

**FINANCE COMMITTEE MINUTES**

**January 12<sup>th</sup>, 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:** Danny Millet, Steve Lee, Cheryl Millet, Haston Lewis, Darnel C. Usry, Ronnie Smith

**ABSENT:** Dale Wolfe, Jaclyn Hotard, Charles Julien

**BID OPENING REPORT/AWARDS:**

**Bid Awards - Chlorine & Sulfur Dioxide to DPC Enterprises; Culverts & PVC to F&G Supply; Fuel to Waguespack Oil Co.; Road Improvements - Asphalt to Coastal Asphalt**

**MOTION:** Councilwoman Usry moved and Councilman Millet seconded the motion to remove the Bid Awards from the table. The motion passed with Councilmen Wolfe, Julien and Councilwoman Hotard absent.

Buddy Boe, Acting Chief Administrative Officer, stated, "We accepted bids for Chlorine and Sulfur dioxide. We are recommending that we award the bid to the low bidder of DPC who had the low bid of \$579.00 for chlorine and \$84.00 for 150 pounds of chlorine and \$805.00 for 2,000 pounds of sulfur dioxide."

**MOTION:** Councilman Lewis moved and Councilwoman Usry seconded the motion to accept administrations recommendation and award the bid for Chlorine & Sulfur Dioxide to DPC Enterprises. The motion passed with Councilmen Wolfe, Julien and Councilwoman Hotard absent.

Buddy Boe stated, "The next item was for culverts and PVC piping. The administration recommends that the bid be awarded to F&G Supply who had the low bid of \$268.66 for plastic culverts, \$4,118.00 for galvanized pipe and \$1,446.66 for round culverts."

**MOTION:** Councilman Lewis moved and Councilman Millet seconded the motion to accept administrations recommendation and award the bid for Culverts and PVC to F&G Supply. The motion passed with Councilmen Wolfe, Julien and Councilwoman Hotard absent.

Buddy Boe stated, "The next item is fuel for the parish vehicles. The administration recommends the low bid of Waguespack Oil which had .10 a gallon over the rack price for unleaded gasoline, low sulfur diesel and high sulfur diesel."

**MOTION:** Councilman Millet moved and Councilman Smith seconded the motion to accept administrations recommendation and award the bid for Fuel to Waguespack Oil Co. The motion passed with Councilmen Wolfe, Julien and Councilwoman Hotard absent.

Buddy Boe stated, "The final bid that we would like to award tonight is a recommendation for Coastal Bridge Company for our asphalt and street repairs throughout the parish with the low bid of \$192,600.00."

Councilwoman Millet asked, "This \$192,600.00 is for the year for all roads or can you give me some sort of idea on that?"

Buddy Boe stated, "I would have to ask our parish engineer."

C.J. Savoie, Parish Engineer, stated, "We use a typical street. We put all of the items in there and they bid them per unit price. So that is just a typical price so that everybody compares apples with apples. So that everybody bids on that one typical street and all the unit prices are in there. So now the unit prices are defined so that from now on, depending on how many streets you do, they have to use those unit prices."

Councilwoman Millet stated, "Thank you very much."

**MOTION:** Councilwoman Usry moved and Councilman Smith seconded the motion to accept administrations recommendation and award the bid for asphalt and street repairs to Coastal Bridge Company. The motion passed with Councilmen Wolfe, Julien and Councilwoman Hotard absent.

Councilman Lee stated, "The next item is proposal awards grass and janitorial and also under that same item would fall Mr. Wolfe's comments on the renewal of the grass cutting and janitorial contracts. Let's take grass and janitorial first."

Councilman Smith stated, "Mr. Lee I know Mr. Wolfe isn't here right now but I have spoken to him about this item. What I would like to do at this time is to make a motion to throw out all proposals and bids and extend the existing contract through May of 2010 on the janitorial and grass cutting services."

