

BOARD OF DIRECTORS' MEETING

June 20, 2018

MEETING MINUTES

SEWERAGE AND WATER BOARD OF NEW ORLEANS

ROLL CALL

The Board of Directors of the Sewerage and Water Board (SWBNO) met on Wednesday, June 20, 2018 at 10:05 AM in the Board Room at 625 St. Joseph Street. Deputy Special Counsel, Ms. Yolanda Grinstead, called the roll and confirmed the following members were present: Director Andrew Amacker, Director Ralph Johnson, Director Eileen Gleason, Director Joseph Peychaud, Director Stacy Horn Koch, Director Lewis Stirling, III, Director Lynes Sloss, Director Dr. Tamika Duplessis, and Hon. LaToya Cantrell.

The following member(s) were absent: Director Robin Barnes

Also present were: Ms. Geneva Coleman, The Hawthorne Agency; Mr. Randy Smith, Royal Engineers; Ms. Brenda Thorton, Communirep; Mr. Joseph Sensebe, I-Team; Ms. Rita Lagrand, Lakeview; Ms. Fannie Bennet, Buchart Horn; Mr. Walter Baudier, Jr., Mr. Walter Baudier III, Mr. Ben Bartlett, Mr. Michael Williams, 419 Carondelet; Mr. Douglas Evans, BKI; Mr. Brian Egana, Circular Consulting, LLC; Mr. Lloyd Lazard.

Staff present were: Ms. Jade Brown-Russel, Acting Executive Director; Mr. Bruce Adams, Interim General Superintendent; Ms. Marina Kahn, CFO; Ms. Sharon Judkins, Deputy Director, Administration; Ms. Valerie Rivers, Deputy Director, Logistics; Mr. Richard Rainey, Deputy Director, Communications; Ms. Lauren Woulard, Communications; Mr. Ronald Doucette, Deputy Director, Security; Ms. Rosita Thomas, Finance Department; Ms. Jacqueline Winston, Ms. Candace Newell, Board Relations Staff; Ms. Yolanda Grinstead, Mary Beth Arceneaux, James Thompson, Legal Dept.; Mr. Dexter Joseph, Budget Dept.; Ms. Jacqueline Shine, Customer Service; Mr. Robert Jackson, Community & Intergovernmental Relations; Mr. Willie Mingo, Purchasing; Ms. Irma Plummer, EDBP; Mr. Willie Mingo, Purchasing.

Prior to the start of the meeting, Mayor LaToya Cantrell made some brief remarks. The Mayor stated that prior to the change in administration at City Hall, she and her staff were told that the Sewerage and Water Board was on fire. She said that in working collaboratively with the Board, it is our job to put the fire out, and that the leadership here at the S&WB has been working aggressively to do that. We want to make sure that we have the best Sewerage & Water Board in the world. There are 115 out of 120 pumps that are operational, but we're working toward getting all 120 in operation. This has been consistent for the past 45 days. Our goal is to have a fully functional system – not just in terms of equipment, but people as well.

With reference to the turbines, we have more pumping power than we've had in a decade. Turbines 4 and 5 are still being tested. So when Turbine 5 goes online, we'll have more power than we've seen in the history of the Sewerage and Water Board. The Mayor stated that we should always pause to assess how far we've come. These improvements are a priority and a result of the investments made in equipment and growing and advancing leadership within the organization.

The Mayor also addressed the transition report on infrastructure and the transition report coming from the Forward Together Transition team under her leadership. The team made many practical short-term and long-term recommendations. Mayor Cantrell stated we have not lost sight of that at all; however, we're focusing on the most important things at this time to ensure that we have reliability and are moving towards sustainable power.

Mayor Cantrell announced that we have hired Ms. Yvette Downs as the Chief Financial Officer of the S&WB. She has over 30 years of experience and strong leadership skills. Ms. Downs is working very hard and diligently on behalf of us all.

The Selection Committee will meet later in the week regarding the Executive Director Search. There were over 11 candidates that were considered qualified and seven that are considered highly qualified. There are national as well as local candidates.

