111,419.41 and extends the duration by zero (0) days, and

**WHEREAS**, the Final Acceptance and Reconciliation brings the total contract dollar amount to \$2,227,034.00, and

**WHEREAS**, Contract 30216 is ready for Final Acceptance by the Sewerage & Water Board of New Orleans,

**NOW, THEREFORE, BE IT RESOLVED**, by the Sewerage and Water Board of New Orleans that the Final Acceptance and Reconciliation are hereby approved.

I, Ghassan Korban, Executive Director of the 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 April 17, 2019

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**Ghassan Korban,**  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW  
ORLEANS

**FINAL ACCEPTANCE OF CONTRACT 30205 – NEW ORLEANS EAST BASIN SEWER REHABILITATION-PLUM ORCHARD NEIGHBORHOOD SEWER REHABILITATION**

**WHEREAS**, the Sewerage and Water Board of New Orleans entered into contract 30205 with Wallace C. Drennan, Inc. to perform sewer rehabilitation in the New Orleans East Basin for the original amount of \$6,777,860.00; and,

**WHEREAS**, the rehab consists of a combination of EESA/SSERP sewer repairs to repair sewer items that were identified in the Remedial Measures Action Plan (RMAP); and,

**WHEREAS**, Contract Change Order No. 1 (R-058-2019) increased the contract value by \$990,276.46, or 14.61 percent of the original contract value, bringing the cumulative value of the contract to \$7,768,136.46 and extending the contract time by 540 calendar days, for a total of 705 contract days; and,

**WHEREAS**, Contract 30205 is ready for Final Acceptance by Sewerage & Water Board of New Orleans; and,

**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 of Contract 30205 is hereby approved.

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I, Ghassan Korban, Executive Director of the 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 April 17, 2019.

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**Ghassan Korban**  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**CONTRACT AMENDMENT NO. 3 TO THE AGREEMENT BETWEEN THE SEWERAGE AND WATER BOARD OF NEW ORLEANS AND CH2M HILL ENGINEERS, INC. A WHOLLY OWNED SUBSIDIARY OF JACOBS ENGINEERING GROUP (JACOBS) FOR THE EMERGENCY PROFESSIONAL SERVICES AGREEMENT**

**WHEREAS**, on August 23, 2017 the Sewerage and Water Board of New Orleans (Board) awarded an emergency contract in the amount of \$3,000,000.00 to CH2M Hill Engineers, Inc. (CH2M) to assist the Board in the areas of Emergency Program Management & Support, Emergency Pump Restoration Program and Emergency Power Program; and

**WHEREAS**, the current term of the contract for Professional Services by CH2M expired on January 30, 2018; and

**WHEREAS**, the Board approved at the November 2017 Board Meeting CH2M's budget amendment request of \$5,489,840.00 to perform additional engineering services; and,

**WHEREAS**, the Board approved at the April 2018 Board Meeting CH2M's budget amendment request of \$1,265,712.00 to perform additional engineering services; and extend the contract duration to October 30, 2018, and

**WHEREAS**, a request is submitted for a six (6) month contract extension for continuing Project Management, Project Controls, Construction Management and Engineering Services through April 30, 2019,

**NOW THEREFORE BE IT RESOLVED**, that the President and/or President Pro Tem shall be authorized to execute the amendment to this agreement with CH2M HILL Engineers, Inc., a wholly owned subsidiary of Jacobs Engineering Group (Jacobs) to extend the contract duration to April 30, 2019.

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I, Ghassan Korban, 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 April 17, 2019.

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**Ghassan N. Korban**  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** April 2, 2019

**From:** Bruce H. Adams, P.E.  
Deputy General Superintendent

**To:** Ghassan Korban  
Executive Director

**Re:** **Contract Amendment No. 3 – CH2M HILL Engineers, Inc., a wholly owned subsidiary of Jacobs Engineering Group (Jacobs) Emergency Professional Services Agreement**

Please see the attached letter from the Chief of Engineering recommending approval of Contract Amendment No. 3 for a contract extension of the Emergency Professional Services Agreement performed by CH2M HILL Engineers, Inc., a wholly owned subsidiary of Jacobs Engineering Group (Jacobs).

On August 23, 2017, the Sewerage and Water Board of New Orleans awarded an emergency contract in the amount of \$3,000,000.00 to CH2M (now Jacobs) to assist the Board in the areas of Emergency Program Management & Support, the Emergency Pump Restoration Program and the Emergency Power Program. On November 15, 2017 the Board approved the budget amendment request of \$5,489,840.00 to perform additional engineering services. Amendment 2 to the contract was executed on April 12, 2018, extending the contract duration to October 30, 2018 and contract value to \$9,755,552.00. In order to complete ongoing scope within the current contract amount, a further extension of the contract by six (6) months to April 30, 2019 is requested.

The required DBE participation goal will remain the same as per the original contract goal of 10%.

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

Approved:

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Robert Turner, P.E., CFM  
General Superintendent

**Cc:** Bruce Adams, Deputy Director-Engineering and Construction  
Eric Labat, Chief of Operations  
Procurement  
Legal Dept

**AMENDMENT No. 3  
EMERGENCY PROGRAM MANAGEMENT AND STAFF AUGMENTATION  
OF OPERATIONS MAINTENANCE AND RECOVERY  
CH2M HILL ENGINEERS, INC, A WHOLLY OWNED SUBSIDIARY OF  
JACOBS ENGINEERING GROUP (JACOBS)**

**ADDITIONAL ITEMS TO BE ADDED TO CONTRACT**

AES #	CN	Detailed Description	Fee	Funding Source
1		Extension of contract to April 30, 2019	\$ 0.00	System Funds

**TOTAL \$ 0.00**

CONTRACT DBE %	
Contract DBE%	10%
Current DBE%	6.6%

CONTRACT AMOUNT	
Original Contract Amount	\$ 3,000,000.00
Amount of Previous Amendments	\$ 6,755,552.00
Amount of this Amendment	\$ 0.00
Amendments to date	\$ 6,755,552.00

<b>REVISED CONTRACT AMOUNT</b>	<b>\$ 9,755,552.00</b>
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It is mutually agreed to perform and accept the above revisions in accordance with the currently amended contract and the applicable specifications for the above price.

Proposed By:

*Chrissy Thom*

**Chrissy Thom  
CH2M HILL Engineers, Inc.**

4/2/2019

Date

Recommended By:

*M. Ron Spooner*

**M. Ron Spooner, P.E.  
Chief of Engineering**

4/2/19

Date



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** April 2, 2019

**From:** M. Ron Spooner, P.E.  
Chief of Engineering

Handwritten signature of M. Ron Spooner in blue ink.

**To:** Bruce H. Adams, P.E.  
Deputy General Superintendent

**Re:** **Contract Amendment No. 3 – CH2M HILL Engineers, Inc. a wholly owned subsidiary of Jacobs Engineering Group (Jacobs) Emergency Professional Services Agreement**

Enclosed please find a recommendation for approval of Contract Amendment No. 3 for the above captioned contract. This amendment extends CH2M's current contract term by six (6) months to April 30, 2019, within the current contract value of \$9,755,552.00

Original Contract Award Amount:	\$3,000,000.00
Previous Approved Contract Amendments:	\$6,755,552.00
This Contract Amendment Amount:	\$0.00
Total Cumulative Dollar Contract Amendment Amount:	\$9,755,552.00

Contract DBE Participation	10%
Forecasted DBE Participation through 2019	6.6%

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

I concur:

Handwritten signature of Bruce H. Adams in blue ink.  
Bruce H. Adams, P.E.  
Deputy General Superintendent

Date: 04/03/2019

Cc:

Procurement  
Rosetta Thomas, Finance Director  
Eric Labat, Chief of Operations  
Legal Dept.

**CONTRACT AMENDMENT NO. 4 TO THE AGREEMENT BETWEEN THE SEWERAGE AND WATER BOARD OF NEW ORLEANS AND CH2M HILL ENGINEERS, INC., A WHOLLY OWNED SUBSIDIARY OF JACOBS ENGINEERING GROUP (JACOBS), FOR THE EMERGENCY PROFESSIONAL SERVICES AGREEMENT**

**WHEREAS**, on August 23, 2017 the Sewerage and Water Board of New Orleans (Board) awarded an emergency contract in the amount of \$3,000,000.00 to CH2M Hill Engineers, Inc. (CH2M) to assist the Board in the areas of Emergency Program Management & Support, Emergency Pump Restoration Program and Emergency Power Program; and,

**WHEREAS**, the Board approved at the November 2017 Board Meeting CH2M's budget amendment request of \$5,489,840.00 to perform additional engineering services; and,

**WHEREAS**, the Board approved at the April 2018 Board Meeting CH2M's budget amendment request of \$1,265,712.00 to perform additional engineering services and extending the contract duration to October 30, 2018; and,

**WHEREAS**, the Board approved a six (6) month contract extension for continuing Project Management, Project Controls, Construction Management and Engineering Services through April 30, 2019; and,

**WHEREAS**, this amendment request is submitted for an increase in contract value of \$334,847 for additional scope related to Engineering Services and Project Management and Administration and extending the contract duration for an additional four (4) months; and,

**NOW THEREFORE BE IT RESOLVED**, that the Sewerage and Water Board of New Orleans hereby authorizes the Executive Director to execute the amendment to this agreement with CH2M HILL Engineers, Inc., a wholly owned subsidiary of Jacobs Engineering Group (Jacobs), increasing the contract value to \$10,090,399.00 and contract duration to August 30, 2019.

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I, Ghassan Korban, Executive Director of the 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 April 17, 2019.

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**Ghassan Korban,**  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** March 25, 2019

**From:** Bruce Adams, P.E., *Bruce Adams 03/25/2019*  
Deputy Director of Engineering and Construction

**To:** Ghassan Korban  
Executive Director

**Re:** **Contract Amendment No. 4 – CH2M HILL Engineers, Inc., a wholly owned subsidiary of Jacobs Engineering Group (Jacobs) Emergency Professional Services Agreement**

Please see the attached letter from the Chief of Engineering recommending approval of Contract Amendment No. 4 for the Emergency Professional Services Agreement performed by CH2M HILL Engineers, Inc., a wholly owned subsidiary of Jacobs Engineering Group (Jacobs).

On August 23, 2017, the Sewerage and Water Board of New Orleans awarded an emergency contract in the amount of \$3,000,000.00 to CH2M (now Jacobs) to assist the Board in the areas of Emergency Program Management & Support, the Emergency Pump Restoration Program and the Emergency Power Program. On November 15, 2017, the Board approved the budget amendment request of \$5,489,840.00 to perform additional engineering services. Amendment 2 to the contract was executed on April 12, 2018, extending the contract duration to October 30, 2018 and increasing the contract value to \$9,755,552.00. A contract extension of six (6) months to April 30, 2019 within the current contract amount was approved in order to complete the ongoing work. At the request of SWB, Amendment 4 includes additional scope for conceptual design of projects associated with the electromotive diesel generators (EMDs) at the Carrollton Water Plant. As such, a contract value increase in the amount of \$334,847 and contract duration extension to August 30, 2019 is requested.

The required DBE participation goal will remain the same as per the original contract goal of 10%.

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

Approved:

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Robert Turner, P.E., CFM  
General Superintendent

**Cc:** M. Ron Spooner, Eric Labat, Procurement, Legal Dept



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

## Inter-Office Memorandum

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**Date:** March 25, 2019

**From:** M. Ron Spooner, P.E.  
Chief of Engineering

**To:** Bruce Adams, P.E.  
Deputy Director – Engineering and Construction

**Re:** **Contract Amendment No. 4 – CH2M HILL Engineers, Inc. a wholly owned subsidiary of Jacobs Engineering Group (Jacobs) Emergency Professional Services Agreement**

Enclosed please find a recommendation for approval of Contract Amendment No. 4 for the above captioned contract. This amendment extends CH2M's current contract term to August 30, 2019, with a commensurate increase in contract value of \$334,847.