Councilman Lee stated, "I also had spoken with Mr. Wolfe as well as basically all council members on this. As your finance chair I accept the responsibility for this, what I would call misunderstanding and confusion as we went out for bids/requests for proposals. The items you may recall council members, was on the agenda. We recognized several minutes before the finance meeting, that being the last one in December that this was done in bid form rather than requests for proposals. At that time administration agreed and honored our requests to put the janitorial and grass cutting services out for requests for proposals. They did that. We made an attempt to make what was an error correct. With that being said, I would like to state my position on this. I have had dialogue with the council members. It was deemed by our attorneys; probably 8-10 years ago, that these were considered professional service contracts hence we could put them out as RFP's. In administration's efforts to put them in a bid form, they actually drew bids specifications and the bid specs were extremely strict, stringent and appeared to be a bid. So they honored the council's request to go out for proposals but the advertisement came out in bid form. A proposal, not to educate my fellow council members they are aware of this but for the public, a bid is a bid it must follow state bid law. A proposal or requests for proposals is just that. The proposer, a company or individuals proposing, puts in a proposal form what they believe that they can do. How they can do a job and how much they will charge. Consequently what was advertised ended up being a hybrid. It was not a RFP and it was not a bid. This council recognized it as well as the administration. The intention was for it to be a RFP. There was

considerable confusion on the proposers, as well as those that considered it a bid. That is why when I opened up my comments I said I take full responsibility. It certainly was not the administration's fault. They did what they considered the proper thing. When we brought it up prior to the meeting that it was to be done in a proposal, it had already been advertised or was prepared for advertising. Again I said it was considerably too specific to be considered a proposal. After talking to our attorneys about it, trying to look for a solution as to not confuse those people and to make sure that it is fair and equitable everybody understands what they are proposing. It was brought to my attention by some council members as well as our attorneys that this would be a way to solve that. Obviously it is something we have been doing for some time. The extension of this through May of 2010 allows a new administration to visit it and hence this was the recommendation that I had made to some of my fellow council members and I believe that they felt the same way I did. We did want this to be fair. We did not want to be misunderstood and there was confusion because of the way it was handled. So I know I have said a lot about this in a short period of time but I felt like it was important that the parish's position be explained on this particular issue."

**MOTION:** Councilman Smith moved and Councilman Lewis seconded the motion to throw out all proposals and bids and extend the existing contracts through May of 2010 on the janitorial and grass cutting services. The motion passed with Councilmen Wolfe, Julien and Councilwoman Hotard absent.

#### **Henry DiFranco - Bid Awards - Water Towers**

Henry DiFranco, Principal Engineering, stated, "On December 22<sup>nd</sup> of 2009 we received four bids for the water storage tank and rehab project. The low bidder was Blastco Texas Inc. with a total bid of \$977,850.00. We recommend the award of this project to Blastco Texas Inc."

**MOTION:** Councilman Lewis moved and Councilwoman Usry seconded the motion to accept the recommendation of the engineer and award the bid for the water storage tank and rehab project to Blastco Texas Inc. The motion passed with Councilmen Wolfe, Julien and Councilwoman Hotard absent.

#### **Paul Oncale - (Tabled 12-22-09) Recommendation on Health, Dental and Life Insurance for career firefighters**

**MOTION:** Councilman Millet moved and Councilman Smith seconded the motion to remove the recommendation on health, dental and life insurance for career firefighters from the table. The motion passed with Councilmen Wolfe, Julien and Councilwoman Hotard absent.

Councilman Wolfe arrived at 6:15 PM

Paul Oncale, Director of Civil Defense, stated, "We went out and sought proposals for the current career fire fighters. Health, dental and life are up for renewal on February 1<sup>st</sup>. After reviewing all proposals received, the selection committee and administration recommends that we renew with Humana Option II for the health, which is a 2.51% increase; the Dental with Humana with a 10% increase and life with Humana, no change. All of this is recommended by the selection committee and administration. To go with this option and to use the Masser group as the agent of record."

Councilman Julien arrived at 6:17 PM

Councilwoman Millet asked, "I ask that you use our lights on this vote."

Councilman Smith asked, "Is there any particular reason and it may not even be possible, why the firefighters can't get on the parish's insurance for health, dental and life?"

Paul Oncale stated, "They can but we separated the career fire fighters from the parish five years ago for a substantial savings to the parish in dollars."

Councilman Smith asked, "So my question is, is it still that way because I have always understood and again I may be wrong but the more people that we have on our plan, the cheaper the plan is."

Paul Oncale stated, "It may be a little bit cheaper but it isn't hardly anything compared to the savings by separating the career fire fighters."

Councilman Smith stated, "As long as you have done your homework. I just want to make sure."

Paul Oncale stated, "No we have been looking at this for five years. The plan we selected is both a win/win situation for the career fire fighters and the tax payers of the parish."

