

BOARD OF DIRECTORS' MEETING

July 17, 2024

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 July 17, 2024, at 9:06 AM in the Executive Boardroom. Special Counsel Ms. Yolanda Grinstead called the roll and confirmed the following members were present: Hon. Mayor LaToya Cantrell, Director Lynes Sloss, Councilmember Freddie King, Director Alejandra Guzman, Director Chadrick Kennedy, Director Joseph Peychaud, Director Maurice Sholas, Director Tyler Antrup.

The following member(s) were absent: Director Janet Howard, Director Tamika Duplessis, and Director Robin Barnes.

Staff present were: Ghassan Korban, Executive Director; Renee Lapeyrolerie, Chief of Staff; Grey Lewis, Chief Financial Officer; Stephen Nelson, General Superintendent; Yolanda Grinstead, Special Counsel; Rene Gonzalez, Chief Customer Service Officer; Irma Plummer, EDBP; Tanyell Allen, Board Relations.

Prior to beginning the meeting, Hon. Mayor Cantrell gave her opening remarks. Mayor Cantrell states it's important to know after the record-breaking hurricane barrel, experts have increased the forecast for name storms and major hurricanes this season, predicted to be a hyperactive season. This is something we have warned the public about. A rainfall event for June was 6.5 above the 131-year average of 5.66, a year-to-date cumulative rainfall at 35.99 inches above the 131 year average of 29.3. Mayor Cantrell states it's very important to note things have changed and not reversing getting more severe and the City of New Orleans are on the front lines of it. Turbine 4 is back in service, which brings on 25MH in terms of Hertz of power 67MW well above the 44, which is needed to run at the peak demand.

Turbine 4 was built in 1915, the impacts and infrastructure that has been made on this system has brought it to the 21st century. This is proof we are doing the work, not just in New Orleans but in the United States of America. The power complex is also a result of working to make sure its consolidated modern power source will live for this city for generations to come but routine maintenance will always remain necessary. The projected timeline for the Sewerage and Water Board taking over in terms of drainage consolidation at the year end, potentially looking at building in 2025-year budget. Still a work in progress but moving in the right direction working with DPW to acquire equipment.

Mayor Cantrell gave updated facts on SWBNO progress. Over 30,000 smart meters have been installed. By the year end 70,000 smart meters will be installed. Installation of the dashboard is now available online. The enhanced customer portal is expected this fall. Promise Pay has resulted in 3.6 million collected with over 10,000 customers enrolled. SWBNO will continue to

make investments to help residents become stabilize in quality of life. The Sewerage and Water Board began this year with 336 vacancies and is now down to 152. These are the existing conditions the utility faces and the leaders of this Board continue making the proper changes in moving the utility forward.

APPROVAL OF PREVIOUS MINUTES

Mayor Cantrell presented a motion to accept the minutes of the June 26, 2024, Board Meeting as amended. Director Sholas moved for approval of the minutes. Director Antrup seconded. The motion carried.

COMMITTEE REPORTS

Finance & Administration Committee Report

Director Chadrick Kennedy reported on the summary and actions taken by the Finance and Administration Committee. The Finance Report for the month of July was presented and recommended for approval.

Mayor Cantrell asked for a motion to adopt the Finance report as amended. Director Peychaud moved to adopt Finance minutes as proposed. Director Sloss seconded. The motion carried.

Pension Committee Report

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

Mayor Cantrell asked for a motion to adopt the Pension report as amended. Director Sloss moved to adopt Pension minutes as proposed. Director Kennedy seconded. The motion carried.

REPORT OF THE EXECUTIVE DIRECTOR

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

Pumping and Power Status

Current 25Hz Power Generation: 67.5 MW available

- Turbine 4 Back in Service 18.5 MW
- Turbine 5 16 MW
- Frequency Changers 23 MW
- 5 of 6 available
- EMDs 10 MW
- 4 of 5 available

- 13 sources of 25Hz Power: 11 currently available

90 of 99 Drainage Pumps Available

- Temporary Pump deployed at Carrollton underpass
- Pump at DPS 10 expected online in August

Power Complex

- The answer for One Power Source
- Power Complex anticipated to come online in Summer 2025
- Substation and Utility Rack complete
- Connections and Back Up Plant progressing
- Diligently exploring funding options

Drainage Consolidation Status

Collectively working with Dept. of Public Works toward January 2025 transfer

Exploring funding options:

- Only potential source of funding is red light camera no exact funding amount
- Require more funding to maintain acceptable standard of level of service
- Working with the city officials to identify funding to be included in 2025 City budget
- Most sustainable funding structure is creation of a Stormwater Fee

Billing Related Legislative Updates

Fixed Billing Opt In

- Historical average calculation for residential customers has been developed; currently being tested
- Developing system to enroll customers who request the temporary fixed bill program until a smart meter is installed
- Anticipated start in 90 days

Accounting Firm

- Request for proposal (RFP) drafted to utilize City funding for immediate financial accounting resources to augment staff and skill of multiple billing departments
- Outside resources will be an integral part of an interim solution to provide more analytical and technical skills to day to day billing functions to allow arbiters' work to be more effective
- State Representative Hilferty is working on bringing in arbiters

SWBNO is currently onboarding additional analysts to categorize delinquent accounts leading to Customer Outreach: offering solutions that are reasonable, favorable, and dependable. These additional resources will bring credibility and neutrality to our billing procedures.