Mayor Cantrell listed the priorities of the administration: fixing the billing problems, improving customer relations and customer service, improving the relationship between the Department of Public Works (DPW) and the Sewerage and Water Board (S&WB), and providing training for employees. The Transition Report recommended moving staff from DPW within the S&WB. Now, we actually have staff in PDU and Deputy Chief Administrative Officer (CAO) of Infrastructure, Ramsey Green, is hands on and in constant communication with the S&WB leadership. The Mayor stated that through the years, the previous administration would go around the leadership in place or employees that are in place to create what is called a “work around”. This administration, however, will deal with the problem head on because this type of mindset has delayed progress with infrastructure in regard to building the employee pipeline, professional development, and morale. Be that as it may, we have not gotten this far without the dedicated employees of the S&WB.

The new Hiring Date has been pushed back until after July 4th of this year. We’re focused on the 238 vacancies that need to be filled immediately. The Civil Service Commission is in full agreement and in partnership with us having a large testing process so that we can get 238 people placed on the registry. We can get people through the interview process, get their background checks started, and get them drug tested on site. We won’t be able to get the background checks turned around in one day; however, we have a commitment on the drug tests. This will allow us to move quickly in issuing letters of employment. All new hires will be on probation until after the background checks have been received.

The Mayor ended her remarks by saying that class and compensation issues are a priority because they continue to plague the organization. We will be figuring out ways to increase compensation as well as move people into their right class. We have employees that Civil Service has deemed not qualified in a particular class, but the employees are doing the work to satisfy that class. So, essentially, they’re working at a scale and pace for which they’re not getting paid.

APPROVAL OF PREVIOUS MINUTES

Director Lynes Sloss moved for approval of the Minutes of May 16, 2018. Director Stacy Horn Koch seconded. The motion carried.

Pension Committee Report

Mayor Cantrell gave a shout out to Director Joseph Peychaud for having chaired both the Finance and Administration Committee and the Pension Committee. Director Peychaud has decided to chair only one committee – the Pension Committee. Taking Director Peychaud’s position at the helm of the Finance and Administration Committee will be Director Lynes Sloss.

Director Peychaud read the report of the Pension Committee. Director Eileen Gleason moved to accept the Pension Committee report. Director Ralph Johnson seconded. The motion carried.

Finance and Administration Committee Report

Director Peychaud read the report of the Finance and Administration Committee. Director Koch moved to accept the Finance and Administration Committee report. Director Andrew Amacker seconded. The motion

carried.

Audit Committee Report

Director Dr. Tamika Duplessis read the report of the Audit Committee. Director Peychaud moved to accept the report of the Audit Committee. Director Lewis Stirling seconded. The motion carried.

CORRESPONDING RESOLUTIONS

The following resolutions were approved at the June 2018 Finance and Administration Committee Meeting:

R-034-2018 – First and Final Renewal of Contract CN2126 – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacements at Various Sites throughout Orleans Parish

R-062-2018 – Ratification of Change Order No. 1 and Final Acceptance and Closeout for Contract 6260 – Rewind of Constant Duty Motor 1 and 2 at DPS6 and Refurbishment and Cleaning of Pump Motor “C” at DPS6 and DPS7

R-072-2018 – Ratification of Change Order No. 4 for Contract 1369 – Hazard Mitigation Grant Project Emergency Fuel Storage Retrofit Power Plant, Main Water Purification Plant Power Complex

R-073-2018 – Ratification of Change Order No. 3 for Contract 30100 – Electrical Improvements to the Effluent Pump House at the East Bank Sewer Treatment Plant

R-076-2018 – Amendment No. 2 for the Agreement with AECOM Technical Services, Inc. for the Electrical Services Associated with the East Bank Wastewater Treatment Plant

R-077-2018 – Ratification of Change Order No. 4 for Contract 1395 – Water Hammer Hazard Mitigation-Elevated Storage Tanks

R-079-2018 – Resolution of Amendment No. 5 to the Agreement between the Sewerage and Water Board of New Orleans and Burk-Kleinpeter, Inc. for Program and Construction Management Services in Connection with the 404 Sewer Hazard Mitigation Grant Program

