

FINANCE COMMITTEE MINUTES
April 13th, 2010
Chairman Steve Lee
Vice-Chairman Charles Julien

Members: Hasten Lewis, Danny Millet, Charles Julien, Jaclyn Hotard, Darnel Usry, Ronnie Smith, Cheryl Millet, Dale Wolfe, Steve Lee

PRESENT: Haston Lewis, Ronnie Smith, Cheryl Millet, Darnel C. Usry, Danny Millet, Charles Julien

ABSENT: Steve Lee, Jaclyn Hotard, Dale Wolfe

BID OPENING REPORT/AWARDS:

C. J. Savoie – Reject – Generator Housing & re-bid

Chuck Savoie, Parish Engineer, stated, "The generator bids we accepted on March 9th, the low bidder was Ryan Goutee General Contractors, LLC of Metairie, Louisiana with a bid of \$422,000.00. Our estimate for that project was \$250,000.00. So they exceeded what our estimate was. So I went back to the contractor to see if there was possible negotiation room to possibly bring this closer in line to our estimate. They came back with some thoughts and ideas however they were not very practical for our use. I won't get into all of that. I am asking you to now reject these bids and because of the budget and so that we can make some adjustments to try to get back closer to our estimate."

Councilman Smith asked, "Are these two separate items? The reason I am asking Chuck is because I know we need the generators. Could it be that we just had a bad bid? I know you just said that the first item that we talked about came in \$500,000.00 under bid. That sounds like enough money where we can use that money possibly. I don't know if it is feasible to do it that way but do you understand what I am saying?"

Chuck Savoie stated, "These are two completely different projects yes. One is for the Lions Water Plant, which is over in Reserve and the other one is the generators which includes all the Ruddock area. The Ruddock Well No. 2, Station No. 2 and where the NANO filtration plant is. So they are at two completely different sites."

Councilman Smith stated, "So I guess my question is this. I am guessing we under estimated the bid on the generators."

Chuck Savoie stated, "Or they overbid it."

Councilman Smith asked, "Well if they are the low bidder, everybody overbid it. How often if we send out the same specs are we going to get anyone else to come back in and bid lower?"

Chuck Savoie stated, "I don't know that. I don't have a crystal ball so I can't answer your question. However I am going to try to make some adjustments to try. I have some education as to why they are somewhat high and I am trying to make some adjustments to that to see if I can bring it down. If your decision is not to and you want to move forward with this because of the administrative order than that is your prerogative. You can utilize the savings that you had on one project. I

think that is what you were asking to pay the difference on this project. Administration and myself have had other discussions."

Councilman Smith stated, "That is what I am getting at and that is fine. I didn't have any conversations with administration about that. It was just something that I thought about. I thought this was because of the administrative order and I know that is something that we need to get cleared up and finished. That is why I asked that."

Chuck Savoie stated, "You are certainly correct on that. I have a responsibility and when it goes over I have to find out why. So I have already taken steps to try to lower it but if that is not your decision."

Councilman Lewis asked, "Chuck, how long are we talking about?"

Chuck Savoie stated, "Well we are going to have another thirty days of bidding. Then we will receive bids again. I am planning to go out immediately."

Councilman Smith stated, "Mr. Savoie, my only other question with that is. I know we have a time table on that administrative order."

Chuck Savoie stated, "I contacted the Department of Health and Hospitals, David Boggs. I told him what I was doing. He didn't seem to have a big problem with it. The parish also to protect themselves made arrangements with a generator company at the NANO filtration plant to have a stand by in case a hurricane would occur prior to us getting this in place."

Councilman Smith stated, "I just wanted to make sure all of our bases were covered."

MOTION: Councilman Lewis moved and Councilwoman Usry seconded the motion to reject the bids for the generator housing and re-bid the project. The motion passed with Councilwoman Hotard and Councilmen Wolfe and Lee absent.

C. J. Savoie – Award – Lions Water Treatment Plant expansion

Chuck Savoie stated, "We had received bids on the Lions Water Plant three weeks ago. The low bidder was Sea-level Construction of Thibodaux, Louisiana with a bid of \$3,636,000.00. We have gotten with administration. I know this contractor. He has worked with us before. This bid is approximately a half a million dollars below our estimate, which was around 4.15 million dollars. So we are recommending that we move forward with Sea-level Construction."

Councilwoman Millet asked, "Mr. Savoie, I do understand that you are going to be on top of this project. Am I correct?"

Chuck Savoie stated, "That is correct. We will have a resident inspector on this project."

MOTION: Councilman Millet moved and Councilman Lewis seconded the motion to award the Lions Water Treatment Plant expansion to Sea-level Construction in the amount of \$3,636,000. The motion passed with

Councilwoman Hotard and Councilmen Wolfe and Lee absent.

