



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

March 13, 2024

The Finance and Administration Committee met on Wednesday, March 13, 2024, in the Executive Boardroom. The meeting convened at approximately 9:00 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 January 2024 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 January 2024 water and sewer cash levels (217- and 252-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.

February 2024 collections were \$22.4M and \$21.8M for January 2024 which show improvement relative to the FY23 average and January and February 2023. Total Past Due Accounts receivables as of January 31, 2024 (aged > 60 days) were \$55.5M a decrease of <1% or \$156k from the prior month end. New Promise Pay payment plans have been well received by customers in the first month and discussion was held regarding billing strike teams for smart metering and investigations and collections backlog. Proposals for additional resources are currently being requested from financial consultants with experience in utilities.



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January billed revenues (\$21.6M) were below budget (\$23.1M) by approx. \$2.2M similar January results from 2023. Drainage tax revenues are delayed based on the timing of CNO property tax bills but expected to begin in March. January operating expenses (\$23.8M) were below budget for the month and higher than January 2023. The external year end audit is underway with completion planned by the end of June deadline.

3. **ACTION ITEMS**

- Resolution (R-065-2024) Louisiana Compliance Questionnaire
 - o **Director Howard moved to accept (R-065-2024). Director Peychaud seconded. The motion carried.**

GENERAL SUPERINTENDENT'S REPORT

CONTRACT AWARDS/RENEWALS

- Resolution (R-053-2024) Second and Final Renewal of Contract 8168 – Repaving Open Cuts in Streets, Driveways, and Sidewalks Resulting from the Repair to the Sewerage and Water Board of New Orleans Underground Utilities Between the Sewerage and Water Board of New Orleans and CMG Pipelines
 - o **Director Kennedy moved to amend (R-053-2024). Director Howard seconded. The motion carried.**
- Resolution (R-036-2024) Award of Contract 8171 – Repaving Open Cuts in Streets, Driveways, and Sidewalks at Various Locations Throughout Orleans Parish Between the Sewerage and Water Board of New Orleans and Fleming Construction Co, LLC
- Resolution (R-051-2024) First Renewal of Contract 2162 – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites Throughout Orleans Parish Between the Sewerage and Water Board of New Orleans and Boh Bros. Construction Co., LLC
- Resolution (R-052-2024) First Renewal of Contract 2163 – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites



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Throughout Orleans Parish Between the Sewerage and Water Board of New Orleans and Boh Bros. Construction Co., LLC

- **Director Howard moved to accept Contract Awards/Renewals. Director Psychaud seconded. The motion carried.**

CONTRACT CHANGE ORDER BY RATIFICATION

- Resolution (R-037-2024) Ratification of Change Order No. 3 for Contract 1415 – West Power Complex Foundations and Underground Package Between the Sewerage and Water Board of New Orleans and M.R. Pittman Group, LLC
 - Resolution (R-038-2024) Ratification of Change Order No. 06 for Contract 1417 – Static Frequency Converter Between the Sewerage and Water Board of New Orleans and Walter J. Barnes Electric Co., Inc
 - Resolution (R-054-2024) Ratification of Change Order No. 1 for Requisition No 21006 – DPS No. 6 I Pump Repair and Installation Between the Sewerage and Water Board of New Orleans and Xylem Water Solutions U.S.A., Inc
 - Resolution (R-049-2024) Ratification of Change Order No. 06 for Contract 1418 – Carrollton Water Plant Utility Rack Between the Sewerage and Water Board of New Orleans and M.R. Pittman Group, LLC
- **Director Kennedy moved to accept Contract Change Order by Ratification. Director Psychaud seconded. The motion carried.**

CONTRACT CHANGE ORDER BY APPROVAL

- Resolution (R-055-2024) Approval of Change Order No. 3 for Contract 1438 – Combustion Turbine Generator 7 Procurement between the Sewerage and Water Board of New Orleans and Solar Turbines, Inc.
- **Director Psychaud moved to accept Contract Change Order by Approval. Director Kennedy seconded. The motion carried.**



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CONTRACT FINAL ACCEPTANCE

- 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
- Resolution (R-039-2024) Authorization of Final Acceptance of Contract 1447 – Boiler House Fan Modifications Between the Sewerage and Water Board of New Orleans and Walter J. Barnes Electric Co., Inc
- Resolution (R-040-2024) Authorization of Final Acceptance of Contract 30237 – Restoration of Gravity Flow Sanitary Sewer Mains By Point Repair At Various Sites Throughout Orleans Parish Between the Sewerage and Water Board of New Orleans and Wallace C. Drennan, Inc.
 - o **Director Howard moved to accept Final Acceptance as amended. Director Peychaud 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 9:39 a.m.