R-080-2018 – Contract 170065 – Leak Detection and Fire Flow Testing Services at Various Sites throughout Orleans Parish

R-081-2018 – Contract 8159 – Permanent Paving Restoration Services on the Westbank of the City of New Orleans

R-082-2018 – Contract 8160 – Permanent Paving Restoration Services for New Orleans East – in the City of New Orleans

R-083-2018 – Contract 8161 – Permanent Paving Restoration Services for Zone 1 – City of New Orleans

R-084-2018 – Contract 8162 – Permanent Paving Restoration Services for Zone 3 – City of New Orleans

R-085-2018 – Contract 8163 – Permanent Paving Restoration Services for Zone 4 – City of New Orleans

Director Lynes Sloss moved to approve the corresponding resolutions. Director Stacy Horn Koch seconded. The motion carried.

REPORT OF THE EXECUTIVE DIRECTOR

Acting Executive Director Jade Brown-Russell gave the Executive Director's Report. The Capital Assets Report provided an update of where we are in terms of pumps and power. Ms. Brown-Russell acknowledged the leadership that got us to this point: Mr. Bruce Adams, Interim General Superintendent; Mr. Joe Sensebe, Interim Operations Manager; Mr. Bob Turner, Interim Operations team; Mr. Ron Spooner, Chief Engineer; and Mr. Eric Labat, Interim Operations Chief.

Capital Assets Report

- Pumps
- Turbines
- Frequency Changers & EMDs
- Management & Manpower

Drainage Pumping Status

115 of 120 pumps are fully operational
5 pumps out; repairs underway

DRAINAGE PUMPS UNDER REPAIR

Location	Pump	Capacity (CFS)	Scheduled Completion
DPS #15	#3	250	TBD
DPS #13	#4	1,000	TBD
DPS #13	#5	1,000	TBD
DPS #1	CD #1	60	TBD
DPS #4	C	1,000	TBD
	Total	3,310 CFS	

Interim Operations Manager Joe Sensebe stated that Pumps 4 and 5 at DPS #13 are the two diesel-driven pumps that are backups to the electric-driven pumps. So there is 100% redundancy. Also, the purchase order for a replacement of one of the pump engines has been signed and is under way. An aggressive maintenance type program has been instituted. So, in the coming months, a number of large pumps will be cycled through the maintenance program.

➤ 25 Hz Power Assets Schedule

Unit	Status/Expected Return to Service Date	Expected MW
▪ Turbine #6	Available	3.75 MW*
▪ Carrollton Freq. Changer (1&2)	Available	8.5 MW
▪ Station D Freq. Changer (3&4)	Available	12 MW
▪ EMDs #2, 3, 4, 5	Available	10 MW
▪ Turbine #5	Available	20 MW

▪ Turbine #1	Available	5 MW
▪ Turbine #3	Available	+12 MW
	Total	71.25 MW
▪ Turbine #4	Testing Underway	+15 MW

*Turbine 6 is a 60 Hz generator that can produce 3.75 MW of 25 Hz power through a frequency changer.

Ms. Brown-Russell stated that once Turbine #4 comes online, we will be in a position that we haven't been in for a long time, thanks to the a tremendous effort on the part of our operations team. Turbine #5 is considered the workhorse of the system. Turbine #6 is a backup generator. Turbine #3 has not been tested yet to its full potential, but the operations team is confident that it will perform.

Director Dr. Duplessis asked for an update on alternative fuel testing for the turbines. Mr. Joe Sensebe stated that Turbine #5 is a dual fuel machine. Most of the time, it runs on natural gas. It has the capability of running on diesel fuel as emergency backup. Currently, we're completing the construction of a minimum of five days storage at the facility to be able to run that turbine in the event there is interruption of natural gas. We've gained additional information from the two previous tests that were done. We discovered that the diesel fuel nozzles needed maintenance. They've been removed and are currently being serviced. Hopefully, in the next 2-3 weeks, they'll be ready to be reinstalled. At that point, another test will be performed.

