

**SEWERAGE & WATER BOARD OF NEW ORLEANS**  
**OPERATIONS COMMITTEE MEETING**  
**MONDAY, DECEMBER 1, 2014**

**8:00 AM**

**COMMITTEE MEMBERS**

Mr. Marion Bracy, Chair • Dr. Tamika Duplessis • Mr. Scott Jacobs • Mr. Mark Moody • Ms. Kimberly Thomas

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**FINAL AGENDA**

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**ACTION ITEMS**

1. Approval of Previous Report
2. Bid Recommendations – DBE Participation
3. Construction Review Committee
4. Staff Contract Review Committee

**PRESENTATION ITEMS**

5. Committee Responsibilities By-Laws Change
6. Customer Service Results through October 2014

**INFORMATION ITEMS**

7. DBE Participation Report
8. Topics for Future Discussions
9. 2015 Committee/Board Meeting Schedule
10. Response to Questions
11. Any Other Matters

**REFERENCE MATERIALS (In Binders)**

- A. Sewerage & Water Board By-Laws
- B. 2014 – Operating & Capital Budget
- C. Strategic Plan
- D. Tracking Tool for Commitments to the City Council
- E. Bond Rating





**"RE-BUILDING THE CITY'S WATER SYSTEMS FOR THE 21<sup>ST</sup> CENTURY"**

# **Sewerage & Water Board OF NEW ORLEANS**

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

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

November 3, 2014

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

The Operations Committee of the Sewerage and Water Board of New Orleans met on Monday, November 3, 2014, at 8:15 A.M. in the 2nd Floor Board Room, 625 St. Joseph Street to address the following matters:

## **ATTENDANCE**

**PRESENT:** Dr. Tamika Duplessis  
Ms. Suchitra Satpathi  
Mr. Scott Jacobs

**ABSENT:** Mrs. Kimberly Thomas  
Mr. Marion Bracy  
Mr. Mark Moody

Also in attendance: Cedric Grant, Executive Director; Robert Miller, Deputy Director; Madeline Fong Goddard, Deputy Superintendent; Nolan Lambert, Legal Counsel; Harold Marchand, Legal Counsel; Veronica Johnson, EDBP; Willie Mingo, Purchasing Department; Robert Jackson, Community and Intergovernmental Relations; Brenda Thornton, Communirep, Inc.; Kathleen LaFrance, Executive Director's Office, and Susan Higgenbottom, Executive Director's Office

## **ACTION ITEMS**

### **1) APPROVAL OF PREVIOUS REPORT**

The report of the Operations Committee Meeting held on Monday, October 6, 2014 was received and approved by a motion of Ms. Satpathi and second by Dr. Duplessis.

### **2) BID RECOMMENDATIONS**

#### **Contract #8129; Katrina Related Repairs to Garage #2 at Central Yard**

On Friday, October 3, 2014, three (3) bids were received for subject contract. The bid totals are as follows:

Hamp's Construction, LLC	\$765,600.00
Industrial & Mechanical Contractors, Inc.	\$884,850.00
Strategic Planning Associates, LLC	\$1,094,541.00

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The estimated budget is \$1,020,445.00.

Thirty-six percent (36%) SLDBE participation was requested on this contract.

The lowest apparent bidder, Hamp's Construction, LLC, initially submitted a SLDBE Participation Summary Sheet with their bid that included Boines Construction (certified SLDBE), but failed to identify requisite negotiated terms such as scope of work, dollar amount of compensation, and percentage. Hamp's Construction also failed to submit requisite correspondence from SLDBE participant(s) confirming negotiated terms. A revised SLDBE Participation was submitted on October 8, 2014, but cannot be accepted per instructions given by SLDBE staff at mandatory pre-bid meeting to all potential bidders.

**Knot Just Flooring** (eligible certified SLDBE) flooring  
\$51,316.00 – 6.7%

**Paint Pro Depot** (eligible certified SLDBE) Paint, Plaster, Coating  
\$67,400.00 – 8.8%

**Boines Construction Co.** (eligible certified SLDBE) Roofing, doors  
\$209,000.00 – 27.3%

Participation Totals: **\$327,716.00 —42.8%**

The apparent second lowest bidder, Industrial & Mechanical Contractors, Inc., submitted ETI Diversified Inc., (eligible certified SLDBE) to perform demolition, door work (metal, wooden, & overhead), window replacement, wall finishing, and air compressor replacement. Participation Totals: **\$328,050.00 – 37.1%**

This bidder failed to provide required correspondence from SLDBE participant(s) confirming negotiated terms.

