

BOARD OF DIRECTOR'S MEETING

JULY 19, 2017

MEETING MINUTES

SEWERAGE AND WATER BOARD OF NEW ORLEANS

ROLL CALL

The Board of Directors of the Sewerage and Water Board met on Wednesday, July 19, 2017 at 9:01 AM in the Board Room at 625 St. Joseph Street. The Executive Director, Cedric S. Grant, called the roll and confirmed the following members were present: Scott Jacobs, Robin Barnes, Ralph Johnson, Joseph Peychaud, Dr. Tamika Duplessis and Jeff Hebert.

The following member(s) were absent: Eric Blue, Alan Arnold, Kerri Kane and Marion Bracy.

Also present were: Geneva Coleman, The Hawthorne Agency; Pamela Burleigh, SOL Engineering Services, LLC; Randy Smith, Royal Engineers; Amer Tufail, Green Point Engineering and Brenda Thornton, Communirep, Inc..

Staff present were: Cedric S. Grant, Executive Director; Robert Miller, Deputy Director, CFO; Bruce Adams, Deputy General Superintendent; Sharon Judkins, Deputy Director, Administration; Joseph Becker, General Superintendent; Valerie Rivers, Deputy Director, Logistics; Nolan Lambert, Special Counsel; Harold Marchand, Yolanda Grinstead, Legal Department; Lawrence Williams and Jasmin Lawrence, Board Relations Staff; Willie Mingo, Purchasing; Hayne Rainey, Communications and Lisa Martin, Deputy Director of Communications.

APPROVAL OF PREVIOUS REPORT

Joseph Peychaud moved to approve the minutes of the Regular Board Meeting held on May 17, 2017. Ralph Johnson seconded the motion. The motion carried.

HONORS AND AWARDS

The Sewerage & Water Board of New Orleans presented awards to the Employees of the Month. Venetian Isles: Dave Cappel, Networks Technical Services; Kelley Jeffries, Emergency Management; Janice Walters, Purification Lab; Reginald Gillum, Warehouse Supervisor; Hilton and Lakeview Repairs: Jamar Hill, Zone 7; Water Dogz: Jerome Marshall, Water Dogz Captain.

REPORT OF THE EXECUTIVE DIRECTOR

Cedric S. Grant presented a slide presentation that focused on the following topics of discussion:

- Response to OIG Report on Lead – A handout was given to the Board Members.
- 2017 State Legislative Agenda Update
- SELA Update
- Climate Action Plan – Resolution (R-063-2017)
- One Water Summit 2017 Summary

Key Agenda Topics:

- **Audit Committee**
 - Overtime and Standby Time Overview
 - Annual Audit Report
 - a. 2016 CAFR
 - b. Single Audit Report
 - c. Management Letter
- **Strategy Committee**

Action Items:

 - Climate Resolution (R-063-2017)

Presentation Items:

 - SWBNO Capital Projects 2010 to 2022
 - Monthly Human Resources Activity Report for the Period 6/1-30/2017
 - Update to Classification & Compensation Study
 - Executive Director's Approval of Contracts of \$1M or less
- **Finance and Administration Committee**

Action Items:

 - General Superintendent's Recommendations
 - Change Orders(s)
 - Amendment No. 1 to Agreement with AECOM for Additional Services Associated with Project Controls and Scheduling Services and Staff Augmentation of Engineering Programs (R-055-2017)
 - Award of Engineering Services for Treatment System Process Improvement at the East Bank Wastewater Treatment Plant (R-060-2017)
 - Authorizing the SWB Executive Director to Execute Amendment Nos. 7, 8, and 9 to the Agreement Between SWB and Waldemar S. Nelson and Company for Hurricane Katrina Related Water Restoration Projects (R-061-2017)
 - Updated Fees for Electronic Bill Payments (R-062-2017)

Presentation Items:

 - Financial Plan Results May 2017
- **Pension Committee**

Presentation Items:

 - Review of 2016 Actuarial Valuation Report
 - Chief Investment Officer's Presentation
 - a. Introduction to Asset-Liability Studies
 - b. Brief Introduction to Investment Philosophy
 - c. Discuss ERS Governance Structure

Information Items:

 - Pension Committee Election Results Employee Member

AUDIT COMMITTEE

Robin Barnes reported there was no action taken by the Audit Committee. It was a presentation item meeting only due to the lack of a quorum. Kimberly Johnson presented the Overtime and Standby Time Overview for Payroll Ending June 25, 2017. Brandy Smith with Postlethwaite & Netterville, APAC presented the 2016 CAFR audit findings for the years ended December 31, 2016 & 2015. Robert Miller gave an overview of the Annual Audit Report with the 2016 CAFR, Single Audit Report and the Management Letter. There were no other information items to come before the Audit Committee.

STRATEGY COMMITTEE

Dr. Tamika Duplessis reported on the actions taken by the Strategy Committee. Dr. Tamika Duplessis moved to approve the Climate Change Resolution (R-063-2017) as modified at that meeting. Joseph Peychaud seconded the motion. The motion carried.

FINANCE & ADMINISTRATION COMMITTEE

Scott Jacobs reported on the actions taken by the Finance & Administration Committee on June 19, 2017. Ralph Johnson moved acceptance of the Finance and Administration Committee Report and recommendations, therein. Robin Barnes seconded the motion. The motion carried.

