



## Letter from SWBNO Regarding Power Complex Funding

March 19, 2024

Dear Honorable Councilmembers,

We understand you are in receipt of a letter from Mayor Cantrell outlining a funding challenge that has recently come to light and could impact the delivery time of the Power Complex.

As the Mayor indicated, the Sewerage and Water Board of New Orleans (SWBNO) publicly bid all Power Complex projects in accordance with Louisiana public bid law and openly advertised this opportunity, which was the installation and commissioning of the equipment that we purchased.

Jacobs Engineering prepared the bid specifications and an engineering opinion of probable cost as they have many times in the past. SWBNO proactively contacted 15 firms during the pre-bid period that expressed interest in the project. While six firms attended the initial pre-bid meeting, we received only one bid consisting of two companies in a joint venture.

The resulting bid amount was far greater than anticipated—an additional \$20 million more than estimated. However, we will not know the specifics on the price differences until we are able to analyze the bid sheet once the bid is accepted.

After careful examination, it is the staff's intent to bring the bid to the Board for consideration as submitted. While we could re-bid, there is no guarantee a second round would garner multiple bids for the project, and it could negatively and financially impact the construction schedule.

Therefore, on behalf of the Board of Directors, I ask for your support of the administration's resolution to bridge our funding gap and allow us to maintain our ambitious timeline to complete this critical project. We appreciate your leadership and collaboration on continued solutions regarding SWBNO's fragile infrastructure in the face of future stormwater threats.

With best regards,

Lynes R. Sloss  
President Pro Tem and Finance Committee Chair  
Sewerage and Water Board of New Orleans