

2020 Regular Session

SENATE BILL NO. 390

BY SENATOR PETERSON

LOCAL AGENCIES. Provides relative to the public water system, the public sewerage system, and the public drainage system of the city of New Orleans. (gov sig)

1 AN ACT

2 To amend and reenact R.S. 33:4071(A)(1)(e), 4084(A)(1)(b) and (2) and (E), 4085(A) and  
3 (B), and 4090, and to enact R.S. 33:4084(A)(1)(c), relative to the Sewerage and  
4 Water Board of New Orleans; to provide relative to the board; to provide for the  
5 purchase of supplies and machinery and equipment; to provide for the letting and  
6 bidding of public contracts over a certain amount; to provide relative to the costs of  
7 the installation of connections and subsequent work; to provide for reports of board;  
8 to provide relative to exemptions related to the Orleans Parish School Board; and to  
9 provide for related matters.

10 Notice of intention to introduce this Act has been published.

11 Be it enacted by the Legislature of Louisiana:

12 Section 1. R.S. 33:4071(A)(1)(e), 4084(A)(1)(b) and (2) and (E), 4085(A) and (B),  
13 and 4090 are hereby amended and reenacted and R.S. 33:4084(A)(1)(c) is hereby enacted  
14 to read as follows:

15 §4071. Creation and organization of sewerage and water board

16 \* \* \*

17 A.(1) \* \* \*

\* \* \*

(e) The members appointed pursuant to Subparagraphs (c) and (d) of this Paragraph shall include one citizen from each of the five ~~council-manic~~ **councilmanic** districts within the city of New Orleans. In addition, two of the appointments shall be consumer advocates with community advocacy or consumer protection experience or experience in a related field, ~~and one of the appointments shall be a retired civil engineer.~~

\* \* \*

§4084. Purchase of supplies; machinery and equipment; emergency purchase; preference to home merchants

A.(1) \* \* \*

(b) **However, purchases of ten thousand dollars or more, but not more than thirty thousand dollars, shall be made by obtaining not less than three quotes by telephone, facsimile, email, or any other electronic form. If telephone quotes are received, a written confirmation of the accepted offers shall be obtained and made a part of the purchase file. If quotations lower than the accepted quotation are received, the reasons for their rejection shall be recorded in the purchase file.**

(c) No such purchases shall be made except as provided in this Part.

(2) The advertisement required by this Section shall be **in accordance with R.S. 38:2212.1(B)** ~~published at least three times during a ten-day period calling for bidders, in the official journal of the city of New Orleans, the first advertisement to appear at least fifteen days before the opening of bids.~~

\* \* \*

E. In the event of extreme emergencies, **or an imminent extreme emergency,** including but not limited to fires, storms, floods, and other disasters, **whether natural or man-made,** necessitating major repairs or replacement of equipment and machinery, the executive director or the general superintendent of the board may purchase the necessary machinery, equipment, and materials and furnish

1 the necessary labor to make all necessary emergency repairs and replacements  
2 without the formality of advertising for bids. Such purchases may be made without  
3 limitation as to cost and without regard as to the designation or source of the funds  
4 collected, invested, or maintained by the board.

5 §4085. Construction work; letting contracts

6 A. The Sewerage and Water Board of New Orleans may do construction  
7 work on its public systems of water, sewerage, and drainage, with its own forces in  
8 those cases where the amount of work involved in the particular project does not  
9 exceed a total value of one hundred fifty thousand dollars **the annual amount in**  
10 **accordance with R.S. 38:2212.**