Original Contract Award Amount:	\$3,000,000.00
Previous Approved Contract Amendments:	\$6,755,552.00
This Contract Amendment Amount:	\$334,847.00
Total Cumulative Dollar Contract Amendment Amount:	\$10,090,399.00

Contract DBE Participation	10%
Forecasted DBE Participation through 2019	6.6%

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

I concur: *Bruce A Adams* Date: 03/25/2019  
Bruce Adams, P.E.  
Deputy Director – Engineering and Construction

Cc:  
Procurement  
Rosetta Thomas, Finance Director  
Eric Labat, Chief of Operations  
Legal Dept.

**AMENDMENT No. 4  
EMERGENCY PROGRAM MANAGEMENT AND STAFF AUGMENTATION  
OF OPERATIONS MAINTENANCE AND RECOVERY  
CH2M HILL ENGINEERS, INC, A WHOLLY OWNED SUBSIDIARY OF  
JACOBS ENGINEERING GROUP (JACOBS)**

**ADDITIONAL ITEMS TO BE ADDED TO CONTRACT**

AES #	CN	Detailed Description	Fee	Funding Source
1		Additional engineering services and project management and administration, including extension of contract to August 30, 2019	\$ 5413,703	System Funds

**TOTAL \$ 334,847.00**

CONTRACT DBE %	
Contract DBE%	10%
Current DBE%	6.6%

CONTRACT AMOUNT	
Original Contract Amount	\$ 3,000,000.00
Amount of Previous Amendments	\$ 6,755,552.00
Amount of this Amendment	\$ 334,847.00
Amendments to date	\$ 7,090,300.00

<b>REVISED CONTRACT AMOUNT</b>	<b>\$ 10,090,399.00</b>
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It is mutually agreed to perform and accept the above revisions in accordance with the currently amended contract and the applicable specifications for the above price.

Proposed By:

*Chrissy Thom*

Chrissy Thom  
CH2H HILL Engineers, Inc.

Recommended By:

*M. Ron Spooner*  
M. Ron Spooner, P.E.  
Chief of Engineering

3/22/2019

Date

*3/25/19*

Date

1515 Poydras Street, Suite 1260  
New Orleans, Louisiana 75201  
United States  
T +1.504.849.2258  
[www.jacobs.com](http://www.jacobs.com)



Mr. Bob Turner  
General Superintendent  
8800 South Claiborne Avenue  
New Orleans, LA 70118

March 22, 2019

**Subject: Amendment 4 to the Emergency Professional Services Agreement between the Sewerage and Water Board of New Orleans (SWBNO) and CH2M HILL Engineers, Inc., a wholly owned subsidiary of Jacobs Engineering Group (JACOBS)**

Dear Mr. Turner,

Per the request of SWBNO, JACOBS has prepared Amendment 4 to the Emergency Professional Services Agreement between SWBNO and JACOBS. Services provided include conceptual design of four individual projects associated with the Electromotive Diesel (EMDs), as well as associated project management and administration.

The scope of work included herein includes an extension of scope through August 30, 2019, within an increase of \$334,847 to the current contract not-to-exceed amount, for a revised contract value of \$10,090,399.00.

JACOBS is proud to be in support of the Sewerage and Water Board of New Orleans and values our long-term service history in partnership with the Board. Thank you for the opportunity to continue to serve, and lead completion of this critical infrastructure project.

A handwritten signature in blue ink, appearing to read "Yahya Rokayak".

Yahya Rokayak  
Program Manager

A handwritten signature in blue ink, appearing to read "Chrissy Thom".

Chrissy Thom  
Operations Manager

# Amendment 4 to the Professional Services Agreement Sewerage and Water Board of New Orleans

And

CH2M HILL Engineers, Inc. (Jacobs)

For

## Emergency Program Management and Staff Augmentation of Operations Maintenance and Recovery

This Amendment 4 is to the Professional Services Agreement dated August 23, 2017, between the Sewerage and Water Board of New Orleans (SWBNO) and CH2M HILL Engineers, Inc. now (Jacobs). The Scope of Work (SOW) is focused on those actions identified by SWBNO as priority actions to support ongoing enhancements in the 2019 season. This proposal includes the following professional services project management, controls, estimating, and document controls, change management, invoicing, weekly schedule progress and earned value updates, and cost tracking of design and oversight.

Jacobs will continue to provide project management, project controls including scheduling, engineering design services, quality assurance, and coordination in the capacities as defined in the original agreement for the additional assigned scope as outlined in this proposal. The anticipated duration of this work will extend this contract to 8.30.2019.

## Scope of Work

### Task 1 - EMD Auxiliary Components Conceptual Design Package

#### 1.1 EMD Noise Mitigation

The EMD Noise Mitigation conceptual level design will include noise attenuation, noise abatement, and relocation of the fuel delivery system and site lighting. The EMD enclosure concept will be evaluated based on previously collected sound data, and will likely include forced ventilation and fire suppression, as well as consideration of safe ingress / egress. Proposed relocation of the existing fuel storage tanks and piping as well as site lighting will be developed in coordination with the layout of the proposed EMD enclosure.

#### 1.2 Oil Makeup System

Based on the amount of oil that the EMDs consume, an oil make-up system comprised of oil storage tanks, pumps, and associated piping is preferred. It is expected that Genertek will provide the oil pumps and discharge reservoir, but the clean oil storage tanks and piping needs to be designed. It is anticipated that the oil makeup system will include SCADA control, and as such will need to be integrated to the existing EMD SCADA system. The final location of the components in the proposed oil make-up system will depend on several factors including final number and size of tanks, access for delivery and removal of oil, and spill remediation requirements. Conceptual layout of the proposed oil makeup system will be developed in coordination with the layout of the proposed EMD enclosure. Proposed updates to the existing SCADA system will be prepared incorporating the oil makeup system.

### 1.3 Equipment Lightning Protection

Proper grounding of the EMD equipment and auxiliaries is important for continued safe operation. A grounding system will be designed to mitigate equipment damage due to a lightning surge. The conceptual design of this system will depend on the existing underground infrastructure, and layout assumptions will be made based on existing survey information. Conceptual layout of the proposed lightning protection system will be developed in coordination with the layout of the proposed EMD enclosure and other auxiliary systems.

### 1.4 Dual Fuel Conversion

The existing EMDs at the CWP operate on fuel oil only without any post combustion emissions control systems installed due to their emergency power only operation. The existing plant electrical load at the CWP is provided primarily by one of the steam turbine generators. The resultant cycle efficiency for the existing natural gas to boilers and to steam turbine generators is most likely in the range of 20% to 22%, whereas a turbo charged EMD could operate at a cycle efficiency in the range of 31% to 33%, which means that the steam turbine power will require approximately 50% more fuel for the same electrical output.

Therefore, the existing EMD have a much higher cost per energy input as compared to natural gas. Thus, with longer expected operating hours, a dual fuel conversion to operate the EMDs on a blend of fuel oil and natural gas will result in operating cost reductions as well as much lower air pollution emissions.

A better understanding of the utilization of the existing fuel oil and natural gas system is required prior to any analysis or design. Equally, it is essential to know the air emissions limitations for the EMDs as well as other emissions sources at the CWP. Based on the information collected, a conceptual level design will be prepared for the dual fuel conversion and NOx control technologies.

### 1.5 Task 1 Deliverables

For each of the EMD elements described above, Jacobs is proposing the following deliverables in one comprehensive package. A Technical Memorandum will serve as the basis of design document and will be included in the conceptual design package.

Jacobs approach to the work in summary is listed below:

1.5.1 Summary of Data Collection

1.5.2 Concept Sketches

1.5.3 Conceptual Design Package – Not for Construction

1.5.4 A Class 5 cost estimate for project planning purposes

1.5.5 A Level 2 schedule for project planning purposes

## Task 2 Emergency Pump Restoration

### 2.1 Anti-siphon for DPS 1 - Construction Administration

The DPS 1 Anti-Siphon Project design documents were Issued For Construction (IFC) to the SWBNO on December 8, 2017. The project is complete and is currently in closeout.

The proposed work includes the following work elements:

- Closeout including Record Drawing preparation

## 2.2 DPS 4 Pump Repair Project-Bidding Services and Construction Administration

The DPS 4 C/D/E Pump Repair Project design documents were issued For Construction (IFC) to the SWBNO on December 8, 2017. The project is currently in construction, with one Pump remaining to be refurbished. The anticipated completion date is forecasted to be April 2019.

The remaining work includes the following work elements:

- Construction Oversight – Pump E
- Closeout including Record Drawing preparation

## Assumptions

- Task 1 will be delivered as a single design package/submittal.
- Jacobs will obtain written approval before accepting additional tasks under this Amendment.
- This scope of work is limited to design and consulting services, no direct supervision of SWBNO employees or Contractors will occur.
- No direct maintenance activities will be performed without the prior coordination with and under the direction of SWBNO.
- Jacobs is not responsible for the operation of the facilities and will not be responsible for any violations or compliance issues that the facilities experience.
- Jacobs may reasonably rely upon the accuracy of the information provided by SWBNO employees and Contractors.
- Jacobs will not be responsible for the quality and completeness of information provided by SWBNO employees and Contractors, nor for acts by SWBNO employees and Contractors.
- Jacobs will not be responsible for monitoring or oversight of facilities not in this scope, including those adjacent to work sites.

## Emergency Program Management and Staff Augmentation of Operations Maintenance and Recovery Amendment 4 - EMD Conceptual Design Level Of Effort



*\*Hours and costs shown are based on contract duration schedule as of end of January 2019; any extensions of construction or addition of technical scope will incur additional Jacobs costs*

Hours Budgeted per Task

Resource	Role	Data Collection	Conceptual Sketches and Workshop	Conceptual Design Package	Funding Evaluation	Project Services	Project/Design Management	Total Hour	Total Cost
Sonya Reiser	Design Manager	20	4	24				48	\$ 9,094
Mark Bastach	Acoustical Engineer	60	72	60				192	\$ 44,359
Cameron Isaman	Mechanical Engineer	30	52	40			60	182	\$ 37,067
Ron Menze	Senior Power Engineer	70	80	60				210	\$ 47,686
York Brogden	Senior Electrical Engineer	30	32	60				122	\$ 30,028
Howie Henrikson	Civil/Structural Engineer	20	40	30				90	\$ 16,278
Sydney Foquier	Environmental Engineer	60	20	20				100	\$ 12,078
Chris McCoy	CAD Technician	0	60	120				180	\$ 22,413
David Ross	Cost Estimator	0	0	56				56	\$ 16,098
Rodney Carpenter	Construction Specialist	10	28	33				71	\$ 17,747
Shane Dempsey	O&M Specialist	10	28	33				71	\$ 12,187
Rod Schwass	Power Subject Matter Expert				60			60	\$ 15,213
Paul Bruce	Project Controls					34		34	\$ 9,584
Christine Tadrus	Project Assistant					34		34	\$ 3,665
William Kammerer	Project Scheduler					34		34	\$ 5,941
Kaitlin Tymrak	Business Manager						34	34	\$ 5,141
William McGoey	Field Engineer						34	34	\$ 3,741
Yahya Rokayak	Program Manager						34	34	\$ 7,613
Marta Skowronska	Project Assistant						68	68	\$ 7,018
Jakub Wozniak	Project Accountant						34	34	\$ 1,895
Expenses									\$ 10,000
<b>Total</b>		<b>310</b>	<b>416</b>	<b>536</b>	<b>60</b>	<b>102</b>	<b>264</b>	<b>1,688</b>	<b>\$ 334,847</b>

**AUTHORIZATION FOR THE THIRD RENEWAL TO AN AGREEMENT WITH BLACK & VEATCH MANAGEMENT CONSULTING, LLC FOR PREPARATION OF THE REPORT ON OPERATIONS FOR 2018**

**WHEREAS**, Black & Veatch Management Consulting, LLC has satisfactorily completed the Report on Operations for 2016 and has substantially completed the Report for 2017; and

**WHEREAS**, the contract entered into with Black & Veatch Management Consulting, LLC for the Report on Operations for 2015 allowed for renewal of additional contracts for up to four (4) years; and

**WHEREAS**, this is the third of four one-year renewal options to the agreement to prepare the Report on Operations for 2018; and

**WHEREAS**, Black & Veatch Management Consulting, LLC has submitted a request to exercise the third option to prepare the Report on Operations for 2018 and with a proposed maximum fee of \$116,000; and

**WHEREAS**, Black & Veatch Management Consulting, LLC plans to utilize the services of Bruno & Tervalon, an Economically Disadvantaged Business, to assist in the proposed study at a minimum of approximately 24% of the work effort equal to \$28,000 of project billings; and

**WHEREAS**, Black & Veatch Management Consulting, LLC also plans to utilize the services of Julien Engineering & Consulting Services, an Economically Disadvantaged Business, to assist in the proposed study at a minimum of approximately 23% of the work effort equal to \$26,950 of project billings;

**NOW THEREFORE BE IT RESOLVED**, by the Sewerage and Water Board of New Orleans that the President or President Pro Tem is hereby authorized to enter into an agreement with Black & Veatch Management Consulting, LLC for Preparation of the Report on Operations for 2018.

