

**FINANCE COMMITTEE MINUTES**  
**November 8, 2011**  
**Chairman Steve Lee**  
**Vice-Chairman Charles Julien**

Members: Haston Lewis, Danny Millet, Charles Julien, Jaclyn Hotard, Darnel C. Usry, Cheryl Millet, Lucien Gauff, III, Ronnie Smith, Steve Lee

**PRESENT:** Lucien Gauff, III, Haston Lewis, Charles Julien, Steve Lee, Ronnie Smith, Jaclyn Hotard

**ABSENT:** Darnel C. Usry, Cheryl Millet & Danny Millet

**BID OPENING REPORT/AWARDS:**

**Brenda Labat - Bid Opening - Street lighting fixtures and supplies parish-wide**

Brenda Labat, Director of Purchasing, stated, "We opened bids today on street lighting fixtures and supplies. There are about 10-12 items. I won't give all the details but we had two bidders Nu-lite Electrical Wholesalers out of Harahan and NotoCo Industries. The administration recommends to take these under advisement."

**MOTION:** Councilman Julien moved and Councilman Smith seconded the motion to take the bids for street lighting fixtures and supplies parish-wide under advisement. The motion passed with Councilwomen Usry & Cheryl Millet and Councilman Danny Millet absent.

**Brenda Labat - Authorization to advertise for a Hydraulic Track Excavator for the Public Works Department**

Brenda Labat stated, "The council authorized issuance of a Certificate of Indebtedness for equipment purchases for the public works department in 2010 and this is the last item requested."

**MOTION:** Councilwoman Hotard moved and Councilman Smith seconded the motion to grant administration authorization to advertise for a Hydraulic Track Excavator for the Public Works Department. The motion passed with Councilwomen Usry & Cheryl Millet and Councilman Danny Millet absent.

**Brenda Labat - Authorization to reject bids submitted for the East Bank Government Complex Lighting Fixtures under advice of legal counsel as the two bids exceed available funding**

Brenda Labat stated, "Under the advice of legal counsel, Administration requests authorization to reject all bids as they exceed the budgeted amount for the project by more than \$100,000 (budgeted amount of \$324,000)."

Councilman Smith asked, "Where are we getting these cost estimates? Who is giving us these cost estimates?"

Brenda Labat stated, "That came from Murray Architects. They work up the specifications and the cost."

Councilman Smith stated, "I guess my question is if we are paying these people the kind of money that we are paying them to give us these estimates, how can they be \$120,000.00 over bid. Nothing on administration I just think they need to look at these estimates a little closer so that we don't have to go through all of this for nothing because now we are going to have to rebid and everything else and go through this all over again."

Councilwoman Hotard stated, "I just wanted to add something, Ronnie with this specific bid and Brenda correct me if I am wrong, it is not only because they exceeded the budget amount. The grant was for light fixtures on the East Bank Government Complex which isn't built. The grant doesn't allow you to store the light fixtures so we had to reject the bids anyway."

Councilman Smith stated, "I understand that but then we shouldn't have even went through the whole process of bidding this problem out if the building wasn't going to be ready for the lights."

Brenda Labat stated, "The reason for the reject is because of the over bidding. Those remarks are incidental for what is going on."

**MOTION:** Councilman Smith moved and Councilman Julien seconded the motion to grant administration authorization to reject bids submitted for the East Bank Government Complex Lighting Fixtures under advice of legal counsel as the two bids exceed available funding. The motion passed with 5 yeas, 1 abstaining (Hotard) and 3 absent (Usry, Cheryl Millet and Danny Millet).

**Theresa Rodgers - Authorization to execute a contract amendment for Royal Engineers & Consultants for permitting of seven (7) additional canals**

Theresa Rodgers, CAO, stated, "Administration requests authorization to amend the current contract with Royal Engineers & Consultants to include permitting of the following seven (7) canals: Guss Road Canal, Dugas Canal, George Cousin Canal, Gason Canal, East End Canal, Ben Canal, and Company Canal. The amended contract is for an amount not-to-exceed \$30,548.00 and will extend the term through December 31, 2013."

**MOTION:** Councilman Gauff moved and Councilman Julien seconded the motion to grant administration authorization to execute a contract amendment for Royal Engineers & Consultants for permitting of seven (7) additional canals. The motion passed with Councilwomen Usry & Cheryl Millet and Councilman Danny Millet absent.