Director Sloss wanted to know if anything beyond 51 MW was considered excess capacity. Mr. Sensebe stated that anything over 51 MW is redundant capacity because it gives us the flexibility to engage different machines at different periods as needed. Should something go down, it gives us that backup. We're now at 71.25 MW and hoping for 86.25 MW by July 2018.

Interim Operations Manager Mr. Joe Sensebe gave an update on the May 18, 2018 rain event using the PI Vision Platform. Mr. Sensebe stated that PI is a robust venture into Supervisory Control and Data Acquisition (SCADA). PI was developed after the August 5, 2017 rain event. It collects data from the drainage operating system in real time and transmits it to the drainage operations team at the Carrollton Water Plant. PI is online 24/7; however, it does not control any of the drainage equipment. It continues to undergo commissioning. PI is a great tool to watch the entire May 18th event unfold. It serves as a backup because a lot of decisions are made through radio traffic and logging. With this tool, we're able to go back and revisit an event and do some forensics on what happened and why. PI can also be used in the realm of continuous improvement. The May 18th event was the first big test of the system.

PI monitors pumps, power, suction and discharge levels, water pressure, and rainfall. Looking towards the future, PI will monitor drainage, power, water and wastewater. There are plans for a public facing dashboard so that customers know which pumps are working.

We're going to model the firm that has been our consultant for all SELA work, major drainage work, and the August 5, 2017 event. They will put all of the data into their computer model and then we will do some calibrations. We have PI data, data from cameras, and other photos and videos. We're going to calibrate to see how accurate our model is and how well our system performed compared to what the model predicted. Those results will be reported in the coming months. Our intent is to be able to forecast where trouble may arise and thus begin to be more proactive rather than reactive.

Dr. Duplessis was very impressed with the details of the May 18, 2018 rain event. Director Koch stated that we should be able to explain to the public how the system works. The slide presentation showed total rainfall by neighborhoods for a period of three hours on May 18th. It showed every pumping station in the system between 4 PM – 7 PM. Mr. Sensebe pointed out that at DPS #2 located at Broad and Orleans, only 3 out of 4 pumps are on at any given time. The reason being we would put so much water into the downstream portion of the canal that the banks of the canal would overflow. So, the combination always revolves around two 550 CFS pumps and one 1000 CFS pump. That's the best that we can do. The protection of the equipment and keeping the mileage on the equipment as low as possible has to be first and foremost to maintain its readiness and reliability.

Executive Director Brown-Russell stated that we need to restore cooperation between the Department of Public Works (DPW) and the S&WB. During the May 18th rain event, DPW deployed vacuum trucks to make sure water was draining properly, and it was. Mayor Cantrell stated that from May 18, 2018 out two weeks, the administration moved \$27.9 million in infrastructure projects out of the door that had been stalled in the Project Delivery Unit (PDU) for whatever reason. The administration then held a Public Safety meeting to address the issue with barricades, among other things. In that meeting, the use of barricades was restructured. Going forward, there will be a barricade at Broad and Orleans to cut off traffic flow and prevent homes and businesses from being flooded during rain events.

Continuing with her Executive Director's Report, Ms. Brown-Russell emphasized that we cannot leave our people behind. She stated that we must invest in our human capital just as much as we invest in our equipment and the physical assets of the Board. This organization and its employees have seen much transition; therefore, the leadership, be they interim or permanent, must be able to assure them that they are committed to investing in them. The Acting Executive Director and her staff have been working in collaboration with the Mayor and her team on some things that will roll out in a couple of weeks. They have developed a 60-Day Plan for Training, Systems and Process Improvement, Customer and Employee Relations, Hiring and Succession, and Finance and Audit.

The Mayor's transition team and others have given a tremendous amount of feedback and have said that they are stakeholders in this effort and stand ready to assist in any way with the training.

We're working with Cogsdale to provide key elements necessary for Billing, Customer Service, and Finance and Revenue to perform effectively and efficiently. We're developing standard operating procedures (SOPs) in every area of operation. We're developing and updating policies in accordance with Best Practices. We're collaborating with Civil Service to develop a position for a continuous improvement officer and/or team.