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I, Ghassan Korban, Executive Director  
Sewerage and Water Board of New Orleans, do hereby certify that the  
above and foregoing is a true and correct copy of the resolution adopted  
at a Regularly Monthly Meeting of said Board, duly called and held,  
according to law on April 17, 2019.

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**Ghassan Korban**  
**Executive Director**  
**SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**FURNISHING JANITORIAL AND RELATED SERVICES AT SPECIFIED SEWERAGE AND WATER BOARD LOCATIONS WITHIN THE CITY OF NEW ORLEANS CONTRACT NO. SA19-0001**

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**WHEREAS**, the Sewerage and Water Board of New Orleans advertised, according to public bid law, a Request for Quotes for Furnishing Janitorial and Related Services at Specified Sewerage and Water Board Locations within the City of New Orleans, and

**WHEREAS**, three (3) bids were received on March 21, 2019:

ETI, INC.	\$394,909.40
CRESCENT BUILDING SERVICES	\$399,209.10
HUBB'S PROPERTIES, LLC	\$423,699.62

**BE IT RESOLVED** The low bid was hereby accepted and contract awarded therefore to **ETI, Inc.** for the total lump sum in the amount of **\$394,808.40** which is a contract for two (2) years with (2) one year renewal options for the total amount of **\$1,579,233.60**.

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I, Ghassan Korban, 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 April 17, 2019.

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GHASSAN KORBAN  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**REQUISITION NO. EE 19-0003 – EMERGENCY LETTER BID SPECIFICATION FOR 2019 PURCHASE OF A MOTOR AND STARTER FOR PUMP “A” IN THE HIGH LIFT PUMP ROOM AT THE CARROLLTON WATER PLANT**

**WHEREAS**, four (4) bids were received on March 22, 2019 for the purchase of a motor and starter related to the emergency repairs to Pump A:

Energy Management Corporation	\$100,305.00
Louis Allis	\$135,898.00
Red Stick Armature Works, Inc	\$172,100.00
Heco, Inc	\$181,499.94

**NOW, THEREFORE, BE IT RESOLVED** by the Sewerage and Water Board of New Orleans, that low bid is hereby accepted and a contract awarded therefore to Energy Management Corporation for the total base bid in the amount of **\$100,305.00**.

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I, Ghassan Korban, Executive Director, of the 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 April 17, 2019.

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**Ghassan Korban,**  
EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS

**CONTRACT EXTENSION FOR INFORMATION SYSTEMS FACILITIES  
MANAGEMENT WITH AVENU INSIGHTS ANALYTICS**

**WHEREAS**, on August 1, 2000, pursuant to Resolution R-003-1999, the Board entered into a multi-year contract (the “Original Contract”) for management of all information systems technology and facilities (“IS”) with Lockheed Martin IMS (“Lockheed”) as the prime contractor, and Major Services as the Disadvantaged Business Enterprise (“DBE”) vendor at a thirty (30 %) percent DBE subcontractor participation; and

**WHEREAS**, pursuant to Resolution R 76-2006, the Board authorized extension of the Contract from 8/1/2006 – 12/31/2007, increased the DBE percentage to 35%, and adjusted certain New Development billing rates; and

**WHEREAS**, the current successor to Lockheed as original Contractor is **AVENU INSIGHTS & ANALYTICS**, whose address is 5860 Trinity Parkway, Suite 120, Centreville, VA 20120 (“Contractor”); and

**WHEREAS**, the current IS services provides for performance of services under two categories: 1) Operating and Maintenance (“O&M”), for positions necessary for the day-to-day running of all IS functions based on the number of personnel assigned to the Contract (with no additional costs for overtime), and 2) New Development, based upon actual hours charged for the development of new capabilities required by the Board and considered to be capital expenses until a project is fully in production, when staffing rates transition to O&M rates; and

**WHEREAS**, the Board is preparing to seek new proposals for the types of services provided by Contractor, with an estimated award date of October 2019 and transition with the selected contractor and current Contractor to a new contract date of January 2020; and

**WHEREAS**, while the Board prepares to issue a Request for Proposals (“RFP”) staff desires to enter into a contract for the furnishing of information systems management services to continue the technology services being provided by Contractor on a month to month basis. Contractor has been continuing to provide and perform such services, and Contractor is willing to continue to perform such services, all in accordance with the terms of the Contract; and

**WHEREAS**, staff confirmed Board’s need for the services by Contractor thereunder as have been provided continually since the inception of the original Contract, confirmed the ability and willingness of Contractor to continue to perform in accordance with and pursuant to the same terms and conditions of the current Contract, and this is a memorialization of same.

**NOW THEREFORE BE IT RESOLVED** that the President of the Board is authorized to execute an agreement by and between the Board and **AVENU INSIGHTS (“Contractor”)** extending the Current Agreement through December 31, 2019, for an additional amount not to exceed Five Million and No/100 (\$5,000,000) Dollars, through and including the 31st day of December, 2019, and, if determined to be in the best interests of the Board, with one extension for three (3) months, at an additional cost not to exceed One Million, 500 thousand and No/100 (\$1,500,000) Dollars.

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I, GHASSAN KORBAN, 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 April 17, 2019.

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GHASSAN KORBAN, EXECUTIVE DIRECTOR  
SEWERAGE AND WATER BOARD OF NEW ORLEANS



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

April 10, 2019

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

## Re: Unaudited Financial Results through February 2019

Attached are *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 February 2019. The Variance Indicators for Financial Results through February 2019 is also attached. Also, attached is the Unrestricted Cash in days through February 2019. The *Statement of Net Assets* and the *Statement of Cash Flows* will be provided after the completion of the 2018 audit.

### Operating Revenues:

**Water System Fund** (pages 7 and 8, line 5) February 2019 MTD operating revenues of \$8,388,849 is \$357,622 (or 4.1%) less than budgeted and \$1,916,494 (or 29.6%) more than February 2018 MTD. February 2019 YTD operating revenues of \$16,624,259 is \$868,682 (or 5.0%) less than budgeted and \$3,944,910 (or 31.1%) more than February 2018 YTD.

**Sewer System Fund** (pages 13 and 14, line 5) February 2019 MTD operating revenues of \$11,401,803 is \$710,734 (or 6.6%) more than budgeted and \$2,989,212 (or 35.5%) more than February 2018 MTD. February 2019 YTD operating revenues of \$22,262,611 is \$880,472 (or 4.1%) more than budgeted and \$6,257,268 (or 39.1%) more than February 2018 YTD.

**Drainage System Fund** (pages 19 and 20, line 5) February 2019 MTD operating revenues of \$2,601 (or 100%) more than budgeted and is \$181 (or 7.5%) more than February 2018 MTD. February 2019 YTD operating revenues of \$9,021 (or 100.0%) more than budgeted and is \$55,884 (or 119.3%) less than February 2018 YTD.

**Total System Funds** (pages 1 and 2, line 5) February 2019 MTD operating revenues of \$19,793,253 is \$355,713 (or 1.8%) more than budgeted and \$4,905,887 (or 33.0%) more than February 2018 MTD. February 2019 YTD operating revenues of \$38,895,891 is \$20,810 (or 0.1%) more than budgeted and \$10,258,062 (or 35.8%) more than February 2018 YTD.

### Operating Expenses:

**Water System Fund** (pages 7 and 8, line 18) February 2019 MTD operating expenses of \$7,961,447 is \$591,821 (or 6.9%) less than budgeted and \$584,029 (or 7.9%) more than February 2018 MTD. February 2019 YTD operating expenses of \$16,957,345 is \$149,191 (or 0.9%) less than budgeted and \$3,616,454 (or 27.1%) more than February 2018 YTD.

**Sewer System Fund** (pages 13 and 14, line 18) February 2019 MTD operating expenses of \$8,977,727 is \$853,327 (or 8.7%) less than budgeted and \$826,605 (or 8.4%) less than February 2018 MTD. February 2019 YTD operating expenses of \$17,938,461 is \$1,723,647 (or 8.8%) less than budgeted and \$1,582,134 (or 8.1%) less than February 2018 YTD.

**Drainage System Fund** (pages 19 and 20, line 18) February 2019 MTD operating expenses of \$5,620,699 is \$1,131,300 (or 16.8%) less than budgeted and \$477,210 (or 9.3%) more than February 2018 MTD. February 2019 YTD operating expenses of \$11,208,331 is \$2,295,666 (or 17.0%) less than budgeted and \$1,631,679 (or 12.7%) less than February 2018 YTD.

**Total System Funds** (pages 1 and 2, line 18) February 2019 MTD operating expenses of \$22,559,873 is \$2,576,448 (or 10.2%) less than budgeted and \$234,635 (or 1.1%) more than February 2018 MTD. February 2019 YTD operating expenses of \$46,104,138 is \$4,168,503 (or 8.3%) less than budgeted and \$402,641 (or 0.9%) more than February 2018 YTD.



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

### Net Non-Operating Revenues:

**Water System Fund** (pages 7 and 8, line 28) February 2019 MTD non-operating revenues of \$11,338 is \$205,828 (or 94.8%) less than budgeted and \$36,632 (or 76.4%) less than February 2018 MTD. February 2019 YTD net non-operating revenues of \$169,823 is \$264,510 (or 60.9%) less than budgeted and \$74,267 (or 77.7%) more than February 2018 YTD.

**Sewer System Fund** (pages 13 and 14, line 28) February 2019 MTD non-operating revenues of -\$41 is \$231,215 (or 100.0%) less than budgeted and \$19,969 (or 100.2%) less than February 2018 MTD. February 2019 YTD net non-operating revenues of \$201,638 is \$260,709 (or 56.4%) less than budgeted and \$159,678 (or 380.5%) more than February 2018 YTD.

**Drainage System Fund** (pages 19 and 20, line 28) February 2019 MTD non-operating revenues of \$20,000,094 is \$14,893,546 (or 291.7%) more than budgeted and \$16,440,830 (or 461.9%) more than February 2018 MTD. February 2019 YTD net non-operating revenues of \$20,002,250 is \$9,789,152 (or 95.8%) more than budgeted and \$16,437,547 (or 461.1%) more than February 2018 YTD.

**Total System Funds** (pages 1 and 2, line 28) February 2019 MTD non-operating revenues of \$20,011,392 is \$14,456,502 (or 260.2%) more than budgeted and \$16,384,229 (or 451.7%) more than February 2018 MTD. February 2019 YTD net non-operating revenues of \$20,373,711 is \$9,263,933 (or 83.4%) more than budgeted and \$16,671,491 (or 450.3%) more than February 2018 YTD.

### Income Before Contributions in Aid of Construction:

**Water System Fund** (pages 7 and 8, line 29) February 2019 MTD income before contributions of \$438,740 is \$28,371 (or 6.9%) more than budgeted and \$1,295,833 (or 151.2%) more than February 2018 MTD. February 2019 YTD income before capital contributions of -\$163,263 is \$984,002 (or 119.9%) less than budgeted and \$402,723 (or 71.2%) more than February 2018 YTD.

