

BOARD OF DIRECTORS' MEETING

March 15, 2023

MEETING MINUTES

SEWERAGE AND WATER BOARD OF NEW ORLEANS

ROLL CALL

The Board of Directors for the Sewerage and Water Board of New Orleans (SWBNO) met on Wednesday March 15, 2023, at 9:19 AM in the Executive Boardroom. Special Counsel Yolanda Grinstead called the roll and confirmed the following members were present: Hon. Mayor LaToya Cantrell, Director Joseph Peychaud, Director Maurice Sholas, Director Lynes Sloss, Director Robin Barnes, Director Janet Howard, and Councilmember Freddie King.

The following member(s) were absent: Director Carol Markowitz, Director Tamika Duplessis, Director Alejandra Guzman and Director Nichelle Taylor.

Staff present were Mr. Ghassan Korban, Executive Director; Mr. Ron Spooner, Interim General Superintendent; Ms. Christy Harowski, Chief of Staff; Ms. Yolanda Grinstead, Special Counsel; Mr. Darryl Harrison, Deputy Special Counsel; Mr. Dexter Joseph, Budget Department; Mr. Rene Gonzalez, Chief Customer Service Officer; Cash Moses, Purchasing; Ms. Irma Plummer, EDBP; Mr. Jason Higginbotham, Emergency Management; Ms. Tanyell Allen, Board Relations.

APPROVAL OF PREVIOUS MINUTES

Mayor Cantrell presented a motion to accept the minutes of the January 25, 2023, Board Meeting. Director Joseph Peychaud moved for approval of the minutes. Director Maurice Sholas seconded. The motion carried.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Ghassan Korban presented a slide overview that focused on the following topics:

Lead and Copper Rule Changes New Regulations: LSL Replacements

- **EPA updated federal standards** requiring system inventories, sampling changes, more robust communication, and a replacement plan
- **Rule protects community** while utilities plan for and implement lead line replacement programs
- **Oct. 2024 deadline** for complete inventory

Smart Meter Impact

- **Smart meter rollout** – impact based on EPA “meter disturbance” rule
- **Increased cost** to utility (e.g., water pitcher purchases, line replacements, etc.)
- **Additional complexity** in daily operations for meter swaps and repairs

PFAS Regulations

EPA proposed new limits on six PFAS in drinking water

- PFOA, PFOS, PFNA, PFHxS, PFBS, and GenX
- 4 ng/L for PFOA & PFOS
- Hazard Index for other four

SWBNO currently meets the proposed standard for PFOA & PFOS

- 2021 & 2022 highest readings were 2.8 ng/L (PFOS) and 2.6 ng/L (PFOA)

Participating in EPA monitoring program for 29 different PFAS

- Including all six in the proposed regulation

Smart Metering Update

Timeline adaptations and updates

- Exploring Lead and Copper Rule revision strategies
- Commercial-first approach
- Network infrastructure siting continues
- Cogsdale integration has begun
- VX Smart Integration kick-off next week

Customer Experience

New Meter Reading Strategy

- **95%** read in first four months (*compared to 60-80%*)
- **Goal Met** Minimum of two actual reads for most customers by Feb. 2023

Billing Action Plan:

3 Buckets

Data:

- Continue new meter reading strategy
- Accurate reads as foundation

System

- Good data for better estimations because of more actual reads

Delivery

- Bill print and delivery solution complete as of last week

**SWBNO Power Complex:
ENO Substation on Track**

- Second \$15M payment transferred
- Pile driving complete
- On time for 2024 delivery

SWBNO Connections and Backup Plant

- \$250M – majority funded
- Pile driving for utility rack foundations underway
- Major design and construction contracts awarded
- Neighborhood outreach ongoing
- On track for utilization in 2024

**Pavement Repair Plan
Goal: Reduce backlog of cuts over 200 days old to zero
SWBNO Goal and Funding**

- Prioritize oldest locations
- Increase in-house capacity
- Two supplemental contracts (*approved Q1*)
- System funds

DPW Goal and Funding

- **400** backlog locations underway
- Additional ~**800** to bid this spring
- \$8.3M via MaxPave contracts

Financial Stability

Action Plan: Stronger Collections

Open accounts: Accounts receivable of approximately \$60M
Closed accounts: 23,311 totaling \$31,397,012

To systematically reduce these accounts, we are:

- Hiring collections and key account managers
- Prioritizing top 100 delinquent commercial accounts
- Enforcing a new multi-unit building strategy
- Putting a “bad debt” write-off plan in place
- Assigning water inspectors to support shut off/ons for transfer accounts

Federal & State Funding Efforts

\$81.9M APPLIED FOR

- \$38.9M LDEQ* Revolving Fund for additional wastewater plant repairs
- \$3.3M Hazard Mitigation Grant Program for 10 portable/emergency generators
- \$767K BRIC FEMA grant funding for 10 portable emergency sewer pumps
- \$39M Capital Outlay move from P5 to P1 to complete Power Complex funding

RESEARCHING

- **LDH Drinking Water State Revolving Fund for *Smart Meters*** (\$67M
- **Lead Service Line Replacement Program** \$42M available via IJA
- **Inflation Reduction Act** *Potential for energy-saving project credits/refunds*

Stakeholder Engagement

US Water Alliance Water Equity Network

- Southeast Regional Convening; collaborated with TCA, Water Collaborative, Waterwise Gulf South on strategy to strengthen community partnerships

New Orleans Business Council

- State of the Utility and Financial Outlook

Greater New Orleans, Inc.