**Theresa Rodgers - Authorization to sign the Fiscal Agent Contract amendment acknowledging the acquisition of Omni Bank by Iberia Bank and listing Iberia Bank as the contracting party**

Theresa Rodgers stated, "Omni Bank, one of the parish's fiscal agents, was acquired by Iberia Bank and as such, administration requests authorization to amend the contract to reflect the change in contracting party."

Councilman Lee asked, "This is the only amendment is the change of name there are no other changes in the contract. Also if you have it available what is the time period remaining on that contract."

Theresa Rodgers stated, "The contract ends 2013."

**MOTION:** Councilman Smith moved and Councilman Gauff seconded the motion to grant administration authorization to sign the Fiscal Agent Contract amendment acknowledging the acquisition of Omni Bank by Iberia Bank and listing Iberia Bank as the contracting party. The motion passed with Councilwomen Usry & Cheryl Millet and Councilman Danny Millet absent.

Councilwoman Cheryl Millet arrived at 6:16 PM.

**Theresa Rodgers - Authorization to execute Change Order No. 1 with Shread-Kurykendall & Associates Inc. in the amount of \$67,870.07 for the Persimmon Street/St. Joan of Arc area drainage improvements project**

Theresa Rodgers stated, "Clarification - Administration requests authorization to execute Change Order No. 1 with Command Construction, LLC, for the Persimmon Street/St. Joan of Arc drainage improvements project. This change order in the amount of \$67,870.07 includes the purchase and installation of 5 additional valves, a 12" water line offset and relocation, removal and replacement of surrounding asphalt roadway and the addition of (7) calendar days to the contract time. The project was designed by N-Y Associates, Inc. under the direction of Shread-Kurykendall & Associates Inc., and Parish Engineer, C.J. Savoie. Liability for the additional cost due to the required change is under review by legal counsel."

Councilman Lewis asked, "What is under study by legal counsel that there is a problem with?"

Theresa Rodgers stated, "Well Mr. Haston our feeling is that we encounter additional cost as projects are underway and we understand that you cannot know every specific detail especially when you start digging underground as projects progress. We feel that potentially we want to make sure that every aspect is examined in the design phase and that if there is an error in that design phase that we explore all possibilities."

Councilman Lewis asked, "Why don't we wait until we find out what happens with the change order?"

Natalie Robottom stated (from her chair so not audible) but that the project needed to move forward.

Councilman Gauff stated, "I'm not sure. I know just from the sight of it we walked out here numerous times and it just seems like the 12-inch waterline was almost visible without even knowing what was underground. It was visible to the naked eye it seemed. We knew we were going to have to move this line. So I am wondering why we have to do the change order. It seems like that should have been in the initial projection but I agree we do need to do this and continue with the project to keep it moving along for our constituents and the people in the area but some of these mistakes we have to minimize or stop."

Councilman Lewis asked, "I have another problem. This job, according to the paper, was supposed to start construction on the 20<sup>th</sup> of October and nothing happened. Now we have equipment or the contractor has equipment sitting out there and this job is not going on the day it is supposed to. Who is going to pay for the equipment sitting out there? Sooner or later someone is go to come out here and ask who is at fault for the job not starting is it the parish? Where are we going to stop at?"

Natalie Robottom stated, "We had a couple of options there. It was my understanding that the council wanted to approve change orders before we moved forward with them. So we couldn't move forward with that aspect of the project even though it was really just to identify the final solution last week. We knew we were coming before the council so there was a delay. In addition to the changes with regards to the valves and the piping there is also a seven day contractual addition in days for this project. However without the authorization from the council we didn't decide to move forward. So there was a slight delay there. I think we are attempting to be fiscally responsible with the tax payer's dollars. This is a project that is required and regardless of if we do it this week or next week we had to come up with an alternate solution for installing the pumps. What we do want to continue to pursue is looking at ways of adding contingency funding or adding ways of making some requirements on our end to identify lines."

Councilwoman Hotard asked, "When will the actual water line be offset and located?"

Natalie Robottom stated, "We are waiting for approval of this. There are some circumstances that have to be accounted for in that move and we are going to be relying on our staff as well as the engineers involved to make that decision."

