

SEWERAGE & WATER BOARD OF NEW ORLEANS

EXECUTIVE COMMITTEE MEETING

FRIDAY, JULY 11, 2014

9:00 AM

COMMITTEE MEMBERS

Mr. Wm. Raymond Manning, Chair • Mr. Mark Moody • Mr. Marion Bracy • Mrs. Kerri Kane • Mr. Alan Arnold

FINAL AGENDA

ACTION ITEMS

1. Approval of Previous Report

INFORMATION ITEMS

2. Tracking Tool for Commitments to the City Council
3. EEOC Activity Status Report Y.T.D.
4. Any Other Matters
5. Reference Materials (**In Binders**)
 - A. Sewerage and Water Board By-Laws
 - B. 2014 Operating & Capital Budget
 - C. Strategic Plan
 - D. Bond Rating
6. Adjournment



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

Sewerage & Water Board OF NEW ORLEANS

MITCHELL J. LANDRIEU, President
WM. RAYMOND MANNING, President Pro-Tem

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June 6, 2014

TO THE HONORABLE PRESIDENT AND MEMBERS OF THE SEWERAGE AND WATER BOARD OF NEW ORLEANS:

A regular meeting of the **Executive Committee** of the Sewerage and Water Board was called to order on Friday, June 6, 2014 at 9:07 AM in the Board Room at 625 St. Joseph Street.

ATTENDANCE

Present: Wm. Raymond Manning, Committee Chair
Mark M. Moody
Suchitra Satpathi, Mayor's Representative

Also in Attendance: Robert Miller, Interim Executive Director; Brian Ferrara, Legal Counsel; Anthony Stewart, Legal Counsel; Joseph Becker, General Superintendent; Brenda Thornton, CommuniRep, Inc.; Alvin Porter, EDBP Department; Bobby Nathan, Equal Employment Opportunity Director (EEOC); Kathleen LaFrance, Executive Director's Office; Willie Mingo, Purchasing Director; Geneva Coleman, The Hawthorne Agency, Inc.; Donald Lamberet; Mike Shafer, Twin Commercial Tires.

ACTION ITEMS

1. Approval of Previous Report

The Executive Committee received the Executive Committee Report of May 9, 2014 for review and action. Mr. Moody motion to accept the report and Mrs. Satpathi seconded the motion. The motion passed.

Staff was unable to establish a quorum for the Operations Committee, Finance Committee and Committee on Infrastructure meetings. All action items from these Committees were considered at the Executive Committee meeting.

2. Bid Recommendations – DBE Participation

The Interim EDBP Director, Mr. Alvin Porter, stated the Economically Disadvantaged Business Program recommended the following three (3) Bid Projects received in the month of May.

- **Contract #3669: Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Sewage Pumping Station #6.**

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program recommends that the SLDBE participation submitted by Industrial & Mechanical Contractors, Inc.; and TKTMJ, Inc., be received.

- **Furnishing and Delivering Complete Fleet Tire Service – YG14-0061**

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program recommends that the participation submitted by Southern Tire Mart and the participation submitted by Twin Commercial Tires, LLC be accepted.

- **Furnishing River Sand, Mason Sand and Washed Gravel – YW14-0010**

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program recommends that the SLDBE participation submitted by Blue Ribbon Resources, LLC, Qualified Transportation, LLC, Hamps's Enterprises, LLC and MST Enterprises, LLC be accepted and the participation submitted by Jerome's Enterprises, Inc. be rejected.

Mr. Becker informed the Committee that staff is requesting approval to the DBE Participation portion of contracts only.

Mr. Moody moved to accept staff recommendations and Mrs. Satpathi seconded, and the motion carried.

3. Staff Contract Review Committee Recommendations

The Staff Contract Review Committee recommended the following:

- One (1) Open Market Contract w/15% SLDBE Participation, one (1) year with two (2) one year renewal options:
RFP to provide Professional Legal Services for Automobile Accidents Cases
- Two (2) First and Final Renewal, 0% DBE Participation:
Furnishing Polyelectrolyte and Furnishing Lime.

Mr. Moody moved to accept staff recommendations and Mrs. Satpathi seconded, and the motion carried.