11 B.(1) **For all public works contracts where the amount of the contract**  
12 **exceeds the limit in accordance with R.S. 38:2212, the Sewerage and Water**  
13 **Board of New Orleans shall let the contract to the lowest responsible and**  
14 **qualified bidder after advertising as required by R.S. 38:2212.** For all contract  
15 work where the amount involved in the project is a sum in excess of ten thousand  
16 dollars, the Sewerage and Water Board of New Orleans shall let same out by contract  
17 to the lowest responsible and qualified bidder by sealed proposals after at least six  
18 notices during a fifteen-day period calling for bidders, in the official journal of the  
19 city of New Orleans, on detailed plans and specifications approved by the board on  
20 file in the office of the board to be furnished to prospective bidders on application.  
21 The specifications shall always be that the contractor shall give bond with some  
22 surety company authorized to do business in New Orleans in an amount not less than  
23 one-half of the amount of the contract for the faithful performance of his contract.  
24 However, for contracts involving an amount less than fifty thousand dollars, the  
25 provisions of R.S. 38:2219(A)(3) shall apply.

26 (2) **All bidders bidding on public works for the Sewerage and Water**  
27 **Board of New Orleans shall submit all bid forms required by statute or by the**  
28 **Louisiana Administrative Code to the governing authority of the Sewerage and**  
29 **Water Board of New Orleans prior to the opening of all bids relative to a**

1 contract for public works in accordance with R.S. 38:2212(B)(3)(a). In all such  
 2 contracts, regardless of the amount, which require or involve the employment of  
 3 mechanics or laborers the specifications shall contain a provision stating the  
 4 minimum wages to be paid various classes of laborers and mechanics which shall be  
 5 based upon the wages that will be determined by the secretary of the Department of  
 6 Labor of the United States to be the prevailing wage of the corresponding classes of  
 7 laborers and mechanics employed on projects of a character similar to the contract  
 8 work within the city of New Orleans.

9 ~~(3) Bids for work may require the bidders to attach a bid bond or a certified~~  
 10 ~~check for not more than five percent of the contract price of work to be done, as an~~  
 11 ~~evidence of good faith of the bidder. The board may publish other necessary notices~~  
 12 ~~and calls for bids.~~

13 ~~(4) In every case the board may reject all bids and readvertise for new bids,~~  
 14 ~~and informalities may be waived in the interest of the board.~~

15 \* \* \*

16 §4090. Apportionment of cost of connections with mains; making connections

17 A. For any individual lot of record, the property owner shall bear all  
 18 costs, inclusive of meter boxes, for initial connections extended from the sewer  
 19 and water main to the property line. Any additional costs from the property line  
 20 to on-site facilities including but not limited to expanded connections or new or  
 21 additional meter boxes, shall be installed and maintained at the cost of the  
 22 property owner. ~~For a lot of record which existed prior to 1954, one sewer~~  
 23 ~~connection and one water connection extending from the respective main to the~~  
 24 ~~property line shall be installed by and at the expense of the board, and from that~~  
 25 ~~point on, each shall be made at the cost and expense of the owner of the property.~~

26 B. Each owner may contract with a licensed plumber in the state of  
 27 Louisiana for the installation of connections and any subsequent work, but all  
 28 such work shall be subject to the regulation, inspection, and control of the  
 29 board. ~~For all lots created after 1954, the property owner shall bear all costs,~~

1 ~~inclusive of meter boxes, for connections extended from the sewer and water main~~  
 2 ~~to the property line. Any additional costs from the property line to on-site facilities~~  
 3 ~~shall be installed and maintained at the cost of the property owner.~~

4 C. In the event that the board performs physical work that causes a  
 5 disruption of the water or sewer connection from the main to the property line,  
 6 including but not limited to proactive repairs, moving or replacing a meter box,  
 7 or replacing a lead water line, the board shall bear the cost of repairing the  
 8 disrupted connection. Each owner may contract for the putting in of all connections  
 9 with which he is chargeable, but all such work shall be done under the rules and  
 10 regulations, and subject to the inspection and control of the board. The board shall  
 11 take separate bids from contractors for making a property holder's connections,  
 12 leaving to each property holder the right to require the work on his premises to be  
 13 done by the contractor at the bid price, or to employ someone else for that purpose.

