

School Construction Industry Connection

Rebuilding Orleans Parish Schools

Schools Rebuilding DBE Newsletter • Volume 1 • Issue 4 • April 2014

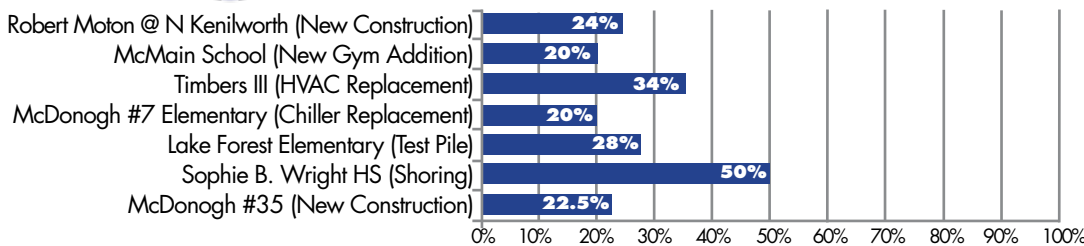
Lake Forest Elementary School



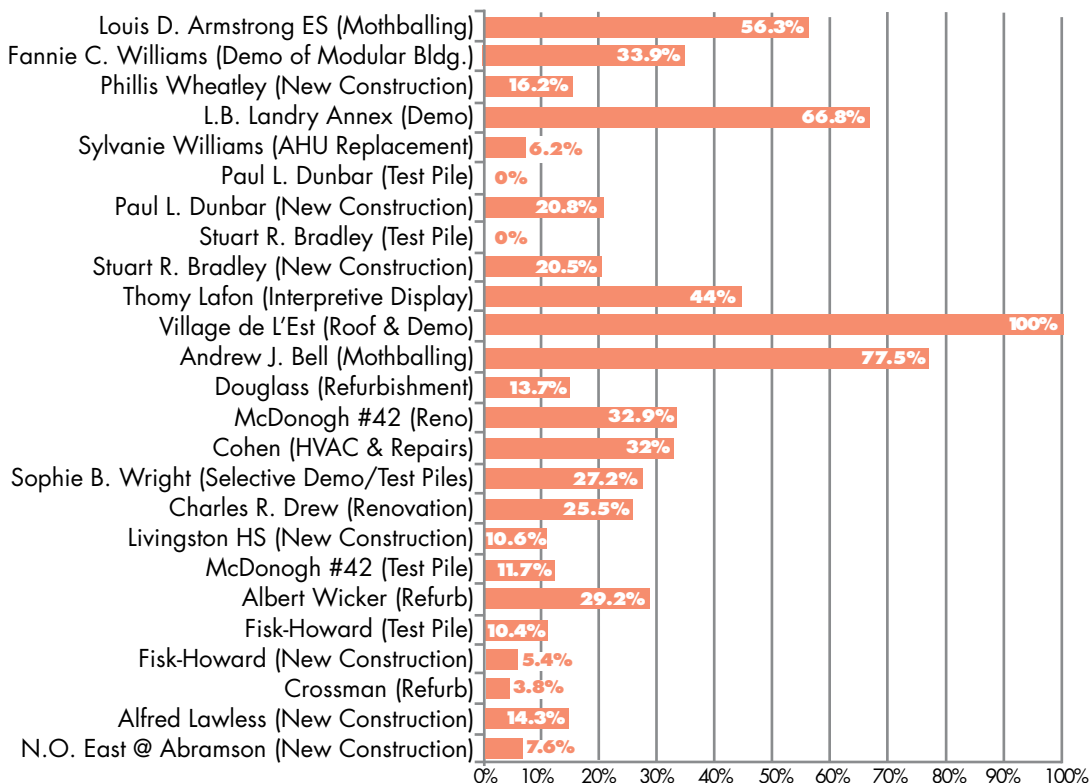
In the two charts displayed below, the OPSB and RSD offer information, as of March 31, 2014, pertaining to the percentage of DBE participation in projects under construction.



OPSB Percentages of DBE Participation



RSD Percentage of DBE Participation



Making the Connection

The OPSB and RSD are taking additional measures to connect with Disadvantaged Business Enterprises (DBE's) to increase their participation in the various school projects. Both organizations understand the critical role these companies play in building sustainable communities and want to support their continued growth.

OPSB DBE Monthly Summary

New & Renovations:

DBE Contractors secured subcontracts on 6 projects as of March 31, 2014. The DBE subcontracts value is \$46,610,783 of the \$176,590,360 total of awarded contracts.

Stabilization/Demolition/Mothballing:

DBE Contractors secured subcontracts on 2 projects as of March 31, 2014. The DBE subcontracts value is \$296,520 of the \$902,999 total of awarded contracts.