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program recommends that the participation submitted by Hamp's Construction, LLC; and Industrial & Mechanical Contractors, Inc., be rejected.

The recommendation by staff to reject the bids was moved and accepted by a motion by Dr. Duplessis and seconded by Ms. Satpathi. The motion carried.

### 3. CONSTRUCTION REVIEW COMMITTEE RECOMMENDATIONS

The Construction Review Committee met, October 8, 2014 and made the following recommendations.

#### Open Market Contracts

#### 0% DBE Participation, no renewal options

1. Contract #3796	<b>Replacing 2"- 16" VTSG Non-clog Sewerage Pumps at BLVD 'X' Pumping Station</b>
Estimated Cost:	\$500,000.00
Suggested Goal:	0%
Justification:	Due to scope and size of the project the purchase and installation of equipment is to be performed by single source Source of funding is Sewer Bond Fund

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### 2. Contract #5234

#### **Rebuild the Constant Duty Pumps at DPS #6**

Estimated Cost:

\$200,000.00

Suggested Goal:

0%

Justification:

Due to scope and size of the project the purchase and installation of equipment is to be performed by single source

Source of funding is Sewer Bond Fund

#### 15% DBE Participation, no renewal options

### 3. Contract #8141

#### **Upgrading the A/C chill water unit from 60 tons to 80 tons at the Main Water Purification Plant**

Estimated Cost:

\$500,000.00

Suggested Goal:

15%

Areas of Participation:

Inspection and testing

Source of funding is Water, Drainage, Sewer Bond Funds

#### 36% DBE Participation, no renewal options

### 4. Contract #30016\*

#### **Restoration of Existing Gravity Sewer Mains by Excavation and Replacement from Manhole-to-Manhole, CIPP Lining from Manhole-to-Manhole, CIPP Lining of Service Laterals, Sewer Point Repair and Associated Restoration**

Estimated Cost:

\$4,930,365.00

Suggested Goal:

36%

Areas of Participation:

Replacement, repair and restoration

Source of funding is Sewer Bond Fund

*\*Due to an oversight, Contract 30016, was presented to the Operations Committee incorrectly as Contract 30001. The correction has been made and is listed above.*

**The Construction Review Committee's recommendations were approved on a motion by Dr. Duplessis and seconded by Ms. Satpathi. The motion carried.**

## 4. STAFF CONTRACT REVIEW COMMITTEE RECOMMENDATIONS

The Staff Contract Review Committee met on October 21, 2014 and made the following recommendations:

### Open Market Contracts

#### Open Market, 30% SLDBE Participation, one (1) year with a one (1) year renewal option.

#### **Furnishing Janitorial Services for The Carrollton Water Treatment Plant**

Budget Amount:

\$120,000.00

Areas of Participation:

Janitorial supplies, services and labor

Funding Source: S&WB Operating and Maintenance Budget.

#### **Furnishing Limestone**

Budget Amount:

\$400,000.00

Areas of Participation:

Supply and delivery of product

Funding Source: S&WB Operating and Maintenance Budget.

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Open Market, 0% SLDBE Participation, one (1) year with three (3) one year renewal options.

### **RFQ for Forensic Geotechnical Engineering Services**

Budget Amount: \$1,129,163.00

Percentage Goal Justification: Does not lend itself to SLDBE participation because the interaction of multiple expert witnesses in courtroom litigation might negatively impact testimony.

Funding Source: Operating and Maintenance Budget

Open Market, 0% SLDBE Participation, no renewal options.

### **Sale of Junked Automobiles, Pick-up Trucks, Medium Duty Trucks, Trailers, Tractors and Other Equipment**

Budget Amount: Income for S&WB

Percentage Goal Justification: Does not lend itself to SLDBE participation because the revenue from the sales will result in income for Sewerage & Water Board.

Funding Towards: Operating and Maintenance Budget

### **Renewal Contract**

First and Final Renewal, 0% SLDBE Participation.

### **Furnishing and Solid Wall (PVC) Pipe SDR 26" & 35 " and Polyvinyl Chloride (PVC) C – 900 Pipe for the Water Distribution System**

Budget Amount: \$248,364.50

Prime Contractor: Cimsco, Inc.