Councilwoman Hotard asked, "So how long do you think before and the reason I am asking is because I don't feel comfortable approving the change order this way and again this is part of my district also but I have spoken with the parish engineer and I have had some dialogue with the contractor and I have done some homework myself and it isn't really clear as to who is responsible for this. While we don't want to hold it up and cost unnecessary dollars to the tax payers, it is just not a comfortable situation to go ahead and approve paying for something when we are not really clear on who is liable for it and if it is a line that has to be replaced next week that is one thing but if it is not something that is going to happen within the next two weeks."

Natalie Robottom stated, "Oh no. We are actually holding it up. It needs to be done. We are not necessarily going to pay for it right now. You are approving the work to do it. We still have a large amount of dollars left in the project. So we have the time and the funding available to do that but if it is not our responsibility then we surely are going to have some shared cost. The project is ready to be started."

Councilwoman Hotard asked, "Is there anyway that we can amend this change order to make it contingent upon our legal counsel determining liability?"

Natalie Robottom stated, "That isn't what we are asking, regardless of who is liable the project has to be moved. It is not an option to not move it. So we are asking that the project be allowed to continue then the decision and recommendation made based on who will pay for it before the project is brought back to you. You know at the end when the projects are concluded when we accept any final changes there whether it is a deduct or an addition can take place at that point. So we feel we have the time to resolve who is actually responsible but we need to move forward with the project."

Councilwoman Hotard asked, "Has the engineer, have you had contact, I have spoken with Chuck Savoie have they acknowledged any liability on this themselves?"

Natalie Robottom stated, "Our legal counsel is reviewing and the contract documents, all that was signed in those agreements and will make a recommendation accordingly."

Councilwoman Hotard asked, "So at this time the engineer has not accepted any of the liability for this?"

Natalie Robottom stated, "That decision hasn't been reached for anybody involved in the project, the parish or the engineers, bonding engineers and Tom is looking at that for us."

Councilman Smith asked, "Mrs. Robottom you said we do have the money to pay for this?"

Natalie Robottom stated, "Yes we do."

Councilman Julien stated, "I would only like to say that for the individuals in that particular district we just need to try to move forward with the project if the money is there then we move and deal with it later. I will support it."

Councilman Lee stated, "I would like to thank the administration. It perhaps caused a little confusion but what they are telling this council and the public is that it is their intention to determine true business recourse as to who is responsible. We do this. We make change orders and administrations over the last twenty years plus years. This is part of a normal business action. I appreciate the fact that this administration is telling us that they see an issue here and that they are going to do something about it and that is research to find out whose fault it is. It is called business recourse. Thank you for bringing that to our attention."

**MOTION:** Councilman Gauff moved and Councilman Smith seconded the motion to grant administration authorization to execute Change Order No. 1 with Shread-Kurykendall & Associates Inc. in the amount of \$67,870.07 for the Persimmon Street/St. Joan of Arc area drainage improvements project. The motion passed with Councilwoman Usry and Councilman Danny Millet absent.

**Theresa Rodgers - Authorization to execute Change Order No. 1 with BLD Services, LLC in the amount of \$14,970.00 for the Riverlands Drainage Improvement Project**

Theresa Rodgers stated, "Administration requests authorization to execute Change Order No. 1 with BLD Services, LLC in the amount of \$14,970.00 for the Riverlands Drainage Improvement Project. The change order includes directional drilling of a power line for the relocation of a control panel. The project remains within the originally budgeted amount of \$1,400,493."

**MOTION:** Councilman Smith moved and Councilman Gauff seconded the motion to grant administration authorization to execute Change Order No. 1 with BLD Services, LLC in the amount of \$14,970.00 for the Riverlands Drainage Improvement Project. The motion passed with 5 yeas, 2 absent (Usry & Danny Millet) and 2 abstaining (Lee & Hotard).

**Theresa Rodgers/Kathy Gilmore - Authorization to make Insurance premium payment of \$5,000.00 to Englade-Boudreaux/Waguespack Insurance Agency for the 2011 Festival of the Bonfires**

Theresa Rodgers stated, "Administration requests removal of this item."

**Any and all other financial concerns**

There were no other financial concerns.

**Adjournment**

**MOTION:** Councilwoman Millet moved and Councilman Gauff seconded the motion to adjourn. The motion passed with Councilwoman Usry and Councilman Danny Millet.