Total Amount of Contracts Executed to Date: \$177,493,359

RSD DBE Monthly Summary

New & Renovations:

DBE Contractors secured subcontracts on 15 projects as of March 31, 2014. The DBE subcontracts value is \$35,571,288 of the \$227,677,077 total of awarded contracts.

Stabilization/Demolition/Mothballing:

DBE Contractors secured subcontracts on 10 projects as of March 31, 2014. The DBE subcontracts value is \$4,093,581 of the \$13,882,920 total of awarded contracts.

Total Amount of Contracts Executed to Date: \$241,559,997

Contained within this newsletter is information, along with important tips and resources to get you connected.

Surety Bonding an Overview

What is a surety bond?

A construction surety bond is a promise to pay one party (the obligee/owner) a certain amount if a second party (the principal/contractor) fails to meet some obligation, such as fulfilling the terms of a construction contract.

Bonds are typically required for federal government projects by the Miller Act and state or local government projects under "little Miller Acts". Construction surety bonds fall into three categories:

1. **Bid Bond:** Ensures the bidder on a contract will enter into the contract and furnish the required payment and performance bonds if awarded the contract.
2. **Payment Bond:** Ensures suppliers and subcontractors are paid for work performed under the contract.
3. **Performance Bond:** Ensures the contract will be completed in accordance with the terms and conditions of the contract.

Why do you need a surety bond?

First, it is a requirement – at least on most publicly bid projects. If you can not supply the project owner with bonds, you can not bid on the job. Also, by providing a surety bond, you are telling an owner that a surety company has reviewed the fundamentals of your construction business, and has decided that you're qualified to bid a particular job.

Are you bond-worthy and can you prove it?

Before a surety company agrees to write a construction bond, it pre-qualifies the contractor. After it writes a bond, the surety monitors the contractor's performance. Here are some of the main documents surety companies use to measure a construction firm's strength:

Financial information

- Annual financial statements (at least 3 years)
- Current tax returns
- Personal financial statements for company owners. Financial interactions with the company are particularly important to detail

Company information

- An organizational chart showing employees and responsibilities (Resumés of principals and key employees)
- Description of the firm's cost accounting system
- Management policies and controls for monitoring job performance
- A business plan summarizing the firm's specialties, markets and prospects for growth and profitability (A business plan

should also speak to what happens if the principal dies or is incapacitated)

- References

Banking and insurance information

- Bank letter, showing history of relationship and balances
- Evidence of a bank line of credit
- Certificate of liability insurance

Job information

- Contract
- Bid results
- Job history





James Washington



Lonnie Hewitt

Architects of Success

How Two Men Became Builders

By Sedrick Alphonzo

With 36 years of business acumen and experience, Hewitt-Washington and Associates is one of the leading African-American Architectural firms in New Orleans.

The principals, Lonnie Hewitt and James Washington, are currently developing the design and building plans for the new Booker T. Washington High School in uptown New Orleans.

The two men met as they both enrolled in the architectural program at Southern University at Baton Rouge and became classmates. They often competed vigorously and through this process developed a level of mutual respect for each other. Upon graduation, each found employment and were confronted with different draft circumstances during the Vietnam War. In 1970, they worked for the firm of Perkins & James Architects, the oldest black architectural firm in New Orleans. After seven years of long hours and continued study, they gave birth to Hewitt Washington and Associates in January 1978.

Since that time, the company has steadily grown and has been actively engaged in diverse projects including the Audubon Aquarium of the Americas, Ernest N. Morial Convention Center Phase III

Expansion, New Orleans Pelicans Basketball Arena and numerous school redevelopments. Currently, Hewitt Washington is the lead architect for the Booker T. Washington replacement school through the Schools Rebuilding Project. This \$57 million project

offers depth and complexity due to its historical designation and requires both replacement and renovation. It's a job that fits perfectly within the company's ability, having already completed school

projects in East Baton Rouge, St. John the Baptist, St. Charles, Ascension, Jefferson, and Orleans parishes.

Despite their tremendous success, they acknowledge the numerous roadblocks, challenges and obstacles faced by Disadvantage Business Enterprises (DBE). In fact, their company originated, grew and expanded long before the term 'DBE' was coined and they have had to do it using the lifelong principals of hard work and commitment. "In any business you have to invest time and know what products you are going to deliver," said Washington. "It only takes one bad product to wipe out the good reputation you've earned from your previous work. Similar to show business, you're only as good as your last performance."

Hewitt advises that DBE's identify a niche. "I would encourage individuals to find something that they

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"I would encourage individuals to find something that they can do well, an area where they can become expert. Then, they should start where they are able to gain credibility and be mindful not to overreach. At the end of the day, you have to produce."