- Met with board, full membership next month

Director Maurice Sholas expressed concerns on SWBNO's stem-training Pipeline and why there is no federal funds to promote stem education. Special Counsel Yolanda Grinstead stated the utility works closely with Delgado to provide sewer training and it will be used as an associate degree.

COMMITTEE REPORTS

Finance and Administration Committee Report

Director Lynes Sloss reported on the summary and actions taken by the Finance and Administration Committee. The Finance Committee Report for the month of March was presented and recommended for approval.

Mayor Cantrell asked for a motion to adopt the Finance report as amended. Director Janet Howard moved to adopt Finance minutes as proposed. Director Robin Barnes seconded. The motion carried.

Operations Committee Report

Director Janet Howard reported on the summary and actions taken by the Operations Committee. The Operations Committee Report for the month of March was presented and recommended for approval.

Mayor Cantrell asked for a motion to adopt the Operations report as amended. Director Maurice Sholas moved to adopt Operations minutes as proposed. Director Joseph Peychaud seconded. The motion carried.

Strategy Committee Report

Director Robin Barnes reported on the summary by the Strategy Committee. The Strategy Committee Report for the month of March was presented and recommended for approval.

Mayor Cantrell asked for a motion to adopt the Strategy report as presented. Councilmember Freddie King moved to adopt Strategy minutes as proposed. Director Lynes Sloss seconded. The motion carried.

Pension Committee Report

Director Joseph Peychaud reported on the summary by the Pension Committee. The Pension Committee Report for the month of March was presented and recommended for approval.

Mayor Cantrell asked for a motion to adopt the Pension report as presented. Director Lynes Sloss moved to adopt Pension minutes as proposed. Director Robin Barnes seconded. The motion carried.

Action Items

- Resolution (R-061-2023) Resolution Authorizing Application to the Louisiana Department of Environmental Quality
- Resolution (R-062-2023) Resolution Authorizing Application to the Louisiana Department of Health
 - o **Mayor Cantrell asked for a motion to approve R-061-2023 and R-062-2023 as amended. Director Joseph Peychaud moved to approve as proposed. Director Janet Howard seconded. The motion carried.**

CORRESPONDING RESOLUTIONS

The following resolutions were discussed at the March 8, 2023, Finance Committee Meeting:

- Resolution (R-021-2023) Approval of East Bank Wastewater Treatment Municipal Water Pollution Prevention Environmental Audit
- Resolution (R-022-2023) Approval of West Bank Wastewater Treatment Municipal Water Pollution Prevention Environment Audit
- Resolution (R-042-2023) Administrative Correction to Resolution R-008-2023 for Contract 2163 – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites throughout Orleans Parish
- Resolution (R-014-2023) First Renewal of Contract 8166 – Repaving Open Cuts in Sidewalks and Driveways Resulting from the Sewerage and Water Board of New Orleans Underground Utility Repairs Between the Sewerage and Water Board of New Orleans and Wallace C. Drennan, LLC
- Resolution (R-015-2023) First Renewal of Contract 30244 – Cleaning and CCTV Inspection of Sanitary Sewer Mains at Scattered Sites Within Orleans Parish Between the Sewerage and Water Board of New Orleans and Compliance Enviro Systems, LLC
- Resolution (R-017-2023) Award of Furnishing Liquid Ferric Sulfate – 2022-SWB-88 to the Algiers and Carrollton Water Plants Between the Sewerage and Water Board of New Orleans and USALCO
- Resolution (R-024-2023) Contract #30246 – Restoration of Gravity Flow Sanitary Sewer Mains by Point Repairs at Various Sites throughout Orleans Parish
- Resolution (R-027-2023) Award of Contract 1447 – Boiler House Fan Modifications
- Resolution (R-029-2023) Award of Contract 1415 – Carrollton Water Purification Plant West Plant Complex Foundation and Underground Utilities
- Resolution (R-030-2023) First Renewal for Contract 8368 – Repaving Open Cuts in Driveways and Sidewalks Resulting from the Sewerage and Water Board of New Orleans Underground Utility Repairs
- Resolution (R-031-2023) Award of Furnishing Sodium Hypochlorite – 2023-SWB-05 to the Algiers and Carrollton Water Plants Between the Sewerage and Water Board of New Orleans and DPC Enterprises, LLC
- Resolution (R-023-2023) Ratification of Change Order No. 9 for Contract 3799 – Installation of Sludge Dryer at the Eastbank Wastewater Treatment Plant Between the Sewerage and Water Board of New Orleans and Industrial and Mechanical Contractors, Inc.
- Resolution (R-028-2023) Ratification of Change Order No. 12 for Contract 1377 – Water Hammer Hazard Mitigation Program-Claiborne Ave Pumping Station and Off-Site Improvements Between the Sewerage and Water Board of New Orleans and M.R. Pittman Group, LLC
- Resolution (R-025-2023) Authorization of Amendment No. 5 to the Professional Services Agreement for Engineering Services for the Power Frequency Converter Project at the