**MOTION:** Councilman Millet moved and Councilman Smith seconded the motion to renew the health, dental and life insurance for career fire fighters with Humana Option II. The motion passed with 6 yeas, 2 abstaining (Lee, Cheryl Millet) and 1 absent (Hotard).

**Dale Wolfe/Pat McTopy - Employee 2% merit increase**

Pat McTopy, Acting Parish President, stated, "There are several of our long term employees that are in step 15, which is the highest pay step in our pay plan. In keeping with past practice they would not get the 2% raise because they are already maxed out. So in keeping with past practice we are asking the council to authorize that these long term employees be given the same treatment as the other employees."

Councilman Wolfe stated, "I would like to make the motion and for it to include there were 3 or 4 jobs advertised, I would like to include those four positions because if we were to pass the 2% those people that are going to be upgraded and hired they would miss out on the 5%. I would like to include those four positions."

Councilman Lee stated, "I will take your motion Mr. Wolfe. We have to get a clarification from our counsel to make sure that it isn't that much of a substantial change that we vote on."

Kerry Brown, Legal Counsel, stated, "I don't see any problem with it."

Councilman Smith stated, "Mr. Wolfe, Mr. Lewis, Mr. McTopy respectfully I am going to vote to give the employees that are maxed out this pay raise. What I would like to request is for administration to set up a meeting with myself and any other council member that would like to be

there, Mr. Lewis along with one of our attorneys. What I would like to do is instead of every year giving a 3% cpi and a 2% pay raise I would like to give the employees an across the board raise, to every employee. The reason I would like to do this is, I will give a quick example if an employee is making \$10.00 an hour, if I give them a 2% raise they are getting a .20 cent raise but then the employee that is making \$20.00 an hour they are getting a .40 cent raise and what that is doing is that is taking that 10 and that 20 and making it bigger and bigger and bigger. What I would like to do is have a meeting so that we can re-do the ordinance, if it is okay with everybody else, to give everyone the same pay raise across the board to all the employees. If administration would set that meeting up and just let me know. Thank you Mr. Wolfe."

Councilman Lewis stated, "I'm glad Mr. Smith brought that up because I had a talk with him before the meeting tonight because I thought it was unfair to the people that wouldn't be getting much. The percentage always made the little guy small and the big person with way more money. It don't look like much but when you look at somebody that is making \$30,000 with a 2% raise is going to get what maybe a \$60.00 raise where somebody making \$70,000 is going to make way more."

**MOTION:** Councilman Wolfe moved and Councilman Smith seconded the motion to authorize administration to give a 2% merit increase raise to all of the long term employees that are maxed out at step 15. The motion passed with Councilwoman Hotard absent.

**Pat McTopy - Authorization to give a 5% increase to Mr. Tom Livingston, Parish ADA Coordinator**

Pat McTopy stated, "The parish ADA Coordinator-the contract was authorized in 2002. Since that time there has been no adjustment to the contract value. We are asking at this time to add a 5% increase to it."

**MOTION:** Councilman Smith moved and Councilman Wolfe seconded the motion to grant administration authorization to give a 5% increase to Mr. Tom Livingston, Parish ADA Coordinator. The motion passed with Councilwoman Hotard absent.

**Joey Murray - Authorization to rebid the Reserve Boat Launch Project in concurrence with new state bid forms**

Joey Murray, Murray Engineers, stated, "I come before you to reject all of the bids that were opened late last year for this project. It came to our attention that when the plans were completed back in July of 2009 it did not include a bid form that was enacted by the legislature to be used starting in the following month. Even though the project was approved, authorized and we had started bidding at that time, when the bids were opened we did not use the state form. Which without the state form the federal funds, which is \$180,000.00 cannot flow through to the parish for this project. What we believe is that the bids that were opened late last year was \$597,000.00 the parish had committed \$500,000.00 to the job but we have federal grant monies that total \$180,000.00 for this project. With that the parish would have returned back to them \$97,000.00 for other projects had we been able to continue. The good news is even though this project is not under construction today if you approve this tonight to go out for bids we can open bids in 30+ days. We believe because of the economic times that we see now we will have greater savings and you will return some additional monies

back for other projects."

Councilman Lee asked, "So what you are asking is for us to reject and rebid the program for the Reserve Boat Launch? Can we take action at one time counsel?"

