

BOARD OF DIRECTORS' MEETING

May 15, 2019

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 May 15, 2019 at approximately 9:00 AM in the Board Room at 625 St. Joseph Street. Special Counsel, Ms. Yolanda Grinstead, called the roll and confirmed the following members were present: Director Joseph Peychaud, Director Lynes Sloss, Director Dr. Tamika Duplessis, Director Ralph Johnson, Director Alejandra Guzman, Director Robin Barnes, Councilmember Jay H. Banks, Director Dr. Maurice Sholas, Director Janet Howard, and Hon. LaToya Cantrell.

The following member(s) were absent: None

Also present were: Ms. Geneva Coleman, The Hawthorne Agency, Inc.; Ms. Brenda Thorton, Communirep; Mr. Lloyd Lazard; Mr. Ramsey Green, Chief Administrative Officer, Infrastructure; Mr. Randy Smith, Royal Engineering; Ms. Bambi Hall, GEC; and Mr. Curtis Doucette, Jr., Iris Development; Ms. Susan Nolan, Stantec; Mr. Robert Jackson, Customer Service; Ms. Nina Reins, Freese and Nichols.

Staff present were: Mr. Ghassan Korban, Executive Director; Ms. Yvette Downs, Chief Financial Officer; Ms. Christy Harowski, Chief of Staff; Mr. Robert Turner, General Superintendent; Mr. Bruce Adams, Deputy General Superintendent; Mr. Richard Rainey, Chief Communications Officer; Ms. Yolanda Grinstead, Special Counsel; Ms. Mary Beth Arceneaux, Mr. Edward Morris, Mr. Darryl Harrison, Legal Department; Mr. Dexter Joseph, Budget Department; Mr. Robert Jackson, Customer Service; Ms. Conestler Green, Purchasing; Ms. Irma Plummer, EDBP; Ms. Grace Birch, Communications; Mr. Jason Higginbotham, Emergency Management, SWBNO; Mr. Ron Spooner, Chief of Engineering; Mr. David Callahan, Special Projects; Mr. Eric Labat, Chief of Operations; Mr. Fred Tharp, Chief of Networks; Ms. Brionne Lindsey, Ms. Jacqueline Winston, Board Relations.

APPROVAL OF PREVIOUS MINUTES

Director Lynes Sloss moved for approval of the Minutes of April 17, 2019. Director Joseph Peychaud seconded. The motion carried.

COMMITTEE REPORTS

Finance and Administration Committee Report

Director Maurice Sholas moved to accept the report of the Finance and Administration Committee. Director Robin Barnes seconded.

PUBLIC COMMENT

Mr. Lloyd Lazard expressed his concerns about change orders. He also asked that the OIG take a look at previous decisions.

Director Janet Howard asked for an explanation of how we can approve amendments without putting them out for public bid. Mayor Cantrell explained the process to Director Howard. Mr. Korban added that we only deal with change orders when there is a change in conditions. Here at SWBNO, we do our own independent cost estimate.

Special Counsel Yolanda Grinstead stated that the issue of change orders has been brought to the Board before. The Finance and Administration Committee and/or Audit Committee will be coming back in June with more specific protocols regarding that policy.

Mayor Cantrell called for the vote. The motion carried.

Pension Committee Report

Councilmember Jay H. Banks moved to accept the report of the Pension Committee. Director Dr. Tamika Duplessis seconded. The motion carried.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Ghassan Korban discussed the May 12, 2019 event. Mr. Korban stated that some things were unpredictable. Entergy lost power but there was no real impact.

Drainage Pumping Status

115 of 120 drainage pumps are available during rain events. Repairs underway on the following pumps:

Station	Neighborhood	Total Pumps	Designed Total Capacity (cfs)	Pumps Out	Station Operational Capacity	Estimated Repair Completion
1	Broadmoor	11	6,825	1	99%	4/26/2019
6	17 th Street Canal	15	9,580	1	99%	5/31/2019
4	Gentilly	6	3,720	1	73%	4/17/2019
14	N.O. East	4	1,200	1	75%	TBD
20	N.O. East	2	500	1	50%	4/19/2019

SWBNO SELF-GENERATED POWER

Unit	FREQUENCY	MEGAWATTS	STATUS
Turbine 1	25 Hz	6 MW	Available
Turbine 3	25 Hz	~7 MW*	Available
Turbine 4	25 Hz	20 MW	Available
Turbine 5	25 Hz	20 MW	12MW Available
Turbine 6	60 Hz	15 MW**	Available
Carrollton Freq. Changer (1&2)	Converts 60 to 25 Hz	8.5 MW	Available
Station D Freq. Changer (3&4)	Converts 60 to 25 Hz	12 MW	Available
Five EMDs	25 Hz	12.5 MW	Available
TOTAL AVAILABLE	25 Hz	86 MW	74 MW
TOTAL AVAILABLE	60 Hz	15 MW	15 MW

*Actual capacity, not nameplate, due to age of machinery

*T6 can produce 3.75 MW of 25 Hz power through current frequency changer.

There was some discussion about 10-year storms and their frequency.

Director Barnes elaborated on green infrastructure and indicated that it could have some benefits. Mr. Korban stated that green infrastructure can be impactful, and in this last rain event, it would have made a difference.

Mayor Cantrell commented on the green infrastructure projects and how the public should be educated on how these projects can improve their quality of life. Director Barnes indicated that the infrastructure projects are not necessarily under the purview of SWBNO.

Mr. Korban also talked about the drinking water pumps.