Ms. Brown-Russell stated that we are lacking in the area of communication, both internally and externally. Therefore, we have hosted a press conference and media tour with all major news outlets, relaunched social media platforms, met with local officials to discuss constituent concerns, utilized internal and external meteorologists to gain real-time data, and reinstituted employee engagement initiatives with diverse employees. We will be recognizing employees for their various accomplishments to let them know that we appreciate their service. We are working toward bringing clarity to employee relations.

Next, Ms. Brown-Russell stated that we're planning hiring days with the Cantrell administration, Civil Service, and other stakeholders, with priority on meter readers. Ms. Sharon Judkins will take the lead. We're planning to review current vacancies, budgets, and departmental needs. We plan to refocus on promoting from within, concentrating on middle management. In addition, we plan to refocus on performance evaluation and succession planning.

Lastly, our goal is to finalize all five audits underway. Effective June 25, 2018, we have a new Chief Financial Officer (CFO). We are currently pursuing collections on our largest unpaid customers and purchasing all software needed to effectively and efficiently meet finance and audit needs.

Ratification of Appointment of Acting Executive Director

Director Stacy Horn Koch moved to ratify the appointment of Ms. Jade Brown-Russell as Acting Executive Director of the Sewerage and Water Board of New Orleans. Director Lewis Stirling seconded. The motion carried.

Resolution (R-069-2018) Declaration of Board Vacancies for Consumer/Community Advocate Seats

Director Andrew Amacker moved to approve R-069-2018 declaring a vacancy for the Consumer Advocacy position on the Board of Directors of the Sewerage and Water Board of New Orleans. Director Lynes Sloss seconded. The motion carried.

HONORS AND AWARDS

Ms. Ann Wilson, Chief of the Environmental Affairs Department, announced that the Sewerage and Water Board of New Orleans had received a recognition award for the Enforcement through Partnerships Program and the Fats, Oil, and Grease (FOG) Program at the 2018 Environmental Leadership Awards Program at LDEQ headquarters on April 10, 2018. Accompanying Ms. Wilson were Ms. Joy Williams and Mr. Muhammad Yungai who, along with other members of the Environmental Affairs Department, are currently in training. The plaque and certificate of recognition were presented to the Board. Director Duplessis stated that the material about the program, which includes information for children, is phenomenal and can be viewed on the S&WB website.

SWBNO Tuition Reimbursement Program

Deputy Director of Administration, Ms. Sharon Judkins, stated that tuition reimbursement falls under the Employee Relations Unit. The Board Reimbursement Policy, however, has not been revised since August, 1994. The existing policy is designed to assist our employees in getting skills that will enhance their qualities in their current position or to apply for other positions with the S&WB. Eligible employees are regular, full-time, permanent employees who have been employed for at least 12 months. The employee must maintain a grade of C or above to be eligible for reimbursement. The current reimbursement amount is \$3,000.00/course.

A focus group, led by Employee Relations Manager Veronica Washington, was established to look at the current Board Reimbursement Policy. They met on Tuesday, June 19, 2018. The group recommended changing the reimbursement amount to \$5,250.00 and that the employee must maintain a grade of C for undergraduate studies and a B for graduate studies to be eligible for reimbursement. The focus group also recommended eliminating the tiered amount and reimbursing employees based upon whether they pass or fail a particular course. The goal of the focus group is to finalize the new policy by Friday, June 22, 2018 and submitting it to the Acting Executive Director. The group also recognized the need for commitment on behalf of the employees to utilize their skills to improve the services here at the S&WB. Thus, three years is the recommended time for employees to stay.

