

FINANCE COMMITTEE MINUTES

January 26th, 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: Steve Lee, Cheryl Millet, Haston Lewis, Darnel C. Usry, Ronnie Smith, Charles Julien

ABSENT: Jaclyn Hotard, Danny Millet, Dale Wolfe

BID OPENING REPORT/AWARDS:

Bid Openings - Concrete, Sidewalks & Driveways Parishwide removal and replacement

Brenda Labat, Director of Purchasing, stated, "Today we opened bids on the concrete. The first bidder was BETCO out of Robert, Louisiana. Their bid was \$330,700.00. The next bidder was Fleming Construction out of Kenner, Louisiana with a bid of \$361,250.00. The next bidder was JJH Construction from New Orleans, Louisiana with a bid of \$250,200.00. The next bidder was Hard Rock Construction out of Metairie, Louisiana with a bid of \$372,200.00. The next bidder was Data Management Corp. out of Kenner, Louisiana with a bid of \$202,300.00. The next bidder was New Limits Enterprises out of Kenner with a bid of \$52,900.00 and the last bid received was from HHP Construction out of LaPlace in the amount of \$333,625.00. The administration requests that we take these under advisement."

MOTION: Councilman Lewis moved and Councilman Julien seconded the motion to take the bids for the Concrete, Sidewalks & Driveways Parishwide removal and replacement under advisement. The motion passed with Councilwoman Hotard and Councilmen Wolfe and Millet absent.

Councilman Millet arrived at 6:04 PM

Bid Awards - Reserve Sewerage Booster Pump station - Nuveen Chillara

Brenda Labat stated, "The bid award will go to Guy Hopkins for \$913,900.00. This was the low bid company."

MOTION: Councilman Julien moved and Councilman Lewis seconded the motion to award the bid for the Reserve Sewerage Booster Pump station to Guy Hopkins at a cost of \$913,900.00. The motion passed with Councilwoman Hotard and Councilman Wolfe absent.

Paul Oncale - Authorization to seek proposals for Parish property, general liability and casualty insurance

Paul Oncale, Director of Civil Defense, stated, "The parish's current policy for property, general liability and casualty insurance expires in April. At this time we are only asking to go out and seek proposals for this insurance coverage."

MOTION: Councilwoman Usry moved and Councilman Julien seconded the motion to grant administration authorization to seek proposals for Parish property, general liability and casualty insurance. The motion passed with 6 yeas, 1 abstaining (Lee) and 2 absent (Wolfe, Hotard).

Buddy Boe - Authorization to advertise for RFP's for Phase IV of the Land Use Plan as part of the Louisiana Recovery Authority Funding,

Buddy Boe, Acting CAA, stated, "Last year the parish was allocated 6.9 million dollars to do a variety of recovery projects. The parish submitted a proposal to the state which has been preliminarily approved. One of the projects is the completion of the final phase of our comprehensive land use plan that would be Phase IV. This phase would include a transportation element, an evacuation element, a hurricane elevation element looking at our flooding issues in the parish and also a re-activation and a re-do of the citizen participation element which was done in the first phase completed in 2004. So we will update the entire plan in this process. The cost for this would be paid for out of that funding allocated by the Louisiana Recovery Authority and this rfp is part of the process in receiving that funding."

MOTION: Councilwoman Usry moved and Councilman Millet seconded the motion to grant administration authorization to advertise for RFP's for Phase IV of the Land Use Plan as part of the Louisiana Recovery Authority Funding. The motion passed with Councilwoman Hotard and Councilman Wolfe absent.

Buddy Boe - Authorization to enter into a rental agreement for a marsh buggy for drainage excavation work at the Godchaux, Vicknair and Lasseigne Canals

Buddy Boe stated, "As many of you know the administration has been working for some time to secure permits from the Army Corp of Engineers for our major drainage canals throughout the parish. The voters approved funding in the 2009 Bond Issue in order to clear out and take out the debris from our major drainage canals. This is a short term rental lease to begin the clearing on those canals that we already have the permits for and will be paid for out of the bond issue."

Councilman Julien asked, "Exactly what would the marsh buggy clean out? Would it be paper? Would it be trees or debris? What would it clean out?"

Buddy Boe stated, "It will be going down our major drainage canals cleaning out debris, brush, small trees that have fallen and clogged the canals into the wetlands. That is what the permits were for to allow us to access the canals in the wetlands."

Councilwoman Usry asked, "Mr. Boe, what is the cost?"

Buddy Boe stated, "The cost for the rental will have to be answered by our public works director."