Smart Metering Updates

- 30,700+ meters installed to date
- 30,000 accounts receiving Smart Bills
- Online installation dashboard now available swbno.org/Projects/SmartMetering
- Enhanced customer portal anticipated by this fall

Smart Metering Benefits

- Over 5000 “Continuous Usage” letters sent using Smart Metering data to inform customers of potential leaks
- Goal: to prevent a surprise high bill due to a leak
- Almost 50% of the customers we notified have identified and fixed leaks
- Saved over 12 million gallons of lost water
- Saved the customers over \$137,000 on their bills

Promise Pay Progress

- 10,500+ Promise Pay payment plans activated
- Almost \$4 million in payments collected
- Over \$24 million committed in future payments
- 91% retention rate since launch
- Launched Feb. 2024
- Sign up online at swbno.promisepay.com
- No interest monthly payments; as little as \$10 needed for down payment for accounts that have not been disconnected.
- Down payments are 25% of the past due balance once an account is disconnected Sign up before disconnection!

Wastewater Treatment Plants

Construction Upgrades for both the Eastbank & Westbank Sewer Treatment Plants

Time Sensitive

- Design nearing completion of \$39 million project using State Revolving Fund Loans:
- New digital monitoring systems
- A new system for receiving, storing treating sludge

- New pumps, bar screens and other equipment

Future project: New Oxygen System, funded by FEMA grant Goal: to Reduce Chemical Costs and Energy Use by at Least 10% and reduce Greenhouse Gas Emissions
Cost savings estimate: \$2 Million per Year and Eliminate 500 Annual Truck Trips by Developing Sustainable Oxygen Supplies On-Site –currently we receive 10 truckloads a week of liquid oxygen.

Paving Progress

- Decreased paving backlog to around 700 work orders from 3000+ work orders

Job Fair

- Over 1,360 job seekers attended
- Surpassed last year's numbers by almost 400
- 23 other agencies and businesses participated
- 284 job applications for SWBNO
- Over 50 SWBNO hires so far

Consumer Confidence Report

- Available now on our website swbno.org/2023WaterQualityReport
- Drinking water quality in 2023
- SWBNO's latest initiatives
- Recent regulatory changes
- Customer service resources
- Request a hard copy at
- swbno.org/Form/ConsumerConfidenceReportRequest

CORRESPONDING RESOLUTIONS

General Superintendent Recommendations

The following resolutions were discussed at the July 10, 2024, Finance & Administration Committee Meeting

- Resolution (R-102-2024) Ratification of Change Order No. 1 for Contract 30247 – Restoration of Gravity Flow Sanitary Sewers by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole, CIPP Lining of Service Laterals and Point Repairs at Various Sites Throughout the City of New Orleans, Between the Sewerage and Water Board of New Orleans and CMG Pipelines Inc.

- Resolution (R-103-2024) Ratification of Change Order No. 7 for Contract 1417 – Static Frequency Converter Procurement Project, between the Sewerage and Water Board of New Orleans and Walter J. Barnes Co, Inc.
- Resolution (R-105-2024) Ratification of Change Order No. 1 for Contract 30233 – Carrollton Basin No. 4 Sewer Rehabilitation, Between the Sewerage and Water Board of New Orleans and Hard Rock Construction, LLC.
- Resolution (R-104-2024) Amendment No. 8 to the Agreement between the Sewerage and Water Board of New Orleans and ECM Consultants, Inc for Design and Engineering Services for the Water Line Replacement Program

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

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

Mayor Cantrell presented a motion to exit executive session. Director Sholas moved. Director Sloss seconded. The motion carried.

Mayor Cantrell presented a motion to approve the Special Counsel recommendation. referring to workers comp. Director Kennedy moved. Director Sloss seconded. The motion carried.

INFORMATION ITEMS

The following items were submitted for informational purposes only:

- Report Preliminary Financial Results
- Report General Superintendent
- Report Human Resource
- Report Legal
- Report Safety
- FEMA Project Worksheet Status
- DBE Participation on Contracts Report

PUBLIC COMMENTS

No Public Comments

ADJOURNMENT

There being no further business to come before the Board of Directors, Director Antrup moved to adjourn. Director Sholas seconded. The motion carried. The meeting adjourned at approximately 10:23 AM