



"RE-BUILDING THE CITY'S WATER SYSTEMS FOR THE 21ST CENTURY"

Sewerage & Water Board OF NEW ORLEANS

LATOYA CANTRELL, PRESIDENT

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November 8, 2023

The Finance and Administration Committee met on Wednesday, November 8, 2023, in the Executive Boardroom. The meeting convened at approximately 9:05 A.M.

1. ROLL CALL

Present:

Director Lynes Sloss
Director Janet Howard
Director Joseph Peychaud
Director Carol Markowitz

Absent:

Director Alejandra Guzman

2. CASH FLOW OVERVIEW

Mr. Grey Lewis, Chief Financial Officer, presented an update on the September 2023 financial results and liquidity position, as it is critical that SWBNO maintain sufficient cash flow levels to continue operations, and meet bond covenant requirements. The September 2023 Water and Sewer cash levels (224 and 255 Days Cash on Hand, respectively) exceed the minimum and target thresholds based on month end cash and budgeted expenses. Additionally Debt Service Coverage is within the budgeted forecast. October collections were \$23.5m after September totaled \$22.3m for the month with the FY23 Monthly average thru October being \$21.7m. Past Due Accounts receivables as of September 30, 2023 (aged > 60 days) were \$53.4m a decrease of 1% or \$0.4m from the prior month end.

September billed revenues (\$22.2m) were below budget (23.1m) by approx. \$900k while YTD revenues (\$209.5m) exceeds budgeted (\$208.2m) by \$1.3m. Drainage Tax revenues for the year (\$67.9m) are on budget and Other non operating revenues are higher in FY23 by approx. \$6m due to interest income from higher fixed interest rates on invested funds. September operating expenses (\$24.3m) were lower than budgeted for the month based on conservatively budgeted amounts and approximately the same as operating expenses a year ago (\$24.2m);

YTD operating expenses are \$248.3m which is less than conservatively budgeted \$310.9m thru September; management will continue to monitor.

The F&A committee also received an update on Customer Service Statistics -- Call Volumes, Customers Served and Customer payments were lower in September. Total bills issued were 133,236 with annual trend indicating additional consistency in total bills issued monthly with the alternative meter reading strategy. Open customer bill disputes decreased slightly at the end of September to 4,728 from 4,787 last month. Average days to close a customer investigation decreased to 121 days from 129 days last month with continued focus being placed on improving the processes. Consistent collections practices continue to be a primary focus with the collection ratio over last twelve months ended September 2023 (3.7% uncollected) dipping slightly relative to the last twelve months ended September 2022 (3.1% uncollected).

3. **ACTION ITEMS**

GENERAL SUPERINTENDENT'S REPORT

CONTRACT AWARDS/RENEWALS

- Resolution (R-147-2023) Contract. No. YW23-0067- Furnishing Meter Boxes and Meter Box Parts Between the Sewerage and Water Board of New Orleans and A.Y. McDonald Mfg., Co.
- Resolution (R-114-2023) Award of Contract 30255 – Carrollton Basin No. 14 Sewer Rehabilitation Between the Sewerage and Water Board of New Orleans and Fleming Construction Co., LLC
- Resolution (R-115-2023) Award of Contract 30256 – Carrollton Basin No. 15 Sewer Rehabilitation Between the Sewerage and Water Board of New Orleans and Hard Rock Construction, LLC
- Resolution (R-132-2023) Award of Contract YG23-001 – Furnishing and Delivering Gasoline and Diesel Fuel Between the Sewerage and Water Board of New Orleans and Lard Oil Company of Denham Springs
 - **Director Janet Howard moved to accept Contract Awards/Renewals.**
Director Joseph Peychaud seconded. The motion carried.

CONTRACT CHANGE ORDER BY RATIFICATION

- Resolution (R-108-2023) Ratification of Change Order No. 4 for Contract 1418 – Carrollton Water Plant Utility Rack Between the Sewerage and Water Board of New Orleans and M.R. Pittman Group, LLC

- **Director Carol Markowitz moved to accept Contract Change Order by Ratification. Director Joseph Psychaud seconded. The motion carried.**

CONTRACT CHANGE ORDER BY APPROVAL

- Resolution (R-119-2023) Approval of Change Order No. 2 for Contract 8168 – Repaving Open Cuts in Driveways and Sidewalks Resulting from the Repair of Underground Utilities Between the Sewerage and Water Board of New Orleans and CMG Pipelines
 - **Director Carol Markowitz moved to accept Contract Change Order by Approval. Director Janet Howard seconded. The motion carried.**

CONTRACT AMENDMENT

- Resolution (R-133-2023) Authorization of Amendment No. 11 to the Agreement for Design and Engineering Services for the Water Line Replacement Program Between the Sewerage and Water Board of New Orleans and Arcadis U.S. Inc
- Resolution (R-134-2023) Authorization of Amendment No. 10 to the Agreement for Design and Engineering Services for the Water Line Replacement Program Between the Sewerage and Water Board of New Orleans and Digital Engineering & Imaging, Inc.
 - **Director Joseph Psychaud moved to accept Contract Amendments. Director Carol Markowitz seconded. The motion carried.**

CONTRACT FINAL ACCEPTANCE

- Resolution (R-113-2023) Authorization of Final Acceptance and Close Out of Contract 2156 –TM005 Eden and Grape Transmission Main Project Between the Sewerage and Water Board of New Orleans and BLD Services, LLC
- Resolution (R-120-2023) Authorization of Final Acceptance and Close Out of Contract 2142 –Water Main Replacements and Extension at Scattered Locations throughout Orleans Parish Between the Sewerage and Water Board of New Orleans and Wallace C. Drennan, LLC
 - **Director Janet Howard moved to accept Final Acceptance as amended. Director Carol Markowitz seconded. The motion carried.**

4. INFORMATION ITEMS

The information items were received.

5. PUBLIC COMMENT

None.

6. **ADJOURNMENT**

There being no further business to come before the Finance and Administration Committee Meeting. The meeting adjourned at approximately 9:34 AM.