Pat McTopy, Acting Parish President, stated, "We have obtained one price with a forty hour per week maximum of \$25,000.00. There is another price with no hourly limits. We can run it twelve to fourteen hours a day; seven days a week at I want to say \$33,000.00. This would be primarily working north of the Interstate, north of I-10 and some very important

areas that have not been cleaned in many years. We went and looked at those canals and they are overgrown with trees."

Councilman Smith asked, "What is the length of the rental?"

Pat McTopy stated, "We are seeking at this time for one month."

Councilman Smith asked, "\$25,000.00 or \$33,000.00 a month?"

Pat McTopy stated, "That is correct."

Councilman Smith asked, "How long do you plan on having it? Just that one month?"

Pat McTopy stated, "For now yes."

Councilman Smith asked, "What do you mean for now? Are you going to come back to the council if you are going for a second or third or fourth month?"

Pat McTopy stated, "That is not the intent at this time."

Councilman Smith stated, "Why don't you give us an idea of how long you are going so that we know how much money we are spending."

Pat McTopy stated, "Because we don't know how many feet per day the machine is going to be able to operate. That is a new piece of machine. We don't have experience in running it. I expect, having run equipment before that we are going to be able to get quite a few feet in any given day so that in a month we will be able to clean much of those three canals."

Councilman Smith stated, "Okay I don't mind approving the rental. I have a problem because I don't know how much money we are spending."

Pat McTopy stated, "We are going to rent it for one month."

Councilman Smith asked, "So that means you are coming back to me if you need to rent it for a second month?"

Pat McTopy stated, "That's possible."

Councilman Smith stated, "No let's try this again. That means you are coming back to the council when you want to rent it for a second month because I am not going to approve it for more than one month if you are not telling me how long you are going to use it for."

Pat McTopy stated, "It will be for one month."

Councilman Smith stated, "Then I will do that."

Councilman Lee stated, "If I may clear this up and we will add to the motion to include a time cap on that being for one month. That will require the administration to come back to us if necessary."

Councilman Smith stated, "My thing is Mr. McTopy what I would like for you to do is once you get it started the meeting in between that month time you should be able to see if you are going to need it for a second

month. It isn't that I don't want to give it to you for a second month. It isn't that I don't want to give it to you for a second month. I just need to know how much money we are spending that's all."

Councilwoman Millet asked, "This is a piece of equipment that we are renting. Do we have somebody capable of running this equipment?"

Pat McTopy stated, "Yes. We have several equipment operators that run anything from backhoes to tractors."

Councilwoman Millet asked, "So it won't be a problem in the marsh for them to use this equipment?"

Pat McTopy stated, "There may be a small learning curve but essentially if you can operate one piece you can operate it."

Councilwoman Millet asked, "Would that be more advisable than actually subbing this entire thing out?"

Pat McTopy stated, "It would be very expensive to contract it out."

Councilman Millet asked, "When you all clean out these canals are we going to throw the debris on the property line or is that going to be hauled off?"

Pat McTopy stated, "Again we are not cleaning silt out of the canals or digging them or dredging them. We are cleaning out the trees and vegetated debris that will allow them to flow more rapidly. The intent is to place the material on the side."

Councilman Smith asked, "Mr. McTopy you told Mr. Millet that you are going to be putting this on the canal banks. Are we eventually going to move this? I have a feeling if we are going to have to move this we are going to have to rent a barge or hire a company to move it. What is going to happen?"

Pat McTopy stated, "The plan is not to move it."

MOTION: Councilwoman Usry moved and Councilman Millet seconded the motion to authorize administration to enter into a one month rental agreement for a marsh buggy for drainage excavation work at the Godchaux, Vicknair and Lasseigne Canals. The motion passed

Buddy Boe - Authorization to sign an agreement with Meyers Engineers for engineering & design services for Phase II of multi-purpose trail

Buddy Boe stated, "Last year Meyers Engineers applied on behalf of the parish into the states transportation enhancement program which is run by the state DOTD for the second phase of our Mississippi River multi-use trail. If you remember last year the parish was awarded Phase I which was from the St. Charles Parish line 1.1 miles into the parish. Phase II was at the end of that point another 1.1 miles into the parish and this is an agreement for Meyers Engineers to design that Phase of the project. The parish's responsibility is to pay for the design, the engineering cost and 5% of the construction. 95% of the construction cost is paid by the department of transportation."

Councilwoman Millet asked, "Do you have an idea of how much the parish

is going to be paying on this project? Is Phase I being used?"