4. General Superintendent's Recommendations

Mr. Joseph Becker recommended removing item #6 (Furnishing & Delivering Complete Fleet Tire Service – Req. No. YG140061) from his report due to a Bid Protest and to vote on it separately under agenda number #5 (Bid Protest).

Mr. Moody moved to accept items 1 – 7 of the General Superintendent's Recommendations, excluding # 6 (Furnishing & Delivering Complete Fleet Tire Service – Req. No. YG140061) as presented and Mrs. Satpathi seconded, and the motion carried.

Mr. Moody moved to accept the three (3) First and Final Renewals for Contract Requisition numbers CM130006, CM130007, and YW130014. Mrs. Satpathi seconded, and the motion carried.

5. Bid Protest – Fleet Tire Services (Speaker Card: Mike Shafer, Twin Commercial Tire)

Mr. Manning made a motion to find the bid of Southern Tire Service non-responsive and award contract to Furnish and Deliver Complete Fleet Tire Services (Req. No. YG140061) to Twin Commercial Tire, LLC as the lowest responsive bidder. Mr. Moody seconded, and the motion carried.

6. Change Orders

The below listed Change Orders were voted on as follows:

- Change Order #2 for Contract 5223 – Hurricane Katrina Related Repairs to St. Bernard Drainage Underpass Pumping Station. Mr. Moody moved to accept change order and Mrs. Satpathi seconded, and the motion carried.
- Change Order #3 for Contract 5226 – Hurricane Katrina Related Repairs to Franklin Avenue Drainage Underpass Pumping Station. Mr. Moody moved to accept change order and Mrs. Satpathi seconded, and the motion carried.
- Change Order #3 for Contract 5221 – Hurricane Katrina Related Repairs to Pontchartrain Boulevard Drainage Underpass Pumping Station. Mr. Moody moved to accept change order and Mrs. Satpathi seconded, and the motion carried.
- Ratification of Change Order #8 for Contract 1350 – Hurricane Related Repairs to Turbine 4 at the Carrollton Water Purification Plant – Power Complex. Mr. Moody moved to accept change order and Mrs. Satpathi seconded, and the motion carried.
- Ratification of Change Order #6 for Contract 3661 – Modifications to East Bank Wastewater Treatment Plant Flood Protection System. Mr. Moody moved to accept change order and Mrs. Satpathi seconded, and the motion carried.

7. Approval of Participation in Conrad Park Green Infrastructure Project (R-101-2014)

Mr. Moody moved to approve the expenditure relative to the Conrad Park Green Infrastructure Project and Mrs. Satpathi seconded, and the motion carried.

8-12. Recommendation for Award of Green Infrastructure Projects

Mr. Becker gave a PowerPoint presentation that covers agenda item numbers 8 – 12 and asked the Committee to authorize award of green infrastructure projects to the following:

- The Ripple Effect to 4.0 Schools – R-104-2014
- Green Infrastructure Education Program to La Urban Stormwater Coalition – R-103-2014
- Lower 9 Earth Lab to Groundwork New Orleans – R-116-2014
- The WEB to Land Trust for Louisiana and Partners - R-115-2014
- Green Keepers to Parkway Partners – R-102-2014

Mr. Moody made a motion to approve staff request for authorization to award green infrastructure projects as listed above, Mrs. Satpathi seconded, and the motion carried.

Mr. Moody stated the Green Infrastructure Projects should be listed on the Sewerage & Water Board of New Orleans web site.

13. Amendment to Agreement with CH2M Hill, Inc. for Design and Engineering Services for the Retrofit Power Plant Hazard Mitigation Grant Project – R-118-2014

Mr. Moody moved to accept Resolution R-118-2014 and Mrs. Satpathi seconded, and the motion carried.

14. Approval to Issue Letter of Support for Biosolids to Energy Demonstration Project – R-117-2014

Mr. Moody moved to accept Resolution R-117-2014 and Mrs. Satpathi seconded, and the motion carried.

15. Executive Session – Lakeesha Johnson, et al v. SWB, et al, Civil District Court No. 09-04378, Div. “J”

Staff suggested this item be deferred to the July cycle of meetings.

