

**FINANCE COMMITTEE MINUTES**  
**June 09, 2009**  
**Chairman Steve Lee**  
**Vice-Chairman Charles Julien**

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

**PRESENT:** Danny Millet, Cheryl Millet, Steve Lee, Haston Lewis, Charles Julien, Ronnie Smith, Darnel Usry, Jaclyn Hotard

**ABSENT:** Dale Wolfe

**BID OPENING REPORT/AWARDS:**

**Brenda Labat - Bid Opening - 400,000 gallon Potable Water Ground Storage Tank**

Brenda Labat, Director of Purchasing, stated, "There were four (4) bidders this afternoon. The first bid was from ATEC Steel, LLC and there were two (2) options in this bid. For option one (1) they bid \$947,300.00, option two (2) there was no bid. The second bidder was Southeastern Tank Inc. they did not bid on option one (1), on option two (2) they bid \$770,595.00. The third bidder was Civil Construction Contractors on option one (1); they bid \$730,963.00 and on option two (2) they bid \$625,255.00. The fourth bidder was BLD Services. On option one (1) they bid \$854,500.00 and there was no bid on option two (2). Administration asks that we take these under advisement."

**MOTION:** Councilwoman Usry moved and Councilman Smith seconded the motion to take the four bids for the 400,000 gallon Potable Water Ground Storage Tank that being ATEC Steel, LLC - Option #1 - \$947,300.00, Southeastern Tank, Inc. - Option #2 - \$770,595.00, Civil Construction Contractors, LLC - Option #1 - \$730,963.00 & Option #2 - \$625,255.00, BLD Services, LLC - Option #1 - \$854,500.00 under advisement. The motion passed with Councilman Wolfe absent.

**Paul Oncale - Authorization to renew Workman's Compensation Policy with LWCC for 2009-2010**

Paul Oncale, Director of Public Safety, stated, "Our current workman's compensation policy with LWCC expires June 30<sup>th</sup> and we are asking to renew that. They have provided great service since 1997. Administration recommends that we renew the policy in the amount of \$278,291.00."

**MOTION:** Councilwoman Hotard moved and Councilwoman Usry seconded the motion to grant administration authorization to renew Workman's Compensation Policy with LWCC for 2009-2010 in the amount of \$278,291.00. The motion passed with 6 yeas, 2 absent (Wolfe & Smith) and 1 abstaining (Lee).

**Pat McTopy/Vince Lucia - Authorization to renew the fiscal agent(s) contracts**

Pat McTopy, Chief Administrative Officer, stated, "We have representatives of both fiscal agent banks here tonight. We have had discussions with them for the last few months. They would like to renew

*the contract and administration also recommends that we renew this contract."*

*Councilman Lee stated, "These two (2) fiscal agents have been operating out of contract until our administration was able to complete negotiations. So I am glad that this is an item that we are now able to put to bed."*

**MOTION:** Councilman Millet moved and Councilman Lewis seconded the motion to grant administration authorization to renew the fiscal agent(s) contracts (Capital One & Omni). The motion passed with Councilman Wolfe absent.

**Pat McTopy - Authorization to execute a contract with Buchart Horn, Inc. for design work on Airline Highway**

*Pat McTopy stated, "This is part of the bond program that was approved by the voters recently. Under this contract we recommend that Buchart Horn be authorized to do the design work on Airline Highway, at Airline Highway and Belle Terre, Airline and Hemlock and Airline and 51 as part of the bond issue."*

**MOTION:** Councilman Smith moved and Councilwoman Hotard seconded the motion to grant administration authorization to execute a contract with Buchart Horn, Inc. for design work on Airline Highway. The motion passed with Councilman Wolfe absent.

**Pat McTopy - Authorization to execute a contract for potable water services with Delta Beverage**

*Pat McTopy stated, "Delta Beverage is the local Pepsi bottler here in the parish. They employ about one hundred people. The contract with them needs to be renewed. We had some very serious negotiations on their part and our part in establishing what the new rates would be. The rate increase represents a significant increase and will help the parish utility system get out of the financial crunch that it is in. We recommend that the contract be awarded. It is a five (5) year contract with no option to renew. We will resume negotiations at the end of five (5) years. They wanted a longer term. I did not want to go with a longer term with the economy the way it is."*

**MOTION:** Councilwoman Usry moved and Councilman Smith seconded the motion to grant administration authorization to execute a contract for potable water services with Delta Beverage. The motion passed with Councilman Wolfe absent.

**Pat McTopy - Authorization to amend the contract with C.J. Savoie for design work at the Lions Water Treatment Plant to include additional improvements**

*Pat McTopy stated, "As you recall the council rewarded a design contract to C.J. Savoie's firm around last August to do some design work at the Lions Water Plant. This was part of the expansion. The sugar refinery was going to locate there. Since that time the refinery decided not to locate there. The plant does need to be upgraded. We would like to get additional capacity out of the plant. The bond issue recently passed and this is part of the bond issue. One of the*

clarifiers has some metal components that need to be replaced. The actual heart and soul of the clarifier unit needs to be replaced also a discharge line that discharges the sludge needs to be expanded. So we are recommending that this amendment be approved."

Councilman Julien asked, "How much would the changes cost us?"