— Lonnie Hewitt

continued on page 4

can do well, an area where they can become expert. Then, they should start where they are able to gain credibility and be mindful not to overreach. At the end of the day, you have to produce.”

Both men cited the lack of access to financial resources as a major impediment to doing business, particularly lines of credit. They discussed how waiting for payment while still being responsible for labor, equipment and materials can cripple an operation. As a result, they have had to ‘dig into their own pockets’ just to keep projects going, a fact which speaks loudly to their commitment. “As business owners,

we have had to make many sacrifices, both financial and emotional,” commented Hewitt. “We’ve been fortunate to come out ahead.”

In addition to being one of the oldest African American firms in the state of Louisiana, they have proudly trained and provided internship opportunities to more young Black professionals in the field of architecture than any other firm. Washington sees their next challenge as “making it to forty years in business.” Considering all that they have been through and all they have accomplished, he concluded by saying “failure is not an option!”

Advertisement & Bid Information

John F. Kennedy Modular Demolition

- 1ST Advertisement (The Times-Picayune): April 9, 2014
- Pre-Bid Conference: April 24, 2014 at 9:00 a.m.
- Bid Date: May 7, 2014 at 2:00 p.m.

Lusher (Fortier) High School Refurbishment –OPSB Project

- 1ST Advertisement (The Times-Picayune): April 16, 2014
- Pre-Big Conference: May 1, 2014 at 9:00 a.m.
- Bid Date: May 21, 2014 at 2:00 p.m.

Ernest “Dutch” Morial School

- 1ST Advertisement (The Times-Picayune): May 7, 2014
- Pre-Bid Conference: May 22, 2014 at 11:00 a.m.
- Bid Date: June 11, 2014 at 2:00 p.m.

Sophie B. Wright High School

- 1ST Advertisement (The Times-Picayune): May 14, 2014
- Pre-Bid Conference: May 29, 2014 at 11:00 a.m.
- Bid Date: June 18, 2014 at 2:00 p.m.

Warren Easton High School – Refurbishment (OPSB)

- 1ST Advertisement (The Times-Picayune): May 7, 2014
- 2ND Advertisement (The Times-Picayune): May 14, 2014
- 3RD Advertisement (The Times-Picayune): May 21, 2014
- Pre-Bid Conference: May 22, 2014 at 10:00 a.m.
- Bid Date: June 11, 2014 at 2:00 p.m.

NOTE: Complete bid advertisement for RSD projects will be available on the Louisiana Procurement and Contract Network (LaPAC - <http://www.prd1.doa.louisiana.gov/OSP/LaPAC/dspBid.cfm?search=department&term=14>) on the first advertisement date listed.

Complete bid advertisement for OPSB projects will be available on the Orleans Parish School Board’s website (OPSB.US/SOLICITATION)

Unless otherwise noted, all Pre-Bid Conferences are held at:
Jacobs/CSRS Program Management, 909 Poydras St., Suite 1200, New Orleans LA 70112

Design-Build Procurement

An Opportunity for DBE Contractors



In 2010 the Louisiana State Legislature approved four (4) school construction projects (Carver and Karr high schools, and Sherwood Forest and Habans elementary schools) to be awarded under Design-Build procurement guidelines.

In addition to low bid, the Design Build standards allow the Orleans Parish School (OPSB) and the Recovery School District (RSD) to evaluate additional information in selecting companies for projects.

To evaluate those four projects, the OPSB and the RSD will look at DBE participation, a company's work history, experience, and their compliance with regulations such as safety and neighborhood interaction before selecting a general contractor.

On March 22nd of this year, the RSD and OPSB, with assistance from the Urban League, invited DBE sub-contractors to meet and present their qualifications to the general contractors who are "short-listed" for the four school projects (Photos from that event are included on this page). More than 125 DBE companies participated.





McCain Secondary School

DBE Team

Publisher's Corner

This bi-monthly newsletter "School Construction Industry Connection" is a publication created by the School Rebuilding Disadvantaged Business Enterprise (DBE) Team. The DBE Team meets weekly to review, plan and advocate for DBE and local involvement in rebuilding the public schools of New Orleans.

The newsletter is intended to provide a transparent look at the level of local and DBE involvement in school rebuilding. We will provide updates on DBE involvement in each construction project, information on upcoming construction bids, contact information on resource providers, a feature story on a successful DBE contractor, and commentary on policy initiatives to enhance DBE participation.

We encourage you to circulate the newsletter to people in the industry who benefit from this information.

We welcome your critique, feedback and any helpful information that can enhance our efforts.

**For more information, please contact,
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Please e-mail all comments to Billr@Brightmomentsnola.com**



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