INFORMATION ITEMS

Committee accepted all information items.

Mr. Manning asked Mrs. Satpathi to give the Committee a status update of the Executive Director’s appointment. Mrs. Satpathi stated the Governor has received the request to appoint Mr. Grant as the next Executive Director of Sewerage & Water Board of New Orleans and he has thirty (30) days to make his decision.

16. ADJOURNMENT

There being no further business to come before the Committee, the meeting adjourned at 11:23 AM.

Very truly yours,

Wm. Raymond Manning
Committee Chair

Sewerage and Water Board of New Orleans
Tracking Tool for Commitments to City Council
June 2014

Status Key		On Target		Not Started		Delayed		Needs Attention	
Topic	Commitment	Target Date	Status	Next Steps	Strategic Plan Reference				
I. Governance Practices	A. Reduce the length of Board member terms and limiting the number of terms.	October 2013	Completed. Senate Bill No. 47 reduced the term lengths from 9 to 4 years and limiting members to serving two consecutive terms.	None.	Strategy IV Tactics I.1 and I.2				
	B. Establish requisite qualifications for Board members.	October 2013	Completed. Senate Bill No. 47 requires experience in architecture, environmental quality, finance, accounting, business administration, engineering, law, public health, urban planning, facilities management, public administration, science, construction, business management, consumer or community advocacy, or other pertinent disciplines, with two of the appointments as consumer advocates with community advocacy or consumer protection experience or experience in a related field.	None.	Strategy IV Tactic I.3				
	C. Reduce the number of Board members.	October 2013	Completed. Senate Bill No. 47 reduced the size of the Board from 13 to 11 members.	None.	Strategy IV Tactic I.4				
	D. Review function and responsibilities of Board committees.	Not determined.	Senate Bill No. 47 provides that a quorum of the board shall adopt rules fixing its own meetings and procedures. Any amendments or changes to such rules shall be adopted only after approved by a quorum of the Board.	Consideration by the Executive Committee and the Board of Directors.	Strategy IV Tactic I.5				
	E. Appoint Board members from recommendations submitted by university presidents.	October 2013 original May 2014 revised	Completed. New board members appointed on May 22, 2014.	None.	Strategy IV Tactic I.6				

Sewerage and Water Board of New Orleans Tracking Tool for Commitments to City Council June 2014

Status Key  On Target  Not Started  Delayed  Needs Attention

Topic	Commitment	Target Date	Status	Next Steps	Strategic Plan Reference
II. Customer Service Improvements	F. Establish dedicated independent oversight of Sewerage and Water Board determined by the City Council.	Not determined.	On target. Staff presents to Public Works Committee of City Council as scheduled on identified questions and concerns.	Continue to prepare detailed written status reports on the plans and reforms listed in Exhibit B Amendment to Water and Sewer Rates Resolution as well as status of construction projects by City Council district.	Strategy IV Tactic M
	A. Acquire and implement Advanced Metering Infrastructure. Replace existing mechanical meters with new electronic meters and an automated meter reading system that will provide more accurate readings, enhanced leak detection on customer lines, and improved account monitoring. The new meters will be installed for the residential and small commercial customer base.	December 2016	On target. Request for Information issued to potential vendors during March 2013. Information submitted by ten vendors reviewed by staff in April 2013 and interviews conducted in May 2013. Requests for proposals reviewed. A revised standard for purchasing new meters has been completed.	Continue replacement of existing manual-read meters with electronic-read meters. Determine if outside expert assistance will be needed in project management. Develop a preliminary implementation plan and issue a request for proposals for change-out of residential and small commercial meters and installation of automated meter reading capabilities. Confirm targeted completion date following implementation of new customer account management system.	Strategy III Tactic B
	B. Open Additional Customer Service Center to provide convenient access to full service capabilities for customers without travelling to the downtown location.	December 2013 original September 2014 revised	Delayed. Alternatives identified and evaluated in New Orleans East.	Original request for proposals was for unimproved space. Contract change order will be negotiated for move-in-ready space.	Strategy III Tactic H
	C. Replace existing billing application with new software that includes online customer account management capabilities.	January 2015	On target. Customer Account Management System from Cogsdale Corporation selected. Final contract terms and conditions negotiated.	Project implementation scheduled to begin Third Quarter 2014.	Strategy III Tactic C
	D. Replace existing work order application with new software that includes online work order tracking and appointment scheduling capabilities.	December 2017	Not started.	Next steps to be determined as part of the development of an Information Technology Strategic Plan.	Strategy III Tactic D and E Strategy IV Tactic D