Mr. Korban touched on our immediate priorities and addressed the new infrastructure funds. The Sewerage and Water Board received a one-time total amount of \$50 million - \$34 million to pay vendors and drainage's debt to water and sewer systems and \$16 million for projects (Hazard Mitigation Grant Program reimbursements). Other monies include Deferred Gulf Opportunity Zone payments in the amount of \$17.5 million and \$26 million in recurring funds to be used to modernize the drainage system, replace steam with electric power, to increase DPW's budget and to start addressing our aging water infrastructure.

Mr. Korban gave an overview of SWBNO as it relates to hurricane preparedness.

Dr. Sholas asked for an update on the Civil Service event. Mr. Korban explained the bill that was introduced. The administration went to Baton Rouge to oppose the amendment. Mr. Korban believes that the bill is dead at this point. The introduction of this bill allowed the leadership of SWBNO to engage with the employees. There was lots of discussion and understanding.

The Mayor stated that she had met with Civil Service the week of May 13, 2019 and shared some of her concerns.

Mr. Korban stated that this utility is about our employees and asked Admiral Callahan to talk about what is on the horizon for SWBNO.

PRESENTATION ITEMS

Admiral David Callahan gave the Leadership, Safety and Customer Service Culture Update.

Admiral Callahan stated that there are three types of cultures at SWBNO: Customer Service, Leadership, and Safety. We have started a 2-day course in Leadership Development. In fact, there is a course being offered the week of May 20, 2019 at the Carrollton Water Plant. Training in Customer Service and Safety will be ongoing throughout the year. Director Sloss stated that he would like to attend a training session. Admiral Callahan introduced our new Safety Manager, Mr. Vernon Crandle, who comes to us with a great deal of experience in safety at every level of government.

The Sewerage and Water Board is also in partnership with Delgado Community College which offers classes in the H2 Academy. Director Alejandra Guzman thinks this is a great idea and would like to be an H2 Academy graduate.

The Admiral further stated that our secret weapon is the Executive Director's Employee Advisory Council (EDEAC) that reports directly to Mr. Korban.

Councilmember Banks wanted to know what happened to cause the water to build up on the Westbank during the May 12, 2019 rain event. General Superintendent Robert Turner stated that there was nothing specific, and there was probably nothing SWBNO could have done on either bank as a result of the enormous amount of rain that fell in such a short amount of time. He further stated that our goal is to determine how we can improve and react quicker.

Councilmember Banks wanted the public to know that the administration and the Board have no reason to hide anything. Mr. Korban stated that he would rather the public ask questions rather than assume.

Mayor Cantrell commented on the rain event of May 12, 2019 as it relates to the Westbank and identified some key areas that will be explored.

Mr. Ramsey Green, Chief Administrative Officer of Infrastructure, stated that the crews used Closed Circuit TV (CCTV) when checking the drainage system, and they are looking at areas that had standing water, including the Westbank.

ACTION ITEMS

Resolution (R-097-2019) Whitebirch Financial Forecasting Software from PFM Solutions LLC.

Chief Financial Officer Yvette Downs requested that SWBNO authorize the Executive Director to enter into an agreement with PFM Solutions LLC, for the purchase and implementation of Whitebirch Software Service.

Director Lynes Sloss thought it would be a great investment. Director Sloss then moved to accept R-097-2019. Director Alejandra Guzman seconded. The motion carried.

CORRESPONDING RESOLUTIONS

The following resolutions were discussed at the May 8, 2019 Finance and Administration Committee Meeting:

R-076-2019 – Ratification of Change Order No. 2 for Contract 3664 – Hurricane Related Hazard Mitigation Grant Program Replacement of Sewage Pumping Station No. 8

R-082-2019 – Ratification of Change Order No. 1 for Contract 8145 – Re-paving Open Cuts in Streets, Driveways and Sidewalks Resulting from the Repair to the S&WB Underground Utilities

R-078-2019 – Amendment No. 3 for Professional Services for Sewer System Evaluation and Rehabilitation Program Management (SSERP) between Sewerage and Water Board of New Orleans and Stantec Consulting Service, Inc.

R-080-2019 – Ratification of Contract Amendment No. 11 for Professional Services between the Sewerage and Water Board and CH2M Hill Engineers, Inc. for Hurricane Related Water Restoration Projects

R-081-2019 – Contract Amendment No. 1 to the Professional Services Agreement between the Sewerage and Water Board and All South Consulting Engineers, LLC. for DPS No. 4 Canopy and Bridge Crane Addition

R-087-2019 – Final Acceptance for Contract 3664 – Hurricane Related 404 Hazard Mitigation Grant Program Replacement of Sewage Pumping Station No. 8.

Director Joseph Peychaud moved to accept the Corresponding Resolutions in globo. Director Ralph Johnson seconded. The motion carried.

EXECUTIVE SESSION

Director Dr. Duplessis moved to leave the Regular Session and enter Executive Session. Director Janet Howard seconded. The motion carried.

Councilmember Jay H. Banks moved to leave Executive Session and return to Regular Session. Director Dr. Maurice Sholas seconded. The motion carried.

Director Lynes Sloss moved to accept Special Counsel's recommendations. Director Dr. Duplessis seconded. The motion carried.

PUBLIC COMMENTS

The following person(s) appeared before the Board of Directors to make comments:

- Mr. Curtis Doucette, Jr., representing Iris Development and Terryann Turner, stated that they had been waiting several months for a sewer line repair and connection to continue new construction of a single-family home. The issue was brought to the Board in late January 2019 and the connection was made this week. Mr. Doucette stated that there seems to be no process for resolving or communicating with customers.

INFORMATION ITEMS

The following items were submitted for informational purposes only:

Preliminary Financial Results through March 31, 2019
Human Resources Report April 1-30, 2019
Report of the General Superintendent
Report of the Special Counsel
FEMA April Project Worksheet Status
DBE Participation on Contracts

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at approximately 10:30 AM.