Buddy Boe stated, "Phase I is near the part of getting ready to go out for bid a rep from Meyers Engineers is here to give an exact percentage. Transportation enhancement projects are usually awarded on a two year cycle so you are usually a year behind and applying for the next project before the first one is complete. The parishes design and engineering cost will be \$70,000.00. The award, the grant to pay for the construction is \$941,000.00. We pay 5% of that."

MOTION: Councilwoman Usry moved and Councilman Millet seconded the motion to grant administration authorization to sign an agreement with Meyers Engineers for engineering & design services for Phase II of multi-purpose trail. The motion passed with Councilwoman Hotard and Councilman Wolfe absent.

Buddy Boe - Authorization to sign task order with Beck Disaster Recovery Services for environmental review services for projects funded with Gustav/Ike recovery dollars

Buddy Boe stated, "Last fall the parish was allocated \$6.9 million. This council selected Beck Disaster Recovery services as the grant and project administrators for that funding allocation the \$6.9 million. This is to issue a task order to that agreement so that Beck Disaster Recovery services can do the environmental review for each project. Each project is pre-approved then there is an application process and another pre-application process and then an environmental review process. This environmental review process was not in the original agreement. This is to allow Beck to perform that service for the parish at no cost to the parish. It is paid for by the allocated funds."

MOTION: Councilman Millet moved and Councilwoman Usry seconded the motion to authorize administration to sign task order with Beck Disaster Recovery Services for environmental review services for projects funded with Gustav/Ike recovery dollars. The motion passed with Councilwoman Hotard and Councilman Wolfe absent.

Pat McTopy - Authorization to sign an agreement with the State of Louisiana in connection to the Local Government Assistance Program grant

Councilman Wolfe arrived at 6:13 PM

Pat McTopy, stated, "As you are aware the parish has been funded a grant in the amount of \$150,000.00 to expand the offices at the Department of Health and Human Services and in connection with that grant we need to sign an agreement."

MOTION: Councilman Millet moved and Councilwoman Usry seconded the motion to grant administration authorization to sign an agreement with the State of Louisiana in connection to the Local Government Assistance Program grant. The motion passed with Councilwoman Hotard absent.

Pat McTopy - Authorization to sign an agreement with the State of Louisiana in connection to the Community Water Enrichment grant

Pat McTopy stated, "A different funding agency but a similar approval process. We have been approved and we need to sign the grant agreement specifying how the funds will be spent."

MOTION: Councilwoman Usry moved and Councilman Lewis seconded the motion to grant administration authorization to sign an agreement with the State of Louisiana in connection to the Community Water Enrichment grant. The motion passed with Councilwoman Hotard absent.

Julia Remondet - Authorization to bid equipment for Duck Ice, Inc.

Julia Remondet, Director of Economic Development, stated, "In July of 2009 the council approved the funding for the expansion of the Duck Ice manufacturing facility. As part of that expansion we are requesting the authorization to go out for bids for the equipment involved in this expansion. If you wouldn't mind I would like to ask Mr. Hugh Martin to explain this process just a little bit further to the council."

Hugh Martin, Bond Attorney, stated, "When this project first got started it was anticipated that the parish would be issuing industrial revenue bonds to provide for the financing of the approximately \$330,000.00 that the project is going to cost. As time went on the nuts and bolts were looked at more carefully and the monies available, it was determined that it would be possible instead of financing the project by selling bonds which would entail some additional cost, that there was enough economic development money available to provide funding without selling the bonds. So we are in the process now of changing that agreement subject to you all approving it prior to the award of any contract. By doing it in this matter, the parish will receive bids. The parish will be the owner of the equipment. The parish will then lease it to Duck Ice so we will have the security of having lesser lien on the property and we will know where it is unlike some other projects which had more difficulty. We think it is the best way to go. It is still the same project. The cost is the same just the method of financing has changed. Once the parish acquires the equipment and it is installed it will be leased then to Duck Ice on a long term lease to retire the debt. There may be a way to give some credit to them for jobs created under the formula that the state uses for job creations to give a credit against the actual dollar giving them advantage in that matter. We will be able to charge a much smaller interest rate to them than would otherwise be necessary."

MOTION: Councilman Lewis moved and Councilman Wolfe seconded the motion to grant administration authorization to bid equipment for Duck Ice, Inc. The motion passed with Councilwoman Hotard absent.

Any and all other financial concerns

There were no other financial concerns at this time.

Adjournment

MOTION: Councilwoman Millet moved and Councilwoman Usry seconded the motion to adjourn. The motion passed with Councilwoman Hotard absent.