Pat McTopy stated, "The original contract was \$215,400.00. The new contract amount is \$267,900.00. Now I might add that the council, some years back, had adopted an architectural fee curve that establishes the percent that our engineers can charge. Typically it is a percentage of the construction cost. In this case Mr. Savoie has cut his fees below the standard schedule that the council has approved."

Councilman Julien asked, "What is the standard rate?"

Pat McTopy stated, "It is a sliding scale percent. The higher the dollar value of the construction, the lower the percent. The lower dollar value of the construction, the higher the percent. In fact we had the fee schedule in the agenda book."

Councilman Julien asked, "So, on this one what is the percentage?"

Pat McTopy stated, "It was around 7.18% and he cut it down to .67."

**MOTION:** Councilman Millet moved and Councilman Julien seconded the motion to grant administration authorization to amend the contract with C.J. Savoie for design work at the Lions Water Treatment Plant to include additional improvements. The motion passed with Councilman Wolfe absent.

**Pat McTopy - Authorization to begin the process to sell Parish owned land on Cardinal Street**

Pat McTopy stated, "I have been contacted by one of the Reverends that have a church down Cardinal Street. The parish owns at least two (2) possibly three (3) lots adjacent to some of their property. The Reverend and his congregation have expressed interest in using it. I spoke to Mr. Lewis who represents that area as well as Mr. Wolfe. At this time they don't see a problem in marketing it. I spoke to the Reverend. I was concerned that if the kids were using those small lots for recreation that it could be an issue with the community. He assured me that it would not that they would continue to allow the children to use the property as they already use the church's property. So what I would like to do is have authorization to begin the process of marketing that property. We have a procedure that I have prepared and passed by legal counsel."

Councilman Lewis stated, "If we happen to sell the property I want to make sure that the money goes back into recreation so we can look at another spot for recreation for those kids, so that we don't use the money for anything else."

Councilman Julien asked, "What is our policy on parish property that we want to market? I have had other people enquire about properties that we own."

Pat McTopy stated, "In this instance if you like I will read the procedure that I outlined that legal counsel has passed on. First naturally I want to verify parish ownership. At one time I had all of those records. I want to obtain approval from the council to market it. We have to get it appraised to make sure that we get a reasonable return. We are going to advertise it for sale. We are going to establish a minimum bid price. We will ultimately prepare an ordinance, as the Home Rule Charter requires, authorizing the sale. I believe we may also want to declare that it is no longer needed for public purpose. So it is a complex set of procedures but we want to make sure we do it properly and we want to make sure that everyone is given an opportunity to look at it."

Councilman Smith asked, "My question is and I don't even know who the pastor is or which church we are talking about. Is that pastor interested in buying the property or did he just want to use it? The reason I am asking that question is because if he only wants to use the property we could lease it to him and then the property would remain ours."

Pat McTopy stated, "He has submitted a letter that states we the pastor, officers and members of the church wish to express our interest in purchasing the property at the 600 block of Cardinal Street."

Councilman Smith stated, "That answers my question Mr. McTopy. Thank you."

Councilwoman Hotard stated, "One thing I wanted to point out and maybe Jackie if you want to look back because the previous council what we did was whenever we were selling parish property and there was a really big push for us to put these adjudicated properties together and sell everything that we own. The council, I don't remember if it was a resolution or something, but whenever we sell any parish property the money is actually escrowed into seven (7) districts for the council members to I don't know if we specified roads, but it was for projects in the districts. So if we are moving towards that I just want the administration to kind of be aware that that was something that the previous council did pass to make sure that the monies were fairly distributed."

Councilman Lewis stated, "I understand what you are saying but this money is being, this was for recreation and the area is not that big for recreation but I would like to see that some type of recreation goes somewhere back in that neighborhood, maybe at a better site and everything else. Instead of just letting the money go somewhere else and then when we find a spot we won't have any money to do anything for them. It is a very small spot."

Councilman Smith stated, "Ms. Hotard also if I am not mistaken when we did that it was for adjudicated properties. I think this is a piece of property that the parish owns that is for recreation. I think that is why Mr. Lewis is asking for the money to go back into it."

Councilwoman Hotard stated, "I understand what he is requesting but at the time that we did that it wasn't just adjudicated properties because it was the property that we sold on McReine Road and we escrowed that and property that we sold out by the airport. So it wasn't just

*adjudicated. It was properties. I mean this is a small piece here. I mean just in general because we are moving towards selling parish property right now, just to refresh everyone's memory that we did want to make sure that it all wasn't just spent in one area. Each council member would be able to benefit from the sale of parish property to take care of our individual constituents."*

*Councilman Lee stated, "We have had some good dialogue on the usage of the money. Assuming that we are fortunate and we do sell the property, I think this will give us time to discuss among ourselves the best way to handle these dollars. This was some good dialogue. I appreciate your comments Ms. Hotard, Mr. Smith, Mr. Lewis and Mr. Julien. I am sure we will come to an equitable solution."*

**MOTION:** Councilman Lewis moved and Councilman Julien seconded the motion to grant administration authorization to begin the process to sell Parish owned land on Cardinal Street. The motion passed with Councilman Wolfe absent.

**Any and all other financial concerns**

There were no other financial concerns at this time.

**Adjournment**

**MOTION:** Councilman Smith moved and Councilwoman Millet seconded the motion to adjourn. The motion passed with Councilman Wolfe absent.