



"RE-BUILDING THE CITY'S WATER SYSTEMS FOR THE 21ST CENTURY"

Sewerage & Water Board OF NEW ORLEANS

LATOYA CANTRELL, PRESIDENT

625 ST. JOSEPH STREET
NEW ORLEANS, LA 70165 • 504-529-2837 OR 52W-ATER
www.swbno.org

June 10, 2020

The Finance and Administration Committee met on Wednesday, June 10, 2020, via the virtual Microsoft Teams program. The meeting convened at approximately 9:00 A.M.

1. ROLL CALL

Present:

Director Lynes Sloss
Director Janet Howard
Director Ralph Johnson
Director Joseph Peychaud
Director Alejandra Guzman
Director Tameka Duplessis

Absent:

Executive Director, Ghassan Korban gave his opening remarks. Mr. Korban shared that SWBNO will be looking to Ms. Lisa Daniels from PFM to play a bigger role in managing the agency's finances and accounting affairs, while he pursues a full time CFO. Mr. Korban and staff have an outside funding source through GNOF that will help support the national search for a CFO. He thanked the Chair, Director Sloss, publicly for bringing in partnership to help fill this position.

Mr. Korban also stated that he would provide an update on the CAFR at the audit committee meeting. Finance staff is expecting to complete the CAFR this month and will inform the Board if an extension is needed.

There were six respondents to SWBNO's AMI proposal. SWBNO has selected one winner and will next enter the contract negotiation phase. Finally, Mr. Korban mentioned the heavy rain and reminded everyone that a storm does not have to have a name to cause street flooding. If SWBNO has any issues dealing with the rain, it will be reported.

Special Counsel Yolanda Grinstead indicated, at Director Sloss's request, that an Executive Directors Report will be added to the agenda moving forward.

2. Cash Flow Overview

Financial Advisor Lisa Daniels presented update on cash flow during COVID-19. Ms. Daniels presented a spreadsheet with updates since the last meeting. As expected, the revenues were trending higher than 2019 since a 10% rate increase was implemented in January 2020. May revenues decreased by 10% from February, pre-Covid. Operating expenses are forecasted to be 3.97% greater than 2019 operating expenses. However, that number may be low based on outstanding 2019 obligations.

Management continues to identify opportunities to reduce expenditures to mitigate revenue depression due to COVID-19. Water and sewer revenues are slightly below the year to date budget by 1%. The total operating expenditures are also below budget by 51%. These estimated assumptions are a model of estimations, they will continue to update this model as the data changes. Executive Director Korban briefly discussed when shutoffs will resume due to COVID-19 and staffing to handle the demand once it occurs.

3. ACTION ITEMS

General Superintendent's Report

a. Change Orders

- Resolution (R-074-2020) Ratification of Change Order No. 10 for Contract 1368 –Oak Street Pumping Station HMGP
 - o **Director Joseph Peychaud moved to accept R-074-2020. Director Ralph Johnson seconded. The motion carried.**

Contract Amendments

- Resolution (R-061-2020) Ratification of Contract Amendment No. 4 for Professional Services Between the Sewerage and Water Board of New Orleans and Linfield, Hunter & Junius for Design and Engineering Services for the Water Line Replacement Program
- Resolution (R-073-2020) Ratification of Contract Amendment No. 4 for Professional Services Between the Sewerage and Water Board of New Orleans and Neel Schaffer, Inc. for Design and Engineering Services for the Water Line Replacement Program
 - o **Director Ralph Johnson moved to accept Contract Amendments. Director Alejandra Guzman seconded. The motion carried.**

Final Acceptance

- Resolution (R-075-2020) Final Acceptance for 2131- Installation of New Water, Sewer and Drain Services throughout Orleans Parish
 - o **Director Janet Howard moved to accept R-075-2020. Director Joseph Peychaud seconded. The motion carried.**

Other Recommendation

- Resolution (R-076-2020) Resolution Affirming Emergency Declaration at New and Old River Intakes
 - o **Director Ralph Johnson moved to accept R-076-2020. Director Joseph Peychaud seconded. The motion carried.**

4. **INFORMATION ITEMS** –

The information items were received.

5. **PUBLIC COMMENT** –

6. **ADJOURNMENT**

There being no further business to come before the Finance and Administration Committee Meeting. The meeting adjourned at approximately 9:50 AM.

Respectfully submitted,

Lynes Sloss, Chair