Percentage Goal Justification: Does not lend itself to SLDBE participation because products are single items that are shipped directly from the manufacturer.

Funding Source: Operating and Maintenance Budget

### **Furnishing Full Circle Stainless Steel Repair and Tap Clamps; Bronze Service Saddles & Transitional Couplings for Cast Iron, Ductile Iron & Transite Pipe**

Budget Amount: \$23,110.00

Prime Contractor: HD Supply Waterworks

Percentage Goal Justification: Does not lend itself to SLDBE participation because products are single items that are shipped directly from the manufacturer.

Funding Source: Operating and Maintenance Budget

### **Furnishing Full Circle Stainless Steel Repair and Tap Clamps; Bronze Service Saddles & Transitional Couplings for Cast Iron, Ductile Iron & Transite Pipe**

Budget Amount: \$329,278.10

Prime Contractor: Louisiana Utilities Supply Company

Percentage Goal Justification: Does not lend itself to SLDBE participation because products are single items that are shipped directly from the manufacturer.

Funding Source: Operating and Maintenance Budget

## **Operations Committee Report**

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**The Staff Contract Review Committee's recommendations were approved on a motion by Dr. Duplessis and seconded by Ms. Satpathi. The motion carried.**

### **5) RENEWAL CONSTRUCTION CONTRACTS WITH DBE PARTICIPATION**

Renewal Contract with DBE Participation

Contract #3696 – Cleaning & CCTV Inspection of Sanitary Sewer Mains at Scattered Sites within Orleans Parish

The prime contractor is Blue Flash Sewer Services, Inc.

The DBE Participation Goal is 36%. The DBE participation achieved from May 31, 2012 to March 31, 2013 was 31%

During the course of the project, the lone SLDDBE subcontractor that was qualified to participate on the subject project failed to acquire the equipment to perform the agreed scope of work. At that point the DBE participation achieved was 0%

Since that time, a qualified and equipped SLDDBE has become certified and has contracted with the prime contractor to meet the 36% participation goal.

**Renewal of the Construction Contract recommendation was approved on a motion by Dr. Duplessis and seconded by Ms. Satpathi. The motion carried.**

### **6) FINAL ACCEPTANCE ON CONTRACTS WITH DBE PARTICIPATION**

Contract #3698 – Restoration of Existing Gravity Sewer mains by Excavation and Replacement from Manhole-to-Manhole at Various Sites throughout the City of New Orleans

The Prime Contractor is Wallace C. Drennan, Inc.

The DBE participation goal is 36%. The DBE participation achieved is 41.67%.

**Final Acceptance Contract recommendation was approved on a motion by Dr. Duplessis and seconded by Ms. Satpathi. The motion carried.**

### **PRESENTATION ITEMS**

#### **Committee Responsibilities**

Mr. Cedric S. Grant, Executive Director, proposed by-law changes to the Operations Committee responsibilities suggesting more oversight to Customer Service and Strategic Communications. The recommended by-laws included continue oversight of the Economical Disadvantaged Business Program. Suggestions are to be reviewed for 30 days and will be discussed at the December Operations Committee Meeting with hopes to implement in early 2015.

**The committee received the recommendations.**

#### **Customer Service Results through September 2014**

## **Operations Committee Report**

November 3, 2014

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Mr. Robert Miller, Deputy Director reviewed the customer service results, including key activity updates, and provided a status update on implementation of the Customer Account Management System and Customer Service Improvement plans. Mr. Miller confirmed that a Steering Committee Meeting scheduled for later this month will evaluate the current plan to determine if the timeline can be modified.

Mr. Miller highlighted recent performance measures by the Customer Service Department answering 94% of the bill related calls and 92% of emergency calls (national best average is 95%).

**The Committee received the report.**

### **Delinquent Account Processes: Water Help Program and Plumbing Assistance**

Mr. Robert Miller, Deputy Director, explained processes of managing delinquent accounts. He identified two areas of improvement; increasing customer awareness and re-evaluating customer eligibility for the Water Help and Plumbing Assistance Programs.

**The Committee received the report.**

## **INFORMATION ITEMS**

**The following information items were available for review by committee:**

- 1) DBE Participation Report  
Reviewed by committee
- 2) Topics for Future Discussions  
None
- 2) 2014 Committee/Board Meeting Schedule  
No changes request
- 9) Response to Questions  
None
- 10) Any Other Matters  
None

## **ADJOURNMENT**

There being no further business to come before the Committee, a motion was made by Dr. Duplessis to adjourn the meeting, seconded by Ms. Satpathi. The meeting adjourned at 9:14am.