Director Peychaud asked how we would go about enforcing the employees who do not abide by the code. Ms. Judkins stated that they will establish a coded system for monitoring separated employees. Director Duplessis asked if there is a clause built into the new policy for dealing with disagreements between supervisors and employees. Ms. Judkins stated that the actual eligibility and determination as to whether a course is in line with a job that an employee is currently in or one with the S&WB is evaluated by the Employee Relations Unit in Human Resources (HR). Director Gleason wanted to know what the avenue for redress is if the employee is not satisfied with HR's decision. Ms. Judkins stated that the redress comes through the Deputy of Administration. That's where any decisions can be repealed. Director Gleason also asked if students who receive scholarships can double-dip. Ms. Judkins said that those students are not entitled to reimbursement. Students are reimbursed to a maximum of \$5,250. Therefore, if the course costs less, the student would only be reimbursed that amount. Online courses are acceptable as long as the school is accredited. The focus group also recommended a cap for the longevity of the employee. Thus, if a person is employed with S&WB for 10-15 years, for example, that person would receive no more than \$26,250 towards education.

Director Sloss was amazed that Best Practices would reimburse students who achieved a B or C in a course the same as someone who achieved an A. Discussion ensued. Director Andrew Amacker wanted to know if the program covered continuing education. Ms. Judkins said that it does. There was further discussion about a lifetime cap pertaining to continuing education each year. Acting Executive Director Jade Brown-Russell stated that the lifetime cap for continuing education would be worth reviewing.

Director Sloss asked Ms. Judkins if she had data to show the percentage of employees that have participated in this program. Mayor Cantrell asked Ms. Judkins if she would get that information for the Board because it could also help us forecast how many might take advantage of the program. The Mayor said she sees this as an opportunity as it relates to the eight colleges and universities here in the city of New Orleans. The Mayor is going to reach out to see if we can create a partnership to where even the cost of tuition could be reduced for this type of partnership, which would allow the \$5,250.00 to go even further for our people.

Director Gleason requested that the Board Reimbursement Policy remain an agenda item and Acting Executive Director Brown-Russell agreed. Director Gleason also expressed concern that this benefit program is 24 years old. She was certain that Best Practices for Boards requires us to re-examine such policies on a periodic basis. Ms. Gleason appealed to the body to submit recommendations about how best to implement more frequent reviews of employee benefits. Ms. Brown-Russell stated that Ms. Judkins' team has taken ownership of making sure that policies and procedures are reviewed on an annual basis to make sure that they're still in line with Best Practices.

INFORMATION ITEMS

The following items were submitted for informational purposes only:

- Financial Results through March and April 2018
- Monthly Human Resources Amended Activity Report for Period May 1 – May 31, 2018
- Executive Director's Approval of Contracts of \$1,000,000.00 or Less
- Report of the General Superintendent
- Report of the Special Counsel
- FEMA Report for May 2018
- Change Order Sub-Committee Framework
- DBE Participation on Contracts

PUBLIC COMMENTS

Sewerage and Water Board Customer, Mr. Lloyd Lizard, appeared before the Board to voice his concerns about the high water bills he has received. Mr. Lizard brought documentation for the past two years to support his complaint. Mayor Cantrell thanked Mr. Lizard for coming before the Board and assured him that, going forward, the customers would be present when their accounts are being investigated.

Mr. Walter Baudier, III spoke on behalf of Mr. Walter Baudier, Jr., Mr. Michael Williams, and Mr. Ben Bartlett. This group of individuals has been trying for a year and a half to have the water turned on at 419 Carondelet. Mr. Baudier submitted documentation that their water had been tested by two labs – Water Testing, a Louisiana certified testing lab, and the Department of Health. Both tests indicated the water line at 419 Carondelet is clear. Mr. Baudier made two requests: 1) That the S&WB test their line in an expedient manner; and 2) That the S&WB accept the test that was done by the Louisiana Department of Health. Mayor Cantrell thanked Mr. Baudier for his presentation and stated that it will be a priority to get their water connected. Mr. James Thompson from the Legal Department was present to answer any questions about this particular issue. Director Gleason requested that the Board receive an update at the next meeting.

EXECUTIVE SESSION

Director Stacy Horn Koch moved to enter into Executive Session. Director Dr. Tamika Duplessis seconded. The motion carried.

Director Eileen Gleason moved to leave Executive Session and enter into Regular Session. Director Andrew Amacker seconded. The motion carried.

There was no action taken in Executive Session.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at approximately 12:40 PM.