Buddy Boe – Authorization to go out for bids for the Ruddock Station #3 Ground Storage Tank rehabilitation funded by the Water Enrichment Grant Fund

Buddy Boe, CAO, stated, "This ground storage tank is next to the brand new ground storage tank at the NANO site right by the Interstate. This tank was in Phase III of the water tower rehab project. So the administration in 2009 applied for a grant in order to rehab this facility. We were awarded that grant in the fall of 2009. So we are asking permission to go out for bids just on this ground storage tank as part of the grant. It is paid for by the grant. The grant is for \$135,000.00. The rough construction estimate is about \$160,000.00. The gap will be paid for out of the bond issue which is paying for the other towers also."

Councilwoman Millet asked, "I am a little confused. We have the new ground storage tank that is at the NANO filtration system. It is brand spanking new. This is \$135,000.00 to build another one on the side or what is this \$135,000.00 for?"

Buddy Boe stated, "This will rehab the old one, which is right next to it. So they will take it off line, re-line the entire inside, repaint it and refurbish it to bring it back up to snuff."

Councilwoman Millet asked, "So these are two ground storage tanks that are at the NANO filtration site?"

Buddy Boe stated, "Correct. So it has increased our storage capacity which allows us to better serve the public."

Councilwoman Usry asked, "How old is the tank?"

Buddy Boe stated, "I'm not sure. Mr. Savoie, do you know the age of the original ground storage tank at the NANO site?"

Chuck Savoie stated, "Probably about twenty to thirty years."

Councilwoman Millet asked, "So this is part of the study that we had done back before the bond issue to see where our water storage tanks were and what needed to be done and this tank is included in that. Am I correct?"

Buddy Boe stated, "Correct. Phase I is currently under construction and about 40% done which included all the tanks and towers on the West Bank and two on the East Bank. Phase II is out for bid right now. This is one tank in Phase III. As estimates come in under budget, such as the Lions Water Treatment Plant, it will allow us to do Phase III. All of which needed to be done based on the assessment completed in 2008."

Councilwoman Millet asked, "Is Phase III the last Phase or is there another one behind it?"

Buddy Boe stated, "Yes it is."

Councilwoman Millet asked, "So then all of our tanks will be completely

refurbished and rehabbed?"

Buddy Boe stated, "Yes."

Councilwoman Millet stated, "Thank you."

MOTION: Councilwoman Usry moved and Councilwoman Millet seconded the motion to grant administration authorization to go out for bids for the Ruddock Station #3 Ground Storage Tank rehabilitation funded by the Water Enrichment Grant Fund. The motion passed with Councilwoman Hotard and Councilmen Wolfe and Lee absent.

Councilman Wolfe arrived at the meeting.

Mike Henderson – Authorization to execute the cooperative endeavor agreement between St. John the Baptist Parish and South Central Planning and Development Commission – Inspection Services

Pat McTopy, Acting Parish President, stated, "We have here with us tonight representatives from South Central Planning. As you know the parish council had given them a contract to do the inspection services on building construction as a result of the state law that was passed mandating stricter building standards. The contract expires in a couple of months. We would like to renew it. It is my understanding that South Central Planning is providing somewhat of a discount, I'm not sure if that is the right word to use, but a lesser charge than had been charged in the past. I would like to have Mr. Belanger introduce himself and speak on this."

Kevin Belanger, CEO of SCP, stated, "Before we began this process we kind of constructed it where the parish would take in some of the revenues that the fees were paid for. Let's say for \$100.00 you would retain \$15.00 and 85% would come to us for plan review and all of the subsequent inspections. Over the past three years, we haven't made money, but we believe that we can sustain what we are doing. We meet monthly. We have concluded that we are able to allow the parish to retain 20% and for doing that we have expended over the last couple of years a lot of money overseeing third parties. The state does provide for private inspectors to go out to do inspections for private individuals. However, at the end of the day, your process needs to be the one to affirm and to affirm that all the codes were done consistently. So with that our certified building official, Mr. Michael Witch, is the individual who by the authority you all have invested in us provides a certificate of compliance. Right now Mrs. Kristi Murray, who is our chairman for the regional code council and has just taken over. We are proud to be able to have said that last year we reduced the fees for residential. This year we are offering more money back to the parish. It isn't like we are collecting a lot of money. I want you to know our books are very open. They are very transparent. We review them once a month. Every time we get together with the regional code council, you can feel proud that you have the best of planned review and inspection services any where in this country. We pride ourselves on being the cheapest because we have consolidated the resources of nine jurisdictions and from that we have brought an economy of scale approach to this process. There is one other entity that is doing what we are doing in Shreveport but they have not been able to master the efficiency as we have. The time constraints we have mastered. We have

provided a very accountable process so that if anybody would have problems with anything we have appeals processes that are put in place. To this date nobody has ever appealed anything with this process and that is a tribute to the way that we are working through the coordinating efforts with the parishes and things are going very smoothly. If any of you have issues with any of the enforcement in this area, please let us know. We try to keep things very consistent. We are very aware of impropriety that if it does occur how we get out and correct it quickly. We have never had that issue. We don't expect it. We take a lot of great strides in ensuring against that. So with that I will entertain any questions."