**Very truly yours,**

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**Mr. Scott Jacobs**



BID  
RECOMMENDATIONS



**Contract #3794; Rehabilitation of Bio-Reactor Train #1 at the East Bank Wastewater Treatment Plant**

On Friday, November 14, 2014, two (2) bids were received for subject contract. The bid totals are as follows:

Industrial & Mechanical Contractors, Inc.	\$1,274,250.00
Alfred Conhagen, Inc., of LA	\$2,210,000.00

The estimated budget is \$1,350,000.00.

Twenty-one percent (21%) SLDBE participation was requested on this contract.

The apparent lowest bidder, Industrial & Mechanical Contractors, Inc., submitted EFT Diversified Inc., (eligible certified SLDBE) to transport and dispose of the removed material in a facility certified to receive municipal waste solids. Participation Totals: **\$310,000.00 – 24.33%**

The second lowest apparent bidder, Alfred Conhagen, Inc., of LA, failed to submit a SLDBE Participation Summary Sheet.

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program recommends that the participation submitted by Industrial & Mechanical Contractors, Inc., be accepted, and that the participation submitted by Alfred Conhagen, Inc., of LA, be rejected because the company failed to submit a SLDBE Participation Summary Sheet.

**Contract #6252: Installation of Transformers T2 and T3 and Construction of New Electrical Duct Bank at Carrollton Plant**

On Friday, November 14, 2014, four (4) bids were received for subject contract. The bid totals are as follows:

Frischhertz Electric Co., Inc.	\$249,870.00
Wallace C. Drennan, Inc.	\$319,200.00
BLD Services, LLC	\$386,900.00
Sun Industries, LLC	\$479,547.00

The estimated budget is \$650,000.00.

Thirty-six percent (36%) SLDBE participation was requested on this contract.

The apparent lowest bidder Frischhertz Electric Co., Inc., submitted Three C's Properties, Inc., (eligible certified SLDBE) to perform civil, excavation & earthwork. Participation Totals: **\$111,533.00 – 44.64%**

The apparent second lowest bidder, Wallace C. Drennan, Inc., submitted the following subcontractors:

**Balthazar Elektriks** (eligible certified SLDBE) to supply electrical equipment and supplies  
\$12,919.46 – 4.05%

**C&M Construction Group, Inc.** (eligible certified SLDBE) to perform Municipal and Public Works  
Construction, concrete foundation  
\$10,000.00 – 3.13%

**Prince Dump Truck Service** (eligible certified SLDBE) to provide sand and aggregate material  
and trucking and hauling services  
\$7,300.00 – 2.29%

**O&C Manhole and Catchbasin, LLC** (eligible certified SLDBE) to perform masonry for drainage  
and manholes  
\$5,600.00 – 1.75%

Participation Totals: **\$35,819.00 – 11.22%**

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program recommends that the participation submitted by Frischhertz Electric Co., Inc., be accepted, and that the participation submitted by Wallace C. Drennan, Inc., be rejected because the company failed to meet the DBE participation goal, and did not provide documentation of Good Faith Effort and signed affidavit affixed with official seal.

**Contract #8142: Repaving Open Cuts in Streets, Driveways and Sidewalks Resulting from the Repair to the Sewerage & Water Board of New Orleans' Underground Utilities**

On Friday, November 14, 2014, three (3) bids were received for subject contract. The bid totals are as follows:

Fleming Construction Company, LLC	\$2,471,050.00
Wallace C. Drennan, Inc.	\$2,495,500.00
Hard Rock Construction, LLC	\$3,559,500.00

The estimated budget is \$2,000,000.00.

Thirty-six percent (36%) SLDBE participation was requested on this contract.

