



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

January 15, 2025

The Finance and Administration Committee met on Wednesday, January 15, 2025, in the Executive Boardroom. The meeting convened at approximately 9:03 a.m.

1. **ROLL CALL**

Present:

Director Lynes R. Sloss
Director Janet Howard
Director Joseph Peychaud
Director Robin Barnes

Absent:

Director Chadrick Kennedy

2. **CASH FLOW OVERVIEW**

Grey Lewis, Chief Financial Officer presented an update on the November 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 November 2024 Water and Sewer cash levels (176 / 125-Days Cash on Hand, respectively) exceed the minimum and target thresholds based on month end cash and budgeted expenses and additionally Debt Service Coverage is within the budgeted forecast.

December and November 2024 collections were \$20.2 and \$18.8m, respectively with the yearly average being \$21.3 monthly which is about \$300k below last fiscal year average. Efforts continue to promote customer payment plans via Promise Pay. Total Past Due Accounts receivables as of November 30, 2024 (aged > 60 days) were \$63.6m (23,415 customers) a decrease of 3% or \$2.1m from the prior month end with approximately 10k customers who have not enrolled in a payment plan despite being in arrears.

Programs are underway with both individual cases of high bill complaints being assessed by HGI who was appointed by the City Council via Ordinance on 9/6/2024 and continues to provide customer credits daily and overall review of customers in arrears. Susannah Kirby provided an update on the HGI program for customers and last week an initial operational meeting was held with the Council's office who is overseeing HGI with changes to provide increased reporting of customer credits granted (weekly reports



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to Council / SWBNO and weekly submission of requests for further arbitration by either SWBNO or the customer. To date 69 cases have been requested for arbitration by SWBNO based on the reporting received. The Arbiters program is in the process of being set up by the LLA after funding provided in legislation was provided directly to the LLA in December. The Council requested a formal letter asking for HGI to come before the Board of Directors to report on the new customer program put in place to address customer high bill concerns.

Reported revenues for November were below budget for the month and YTD and the CFO reported adjustments are being prepared for 2 items (a. relating to Customer credits which apply to bills for which a general reserve was already established due to aging incorrectly reducing current period revenue and b. Reclassification needed between Water and Sewer to address customer credits that should have been applied pro rata to both but were solely applied to the Water System. Management is working with the CSM data and IT Team to make the necessary adjustments. October operating expenses (\$23.2m) were below budget for the month continue to trend below budget YTD which was conservatively established.

The year end audit for 2024 is in preliminary stages with field work planned starting in March by the external auditors – Eisner Amper in order to complete the Annual Comprehensive Financial Report by the legislative deadline in June.

3. **ACTION ITEMS**

- Resolution (R-016-2025) Amendment No. 6 To Professional Services Agreement Between Sewerage and Water Board Of New Orleans And HDR Engineering, Inc. For Internal and External Communication Services
 - o **Director Psychaud moved to accept R-016-2025. Director Barnes seconded. The motion carried.**
- Resolution (R-034-2025) Motion to Ratify Execution of Cooperative Endeavor Agreement between The City of New Orleans and Sewerage and Water Board of New Orleans Maintenance Transfer of Drainage Operations.
 - o **Director Howard moved to defer R-034-2025. Director Psychaud seconded. The motion carried.**



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- Resolution (R-035-2025) Motion to Ratify Execution of Agreement Between the City of New Orleans and Sewerage and Water Board of New Orleans for Transfer and Consolidation of Drainage Operations Pursuant to Acts 783 and 103 of 2024
 - o **Director Peychaud moved to defer R-035-2025. Director Barnes seconded. The motion carried.**
- Resolution (R-036-2025) Motion to Ratify Execution of State of Louisiana Cooperative Endeavor Agreement (Line Item Appropriation)
 - o **Director Howard moved to defer R-036-2025. Director Peychaud seconded. The motion carried.**

GENERAL SUPERINTENDENT'S REPORT

CONTRACT AWARDS/RENEWALS

- Resolution (R-001-2025) Award of Contract 2154 – Transmission Main Replacement Program – 24” Waterline Replacement Decatur St. (Dumaine St – Governor Nichols St.) St. Peter St. (Chartres St.-Royal St.) - Tm010 - Project No. Pw20232, 2024-Swb-100 between The Sewerage and Water Board of New Orleans and Roubion Roads & Streets, LLC.
- Resolution (R-015-2025) Award of Contract 2167 – Lead Service Line Inspections and Replacements at Schools and Residential Connections Between The Sewerage and Water Board of New Orleans and Wallace C. Drennan, Inc.
- Resolution (R-017-2025) Renewal 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-018-2025) Renewal No. 2 for Contract 2164 – Water Line Replacements and Extension at Scattered Locations throughout Orleans Parish between The Sewerage and Water Board of New Orleans and Wallace C. Drennan, Inc.
 - o **Director Barnes moved to accept Contract Awards/Renewals. Director Howard seconded. The motion carried.**



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CONTRACT AMENDMENT

- Resolution (R-019-2025) Amendment No. 11 to the Agreement Between The Sewerage and Water Board of New Orleans and Richard C. Lambert, Consultants, LLC for Design and Engineering Services for Water Line Replacement Program.
 - o **Director Peychaud moved to accept Contract Amendments. Director Howard seconded. The motion carried.**

CONTRACT CHANGE ORDER BY RATIFICATION

- Resolution (R-003-2025) Ratification of Change Order No. 2 For Contract 30228 – Mid City Basin No. 2 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Fleming Construction Company, LLC.
- Resolution (R-004-2025) Ratification of Change Order No. 2 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-005-2025) Ratification of Change Order No. 3 for Contract 30236 – Carrollton Basin No. 6 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.
- Resolution (R-006-2025) Ratification of Change Order No. 1 for Contract 30248 – Carrollton Basin No. 7 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Fleming Construction Company, LLC.
- Resolution (R-008-2025) Ratification of Change Order No. 2 for Contract 30251 – Carrollton Basin No. 10 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.
- Resolution (R-009-2025) Ratification of Change Order No. 3 for Contract 30252 – Carrollton Basin No. 11 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.
- Resolution (R-010-2025) Ratification of Change Order No. 1 for Contract 30253 – Carrollton Basin No. 12 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.



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- Resolution (R-011-2025) Ratification of Change Order No. 2 for Contract 30254 – Carrollton Basin No. 13 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.
- Resolution (R-012-2025) Ratification of Change Order No. 7 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-013-2025) Ratification of Change Order No. 2 For Contract 8171 – Repaving Open Cuts in Streets, Driveways, and Sidewalks Resulting from The Sewerage and Water Board of New Orleans Underground Utility Repairs between The Sewerage and Water Board of New Orleans and Fleming Construction Company, LLC.
 - o **Director Barnes moved to accept Contract Change Order by Ratification. Director Peychaud seconded. The motion carried.**

FINAL ACCEPTANCE

- Resolution (R-002-2025) Authorization of Final Acceptance of Contract 8166 – Repaving Open Cuts in Driveways and Sidewalks Resulting from the Repair to The Sewerage and Water Board Underground Utilities between The Sewerage and Water Board of New Orleans and Wallace Drennan, Inc.
 - o **Director Howard moved to accept Final Acceptance. 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, Director Peychaud moved to adjourn. Director Barnes seconded. The motion carried. The meeting adjourned at approximately 9:53 a.m.