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Status Key On Target Not Started Needs Attention

Topic	Commitment	Target Date	Status	Next Steps	Strategic Plan Reference
III. Service Assurance Program	E. Improve efficiency and reliability of Customer Service processes. Reduce the volume of calls by increasing perceived accuracy of bills. Ensure meter reading and billing edits are worked diligently. Improve the customer experience when questioning a bill and resolve more issues during the first call. Provide more effective appeals process.	Ongoing	On target. Customer Service Improvement Plan updated and reported to Operations Committee monthly.	Continue focus on obtaining readings to avoid estimated bills. Improve accuracy of readings. Improve efficiency of meter reading routes. Continue training on proper review of meter reading and billing edits. Reduce call waiting time. Improve coordination between Customer Service and Networks departments. Continue walk-in customer service survey. Implement telephone customer service survey. Document and report improvement results.	Strategy III Tactics A, F, and G
	A. Provide additional funding for bill payment assistance through the Water Help program.	January 2013	Completed.	Funding for bill payment assistance through the Water Help program increased from \$60,000 to \$240,000 in January 2013.	Increase in funding completed January 2013. Focus on improved customer awareness. Strategy III Tactic I.1
	B. Expand Water Help program to provide assistance with plumbing repairs.	June 2013 original March 2014 revised	Underway.	Program provides up to \$250 for plumbing repairs on the customer's portion of the service line.	Allocation of funding completed January 2013. Focus on improved customer awareness. Strategy III Tactic I.2
	C. Pursue legislative change to allow adjustments for water lost through customer leaks.	March 2013 original June 2014 revised	Delayed.	Recommendations developed for consideration by Board of Directors currently under review by Legal Department.	Staff recommended that water and sewer charges for leakage be charged at fifty percent of the regular rate for one occasion of leakage lasting not more than two regular billing periods every two years. These changes are being reviewed for compliance with existing legislation and interpretation by the state attorney general. Strategy III Tactic I.3
	D. Evaluate waiver of service charges based on means testing for qualifying low-income elderly and disabled customers.	June 2013	Completed.	Recommendations accepted by Board of Directors in July 2013.	Staff recommended that the Board not adopt a waiver of these service charges based on means testing and that the overall effectiveness of the service assurance program be reviewed prior to reconsideration of this matter. Strategy III Tactic I.4

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Status Key  On Target  Not Started  Delayed  Needs Attention

Topic	Commitment	Target Date	Status	Next Steps	Strategic Plan Reference
IV. Operational Reforms	E. Evaluate reduction in late payment fee, disconnect fee, returned check fee, and deposits.	March 2013 original <i>June 2013 revised</i>		On target. Recommendation to maintain existing schedule of fees pending review of first full year of revenues approved by Board of Directors in July 2013.	Strategy III Tactic I.4
	A. Improve operations through performance measures, improved framework, and follow-up reviews to reduce future rate increases.	December 2017		On target. Training program developed and delivered for pilot group of senior management. Training underway for frontline employees. Performance measures being reviewed and developed.	Strategy II Tactic D Strategy IV Tactics B and H Strategy IV Tactic M
	B. Reduce free water and sewer service provided to municipal accounts by fifty percent from a baseline of 2010 usage.	December 2017		On target. Quantity of free service reduced from 2010 to 2013 by 11.0%. School system billing initiated for consumption beginning July 2013. No changes to related laws were initiated for 2014 Louisiana legislative session.	Strategy II Tactic F
	C. Improve coordination between Sewerage and Water Board and Department of Public Works.	Not determined.		A joint team of Sewerage and Water Board engineers and Department of Public Works engineers work together in coordination of planning and construction for the FEMA Recovery Roads program.	Strategy I Tactics A.1, B.1, and C.4
	D. Improve ratepayer collections.	Not determined.		Plans to improve collections have recently focused on ensuring close compliance with schedules for non-payment turn-offs. The amount written off as uncollectable has reduced from 10.23% in 2010 to 1.52% in 2013.	Strategy IV Tactic G