The apparent lowest bidder, Fleming Construction Company, LLC, submitted the following subcontractors:

**F P Richard Construction, LLC** (eligible certified SLDBE) to perform sawcutting, removal & replacement of concrete and asphalt restoration  
\$395,368.00 — 16%

**Dieudonne Enterprises, Inc.** (eligible certified SLDBE) to perform sawcutting, removal & replacement of concrete and asphalt restoration  
\$247,105.00 — 10%

**Choice Supply Solutions, LLC** (eligible certified SLDBE) to provide material supplies  
\$216,416.00 — 8.76%

**Cooper Contracting Group, LLC** (eligible certified SLDBE) to perform sawcutting, removal & replacement of concrete and asphalt restoration  
\$247,105.00 — 10%

Participation Totals: **\$1,105,994.00 – 44.76%**

The apparent second lowest bidder, Wallace C. Drennan, Inc., submitted C&M Construction Group, Inc, (eligible certified SLDBE) to perform Municipal and Public Works Construction, fencing, and concrete and asphalt patching. Participation Totals: **\$899,000.00 – 36.02%**

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program recommends that the participation submitted by Fleming Construction Company, LLC; and Wallace C. Drennan, Inc., be accepted.

**Contract #30015; Restoration of Existing Gravity Sewer by Point Repair and CIPP Lining Sewer Mains at Various Points throughout Orleans Parish**

On Friday, November 14, 2014, four (4) bids were received for subject contract. The bid totals are as follows:

Wallace C. Drennan, Inc.	\$1,988,550.00
Fleming Construction Company, LLC	\$2,491,829.25
Boh Bros. Construction Company, LLC	\$2,985,230.00
BLD Services, LLC	\$2,987,435.00

The estimated budget is \$2,500,000.00.

Thirty-six percent (36%) SLDBE participation was requested on this contract.

The apparent lowest bidder, Wallace C. Drennan, Inc., submitted the following subcontractors:

**C&M Construction Group, Inc.** (eligible certified SLDBE) to perform Municipal and Public Works Construction, Fencing, Concrete and Asphalt Patching  
\$342,100.00 – 17.20%

**Choice Supply Solutions, LLC** (eligible certified SLDBE) to provide industrial pipe  
\$180,000.00 – 9.05%

**Prince Dump Truck Service** (eligible certified SLDBE) to supply sand & aggregate material, and trucking & hauling services  
\$196,217.00 – 9.87%

Participation Totals: **\$718,317.00 – 36.12%**

The apparent second lowest bidder, Fleming Construction Company, LLC, submitted the following subcontractors:

**Cooper Contracting Group, LLC** (eligible certified SLDBE) to perform sewer point repairs  
\$124,592.00 – 5%

**Hebert Trucking & Equipment Service** (eligible certified SLDBE) to supply sand & rock material, and trucking services  
\$448,530.00 – 18%

**F P Richard Construction, LLC** (eligible certified SLDBE) to perform concrete & asphalt street restoration  
\$249,183.00 – 10%

**Choice Supply Solutions, LLC** (eligible certified SLDBE) to provide pipe materials  
\$74,755.00 – 3%

Participation Totals: **\$897,060.00 – 36.00%**

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program recommends that the participation submitted by Wallace C. Drennan, Inc.; and Fleming Construction Company, LLC, be accepted.

**Furnishing Rubber P.V.C. Hip Boots and Knee Boots**  
**REQ NO. YW 15-0001**

On Thursday, November 13, 2014 one (1) bid was received for subject contract. The bid total is as follows:

Southeast Safety & Supply	\$199,999.95
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The estimated budget is \$200,000.00.

Thirty-percent (30%) SLDBE participation was requested on this contract.

Southeast Safety & Supply submitted Assorted Products (board certified SLDBE) for the supply of hip and knee rubber safety boots \$ 62,000.00 – 31.00%.

Based upon analysis of SLDBE participation, the Economically Disadvantaged Business Program recommended that the SLDBE participation submitted by Southeast Safety & Supply be approved.



## **Construction Review Committee Recommendations**

The Construction Review Committee met, November 19, 2014 and made the following recommendations.

### **Open Market Contracts**

#### **One year contract, no renewal options**

- |                         |   |
|-------------------------|---|
| 1. Contract #1381       | <b>Furnish and Installation of Air Compressors and Associated Equipment at the Main Water Purification Plant</b>                |
| Estimated Cost:         | \$175,000.00  |
| Suggested Goal:         | 23%   |
| Areas of Participation: | Demolition, Walkway Installation<br>Source of funding is Water Bond   |
| 2. Contract #1382       | <b>Replacement of the Filter Media at the Filters 1A, 1B, 5A and 5B at the Claiborne Filter Gallery at the MWPP</b>             |
| Estimated Cost:         | \$1,000,000.00  |
| Suggested Goal:         | 35%   |
| Areas of Participation: | Removal and disposal of existing sand and anthracite<br>Source of funding is Water Bond   |
| 3. Contract #3795       | <b>Modifications to the North Return Activated Sludge Pump Station and Pipeline at the East Bank Wastewater Treatment Plant</b> |
| Estimated Cost:         | \$1,350,000.00  |
| Suggested Goal:         | 5%  |
| Areas of Participation: | Demolition<br>Source of funding is Water Bond   |