- Carrollton Water Plant Power Complex Between the Sewerage and Water Board of New Orleans and Jacobs Engineering Group, Inc. between the Sewerage and Water Board of New Orleans and Stantec Consulting Services, LLC
- Resolution (R-026-2023) Ratification of Amendment No. 2 for Professional Services Agreement for Leak Detection and Fire Flow Testing Services Between the Sewerage and Water Board of New Orleans and Echologics, LLC
 - Resolution (R-032-2023) Authorization of Amendment No. 7 to the Agreement Between the Sewerage and Water Board of New Orleans and Black & Veatch Corporation for Design and Engineering Services for the Water Line Replacement Program
 - Resolution (R-033-2023) Authorization of Amendment No. 9 to the Agreement Between the Sewerage and Water Board of Water Board and of New Orleans and Design Engineering, Inc., for Design and Engineering Services for the Water Line Replacement Program
 - Resolution (R-034-2023) Authorization of Amendment No. 6 to the Agreement Between the Sewerage and Water Board of Water Board and of New Orleans and ECM Consultants, INC. for Design and Engineering Services for Water Line Replacement Program
 - Resolution (R-035-2023) Authorization of Amendment No. 7 to the Agreement Between the Sewerage and Water Board of New Orleans and Hartman Engineering, INC., for Design and Engineering Services for the Water Line Replacement Program
 - Resolution (R-036-2023) Authorization of Amendment No. 6 to the Agreement Between the Sewerage and Water Board of New Orleans and Integrated Logistical Support, INC. for the Water Line Replacement Program
 - Resolution (R-037-2023) Authorization of Amendment No. 9 to the Agreement Between the Sewerage and Water Board of New Orleans and Neel-Schaffer, INC., for Design and Engineering Services for the Water Line Replacement Program
 - Resolution (R-038-2023) Authorization of Amendment No. 4 to the Agreement Between the Sewerage and Water Board of New Orleans and N-Y Associates, INC. for Design and Engineering Services for the Water Line Replacement Program
 - Resolution (R-039-2023) Authorization of Amendment No. 9 to the Agreement Between the Sewerage and Water Board of New Orleans and Rahman and Associates, Inc. for Engineering Services for the Water Line Replacement Program
 - Resolution (R-040-2023) Authorization of Amendment No. 1 to the Agreement Between the Sewerage and Water Board of New Orleans and Jacobs Engineering Group for Design and Construction Administration Services for a New Turbine Generator at the Carrollton Water Plant
 - Resolution (R-041-2023) Authorization of Amendment No. 13 to the Agreement Between the Sewerage and Water Board of New Orleans and Stantec Consulting Services, Inc. for Engineering Services for the Water Line Replacement Program

Mayor Cantrell asked for a motion to approve Corresponding Resolutions in Globo. Director Maurice Sholas moved to accept Corresponding resolutions as proposed. Director Lynes Sloss seconded. The motion carried.

Mayor Cantrell presented a motion to enter executive session. Director Maurice Sholas moved. Director Janet Howard seconded. The motion carried.

Mayor Cantrell presented a motion to exit executive session. Director Lynes Sloss moved. Councilmember Freddie King III seconded. The motion carried.

Mayor Cantrell presented a motion to approve Special Counsel recommendations in executive session. Director Robin Barnes moved. Director Janet Howard seconded. The motion carried.

Councilmember Freddie King III thanked Grace Birch, Stephen Nelson, and Rene Gonzalez for doing a great job responding to constituents' concerns. Councilmember King stated he has talked to Entergy about disconnecting power to illegal short-term rentals and suggested SWBNO, Entergy and King's staff get together to help disconnecting water to illegal short-term rentals in district C.

INFORMATION ITEMS

The following items were submitted for informational purposes only:

- Preliminary Financial Results
- Report Human Resource
- Safety Report
- Contracts Under \$1 Million or Less Report
- FEMA Project Worksheet Status
- DBE Participation on Contracts Report

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at approximately 10:39 AM.