Kerry Brown stated, "Yes."

Joey Murray stated, "We didn't make any changes to the plans and specifications with the exception of using the new state mandated bid form which allows the federal funds to flow through the Department of Wildlife & Fisheries to St. John Parish."

**MOTION:** Councilman Millet moved and Councilman Julien seconded the motion to grant administration authorization to reject and rebid the Reserve Boat Launch Project. The motion passed with Councilwoman Hotard absent.

**Gerald Babin - Change order #1 for Ruddock 400k ground storage tank**

Gerald Babin stated, "This is a request to approve a contract change order #1 on the storage tank that is being constructed off of Woodland. The total of the change order is \$20,756.00 and it is for miscellaneous items some requested by the Utilities Department and some unforeseen items in construction. So we recommend your approval of this change order."

**MOTION:** Councilman Smith moved and Councilwoman Millet seconded the motion to grant change order #1 in the amount of \$20,756.00 for the Ruddock 400K ground storage tank. The motion passes with 7 yeas, 1 abstaining (Lee) and 1 absent (Hotard).

**Pat McTopy - Authorization to sign amendment to work order #11 for Za Montz Lift station with URS**

Pat McTopy stated, "The Regional Planning Commission paid for the designing services for that lift station. The parish paid for the construction management phase, the bid phase and the resident inspection. As the project was being constructed there were some design changes that were actually undertaken and there were some additional design changes that were considered but were rejected because the contractor wanted a huge amount of money on that additional work. So we are here tonight, Mr. Savoie is recommending this amendment to work order #11, as is administration."

**MOTION:** Councilman Julien moved and Councilman Millet seconded the motion to grant administration authorization to sign the amendment to work order #11 for the Za Montz Lift station with URS. The motion passed with Councilwoman Hotard absent.

**Pat McTopy - Final acceptance and Certificate of Substantial Completion for the Za Montz sewer lift station**

Pat McTopy stated, "This is the same project that we discussed a minute ago. The contractor has completed his work many months ago. The project has been in service during that entire time. We are presently withholding 5% contract retainage on the job and we are asking that we approve these two items so that we can release the retainer."

**MOTION:** Councilman Julien moved and Councilman Wolfe seconded the motion to grant final acceptance and Certificate of Substantial Completion for the Za Montz sewer lift station. The motion passed with Councilwoman Hotard absent.

**Buddy Boe - Authorization to go out for bids on the drainage excavation service contract**

Buddy Boe stated, *"Administration is asking for authorization to go out for bids for a drainage excavation contract. That would allow the parish to spend the funds available to do excavation work in our drainage canals and ditches throughout the parish for the year of 2010 and avoid any public bid law issues by publicly bidding out the contract."*

**MOTION:** Councilwoman Usry moved and Councilman Smith seconded the motion to authorize administration to go out for bids on the drainage excavation service contract. The motion passed with Councilwoman Hotard absent.

**Buddy Boe - Authorization to go out for bids for the Lions Water Plant Expansion as related to the 2009 Bond Issue**

Buddy Boe stated, *"In April of 2009 the voters approved the bond issue that had several million dollars in water system upgrades. Part of that was a two million gallon per day increase at the Lions Water treatment plant in Reserve. That project is at about 95% design. We would like to have the authorization in hand so that when the project is completely designed we can go immediately out for bid."*

**MOTION:** Councilman Millet moved and Councilman Julien seconded the motion to grant administration authorization to go out for bids for the Lions Water Plant Expansion as related to the 2009 Bond Issue. The motion passed with Councilwoman Hotard absent.

**Buddy Boe - Authorization to renew the contract with Pyrotechnics for the 4th of July celebration**

Buddy Boe stated, *"This is a renewal of an agreement that the parish had last year with the company that performs the fireworks show on the 3rd of July. The fee has remained the same. If approved tonight we can capture that same price for the second year in a row. So we are asking for authorization to host this event once again."*

Councilman Wolfe asked, *"What is the price?"*

Buddy Boe stated, *"\$30,000.00."*

**MOTION:** Councilman Millet moved and Councilman Smith seconded the motion to grant administration authorization to renew the contract with Pyrotechnics for the 4th of July celebration. The motion passed with Councilwoman Hotard absent.

**Any and all other financial concerns**

There were no other financial concerns.

**Adjournment**

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