**Sewer System Fund** (pages 13 and 14, line 29) February 2019 MTD income before contributions of \$2,424,036 is \$1,332,846 (or 122.1%) more than budgeted and \$3,795,847 (or 276.7%) more than February 2018 MTD. February 2019 YTD income before capital contributions of \$4,525,788 is \$2,343,409 (or 107.4%) more than budgeted and \$7,999,079 (or 230.3%) more than February 2018 YTD.

**Drainage System Fund** (pages 19 and 20, line 29) February 2019 MTD income before contributions of \$14,381,996 is \$16,027,446 (or 974.0%) more than budgeted and \$15,963,800 (or 1009.2%) more than February 2018 MTD. February 2019 YTD income before capital contributions of \$8,802,940 is \$12,093,840 (or 367.5%) more than budgeted and \$18,125,110 (or 194.4%) more than February 2018 YTD.

**Total System Funds** (pages 1 and 2, line 29) February 2019 MTD income before contributions of \$17,244,772 is \$17,388,663 (or 12084.6%) more than budgeted and \$21,055,480 (or 552.5%) more than February 2018 MTD. February 2019 YTD income before capital contributions of \$13,165,464 is \$13,453,246 (or 4674.8%) more than budgeted and \$26,526,912 (or 198.5%) more than February 2018 YTD.



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

The balances of funds from the Series 2014 bond proceeds available for capital construction as of February 28, 2019 are:

	Water	Sewer	Total
<b>Original Balance</b>	\$ 144,498.80	-	\$ 144,498.80
<b>Less Disbursements</b>	-	-	-
<b>Plus Reimbursements</b>	-	-	-
<b>Plus Income</b>	110.85	-	110.85
<b>Ending Balance</b>	\$ 144,609.65	-	\$ 144,609.65

The balances of funds from the Series 2015 bond proceeds available for capital construction as of February 28, 2019 are:

	Water	Sewer	Total
<b>Original Balance</b>	\$ 383,398.10	\$ 5,934.73	\$ 389,332.83
<b>Less Disbursements</b>	(380,000.00)	-	(380,000.00)
<b>Plus Reimbursements</b>	-	-	-
<b>Plus Income</b>	54.66	3.64	58.30
<b>Ending Balance</b>	\$ 3,452.76	\$ 5,938.37	\$ 9,391.13

<b>Total</b>	\$148,062.41	\$5,938.37	\$154,000.78
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The days-of-cash at February 28, 2019 were 91 days for the water system, 46 days for the sewer system, 108 days for the drainage system and 80 days for the total systems. Combined the total system results were below the minimum policy target of 180 days. Individually, water, sewer, and drainage system did not meet its policy target of 180 days.

Debt service coverage is not included in the preliminary February 2019 financials as we are still calculating accrued revenues and expenses.

**Certification.** In connection with the accompanying monthly financial report of the Sewerage and Water Board of New Orleans for the period ended February 28, 2019, 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.

Rosita Thomas  
Finance Administrator

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**ALL SYSTEM FUNDS**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH PRIOR YEAR COMPARISONS**  
**February 2019 Prelim**

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Prior Year	Variance		Actual	Prior Year	Variance	
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	8,190,786	6,323,282	1,867,504	29.5%	16,236,683	12,404,349	3,832,334	30.9%
2 Sewerage service charges and del fees	11,240,888	8,325,350	2,915,538	35.0%	22,031,959	15,818,688	6,213,271	39.3%
3 Plumbing inspection and license fees	55,030	44,520	10,510	23.6%	96,430	101,374	(4,944)	-4.9%
4 Other revenues	306,549	194,215	112,335	57.8%	530,819	313,418	217,401	69.4%
5 Total operating revenues	19,793,253	14,887,367	4,905,887	33.0%	38,895,891	28,637,829	10,258,062	35.8%
<b>Operating Expenses:</b>								
6 Power and pumping	1,366,601	1,737,185	(370,585)	-21.3%	2,900,778	5,924,589	(3,023,811)	-51.0%
7 Treatment	2,109,211	1,424,384	684,827	48.1%	3,015,280	4,785,106	(1,769,826)	-37.0%
8 Transmission and distribution	3,046,986	4,360,835	(1,313,849)	-30.1%	7,334,165	6,700,896	633,268	9.5%
9 Customer accounts	811,785	327,999	483,786	147.5%	1,552,038	652,382	899,656	137.9%
10 Customer service	466,359	412,231	54,128	13.1%	1,259,193	673,375	585,819	87.0%
11 Administration and general	3,158,065	2,686,261	471,804	17.6%	8,465,300	6,004,545	2,460,755	41.0%
12 Payroll related	4,987,776	2,885,521	2,102,256	72.9%	7,135,379	6,098,020	1,037,359	17.0%
13 Maintenance of general plant	1,286,309	2,058,716	(772,407)	-37.5%	3,691,887	4,026,972	(335,085)	-8.3%
14 Depreciation	4,954,114	5,972,157	(1,018,044)	-17.0%	9,908,227	9,908,227	-	0.0%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	276,461	184,570	91,891	49.8%	552,921	369,140	183,781	49.8%
17 Provision for claims	96,206	275,378	(179,172)	-65.1%	288,969	558,244	(269,275)	-48.2%
18 Total operating expenses	22,559,873	22,325,238	234,635	1.1%	46,104,138	45,701,497	402,641	0.9%
19 Operating income (loss)	(2,766,619)	(7,437,871)	4,671,251	-62.8%	(7,208,247)	(17,063,668)	9,855,421	-57.8%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	5,000,000	976,431	4,023,569	412.1%	5,000,000	976,431	4,023,569	412.1%
22 Six-mill tax	5,000,000	1,031,154	3,968,846	384.9%	5,000,000	1,031,154	3,968,846	384.9%
23 Nine-mill tax	10,000,000	1,545,651	8,454,349	547.0%	10,000,000	1,545,651	8,454,349	547.0%
24 Interest income	11,503	73,927	(62,424)	-84.4%	373,861	148,922	224,939	151.0%
25 Other income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	(112)	-	(112)	0.0%	(150)	62	(212)	-341.4%
28 Total non-operating revenues	20,011,392	3,627,163	16,384,229	451.7%	20,373,711	3,702,220	16,671,491	450.3%
29 Income before capital contributions	17,244,772	(3,810,708)	21,055,480	-552.5%	13,165,464	(13,361,448)	26,526,912	-198.5%
30 Capital contributions	67,558	1,024,600	(957,042)	-93.4%	873,001	1,276,332	(403,331)	-31.6%
31 Change in net position	17,312,330	(2,786,108)	20,098,438	-721.4%	14,038,465	(12,085,116)	26,123,581	-216.2%
32 Net position, beginning of year	-	-	-	-	2,263,264,196	2,263,264,196	-	0.0%
33 Net position, end of year	-	-	-	-	2,277,302,661	2,251,179,080	26,123,581	1.2%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**ALL SYSTEM FUNDS**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH BUDGET COMPARISONS**  
**February 2019 Prelim**

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	8,190,786	8,699,383	(508,597)	-5.8%	16,236,683	17,398,767	(1,162,084)	-6.7%
2 Sewerage service charges and del fees	11,240,888	10,647,154	593,734	5.6%	22,031,959	21,294,308	737,651	3.5%
3 Plumbing inspection and license fees	55,030	50,380	4,650	9.2%	96,430	100,760	(4,330)	-4.3%
4 Other revenues	306,549	40,623	265,926	654.6%	530,819	81,246	449,573	553.3%
5 Total operating revenues	19,793,253	19,437,540	355,713	1.8%	38,895,891	38,875,081	20,810	0.1%
<b>Operating Expenses:</b>								
6 Power and pumping	1,366,601	2,973,019	(1,606,418)	-54.0%	2,900,778	5,946,038	(3,045,259)	-51.2%
7 Treatment	2,109,211	2,079,897	29,314	1.4%	3,015,280	4,159,793	(1,144,513)	-27.5%
8 Transmission and distribution	3,046,986	3,691,912	(644,925)	-17.5%	7,334,165	7,383,823	(49,658)	-0.7%
9 Customer accounts	811,785	513,844	297,941	58.0%	1,552,038	1,027,689	524,349	51.0%
10 Customer service	466,359	425,314	41,045	9.7%	1,259,193	850,627	408,566	48.0%
11 Administration and general	3,158,065	4,607,670	(1,449,605)	-31.5%	8,465,300	9,215,340	(750,040)	-8.1%
12 Payroll related	4,987,776	3,088,724	1,899,052	61.5%	7,135,379	6,177,448	957,930	15.5%
13 Maintenance of general plant	1,286,309	2,439,844	(1,153,535)	-47.3%	3,691,887	4,879,688	(1,187,801)	-24.3%
14 Depreciation	4,954,114	4,988,917	(34,803)	-0.7%	9,908,227	9,977,833	(69,606)	-0.7%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	276,461	-	276,461	0.0%	552,921	-	552,921	0.0%
17 Provision for claims	96,206	327,181	(230,975)	-70.6%	288,969	654,363	(365,393)	-55.8%
18 Total operating expenses	22,559,873	25,136,321	(2,576,448)	-10.2%	46,104,138	50,272,641	(4,168,503)	-8.3%
19 Operating income (loss)	(2,766,619)	(5,698,780)	2,932,161	-51.5%	(7,208,247)	(11,397,561)	4,189,314	-36.8%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	5,000,000	1,459,579	3,540,421	242.6%	5,000,000	2,919,158	2,080,843	71.3%
22 Six-mill tax	5,000,000	1,382,106	3,617,894	261.8%	5,000,000	2,764,213	2,235,787	80.9%
23 Nine-mill tax	10,000,000	2,187,819	7,812,181	357.1%	10,000,000	4,375,637	5,624,363	128.5%
24 Interest income	11,503	-	11,503	0.0%	373,861	-	373,861	0.0%
25 Other Income	-	148,462	(148,462)	-100.0%	-	296,924	(296,924)	-100.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	(112)	376,923	(377,035)	-100.0%	(150)	753,847	(753,996)	-100.0%
28 Total non-operating revenues	20,011,392	5,554,889	14,456,502	260.2%	20,373,711	11,109,779	9,263,933	83.4%
29 Income before capital contributions	17,244,772	(143,891)	17,388,663	-12084.6%	13,165,464	(287,782)	13,453,246	-4674.8%
30 Capital contributions	67,558	-	67,558	0.0%	873,001	-	873,001	0.0%
31 Change in net position	17,312,330	(143,891)	17,456,221	-12131.6%	14,038,465	(287,782)	14,326,247	-4978.2%
32 Net position, beginning of year	-	-	-	-	2,263,264,196	2,263,264,196	-	0.0%
33 Net position, end of year	-	-	-	-	2,277,302,661	2,262,976,414	14,326,247	0.6%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**WATER SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH PRIOR YEAR COMPARISONS**  
**February 2019 Prelim**