### **Reviewed at Prior CRC Meeting**

#### **One year contract, one (1) one-year renewal option**

- |                         |   |
|-------------------------|---|
| 4. Contract #2110       | <b>Water Main Line Replacements and Extensions at Scattered Locations throughout Orleans Parish</b> |
| Estimated Cost:         | \$1,000,000.00  |
| Suggested Goal:         | 36%   |
| Areas of Participation: | Removal, replacement, and restoration<br>Source of funding is Water Bond                            |



## Staff Contract Review Committee Recommendations

The Staff Contract Review Committee met on November 18, 2014, and made the following recommendations:

### **Open Market Contract**

**Open Market, 0% SLDBE Participation, no renewal options.**

**1. Purchase of Sycamore Filter Gallery and Actuator Equipment at the Main Water Purification Plant**

Estimated Cost: \$2,700,000.00

Percentage Goal Justification: Does not lend itself to SLDBE participation because product is a sole source item shipped directly from the manufacturer.

Funding Source:  
2014 Water Revenue Bond

### **Renewal Contract**

**First renewal of five (5) one (1) year renewal options, 0% SLDBE participation.**

**2. Furnishing Totalizing Fluid Meters and Counting Devices Water Meters**

Renewal Cost: \$1,882,165.20 + Department of Labor 2.8% Unit Price Adjustment

Prime Contractor: Mueller Systems

Percentage Goal Justification: Does not lend itself to SLDBE participation because product is a sole source item shipped directly from the manufacturer.

Funding Source:  
Water and Sewer Bond Funding





## SEWERAGE AND WATER BOARD OF NEW ORLEANS

November 3, 2014

Operations Committee  
Sewerage and Water Board of New Orleans  
New Orleans, Louisiana

Dear Directors:

Subject: Recommended Changes to Bylaws Article VI Section 8 Operations Committee

The rules associated with Committees of the Board of Directors of Sewerage and Water Board of New Orleans are defined in Article VI of the Bylaws. Sections 1 through 4 and 12 through 18 are common to all Committees. Section 8 defines the role of the Operations Committee.

There are key issues that may be added in order to clarify that defined role: customer service capabilities and results; strategic communications; and organizational performance metrics.

I recommend that the bylaws related to the Operations Committee be modified to specifically address these responsibilities as shown on the attached proposed update to Article VI Section 8.

Cedric S. Grant  
Executive Director



# BYLAWS OF SEWERAGE & WATER BOARD OF NEW ORLEANS

## ARTICLE VI – COMMITTEES

### OPERATIONS COMMITTEE

#### Section 8:

The Operations Committee shall have charge of the affairs of the Board relating customer service capabilities and results; strategic communications; organizational performance metrics; and the Economically Disadvantaged Business Program, ~~which shall include but is not limited to a review and recommendation of DBE participation goals for advertisement, award of contracts and bid appeals relating to matters of interpretation and application of the Rules and Regulations relative to the Board's EDB Program and overall operational aspects of the Board.~~

~~The Operations Committee may take up matters relating to Customer Relations Policies and Procedures, which shall include but not limited to customer billing and collections, meter reading, installation and removal, customer inquiries, work order management and technology upgrades.~~

# **BYLAWS OF SEWERAGE & WATER BOARD OF NEW ORLEANS**

## **ARTICLE VI – COMMITTEES**

### **ALL COMMITTEES**

#### **Section 1:**

There shall be four (4) standing Committees, to be named respectively: the Executive Committee, the Finance Committee, the Operations Committee, and the Committee on Infrastructure and Operating Systems.

In addition, a Pension Committee is established in accordance with the "Rules and Regulations of the Employees Retirement System of the Sewerage and Water Board of New Orleans."

A Plumbing Conference Committee is established in accordance with the Plumbing Code of the City of New Orleans.