Joseph Peychaud reported on the actions taken by the Finance & Administration Committee on July 17, 2017. Nolan Lambert noted a correction to the Finance and Administration Report for the month of July. Jeff Hebert was present at that meeting to form a quorum; also, Joseph Becker noted that under item 3, resolution (R-055-2017) should be removed and (R-059-2017) should be included.

Robin Barnes moved acceptance of the Finance & Administration Committee's report for July 17, 2017 and the Finance & Administration Committee's recommendations, with the noted two corrections as amended, therein. Jeff Hebert seconded the motion. The motion carried.

Pension Committee

Joseph Peychaud welcomed Tim Viezer to the Sewerage and Water Board of New Orleans Pension Committee as the new Chief Investment Officer in the month of June.

Joseph Peychaud reported there were no actions taken by the Pension Committee on June 19, 2017. It was a presentation item meeting. Tim Viezer presented on the Code of Ethics and Standards of Professional Conduct and the Chief Investment Officer's Report. There were no information items to come before the Pension Committee.

Joseph Peychaud reported there were no actions taken by the Pension Committee on July 17, 2017. It was a presentation/ information item meeting. Michael A. Conefrey with Conefrey & Company, L.L.C. presented the Review of the 2016 Actuarial Valuation Report. Tim Viezer presented the Chief Investment Officer's Presentation which included: Introduction to Asset-Liability Studies; Brief Introduction to Investment Philosophy and the ERS Government Structure. Consultant Octave Francis spoke on the Investment Philosophy. Joseph Peychaud suggested that the Pension Committee reconstitute smaller subcommittee meeting sessions before the monthly Pension Committee Meeting. There was one information item to come before the Pension Committee.

Joseph Peychaud moved acceptance of the Pension Committee's report. Ralph Johnson seconded the motion. The motion carried.

CORRESPONDING RESOLUTIONS

The following resolutions were adopted in conjunction with approval of the Committee reports as follows:

R-038-2017 – Authorization to Enter Into Enterprise Geographic Information System Software Contract.

R-049-2017 – Authorization to Award Contract for Readiness Assessment Portion of Automated Metering Project Design and Implementation Services.

R-050-2017 – Ratification of Change Order No. 2 for Contract #30015 – Restoration of Gravity Sewer by Point and CIPP Lining Sewer Mains at various sites.

R-051-2017 – Ratification of Change Order No.1 for Contract #30016 – Restoration of Existing Gravity Flow Sanitation Sewers by Excavation and Replacement from Manhole, CIPP Lining of Service Laterals & Point Repair at various sites throughout Orleans Parish.

R-052-2017 – Ratification of Change Orders No. 3 for Contract #2111 – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant replacement at various sites throughout Orleans Parish.

R-054-2017 – Final Acceptance and Close Out to Emergency Letter Bid for Emergency Replacement of Underground Electrical Power Duct Bank, from Cohn St. to Carrollton Water Purification Plant.

R-056-2017 – Amendment No.1 To Agreement with AECOM for Services Associated with Project Controls and Scheduling Services of Engineering Programs.

R-057-2017 – Change Order No.1 To Agreement with Siemens for Additional Services Associated with Emergency Repairs of Steam Turbine 3.

R-058-2017 – Ratification of Change Order No.1 for Contract #8144 – Paving Open Cuts in Streets, Driveways and Sidewalks Resulting from the repairs to the S&WB of New Orleans Underground Utilities.

R-059-2017 – Ratification of Change Order No. 1 for Contract #30014 – Cleaning and CCTV Inspection of Sanitation Sewer Mains at scattered sites within Orleans Parish.

R-060-2017 – Award of Contract to Provide Engineering Consultant Services Necessary for Improvements to the Treatment System Process System at the East Bank Wastewater Treatment Plant

R-061-2017 – Resolution Authorizing the Executive Director of the Sewerage & Water Board to Execute Amendment Nos. 7, 8, and 9 to the Agreement between the Sewerage & Water Board of New Orleans and Waldemar S. Nelson and Company for Hurricane Katrina Related Water Restoration Projects.

R-062-2017 – Updated Fees for Electronic Bill Payments.

R-063-2017 - Sewerage & Water Board of New Orleans Activity Supporting the City's Climate Action for a Resilient New Orleans.

PRESENTATION ITEMS

Monthly Human Resources Activity Report for the Period June 1 through June 30, 2017

Sharon Judkins presented the Monthly Human Resources Activity Report for the month of June 1 through June 30, 2017 and an oral presentation on the Update to Classification & Compensation Study.

Executive Director's Approval of Contracts for \$1,000,000.00 or less

The contracts approved by the Executive Director that were \$1,000,000.00 or less are as follows:

1. Mueller System for Totalizing Fluid Meters and Counting Devices Water Meters.
2. Imperial Exterminating Company for Pest and Rodent Control Services.

INFORMATION ITEMS

The following items were submitted for informational purposes only:

- FEMA Status Report
- Report of the General Superintendent
- Report of the Special Counsel
- Financial Statements
- Climate Action for a Resilient N.O.

ANY OTHER MATTERS

Customer, Rita Legrand, representing the Lakeview residents, addressed the Sewerage & Water Board regarding the OIG Report, the overtime within the Sewerage & Water Board, and existing water leaks in their area. Cedric S. Grant will be working with the Lakeview residents to address their concerns.

ADJOURNMENT

There being no further business to come before the Board, Ralph Johnson moved to adjourn. Robin Barnes seconded. The meeting adjourned at approximately 10:07 AM.