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Prior Year	Variance		Actual	Prior Year	Variance	
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	8,190,786	6,323,282	1,867,504	29.5%	16,236,683	12,404,349	3,832,334	30.9%
2 Sewerage service charges and del fees	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	27,515	22,785	4,730	20.8%	48,215	51,237	(3,022)	-5.9%
4 Other revenues <sup>1</sup>	170,548	126,288	44,260	35.0%	339,361	223,763	115,598	51.7%
5 Total operating revenues	8,388,849	6,472,355	1,916,494	29.6%	16,624,259	12,679,349	3,944,910	31.1%
<b>Operating Expenses:</b>								
6 Power and pumping	201,139	210,876	(9,737)	-4.6%	381,783	437,485	(55,702)	-12.7%
7 Treatment	1,185,344	517,513	667,831	129.0%	2,073,867	1,164,117	909,750	78.1%
8 Transmission and distribution	1,226,896	1,537,550	(310,654)	-20.2%	3,454,123	2,694,985	759,138	28.2%
9 Customer accounts	405,893	162,913	242,980	149.1%	772,086	324,304	447,782	138.1%
10 Customer service	233,179	203,944	29,235	14.3%	619,242	332,558	286,684	86.2%
11 Administration and general	1,106,335	916,798	189,537	20.7%	3,051,849	2,092,198	959,651	45.9%
12 Payroll related	1,811,746	1,040,486	771,259	74.1%	2,661,566	2,211,969	449,597	20.3%
13 Maintenance of general plant	579,858	547,368	32,491	5.9%	1,482,094	1,636,730	(154,636)	-9.4%
14 Depreciation	1,018,044	2,036,087	(1,018,044)	-50.0%	2,036,087	2,036,087	-	0.0%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	154,529	95,834	58,695	61.2%	309,059	191,668	117,391	61.2%
17 Provision for claims	38,482	108,048	(69,566)	-64.4%	115,588	218,789	(103,202)	-47.2%
18 Total operating expenses	7,961,447	7,377,418	584,029	7.9%	16,957,345	13,340,891	3,616,454	27.1%
19 Operating income (loss)	427,402	(905,062)	1,332,465	-147.2%	(333,086)	(661,543)	328,456	-49.7%
<b>Non-operating revenues (expense):</b>								
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	11,296	47,970	(36,674)	-76.5%	169,819	95,539	74,280	77.7%
25 Other Income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	42	-	42	0.0%	4	17	(13)	-77.5%
28 Total non-operating revenues	11,338	47,970	(36,632)	-76.4%	169,823	95,556	74,267	77.7%
29 Income before capital contributions	438,740	(857,092)	1,295,833	-151.2%	(163,263)	(565,987)	402,723	-71.2%
30 Capital contributions	49,606	980,924	(931,318)	-94.9%	183,455	1,202,314	(1,018,859)	-84.7%
31 Change in net position	488,347	123,832	364,515	294.4%	20,192	636,328	(616,136)	-96.8%
32 Net position, beginning of year					350,193,318	350,193,318	-	0.0%
33 Net position, end of year					350,213,510	350,829,646	(616,136)	-0.2%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**WATER SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH BUDGET COMPARISONS**  
 February 2019 Prelim

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Budget	Variance		Actual	Budget	Variance	
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	8,190,786	8,699,383	(508,597)	-5.8%	16,236,683	17,398,767	(1,162,084)	-6.7%
2 Sewerage service charges and del fees	-	-	-	0.0%	-	-	-	0.0%
3 Plumbing inspection and license fees	27,515	26,557	958	3.6%	48,215	53,115	(4,900)	-9.2%
4 Other revenues	170,548	20,530	150,018	730.7%	339,361	41,060	298,301	726.5%
5 Total operating revenues	8,388,849	8,746,471	(357,622)	-4.1%	16,624,259	17,492,941	(868,682)	-5.0%
<b>Operating Expenses:</b>								
6 Power and pumping	201,139	203,569	(2,430)	-1.2%	381,783	407,139	(25,356)	-6.2%
7 Treatment	1,185,344	864,328	321,016	37.1%	2,073,867	1,728,655	345,212	20.0%
8 Transmission and distribution	1,226,896	1,712,244	(485,348)	-28.3%	3,454,123	3,424,489	29,634	0.9%
9 Customer accounts	405,893	255,719	150,174	58.7%	772,086	511,437	260,649	51.0%
10 Customer service	233,179	209,805	23,375	11.1%	619,242	419,610	199,632	47.6%
11 Administration and general	1,106,335	1,555,394	(449,059)	-28.9%	3,051,849	3,110,789	(58,939)	-1.9%
12 Payroll related	1,811,746	1,199,897	611,849	51.0%	2,661,566	2,399,793	261,773	10.9%
13 Maintenance of general plant	579,858	1,102,523	(522,665)	-47.4%	1,482,094	2,205,046	(722,952)	-32.8%
14 Depreciation	1,018,044	1,329,750	(311,706)	-23.4%	2,036,087	2,659,500	(623,413)	-23.4%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	154,529	-	154,529	0.0%	309,059	-	309,059	0.0%
17 Provision for claims	38,482	120,039	(81,557)	-67.9%	115,588	240,078	(124,491)	-51.9%
18 Total operating expenses	7,961,447	8,553,268	(591,821)	-6.9%	16,957,345	17,106,536	(149,191)	-0.9%
19 Operating income (loss)	427,402	193,203	234,199	121.2%	(333,086)	386,406	(719,492)	-186.2%
<b>Non-operating revenues (expense):</b>								
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	11,296	-	11,296	0.0%	169,819	-	169,819	0.0%
25 Other income	-	104,090	(104,090)	-100.0%	-	208,179	(208,179)	-100.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	42	113,077	(113,035)	-100.0%	4	226,154	(226,150)	-100.0%
28 Total non-operating revenues	11,338	217,167	(205,828)	-94.8%	169,823	434,333	(264,510)	-60.9%
29 Income before capital contributions	438,740	410,369	28,371	6.9%	(163,263)	820,739	(984,002)	-119.9%
30 Capital contributions	49,606	-	49,606	0.0%	183,455	-	183,455	0.0%
31 Change in net position	488,347	410,369	77,977	19.0%	20,192	820,739	(800,547)	-97.5%
32 Net position, beginning of year	-	-	-	-	350,193,318	350,193,318	-	0.0%
33 Net position, end of year	-	-	-	-	350,213,510	351,014,057	(800,547)	-0.2%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
SEWER SYSTEM FUND  
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION  
WITH PRIOR YEAR COMPARISONS  
February 2019 Prelim

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Prior Year	Variance		Actual	Prior Year	Variance	
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%
2 Sewerage service charges and del fees	11,240,888	8,325,350	2,915,538	35.0%	22,031,959	15,818,688	6,213,271	12392.6%
3 Plumbing inspection and license fees	27,515	21,735	5,780	26.6%	48,215	50,137	(1,922)	-1.4%
4 Other revenues	133,400	65,506	67,894	103.6%	182,437	136,518	45,919	0.3%
5 Total operating revenues	11,401,803	8,412,591	2,989,212	35.5%	22,262,611	16,005,343	6,257,268	39.1%
<b>Operating Expenses:</b>								
6 Power and pumping	354,283	504,935	(150,652)	-29.8%	718,167	1,014,378	(296,211)	-29.2%
7 Treatment	923,867	906,871	16,995	1.9%	941,413	3,620,989	(2,679,576)	-74.0%
8 Transmission and distribution	1,226,896	2,496,462	(1,269,567)	-50.9%	2,701,757	3,391,289	(689,532)	-20.3%
9 Customer accounts	405,892	162,913	242,979	149.1%	772,085	324,303	447,782	138.1%
10 Customer service	233,179	203,944	29,236	14.3%	619,242	332,557	286,685	86.2%
11 Administration and general	1,394,041	1,194,931	199,110	16.7%	3,760,081	2,637,444	1,122,637	42.6%
12 Payroll related	1,811,746	1,042,050	769,696	73.9%	2,666,027	2,214,396	451,631	20.4%
13 Maintenance of general plant	499,089	1,127,121	(628,032)	-55.7%	1,463,600	1,652,439	(188,839)	-11.4%
14 Depreciation	1,968,320	1,968,320	-	0.0%	3,936,640	3,936,640	-	0.0%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	121,931	88,736	33,195	37.4%	243,863	177,472	66,391	37.4%
17 Provision for claims	38,482	108,048	(69,565)	-64.4%	115,588	218,689	(103,101)	-47.1%
18 Total operating expenses	8,977,727	9,804,331	(826,605)	-8.4%	17,938,461	19,520,595	(1,582,134)	-8.1%
19 Operating income (loss)	2,424,077	(1,391,740)	3,815,817	-274.2%	4,324,149	(3,515,252)	7,839,401	-223.0%
<b>Non-operating revenues (expense):</b>								
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	112	19,928	(19,816)	-99.4%	201,792	41,916	159,876	381.4%
25 Other Income	-	-	-	0.0%	-	-	-	0.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	(153)	-	(153)	0.0%	(153)	45	(198)	-442.3%
28 Total non-operating revenues	(41)	19,928	(19,969)	-100.2%	201,638	41,961	159,678	380.5%
29 Income before capital contributions	2,424,036	(1,371,812)	3,795,847	-276.7%	4,525,788	(3,473,291)	7,999,079	-230.3%
30 Capital contributions	17,951	36,199	(18,248)	-50.4%	689,545	66,541	623,005	936.3%
31 Change in net position	2,441,987	(1,335,612)	3,777,599	-282.8%	5,215,333	(3,406,751)	8,622,084	-253.1%
32 Net position, beginning of year	-	-	-	-	806,855,738	806,855,738	-	0.0%
33 Net position, end of year	-	-	-	-	812,071,071	803,448,987	8,622,084	1.1%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**SEWER SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH BUDGET COMPARISONS**  
**February 2019 Prelim**

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
<b>Operating revenues:</b>								
1 Sales of water and delinquent fees	11,240,888	10,647,154	593,734	5.6%	22,031,959	21,294,308	737,651	3.5%
2 Sewerage service charges and del fees	27,515	23,823	3,692	15.5%	48,215	47,645	570	1.2%
3 Plumbing inspection and license fees	133,400	20,093	113,307	563.9%	182,437	40,186	142,251	354.0%
4 Other revenues	11,401,803	10,691,070	710,734	6.6%	22,262,611	21,382,139	880,472	4.1%
5 <b>Total operating revenues</b>								
<b>Operating Expenses:</b>								
6 Power and pumping	354,283	348,534	5,750	1.6%	718,167	697,067	21,100	3.0%
7 Treatment	923,867	1,215,569	(291,702)	-24.0%	941,413	2,431,138	(1,489,725)	-61.3%
8 Transmission and distribution	1,226,896	1,623,078	(396,182)	-24.4%	2,701,757	3,246,155	(544,398)	-16.8%
9 Customer accounts	405,892	255,719	150,173	58.7%	772,085	511,437	260,648	51.0%
10 Customer service	233,179	209,805	23,375	11.1%	619,242	419,610	199,632	47.6%
11 Administration and general	1,394,041	2,062,571	(668,530)	-32.4%	3,760,081	4,125,142	(365,062)	-8.8%
12 Payroll related	1,811,746	1,276,295	535,451	42.0%	2,666,027	2,552,590	113,437	4.4%
13 Maintenance of general plant	499,089	856,112	(357,023)	-41.7%	1,463,600	1,712,224	(248,624)	-14.5%
14 Depreciation	1,968,320	1,863,333	104,987	5.6%	3,936,640	3,726,667	209,974	5.6%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	121,931	-	121,931	0.0%	243,863	-	243,863	0.0%
17 Provision for claims	38,482	120,039	(81,557)	-67.9%	115,588	240,078	(124,491)	-51.9%
18 <b>Total operating expenses</b>	8,977,727	9,831,054	(853,327)	-8.7%	17,938,461	19,662,108	(1,723,647)	-8.8%
19 <b>Operating income (loss)</b>	2,424,077	860,016	1,564,061	181.9%	4,324,149	1,720,031	2,604,118	151.4%
<b>Non-operating revenues (expense):</b>								
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	112	-	112	0.0%	201,792	-	201,792	0.0%
25 Other Income	-	42,712	(42,712)	-100.0%	-	85,424	(85,424)	-100.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	(153)	188,462	(188,615)	-100.1%	(153)	376,924	(377,077)	-100.0%
28 <b>Total non-operating revenues</b>	(41)	231,174	(231,215)	-100.0%	201,638	462,348	(260,709)	-56.4%
29 <b>Income before capital contributions</b>	2,424,036	1,091,189	1,332,846	122.1%	4,525,788	2,182,379	2,343,409	107.4%
30 <b>Capital contributions</b>	17,951	-	17,951	0.0%	689,545	-	689,545	0.0%
31 <b>Change in net position</b>	2,441,987	1,091,189	1,350,797	123.8%	5,215,333	2,182,379	3,032,954	139.0%
32 <b>Net position, beginning of year</b>					806,855,738	806,855,738	-	0.0%
33 <b>Net position, end of year</b>					812,071,071	809,038,117	3,032,954	0.4%