Other Ad Hoc Committees may be formed by the Board or by the President of the Board.

The President of the Board shall appoint the Chairpersons and all members of the foregoing Committees. The President of the Board may appoint the Vice Chairpersons of the three (3) standing Committees. The make-up of the Committees may be re-examined periodically and new appointments made so that all members of the Board may participate in all phases of Sewerage and Water Board operations and administration. Each Board member must be assigned to serve on at least one (1) Committee.

#### **Section 2:**

The Executive Committee shall consist of five (5) members made up as follows: the President Pro Tern, who shall Chair the Executive Committee, and the Chairpersons of the other three (3) Committees, and the Chairperson of the Plumbing Conference Committee.



Section 3:

Each of the other standing committees shall consist of five (5) members of the Board, to be appointed by the President. Three (3) members of any standing committee shall constitute a quorum.

Section 4:

In the absence of the Committee Chairperson and the Vice Chairperson at any meeting of a committee, the committee may elect a Chairperson Pro Tern.

Section 12:

Any of the Committees may meet upon regular call of the Chairperson and shall meet upon ruling to that effect by the Board.

Section 13:

All reports of Committees for submission at the regular meeting of the Board shall be in writing and action thereon may be deferred to the subsequent regular meeting of the Board.

Section 14:

Both the President of the Board and the President Pro Tern shall be ex-officio members of each and all committees, both with the right to vote the same as any other member of said committees. Both the President of the Board, and the President Pro Tern, when acting as ex-officio members of a Committee in accordance with the foregoing, shall be true members in every sense and shall be counted towards the establishment of a quorum for the meeting.

Section 15:

Action taken by a Committee of the Board shall be by a majority of those present.

Section 16:

Except in instances where the Board shall declare a matter to be an emergency, all matters to be brought before the Board shall first be considered by a Committee of the Board.

Matters that appear before the Board under its consideration of "New Business" shall be assigned by the President or in his absence the President Pro Tem to the appropriate Committee of the Board.

Section 17:

Whenever there is an absence of a quorum required for a Committee of the Board to meet, the Executive Director shall reschedule the Committee Meeting to the next available date and time at which a quorum can be reasonably anticipated. Absent a quorum, there shall be no meeting of the Committee, however, the members present may, if they so desire, receive information or reports pertaining to matters on the agenda for such meeting.

Section 18:

Items not acted upon by the Committee to which they were originally assigned, due to that Committee not meeting because of a lack of a quorum, may, at the discretion of the President or President Pro Tem be placed temporarily upon the agenda of the Executive Committee. If there is no final action taken on the item by the Board, or if the entire matter addressed thereat is not disposed of, any further action regarding the item shall be considered by the Committee to which the item was originally assigned.



# SEWERAGE AND WATER BOARD OF NEW ORLEANS

December 1, 2014

Operations Committee  
Sewerage and Water Board of New Orleans  
New Orleans, Louisiana

Dear Directors:

Subject: Customer Service Results through October 2014

This report is intended as a consolidated report of customer service results, including key activities, indicators of metric results, and a status update on implementation of the Customer Service Improvement plan.

**Customer Service Improvement Plan Status Update.** Following is an update of the implementation status for the Customer Service Improvement Plan.

Plan	Implementation Status
<b>I. Provide improved customer account management and billing capabilities</b>	
<b>A. Replace existing CAM system.</b> <i>Staff will replace the existing in-house developed billing and collection system with packaged software built upon industry standard best practices.</i>	In Progress. The CIS Project Team continues to work through the discovery phase of the project. A status report is being drafted and will be shared with the Project Steering Committee during the month of December.
<b>B. Implement automated meter reading technology.</b> <i>Staff will move from manual meter reading on a monthly cycle to automated meter reading on a multiple-times-per-day cycle, allowing customers to monitor their usage online and allowing for underground leaks to be more readily identified.</i>	In Progress. New automated meters are being installed as part of routine meter replacement. A request for proposals for automated meter reading software will be drafted later once the CAM system replacement project is underway.
<b>II. Reduce the volume of calls by increasing the perceived accuracy of the bills.</b>	
<b>A. Continue focus on obtaining readings to avoid estimates.</b> <i>Staff will maintain the marked improvement achieved over the past 18 months in obtaining meter readings for approximately 98% of all accounts.</i>	Completed. During the month of October 2014, meter reading staff maintained a high percentage of actual readings, with a reading on 99.0% of all meters.
<b>B. Improve accuracy of readings</b> <i>Although the quantity of readings has improved, the quality of some of the readings has not, resulting in either rechecks or customer complaints. Staff will more closely monitor those meter readers that are experience accuracy issues.</i>	Complete. The re-sequencing of residential meter reading routes is complete. This process has helped in ensuring that no meter is skipped and the Meter Reader is at the correct address reading the correct meter.



