



625 St. Joseph Street
New Orleans, LA 70165
504.529.2837 or 52.WATER

February 21, 2024

The Finance and Administration Committee met on Wednesday, February 21, 2024, in the Executive Boardroom. The meeting convened at approximately 9:05 a.m.

1. **ROLL CALL**

Present:

Director Lynes R. Sloss
Director Janet Howard
Director Joseph Peychaud
Director Chadrick Kennedy

Absent:

Director Alejandra Guzman

2. **CASH FLOW OVERVIEW**

Grey Lewis, Chief Financial Officer, presented an update on the preliminary December 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 December 2023 water and sewer cash levels (219 and 274 days cash on hand, respectively) exceed the minimum and target thresholds based on year end cash and budgeted expenses and additionally debt service coverage is within the budgeted forecast. December collections were \$19.8M and January 2024 were \$ 21.8M which was improvement from both FY23 average and January 2023. Total Past Due Accounts receivables as of December 31, 2023 (aged > 60 days) were \$57.6M an increase of 4% or \$2.3M from the prior month end.

December billed revenues (\$21.2M) were below budget (\$23.1M) by approx. \$1.9M with YTD revenues also being slightly below budgeted of \$277.6M. Drainage tax revenues for the year (\$68.2M) were on budget and other revenues surpassed budget by \$23.3M due to interest income from higher fixed interest rates on invested funds and inclusion of Fair Share Funds. December operating expenses (\$35M) were slightly above budget for the month and YTD lower than conservatively budgeted amounts; preparations for year-end audit are underway.



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The Finance and CS team reported on the launch of Promise Pay in February which allows customers a new platform to enroll in SWBNO payment plans using modern communication outreach (texting) and the first 2 weeks saw 814 payment plans set up with avg balance of \$2,167. Billing and collections continue to be a primary focus of the teams with onboarding of a Collections Strike Team Lead in February along with Smart metering integration which also has a billing strike team in place lead by the SWBNO Controller who is working directly with Smart Metering Project Manager.

3. **ACTION ITEMS**

- Resolution (R-044-2024) Sewerage and Water Board of New Orleans Preliminary Approval for Water Revenue Bonds
 - o **Director Howard moved to accept (R-044-2024). Director Peychaud seconded. The motion carried.**
- Resolution (R-045-2024) Tenth Supplemental Sewerage Service Revenue Bond Resolution
 - o **Director Peychaud moved to accept (R-045-2024). Director Kennedy seconded. The motion carried.**
- Resolution (R-046-2024) Eleventh Supplemental Sewerage Service Revenue Bond Resolution
 - o **Director Peychaud moved to accept (R-046-2024). Director Kennedy seconded. The motion carried.**
- Resolution (R-047-2024) HDR Engineering – 4th Contract Amendment
 - o **Director Peychaud moved to accept (R-047-2024). Director Howard seconded. The motion carried.**



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GENERAL SUPERINTENDENT'S REPORT

CONTRACT AWARDS/RENEWALS

- Resolution (R-029-2024) Re-Award of Contract 30257 – Carrollton Basin No. 16 Sewer Rehabilitation Between the Sewerage and Water Board of New Orleans and Wallace C. Drennan, Inc.
- Resolution (R-030-2024) First and Final Renewal of Contract 2023-SWB-05 Furnishing Sodium Hypochlorite to the Algiers and Carrollton Water Plants Between PVS DX formerly known as DPC Enterprises and the Sewerage and Water Board of New Orleans
- Resolution (R-033-2024) Award of Contract 30235 – Carrollton Basin No. 5 Sewer Rehabilitation Between the Sewerage and Water Board of New Orleans and BLD Services, LLC
- Resolution (R-034-2024) Award of Contract 30260 – Carrollton Basin No. 19 Sewer Rehabilitation Between the Sewerage and Water Board of New Orleans and Hardrock Construction LLC
- Resolution (R-035-2024) Second 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 EnviroSystems, LLC
 - **Director Howard moved to accept Contract Awards/Renewals. Director Peychaud seconded. The motion carried.**

CONTRACT CHANGE ORDER BY RATIFICATION

- Resolution (R-022-2024) Ratification of Change Order No. 3 for Contract 2155 Transmission Main Replacement - S. Claiborne (Versailles – Upperline) TM003 Between the Sewerage and Water Board of New Orleans and BLD Services, LLC
- Resolution (R-023-2024) Ratification of Change Order No. 2 for Contract 2156 Transmission Main Replacement - Grape St. / Eden St. / S. Dupre St. - TM005 Between the Sewerage and Water Board of New Orleans and BLD Services, LLC



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- Resolution (R-026-2024) Ratification of Change Order No. 2 for Contract 30245 – MidCity Basin No. 3 Between the Sewerage and Water Board of New Orleans and Palmisano Construction, LLC
- Resolution (R-028-2024) Ratification of Change Order No. 2 for Contract 30250 – Carrollton Basin No. 9 Between the Sewerage and Water Board of New Orleans and BLD Services, LLC
- Resolution (R-031-2024) Ratification of Change Order No. 11 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
 - o **Director Peychaud moved to accept Contract Change Order by Ratification. Director Howard seconded. The motion carried.**

CONTRACT AMENDMENT

- Resolution (R-004-2024) Authorization of Amendment No. 1 to the Agreement for Operations, Maintenance, and Management Services at the Eastbank and Westbank Wastewater Treatments Plants Between the Sewerage and Water Board of New Orleans and Veolia Water North America – South, LLC
- Resolution (R-015-2024) Authorization of Amendment No. 6 to the Agreement for Professional Services for Sewer System Evaluation and Rehabilitation Program Management (SSERP) Between the Sewerage and Water Board of New Orleans and Stantec Consulting Services, Inc
- Resolution (R-020-2024) Authorization of Amendment No. 10 to the Agreement for Design and Engineering Services for the Waterline Replacement Program Between the Sewerage and Water Board of New Orleans and Richard C. Lambert Consultants, LLC
- Resolution (R-021-2024) Authorization of Amendment No. 10 to the Agreement for Design and Engineering Services for the Waterline Replacement Program Between the Sewerage and Water Board of New Orleans and Rahman and Associates, Inc
- Resolution (R-032-2024) Authorization of Amendment No. 5 to the Agreement for Capital Program Management (CPM) Services Between the Sewerage and Water Board of New Orleans and Veolia Water North America, LLC



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- **Director Howard moved to accept Contract Amendments. Director Kennedy seconded. The motion carried.**

CONTRACT FINAL ACCEPTANCE

- Resolution (R-006-2024) Authorization of Final Acceptance of Contract 30250 – Carrollton Basin Sewer Rehabilitation No. 9 Between the Sewerage and Water Board of New Orleans and BLD Services, LLC
- Resolution (R-024-2024) 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
 - **Director Howard moved to accept Final Acceptance as amended. Director Psychaud seconded. The motion carried.**
- Resolution (R-027-2024) Authorization of Final Acceptance of Contract 30245 – Carrollton Basin Sewer Rehabilitation No. 3 Between the Sewerage and Water Board of New Orleans and Palmisano Construction, LLC
 - **Director Kennedy moved to defer (R-027-2024) as amended. Director Howard 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 10:20 a.m.