SEWERAGE AND WATER BOARD OF NEW ORLEANS  
DRAINAGE SYSTEM FUND  
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION  
WITH PRIOR YEAR COMPARISONS  
February 2019 Prelim

	A	B	C	D	E	F	G	H
	MTD	MTD	MTD	%	YTD	YTD	YTD	%
	Actual	Prior Year	Variance		Actual	Prior Year	Variance	
<b>Operating revenues:</b>								
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	2,601	2,420	181	7.5%	9,021	(46,863)	55,884	-119.3%
5 Total operating revenues	2,601	2,420	181	7.5%	9,021	(46,863)	55,884	-119.3%
<b>Operating Expenses:</b>								
6 Power and pumping	811,178	1,021,374	(210,196)	-20.6%	1,800,828	4,472,726	(2,671,898)	-59.7%
7 Treatment	-	-	-	0.0%	-	-	-	0.0%
8 Transmission and distribution	593,194	326,823	266,371	81.5%	1,178,285	614,623	563,662	91.7%
9 Customer accounts	-	2,173	(2,173)	-100.0%	7,867	3,775	4,092	108.4%
10 Customer service	657,689	4,343	(4,343)	-100.0%	20,709	8,260	12,449	150.7%
11 Administration and general	1,364,285	574,532	83,157	14.5%	1,653,370	1,274,903	378,466	29.7%
12 Payroll related	207,362	802,985	561,300	69.9%	1,807,785	1,671,655	136,130	8.1%
13 Maintenance of general plant	1,967,750	384,228	(176,866)	-46.0%	746,193	737,803	8,390	1.1%
14 Depreciation	-	1,967,750	-	0.0%	3,935,500	3,935,500	-	0.0%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	-	-	-	0.0%	-	-	-	0.0%
17 Provision for claims	19,241	59,282	(40,041)	-67.5%	57,794	120,766	(62,972)	-52.1%
18 Total operating expenses	5,620,699	5,143,489	477,210	9.3%	11,208,331	12,840,011	(1,631,679)	-12.7%
19 Operating income (loss)	(5,618,098)	(5,141,068)	(477,030)	9.3%	(11,199,310)	(12,886,873)	1,687,563	-13.1%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	5,000,000	976,431	4,023,569	412.1%	5,000,000	976,431	4,023,569	412.1%
22 Six-mill tax	5,000,000	1,031,154	3,968,846	384.9%	5,000,000	1,031,154	3,968,846	384.9%
23 Nine-mill tax	10,000,000	1,545,651	8,454,349	547.0%	10,000,000	1,545,651	8,454,349	547.0%
24 Interest income	94	6,029	(5,934)	-98.4%	2,250	11,468	(9,218)	-80.4%
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	20,000,094	3,559,264	16,440,830	461.9%	20,002,250	3,564,703	16,437,547	461.1%
29 Income before capital contributions	14,381,996	(1,581,804)	15,963,800	-1009.2%	8,802,940	(9,322,170)	18,125,110	-194.4%
30 Capital contributions	-	7,477	(7,477)	-100.0%	-	7,477	(7,477)	-100.0%
31 Change in net position	14,381,996	(1,574,327)	15,956,323	-1013.5%	8,802,940	(9,314,693)	18,117,633	-194.5%
32 Net position, beginning of year	-	-	-	-	1,106,215,140	1,106,215,140	-	0.0%
33 Net position, end of year	-	-	-	-	1,115,018,080	1,096,900,447	18,117,633	1.7%

**SEWERAGE AND WATER BOARD OF NEW ORLEANS**  
**DRAINAGE SYSTEM FUND**  
**STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION**  
**WITH BUDGET COMPARISONS**  
**February 2019 Prelim**

	A	B	C	D	E	F	G	H
	MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%
<b>Operating revenues:</b>								
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	2,601	-	2,601	100.0%	9,021	-	9,021	100.0%
5 Total operating revenues	2,601	-	2,601	100.0%	9,021	-	9,021	100.0%
<b>Operating Expenses:</b>								
6 Power and pumping	811,178	2,420,916	(1,609,738)	-66.5%	1,800,828	4,841,832	(3,041,004)	-62.8%
7 Treatment	-	-	-	0.0%	-	-	-	0.0%
8 Transmission and distribution	593,194	356,590	236,605	66.4%	1,178,285	713,179	465,106	65.2%
9 Customer accounts	-	2,407	(2,407)	-100.0%	7,867	4,814	3,053	63.4%
10 Customer service	-	5,704	(5,704)	-100.0%	20,709	11,408	9,301	81.5%
11 Administration and general	657,689	989,704	(332,015)	-33.5%	1,653,370	1,979,409	(326,039)	-16.5%
12 Payroll related	1,364,285	612,533	751,752	122.7%	1,807,785	1,225,066	582,720	47.6%
13 Maintenance of general plant	207,362	481,209	(273,847)	-56.9%	746,193	962,418	(216,225)	-22.5%
14 Depreciation	1,967,750	1,795,833	171,917	9.6%	3,935,500	3,591,667	343,833	9.6%
15 Amortization	-	-	-	0.0%	-	-	-	0.0%
16 Provision for doubtful accounts	-	-	-	0.0%	-	-	-	0.0%
17 Provision for claims	19,241	87,103	(67,862)	-77.9%	57,794	174,206	(116,412)	-66.8%
18 Total operating expenses	5,620,699	6,751,999	(1,131,300)	-16.8%	11,208,331	13,503,997	(2,295,666)	-17.0%
19 Operating income (loss)	(5,618,098)	(6,751,999)	1,133,901	-16.8%	(11,199,310)	(13,503,997)	2,304,687	-17.1%
<b>Non-operating revenues (expense):</b>								
20 Two-mill tax	-	-	-	0.0%	-	-	-	0.0%
21 Three-mill tax	5,000,000	1,459,579	3,540,421	242.6%	5,000,000	2,919,158	2,080,843	71.3%
22 Six-mill tax	5,000,000	1,382,106	3,617,894	261.8%	5,000,000	2,764,213	2,235,787	80.9%
23 Nine-mill tax	10,000,000	2,187,819	7,812,181	357.1%	10,000,000	4,375,637	5,624,363	128.5%
24 Interest income	94	-	94	0.0%	2,250	-	2,250	0.0%
25 Other Income	-	1,660	(1,660)	-100.0%	-	3,321	(3,321)	-100.0%
26 Interest expense	-	-	-	0.0%	-	-	-	0.0%
27 Operating and maintenance grants	-	75,385	(75,385)	-100.0%	-	150,769	(150,769)	-100.0%
28 Total non-operating revenues	20,000,094	5,106,549	14,893,546	291.7%	20,002,250	10,213,098	9,789,152	95.8%
29 Income before capital contributions	14,381,996	(1,645,450)	16,027,446	-974.0%	8,802,940	(3,290,900)	12,093,840	-367.5%
30 Capital contributions	-	-	-	0.0%	-	-	-	0.0%
31 Change in net position	14,381,996	(1,645,450)	16,027,446	-974.0%	8,802,940	(3,290,900)	12,093,840	-367.5%
32 Net position, beginning of year	-	-	-	-	1,106,215,140	1,106,215,140	-	0.0%
33 Net position, end of year	-	-	-	-	1,115,018,080	1,102,924,240	12,093,840	1.1%









**Sewerage and Water Board of New Orleans  
Comparative Variance Indicators for Financial Results  
Through February 2019**

<b>Statement of Revenues, Expenses, and Changes in Net Position with Prior Year Comparisons</b>	<b>Total</b>	<b>Water</b>	<b>Sewer</b>	<b>Drainage</b>
Revenues				
Operating Expenses				
Non-Operating Revenues and Expenses				
Income before Capital Contributions				
<b>Statement of Revenues, Expenses, and Changes in Net Position with Budget Comparisons</b>				
	<b>Total</b>	<b>Water</b>	<b>Sewer</b>	<b>Drainage</b>
Revenues				
Operating Expenses				
Non-Operating Revenues and Expenses				
Income before Capital Contributions				
<b>Statement of Net Position with Prior Year Comparisons</b>				
	<b>Total</b>	<b>Water</b>	<b>Sewer</b>	<b>Drainage</b>
Plant, Property, and Equipment				
Restricted Current Assets				
Unrestricted Designated Current Assets				
Unrestricted Undesignated Current Assets				
Net Position				
Long-Term Liabilities				
Current Liabilities from Unrestricted Assets				
Current Liabilities from Restricted Assets				
<b>Statement of Cash Flows with Prior Year Comparisons</b>				
	<b>Total</b>	<b>Water</b>	<b>Sewer</b>	<b>Drainage</b>
Operating Activities				
Non-Capital Financing Activities				
Capital and Related Financing Activities				
Investing Activities				
Net Increase in Cash				

Green = Favorable Variance

Yellow = Unfavorable Variance / No Action Recommended

Red = Unfavorable Variance / Action Recommended



# SEWERAGE AND WATER BOARD

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**Date: April 12, 2019**

**Re: Human Resources activity report for the period of March 1 – March 30, 2019**

Dear Directors:

Please find below an account of various Board human resources activities for the period March 1 – March 30, 2019.

## **Human Resources Activities**

Vacant Positions: Approx. 231.\*

New Hires: 9

Resignations: 2

Terminations: 6

Retirement: 1

Disciplinary Action (minus terminations): 15

DROP (ended): 4

DROP (participants): 101

**\* approx. 213 vacancies at time of report presentation**

See enclosed spreadsheets

**OFFICE OF GENERAL SUPERINTENDENT  
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**April 17, 2019**

To the Honorable President and members of the Sewerage and Water Board of New Orleans:

The following report for the month of March presented herewith:

Contract 1352 – Industrial & Mechanical Contractors, Inc. – Katrina related replacement of Pump Package at the Main Water Purification Power Plant Complex. Contract accepted by the Board on October 17, 2018, awaiting clear lien & retainage payment. This work is 100% complete. (CP Item 175).

Contract 1378 – Plant-N-Power Services, LLP – Hurricane Katrina related repairs to Boilers/Duct/Elevator at the Main Water Purification Plant Power Complex. This work is 100% complete. (CP Item 175).

Contract 1384 – M.R. Pittman Group, LLC – Sycamore Filter Gallery Backwash Pump Replacement. This work is approximately 93% complete. (CP Item 122).

Contract 1393 – Cycle Construction, LLC. – Secondary Chlorination Station at Venetian Isles. This work is approximately 99% complete. (CP Item 175).

Contract 1395 – B & K Construction Co., LLC – Water Hammer Hazard Mitigation – Elevated Storage Tanks. This work is approximately 87% complete. (CP Item 175).

Contract 1397 – Maguire Iron, Inc. – Improvements to Michoud Water Tower. This work is approximately 99% complete. (CP Item 175).

Contract 1405 – M.R. Pittman Group, LLC – Structural & Filter Rehab in the area of Sycamore Filter Gallery (SFG) Filter #21-24. Contract accepted by the Board on January 30, 2019, awaiting clear lien & retainage payment. This work is 100% complete. (CP Item 135).

Contract 1406 – Industrial & Mechanical Contractors, Inc. – Structural & Filter Rehab in the area of Sycamore Filter Gallery (SFG) Filters #13, 15, 18 & 27. This work is approximately 70% complete. (CP Item 110).

Contract 140033 – Echologics, LLC. – Leak Detection Services. This work is approximately 99% complete. (CP Item 175).

Contract 2106 – Fleming Construction Co., Inc. – New Water, Sewer & Drain Service Connection. This work is approximately 98% complete. (CP Item 175).

Contract 2125 – Wallace C. Drennan, Inc. – Waterline Replacement & Extensions. This work is approximately 76% complete. (CP Item 175).

Contract 2126 – Wallace C. Drennan, Inc. – Water Point Repair. Contract accepted by the Board on March 20, 2019, awaiting clear lien & retainage payment. This work is 100% complete. (CP Item 214).

Contract 2129 – Wallace C. Drennan, Inc. – Water Point Repair. This work is approximately 20% complete. (CP Item 214).