Councilwoman Millet asked, "Mr. Belanger, you said you have nine different areas that you do the inspection services for. Are there any in our area as well?"

Kevin Belanger stated, "Well yes Terrebonne Parish, St. James Parish, Assumption Parish. We did have Lafourche. They elected to do this on their own and for many other reasons. We have Lutchter, Gramercy, Napoleonville and Golden Meadow. All of these areas represent this coalition."

MOTION: Councilman Millet moved and Councilwoman Usry seconded the motion to grant administration authorization to execute the cooperative endeavor agreement between St. John the Baptist Parish and South Central Planning and Development Commission – Inspection Services. The motion passed with Councilwoman Hotard and Councilman Lee absent.

Buddy Boe – Authorization to sign all agreements in connection with the Andouille Festival

Buddy Boe stated, "For the past several years the administration has asked permission to sign the agreements or contracts related to the Andouille Festival. It is getting near that time again. So we are asking for your authorization."

Councilwoman Millet asked, "Mr. Boe, when it comes to these bands and what have you, will we have any insight or will we know who the bands are prior to them actually being contracted?"

Buddy Boe stated, "There is a re-cap/kick off meeting happening tomorrow with several committee members. It should be on your calendar but we will make sure it is. We are in the process of reviewing last year's bands and the bands that have been booked at local festivals around here and their popularity so that we can determine who we would like to book in October. Yes that list will be available for review by the council prior to being booked."

MOTION: Councilwoman Millet moved and Councilwoman Usry seconded the motion to grant administration authorization to sign all agreements in connection with the Andouille Festival. The motion passed with Councilwoman Hotard and Councilman Lee absent.

Councilwoman Hotard and Councilman Lee arrived at the meeting.

Buddy Boe – Authorization to sign a cooperative endeavor agreement with the DOTD for completion of that portion of engineering design of

Woodland Drive funded by the state

Buddy Boe stated, "In 2008 St. John Parish received a line item appropriation from the state of Louisiana to pay for design work on Woodland Drive for a portion of Woodland Drive. It was a line item appropriation that survived the vetoes of the Governor in the current economic climate that we are in. This Cooperative Endeavor Agreement is extending the deadline for another year so that the designs can be finished. We did not meet the deadline of March 31st and the state has allowed us to ask for an additional year so that those designs can be finished and the funding can be utilized to finish the project."

Councilman Lee stated, "I apologize for being late. This is one issue that I did want to make a comment on. Myself and Cheryl, Ronnie and others negotiated this quite a few years ago as a matter of fact, so we didn't want to let it pass. When I talked to Buddy about it I didn't realize that there was a deadline. So I ask everybody to please support this. It is very important to the future growth of St. John Parish."

MOTION: Councilman Lee moved and Councilwoman Millet seconded the motion to grant administration authorization to sign a cooperative endeavor agreement with the DOTD for completion of that portion of engineering design of Woodland Drive funded by the state. The motion passed unanimously.

Pat McTopy – Authorization to seek public bids for the sale of Lots 18, 19 and 20 of Cali Subdivision extension number one located on Cardinal Street in LaPlace

Pat McTopy, stated, "These are three small lots that the parish purchased several years ago on Cardinal Street in LaPlace between the two railroad tracks. It is across from one of the churches and as I understand it the church has been using the property at the parish's allowance and they are interested in buying it at this time. So what I would like to have is authorization to advertise the property for sale. We will get public bids on it and hopefully we can have the church put this property to a better use than we can."

MOTION: Councilman Lewis moved and Councilman Wolfe seconded the motion to grant administration authorization to seek public bids for the sale of Lots 18, 19 and 20 of Cali Subdivision extension number one located on Cardinal Street in LaPlace. The motion passed unanimously.

Clifford Bailey – Recommendation on Code Enforcement contracts

Buddy Boe stated, "Mr. Bailey couldn't make it tonight. Administration is requesting authorization to renew the three existing Code Enforcement Officer contracts that are currently employed with St. John Parish. We are in the process of having the vacancy filled. We have done some interviews. However the top applicants need to have their backgrounds checked and go through the commission process with the Sheriff prior to coming to the council. So we anticipate doing that at a later meeting. We want to get the three current contracts renewed so that our Code Enforcement Department can continue the good work that they are doing."

MOTION: Councilman Smith moved and Councilwoman Hotard seconded the

motion to renew the three existing Code Enforcement Officer contracts.
The motion passed unanimously.

Any and all other financial concerns

There were no other financial concerns.

Adjournment

MOTION: Councilwoman Millet moved and Councilman Smith seconded the motion to adjourn. The motion passed unanimously.