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Status Key On Target Not Started Delayed Needs Attention

Topic	Commitment	Target Date	Status	Next Steps	Strategic Plan Reference
	E. Develop a long-term staff succession and training program.	Not determined.	A partnership between Delgado Community College, the Sewerage and Water Board of New Orleans and the JOB1 Business and Career Solutions Center has launched a worker training program aimed at increasing the pool of certified water and wastewater treatment personnel to meet the anticipated demand for workers to operate the systems. Delgado has applied to become a certification testing site.	In conjunction with the City's JOB1 program and Sewerage and Water Board, Delgado Community College will develop training to increase the pool of certified personnel to meet the needs of the capital improvement program. Knowledge management and succession planning objectives have been added to several senior management goals.	Strategy V Tactic G
	F. Perform annual water audit to measure progress and critical needs.	Ongoing.	On target. Water Audits have been performed for 2008 through 2012 as part of the 2013 update of the 2011-2020 Financial Plan.	Completed. Improve measurement capabilities for water production volumes. Monitor results of water line replacement program for reductions in water loss.	Strategy IV Tactic K
	G. Enhance long range planning by developing a Facilities Plan for 2015-2035.	December 2013	On target. Contract awarded in November 2013.	Consultant to develop a Water Purification Facilities Plan for 2015-2035 to identify the capital investments that will be needed beyond the immediate needs identified in the current capital improvement program.	Strategy I Tactic F.1
	H. Develop new sources of funding other than water and sewer rate increases.	Ongoing.	On target. New revenue stream established for handling wastewater from mobile containers, such as portable toilets and shipping containers, resulted in \$379,539 additional sewer revenue.	Analyze opportunities for providing wholesale water service over long distances.	Strategy II Tactic I
	I. Repay funds owed to Department of Public Works.	December 2016	On target. Sewerage and Water Board repaid \$4,763,858.77 to Department of Public Works at year-end 2013. Amount was lower due to lower-than-forecast obligation by drainage system.	Pay remaining obligation owed to the Department of Public Works in three equal installments beginning December 2014.	Strategy II Tactic E

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Status Key  On Target  Not Started  Delayed  Needs Attention

Topic	Commitment	Target Date	Status	Next Steps	Strategic Plan Reference
V. Economic Opportunities	A. Create economic opportunities consistent with City of New Orleans programs for participation by economically disadvantaged and local business enterprises.	Not determined.	For contracts with DBE participation 2013: Goods and Services \$275,314 or 30.0%, Construction \$13,452,287 or 37.6%, and Professional Services \$4,374,213 or 35.0%.	Sewerage and Water Board will continue to create economic opportunities for participation by economically disadvantaged and local business enterprises through Construction Review Committee and Staff Contract Review Committee recommendations and DBE vendor support and training.	Strategy IV Tactics F and L
	A. Water System Improvements Replacement and rehabilitation of water purification plant facilities. Replacement and rehabilitation of water pumping facilities. Replacement of water system transmission and distribution mains. \$277,000,000	December 2020	On target. Progress on capital projects will be reported as part of Item VII.G below.	Complete bond feasibility study. Revise bond covenants. Issue water system revenue bonds.	Strategy I Tactic A.1 through A.5
VI. Capital Improvement Program	B. Replacement and rehabilitation of sewer system collection pipes required by Federal Consent Decree. \$314,000,000	December 2020	On target. Progress on capital projects will be reported as part of Item VII.G below.	Complete bond feasibility study. Revise bond covenants. Issue sewer system revenue bonds.	Strategy I Tactic B.1 through B.3
	A. Establish performance measures and targets as well as reporting methodology.	March 2013	On target. Measurements framework adopted, initial measurements identified, and measurements training delivered to senior management. Collection of performance data in progress. Additional graphs created.	Create capabilities for higher level strategic planning support and performance measures.	Strategy IV Tactics A and B
VII. WaterStat Reporting and City Council Oversight	B. Implement a systematic approach to process documentation, analysis, and improvement.	June 2013	On target. Training program developed and contract for training delivery awarded. Departmental training plans developed in March 2014.	Business Skills training began in April 2014.	Strategy II Tactic D Strategy IV Tactic H
	C. Perform follow-up reviews to document results and efficiencies achieved.	January 2014 original July 2014 revised	Not started.	Document and report improvement results.	Strategy IV Tactic B
	D. Provide maps showing maintenance work completed, capital projects completed, and planned capital improvements.	January 2013 and Ongoing	On target. Maps have been printed, but processes for maintaining maps are time-consuming and manual.	Completed and ongoing.	Strategy IV Tactic M
	E. Document FEMA receipts and uses of funds.	January 2013 and Ongoing	On target. Summary of FEMA receipts and uses of funds is provided to Board committees each month.	Completed and ongoing.	Strategy IV Tactic M