Contract 2130 – Wallace C. Drennan, Inc. – Water Point Repair. This work is approximately 77% complete. (CP Item 175).

Contract 2133– Wallace C. Drennan, Inc. – Emergency Water Point Repair. This work is approximately 98% complete. (CP Item 175).

Contract 2134 – Fleming Construction Co., Inc. – Emergency Water Point Repair. This work is approximately 98% complete. (CP Item 175).

Contract 2135 – Boh Brothers Construction Co., LLC – Emergency Water Point Repair. This work is approximately 99% complete. (CP Item 175).

Contract 2136 – Grady-Crawford – Emergency Water Point Repair. This work is approximately 55% complete. (CP Item 214).

Contract 3664 – Hard Rock Construction, Inc. – Replacement of Sewage Pumping Station #8. This work is approximately 98% complete. (CP Item 340).

Contract 3665 – TKTMJ, Inc. – Hurricane Katrina 404 Hazard Mitigation Grant Program Replacement of DOTD Sewage Lift Station. This work is approximately 99% complete. (CP Item 340).

Contract 3667 – TKTMJ, Inc. – Hurricane Katrina 404 Hazard Mitigation Grant Program Replacement of Plum Orchard Sewage Lift Station. This work is approximately 99% complete. (CP Item 340).

Contract 30014 – CES – Cleaning & CCTV Inspection. This work is approximately 99% complete. (CP Item 375).

Contract 30016 – Wallace C. Drennan, Inc. - Manhole to Manhole & Sewer Point Repair. This work is approximately 99% complete. (CP Item 375).

Contract 30100 – Gootee Construction, Inc. – Electrical Modifications to the Effluent Pump House at EBWWTP. Contract accepted by the Board on November 14, 2018, awaiting clear lien & retainage payment. This work is 100% complete. (CP Item 375).

Contract 30102 – The McDonnell Group – DPS 17/Station D Structural Repairs. This work is approximately 40% complete. (CP Item 511).

Contract 30106 – Chart Mechanical Construction – Rehabilitation of Bio-Reactor Train #4 at EBWWTP. Contract accepted by the Board on February 20, 2019, awaiting clear lien & retainage payment. This work is 100% complete. (CP Item 348).

Contract 30109 – Cycle Construction – Sewer Pumping Station A Structural Rehabilitation. This work is approximately 12% complete. (CP Item 326).

Contract 30110 – Barnes Electric – Electrical Improvements Phase 2 at the EBWWTP. This work is approximately 55% complete. (CP Item 348).

Contract 30203 – Wallace C. Drennan, Inc. – Sewer Point Repairs. Contract accepted by the Board on March 20, 2019, awaiting clear lien & retainage payment. This work is 100% complete. (O & M).

Contract 30204 – Wallace C. Drennan, Inc. – Manhole to Manhole & Sewer Point Repair. This work is approximately 96% complete. (CP Item 318).

Contract 30205 – Wallace C. Drennan, Inc. – New Orleans East Basin, Plum Orchard Sewer Rehabilitation. This work is approximately 99% complete. (CP Item 317/375).

Contract 30207 – BLD Services, Inc. – New Orleans East Read East & West Viavant. This work is approximately 95% complete. (CP Item 317).

Contract 30208 – Fleming Construction Co., Inc. – New Orleans East De'Lest & Venetian Isles. This work is approximately 99% complete. (CP Item 317).

Contract 30216 – Wallace C. Drennan, Inc. – Sewer Point Repair. This work is approximately 95% complete. (O & M Item).

Contract 30218 – Wallace C. Drennan, Inc. – Sewer Point Repair. This work is approximately 27% complete. (O & M Item).

Contract 30219 – Wallace C. Drennan, Inc. – Manhole to Manhole & Sewer Point Repair. This work is approximately 30% complete. (CP Item 175).

Contract 6254 – Walter J. Barnes Electric Co., Inc. – Hurricane Katrina related repairs to Central Yard Garage #2/Electrical & Main Power Room. Contract accepted by the Board on February 20, 2019, awaiting clear lien & retainage payment. This work is 100% complete. (CP Item 676).

Contract 6259 – Industrial & Mechanical Contractors, Inc. – Installation of Permanent Generator at 5 Underpass Stations. Contract accepted by the Board on January 30, 2019, awaiting clear lien & retainage payment. This work is 100% complete. (CP Item 575).

Contract 8139 – W.L. Wymann Construction Co., Inc. – Re-bid to replace the Central Yard Annex Building damaged during Hurricane Katrina. This work is approximately 99% complete. (CP Item 175).

Contract 8144 – Wallace C. Drennan, Inc. – Repaving of Open Cuts in Streets, Driveways, & Sidewalks resulting from the repair to the Sewerage & Water Board of New Orleans Underground Utilities. This work is approximately 99% complete. (CP Item 880).

Contract 8161 – Fleming Construction Co., Inc. – Paving Zone 1. This work is approximately 19% complete. (O & M Item).

Contract 8162 – Fleming Construction Co., Inc. – Paving Zone 3. This work is approximately 12% complete. (O & M Item).

Contract 8163 – Fleming Construction Co., Inc. – Paving Zone 4. This work is approximately 22% complete. (O & M Item).

### **CURRENT EMERGENCY BID CONTRACTS**

**TEMPORARY GENERATORS AT CARROLLTON FREQUENCY CHANGER, DPS4, CITRUS DPS, DWYER DPS, GRANT DPS, MAXENT DPS, OLEANDER DPS, ELAINE DPS, AND SPS A AND TEMPORARY A/C UNITS AT POWER HOUSE #1 AND PLANT FREQUENCY CHANGER - REQUISITION NO. EE 17-0006**

Contractor: United Rentals  
Amount: \$5,537,025.44  
% complete: 99 %

The Notice to Proceed was issued on Tuesday, August 8, 2017.

**PURCHASE OF FIVE 25Hz GENERATORS SETS - REQUISITION NO. EE 17-0008**

Contractor: ARCCO  
Amount: \$11,895,000.00  
% complete: 99 %

The Notice to Proceed was issued on August 29, 2017.

### **PLUMBING DEPARTMENT**

Submitted herewith, you will find the monthly report for work performed by the Plumbing Department;

There were 221 Plumbing and 11 Backflow permits issued during the month of **March**. This department complied with 784 requests for Plumbing Inspections, which consists of inspections conducted with Licensed Plumbing Contractors, Property Owners, Tenants, Department of Health and Hospitals Sanitarians, and Environmental Inspectors.

For your information, the following numbers are of the permits issued and inspections conducted.

	<u>Jan</u>	<u>Feb</u>	<u>2019</u> <u>Mar</u>	<u>2018</u> <u>Mar</u>	<u>YTD 2018</u>
Plumbing Permits Issued	269	279	221	305	
Backflow Permits Issued	006	003	011	039	
	<b>275</b>	<b>282</b>	<b>232</b>	<b>344</b>	<b>789</b>
<b>Inspections Conducted</b>					
Water	335	389	342	529	
Special	214	231	338	004	
Final	127	154	104	174	
<b>Totals</b>	<b>676</b>	<b>774</b>	<b>784</b>	<b>707</b>	<b>2234</b>

### RAINFALL REPORT FOR MARCH 2019

The rainfall for the month of **March** was **1.65"**, compared to the 126-year average of **5.00"** for the month of **March**. The cumulative rainfall through the Third month of the year was **9.16"** compared to the 126-year average of **14.05"**.

### AVERAGE DAILY PUMPAGE FOR THE MONTH OF MARCH

New Orleans Side	133.47 Million Gallons Per Day
Algiers Side	8.49 Million Gallons Per Day

Respectfully submitted,



**ROBERT TURNER**  
**GENERAL SUPERINTENDENT**

RT/zfg  
GENSUP%4-17-19

**SEWERAGE AND WATER BOARD OF NEW ORLEANS  
OFFICE OF SPECIAL COUNSEL**

**April 17, 2019**

**To the Honorable President and Members of the  
Sewerage and Water Board of New Orleans:**

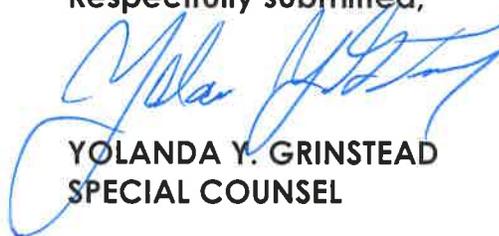
The following represents Legal Department activities during the month of **March 2019**.

**CIVIL SUITS FILED AGAINST BOARD:**

**New:**

**ENERGY NEW ORLEANS, LLC V. SEWERAGE AND WATER BOARD OF  
NEW ORLEANS, No. 19-1806, Civil District Court.** In this case, plaintiff  
sued seeking judgment for damages to its facilities at 8318 Cohn  
Street allegedly sustained due to Board activities, on or about  
February 15, 2018.

**Respectfully submitted,**



**YOLANDA Y. GRINSTEAD  
SPECIAL COUNSEL**

**YYG:mkt**

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**Project Delivery Unit  
March 2019 Closeout Snapshot**

Hurricane Katrina	Project Count	FEMA Obligated	FEMA Revenue Received per LAPA	FEMA Obligation Balance	% Financially Complete	# of Projects Submitted for Closeout	OBLIGATED Value of Projects Submitted for Closeout	POTENTIAL Value of Projects Submitted to Closeout	# of Projects Officially Closed	OBLIGATED Value of Projects Officially Closed	% Submitted	% Closed	# of Projects Submitted but Not Officially Closed	OBLIGATED Value of Projects Submitted but Not Officially Closed
St. Joseph Headquarters	20	\$ 2,225,704.82	\$ 1,402,516.25	\$ 823,188.57	63%	19	\$ 1,125,107.83	\$ 2,097,797.83	14	\$ 462,456.56	95%	70%	5	\$ 662,651.27
Central Yard	42	\$ 27,891,963.74	\$ 26,113,255.53	\$ 1,778,708.21	94%	40	\$ 26,882,220.69	\$ 25,530,220.69	24	\$ 5,996,585.46	95%	57%	16	\$ 20,721,762.40
Wastewater Treatment Plant	128	\$ 89,554,400.50	\$ 76,414,023.78	\$ 13,140,376.72	85%	127	\$ 83,689,892.50	\$ 80,279,515.50	110	\$ 29,296,472.53	99%	86%	17	\$ 54,393,419.97
Carrollton Water Plant	55	\$ 75,901,500.33	\$ 65,388,588.30	\$ 10,512,912.03	86%	53	\$ 14,329,381.73	\$ 14,623,581.73	42	\$ 7,641,954.18	96%	76%	11	\$ 6,687,427.55
Distribution Network	27	\$ 196,982,528.55	\$ 160,803,340.41	\$ 36,179,188.14	82%	25	\$ 116,490,014.08	\$ 120,757,419.08	14	\$ 27,889,519.69	93%	52%	11	\$ 88,600,494.39
JIRR	2	\$ 268,448,968.15	\$ 3,369,867.79	\$ 265,079,100.36	1%	0	\$ -	\$ -	0	\$ -	0%	0%	0	\$ -
Donors	53	\$ 68,387,383.70	\$ 54,362,188.51	\$ 14,025,195.19	79%	9	\$ 1,588,916.85	\$ 1,500,049.85	0	\$ -	17%	0%	9	\$ 1,588,916.85
Pump Stations	166	\$ 81,395,538.77	\$ 70,591,571.92	\$ 10,803,966.85	87%	156	\$ 69,320,507.50	\$ 71,383,756.50	134	\$ 42,732,866.34	94%	81%	22	\$ 26,587,641.16
<b>Total</b>	<b>493</b>	<b>\$ 810,787,988.56</b>	<b>\$ 458,445,352.49</b>	<b>\$ 352,342,636.07</b>	<b>57%</b>	<b>429</b>	<b>\$ 313,426,041.18</b>	<b>\$ 316,172,341.18</b>	<b>338</b>	<b>\$ 114,019,854.76</b>	<b>87%</b>	<b>69%</b>	<b>91</b>	<b>\$ 199,242,313.59</b>