14 D. For lots of record developed in compliance with the voluntary  
 15 inclusionary zoning provisions of the city comprehensive zoning ordinance, as  
 16 certified by the director of the Department of Safety and Permits, the board  
 17 shall bear the cost of the initial connections from the sewer and water main to  
 18 the property line. All other provisions of this Section shall remain in effect.

19 Section 2. This Act shall become effective upon signature by the governor or, if not  
 20 signed by the governor, upon expiration of the time for bills to become law without signature  
 21 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If  
 22 vetoed by the governor and subsequently approved by the legislature, this Act shall become  
 23 effective on the day following such approval.

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The original instrument was prepared by James Benton. The following digest, which does not constitute a part of the legislative instrument, was prepared by Christine Arbo Peck.

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DIGEST

SB 390 Reengrossed                      2020 Regular Session                      Peterson

Present law provides for the Sewerage and Water board of New Orleans "board" to be composed as follows:

- (1) The mayor.

- (2) The chair of the Public Works, Sanitation and Environment Committee of the New Orleans City Council, a member of the committee appointed by the chair, or a civil engineer appointed by the chair. Any member appointed by the chair shall serve at the pleasure of the chair.
- (3) Two syndicate members of the board of liquidation, city debt, to be appointed by the mayor on the recommendation of the board of liquidation, city debt.
- (4) Seven citizens, to be appointed by the mayor, with the advice and consent of the city council from a list of nominees submitted by the Sewerage and Water Board Selection Committee.

Present law provides that the members appointed pursuant to (3) and (4) above shall include one citizen from each of the five council manic districts within the city of New Orleans. In addition, two of the appointments shall be consumer advocates with community advocacy or consumer protection experience or experience in a related field, and one of the appointments shall be a retired civil engineer.

Proposed law retains present law but eliminates the mandate that one of the appointments to the board must be a retired civil engineer.

Present law requires the advertisement and letting of a contract when the board purchases materials or supplies exceeding \$30,000 for the conduct, operation, maintenance, and repair of its systems.

Proposed law retains present law and provides that purchases of \$10,000 or more but not more than \$30,000, must be made by obtaining at least three quotes by telephone, facsimile, email, or any other printable electronic form. Proposed law further provides for a written confirmation of the accepted offer must be obtained and made a part of the purchase file.

Present law provides for the board to do construction work on its public systems with its own forces when the amount of work involved in the project does not exceed a total value of \$150,000.

Proposed law retains present law but changes the contract limit at which projects must go to bid to the same limit as state projects which is tied to the Consumer Price Index. Current contract limit requiring public bid is \$161,550.

Proposed law authorizes the board to contract with the lowest bidder after advertising for all public works contracts exceeding the legal limit.

Present law provides for the board to install and pay the cost to connect one sewer connection and one water connection extending from the respective main to the property line and from that point on, each must be made at the cost and expense of the owner of the property for a lot of record which existed prior to 1954.

Present law requires the property owner for all lots created after 1954, to bear all costs for connections extended from the sewer and water main to the property line, and any additional costs from the property line to on-site facilities must be installed and maintained at the cost of the property owner.

Proposed law provides that each property owner may contract with a licensed plumber in the state of Louisiana for the installation of connections and any subsequent work, however all such work shall be subject to the regulation, inspection, and control of the board. Proposed law further provides that if the work is performed by the board and a disruption of the water or sewer connection from the main to the property line is caused, the board will bear the cost of repairing the disrupted connection.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 33:4071(A)(1)(e), 4084(A)(1)(b) and (2) and (E), 4085(A) and (B), and 4090; adds R.S. 33:4084(A)(1)(c))

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Local and Municipal Affairs to the original bill

1. Removes provisions relative to quarterly reports.

Summary of Amendments Adopted by Senate

Senate Floor Amendments to engrossed bill

1. Makes technical changes.