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Status Key On Target Not Started Delayed Needs Attention

Topic	Commitment	Target Date	Status	Next Steps	Strategic Plan Reference
	F. Initiate annual meetings with citizens of each council district to regularly report on organizational performance results.	May 2014 original August 2014 revised	Not started.	Prepare detailed written status reports on the plans and reforms listed in Exhibit B Amendment to Water and Sewer Rates Resolution as well as status of construction projects by City Council district.	Strategy IV Tactic M
	G. Provided written updates to the Clerk of the City Council.	Quarterly and As Requested.	On target.	This document serves as the detailed written status reports on the plans and reforms listed in Exhibit B Amendment to Water and Sewer Rates Resolution as well as status of construction projects by City Council district.	Strategy IV Tactic M



SEWERAGE AND WATER BOARD OF NEW ORLEANS

Inter-Office Memorandum

DATE: June 27, 2014

FROM: Bobby L. Nathan, EEO/Grievance Manager

TO: Bob Miller, Interim Executive Director

RE: The Equal Employment Opportunity Division
Activity Status Report for June 2014 Y.T.D.

I. Federal Equal Employment Activity

During the first six (6) months of 2014, there was one (1) case filed for 2014. It was for "Retaliation", by a female employee, in February 2014. This case is still being processed by EEOC.

Filed in 2013 and having been processed in 2014, were three (3) EEOC Charges of "Discrimination", which have been dismissed by EEOC, as having "no cause found". A notice of a "Right to Sue", in court, was issued to the complainants by the EEOC in each of the three (3) cases.

II. Status of the General Grievance Policy #26, The Equal Employment Opportunity Policy #86 and the Workplace Harassment Policy #87 are as follows:

Cases Year-to-Date:

There have been eight (8) General Grievances filed year-to-date:

Harassment	3
Promotion	4
Retaliation	1

Grievances Y.T.D 2014

A. Harassment

One (1) Harassment charge was from a black female, who later learned (after inquiry) that she was actually seeking a classification change. She was redirected to the Personnel Department and Civil Service.

- The female felt she was being verbally harassed by her black male co-worker. An inquiry was made. The situation was reviewed with the supervisor and stopped.

B. One (1) Harassment charge from one (1) black male, who felt he was unjustly being accused by a black female; former staff member. This was forwarded to his immediate supervisor for investigation. He never responded at Step I of the Grievance process as required.

C. This Harassment was from a black male, whose immediate supervisor, insisted he reply to a memo in black ink. There was no response from the supervisor at Step II, nor a following of the Grievance Policy rule at Steps I and II.

III. Conference/Office Activity

1. Telephone calls:

There were twenty-nine (29) telephone conferences held with employees, concerning/involving a job related issues in June. Field investigations are used when necessary.

2. Office Visits

Office Conferences are made by appointment or walk-in for the purpose of conference or counseling of employment issues or non-employment issues. There were eleven (11) such consultations held during this period.

IV. **Grievance Committee Hearings this period:**

There were none during this period.

Bobby L. Nathan
Equal Employment Opportunity Officer