Hurricane Gustav	Project Count	FEMA Obligated	FEMA Revenue Received per LAPA	FEMA Obligation Balance	% Financially Complete	# of Projects Submitted for Closeout	OBLIGATED Value of Projects Submitted for Closeout	POTENTIAL Value of Projects Submitted to Closeout	# of Projects Officially Closed	OBLIGATED Value of Projects Officially Closed	% Submitted	% Closed	# of Projects Submitted but Not Officially Closed	OBLIGATED Value of Projects Submitted but Not Officially Closed
<b>Total</b>	<b>9</b>	<b>\$ 667,553.90</b>	<b>\$ 668,689.06</b>	<b>\$ (1,135.16)</b>	<b>100%</b>	<b>9</b>	<b>\$ 667,553.90</b>	<b>\$ 667,553.90</b>	<b>7</b>	<b>\$ 408,300.78</b>	<b>100%</b>	<b>78%</b>	<b>2</b>	<b>\$ 259,253.12</b>

Hurricane Isaac	Project Count	FEMA Obligated	FEMA Revenue Received per LAPA	FEMA Obligation Balance	% Financially Complete	# of Projects Submitted for Closeout	OBLIGATED Value of Projects Submitted for Closeout	POTENTIAL Value of Projects Submitted to Closeout	# of Projects Officially Closed	OBLIGATED Value of Projects Officially Closed	% Submitted	% Closed	# of Projects Submitted but Not Officially Closed	OBLIGATED Value of Projects Submitted but Not Officially Closed
<b>Total</b>	<b>8</b>	<b>\$ 1,554,775.01</b>	<b>\$ 955,019.44</b>	<b>\$ 599,755.57</b>	<b>61%</b>	<b>1</b>	<b>\$ 4,540.20</b>	<b>\$ 4,540.20</b>	<b>1</b>	<b>\$ 4,540.20</b>	<b>13%</b>	<b>13%</b>	<b>0</b>	<b>\$ -</b>

Tropical Storm Nate	Project Count	FEMA Obligated	FEMA Revenue Received per LAPA	FEMA Obligation Balance	% Financially Complete	# of Projects Submitted for Closeout	OBLIGATED Value of Projects Submitted for Closeout	POTENTIAL Value of Projects Submitted to Closeout	# of Projects Officially Closed	OBLIGATED Value of Projects Officially Closed	% Submitted	% Closed	# of Projects Submitted but Not Officially Closed	OBLIGATED Value of Projects Submitted but Not Officially Closed
<b>Total</b>	<b>2</b>	<b>\$ 439,728.39</b>	<b>\$ -</b>	<b>\$ 439,728.39</b>	<b>0%</b>	<b>0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0</b>	<b>\$ -</b>	<b>0%</b>	<b>0%</b>	<b>0</b>	<b>\$ -</b>

Hurricane Katrina Hazard Mitigation	HMGP No.	Contract Count	FEMA Obligated	FEMA Revenue Received per LAPA	FEMA Obligation Balance	% Financially Complete	# of Contracts Completed	OBLIGATED Value of Projects Submitted for Closeout	POTENTIAL Value of Projects Submitted to Closeout	# of Projects Officially Closed	OBLIGATED Value of Projects Officially Closed	% Submitted	% Closed	# of Projects Submitted but Not Officially Closed	OBLIGATED Value of Projects Submitted but Not Officially Closed
Retrofit of Power House	39	12	\$ 109,204,525.00	\$ 97,101,393.52	\$ 12,103,131.48	89%	4	\$ -	\$ -	0	\$ -	0%	0%	0	\$ -
Flood Mitigation of 9 SPS	6	9	\$ 19,987,722.00	\$ 19,076,237.25	\$ 911,484.75	95%	9	\$ -	\$ -	0	\$ -	0%	0%	0	\$ -
<b>Total</b>		<b>19</b>	<b>\$ 129,192,247.00</b>	<b>\$ 116,177,630.77</b>	<b>\$ 13,014,616.23</b>	<b>90%</b>	<b>13</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0</b>	<b>\$ -</b>	<b>0%</b>	<b>0%</b>	<b>0</b>	<b>\$ -</b>

Hurricane Ike Hazard Mitigation	HMGP No.	Project Count	FEMA Obligated	FEMA Revenue Received per LAPA	FEMA Obligation Balance	% Financially Complete	# of Contracts Completed	OBLIGATED Value of Projects Submitted for Closeout	POTENTIAL Value of Projects Submitted to Closeout	# of Projects Officially Closed	OBLIGATED Value of Projects Officially Closed	% Submitted	% Closed	# of Projects Submitted but Not Officially Closed	OBLIGATED Value of Projects Submitted but Not Officially Closed
Five Underpass Generators	2	1	\$ 988,658.00	\$ 839,129.23	\$ 149,528.77	85%	0	\$ -	\$ -	0	\$ -	0%	0%	0	\$ -
<b>Total</b>		<b>1</b>	<b>\$ 988,658.00</b>	<b>\$ 839,129.23</b>	<b>\$ 149,528.77</b>	<b>85%</b>	<b>0</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0</b>	<b>\$ -</b>	<b>0%</b>	<b>0%</b>	<b>0</b>	<b>\$ -</b>

<b>TOTALS</b>	FEMA Obligated	FEMA Revenue Received	FEMA Obligation Balance
<b>as of 3.22.19</b>	<b>\$ 943,630,950.86</b>	<b>\$ 577,085,820.99</b>	<b>\$ 366,545,129.87</b>



# SEWERAGE AND WATER BOARD

## Inter-Office Memorandum

**Date:** March 25, 2019

**To:** Ghassan Korban, Executive Director

**Thru:** Irma Plummer, EDBP Director LP

**From:** Lyria Hicks, EDBP Compliance Officer LH

**Re:** EDBP Department Summary - March 2019

### ANALYSES CONDUCTED BY EDBP

For the month of March 2019, the EDBP Department received one (1) Goods and Services contract to review.

#### 1. JANITORIAL AND RELATED SERVICES – REQ NO. SA19-0001

On Thursday, March 21, 2019 three (3) bids were received for subject contract. The bid total is as follows:

ETI, Inc.	\$394,808.40
Crescent Building Service, Inc.	\$399,209.10
Hubb's Properties, LLC	\$423,639.28

Thirty percent (30%) SLDBE participation was requested on this contract.

**ETI, Inc.** the lowest bidder, submitted Supreme Developers, LLC (Eligible – Certified SLDBE) to provide janitorial services. Signed correspondence from the DBE on their own letterhead reaffirming negotiated terms was provided.

*Total Participation:* \$197,404.20 – 50.00%

**Crescent Building Service, Inc.**, the second lowest bidder, submitted Westbank Paper and Janitorial Supplies Inc. (Eligible – Certified SLDBE) to provide janitorial services and supplies. Signed correspondence from the DBE on their own letterhead reaffirming negotiated terms was provided.

*Total Participation:* \$119,763.79 – 30.00%

**Hubb's Properties, LLC**, the third lowest bidder, submitted Quality Floor Preparation Services, LLC (Eligible – Certified SLDBE) to provide janitorial services and supplies. Signed correspondence from the DBE on their own letterhead reaffirming negotiated terms was not provided.

*Total Participation:* \$148,292.65 – 35.00%

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program recommends the SLDBE participation submitted by ETI, Inc. and Crescent Building Service, Inc. be considered as responsive while the SLDBE participation submitted by Hubb's Properties, LLC be considered as non-responsive to meeting EDBP bid requirements.

**CONSTRUCTION REVIEW COMMITTEE RECOMMENDATIONS**

There were not any new construction projects presented to EDBP. As a result, the Construction Review Committee did convene for the month of March 2019.

**STAFF CONTRACT REVIEW COMMITTEE RECOMMENDATIONS**

The Staff Contract Review Committee convened on Thursday, February 14, 2019, and made the following recommendation:

**OPEN MARKET CONTRACT**

**1. Furnishing Skilled and Unskilled Labor for Maintenance**

Budget Amount: \$5,400,000.00  
Recommended Percentage Goal: 30.00%  
Renewal Option(s): Seventeen (17) months with three (3) one (1) year renewal options

**INFORMATIONAL ITEM**

The following item was a time sensitive matter that was declared an extraordinary emergency by General Superintendent Robert Turner. As a result, it was presented to the Staff Contract Review Committee as an information item.

**1. 2019 Purchase of a Motor and Starter for Pump “A” in the High Lift Pump Room at the Carrollton Water Plant**

Budget Amount: \$150,000.00  
Recommended Percentage Goal: 0%  
Justification: Contract does not lend itself to SLDBE participation because it is a one-time purchase that cannot be subdivided.  
Renewal Option(s): N/A

**FINAL ACCEPTANCE CONTRACTS with DBE PARTICIPATION**

For the month of March 2019 there were four (4) Final Acceptance contracts with DBE participation to report.

**1. Contract #1378: Hurricane Katrina Related Repairs to Boilers/Duct/Elevator at MWPP Complex**

DBE Goal: 20.00%  
DBE Participation Achieved: 16.73%  
Prime Contractor: Plant-N-Power  
Closeout Date: March 2019

Significant change orders were made to the initial scope of work. Following consultation with Sewerage and Water Board project managers, EDBP has determined the resulting changes did affect the initial estimate of potential DBE participation.

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

2. **Contract #30205: New Orleans East Basin-Plum Orchard – Sewer Rehabilitation**  
DBE Goal: 36.00%  
DBE Participation Achieved: 37.09%  
Prime Contractor: Wallace C. Drennan, Inc.  
Closeout Date: March 2019

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

3. **Contract #30216: Restoration of Gravity Sanitary Sewers by Point Repair of Sewer Mains at Various Sites throughout Orleans Parish**  
DBE Goal: 36.00%  
DBE Participation Achieved: 27.87%  
Prime Contractor: Wallace C. Drennan, Inc.  
Closeout Date: March 2019

Significant change orders were made to the initial scope of work. Following consultation with Sewerage and Water Board project managers, EDBP has determined the resulting changes did affect the initial estimate of potential DBE participation.

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

4. **Contract #1352: Hurricane Related Repairs Pump Replacement Package at the Main Water Purification Plant**  
DBE Goal: 26.00%  
DBE Participation Achieved: 24.32%  
Prime Contractor: Industrial & Mechanical Contractors, Inc.  
Closeout Date: June 2018

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

*\*Please note, during End-of-Year Audit, EDBP discovered that this Final Acceptance Summary was missing from the July 2019 Finance and Administration Committee, and Board Reports.*

**Sewerage & Water Board of New Orleans Contracts with DBE Participation March 2019**

There was one (1) new contract to report for the month of March 2019. See report as follows:

**Sewerage & Water Board New Orleans Awarded Projects with SLDBE Participation January 2018 - November 2018**

Category	Category Dollar Amount	SLDBE Dollar Value
Construction Projects	\$ -	\$ -
Goods & Services Projects	\$ 592,808	\$ 237,004
Professional Services Projects	\$ -	\$ -
<b>Grand Total</b>	<b>\$ 592,808</b>	<b>\$ 237,004</b>

**Sewerage & Water Board of New Orleans Open Market Bids with DBE Participation January 2019 - February 2019**

**Goods & Services Projects Awarded 2019**

<b>Contract No./Description</b>	<b>%DBE Goal</b>	<b>Contract \$</b>	<b>Prime</b>	<b>Sub(s)</b>	<b>% DBE Part (Prime)</b>	<b>\$ Sub Award</b>	<b>\$ Sub Paid</b>	<b>% DBE Sub Paid</b>	<b>Award date</b>
YW19-0003 - Furnishing Limestone	20%	\$198,000.00	MST Enterprises,	Trucking Innovation, LLC		\$39,600.00	Contract not executed		2/21/2019
SA19-0001 - Janitorial and Related Services	30%	\$394,808.40	ETI, Inc.	Supreme Developers, LLC		\$197,404.20	Contract not executed		3/21/2019
<b>Total Goods &amp; Services Projects</b>	<b>25%</b>	<b>\$592,808.40</b>				<b>\$237,004.20</b>			