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

<b>C. Ensure meter reading and billing edits are worked diligently.</b>	
<i>An unintended consequence of working to increase the number of readings has been a decrease in the number of days between reading and billing. This has resulted in bills being mailed with a lesser amount of review than previously took place. Staff will immediately work to ensure an adequate number of days occur between reading and billing to allow for full review of meter reading and billing edits.</i>	<p>Complete. Billing staff has finalized the flowcharts of the bill review and bill adjustment processes. The finalized flowchart document will be of great value in establishing improved business practices as we implement the new billing system.</p>
<b>D. Retrain billing clerks on proper review of meter reading and billing edits.</b>	
<i>There has been a significant decrease in the experience level of customer service clerks and supervisors due to employee retirements and turnover. Likewise, the training center for customer service representatives had been shut down following Hurricane Katrina. Staff will work to immediately re-open and re-staff the customer service training center and provide remedial training.</i>	<p>In progress. Each supervisor is evaluating staff's performance and providing individual training as needed.</p>
<b>E. Re-staff Analyst Level Positions</b>	
<i>The Customer Service Department is budgeted for three analyst positions, but currently has only two analysts on staff. This has left the responsibility for process analysis to supervisors who are currently over-committed in resolving particularly difficult customer concerns. Requisitions for one analyst positions will be submitted shortly and they will be among the first trained at the training center.</i>	<p>Completed. The new team member began working on July 1, 2013.</p>
<b>III. Improve the customer service experience when questioning a bill and resolve more issues during the first call.</b>	
<b>A. Re-emphasize and retrain employees on courtesy and accountability.</b>	
<i>Complaints about perceived rudeness by customer service representatives are a serious concern. Management will meet with employees to re-emphasize the courteous manner in which customers are to be treated and the accountability for the representatives to resolve customer concerns. Management will also bring in outside training for representatives on dealing with customers.</i>	<p>In progress. All Revenue &amp; Customer Service staff members are currently participating in the Business Training Skills series. The classes are being conducted by Debra Gould &amp; Associates and Cathy Harris Consulting and Training.</p>



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

<b>B. Reduce the amount of time spent by customers waiting for assistance.</b>	
<i>The amount of calls abandoned by customers prior to being served has increased significantly in recent months. Likewise, the number of customers waiting in the lobby for service has been quite large on some days. Management will review staffing levels at all workdays and shifts to ensure appropriate matching to the customer call and walk-in volume.</i>	<p>In progress. During the month of October the percentage of abandoned calls decreased from 11.7 % to 5.5%. The average call wait time also decreased from 1 minute and 54 seconds to 1 minute and 24 seconds. Training on the new recording system is complete.</p>
<b>C. Provide a more effective appeals process within Sewerage and Water Board.</b>	
<i>It is crucial to resolve customer complaints within Board processes so that customers do not feel that it is necessary to take their complaints to board members, elected officials, and executive management. Staff will clearly define and communicate the appeals process to customers. Also, Customer Service management will ensure that the Special Accounts Sections will be consistently used for customer calls to elected officials and board members.</i>	<p>In progress. The Administrative Hearing Procedure Policy has been approved and will be implemented within the next 60 to 90 days. Staff will propose the creation of a separate Hearing Unit, with adequate staffing and office space within the Saint Joseph Street facility.</p>
<b>D. Improve coordination between Customer Service and Networks departments.</b>	
<i>One of the most frustrating experiences for customers occurs when there are "disconnects" between customers requests for repairs to occur and how the Board responds to those requests. It is crucial to ensure that high priority customer concerns are resolved on a timely basis and that representatives have reliable information about when repairs will occur or have been completed.</i>	<p>In progress. We have proposed to create a Work Order Tracking Unit within Customer Service for the 2015 O&amp;M Budget. This unit will focus solely on customers who have pending repair work orders. The billing system and the work order system are not linked. Therefore, our current process relies on the customer to call us for updates and information. This unit will take a more proactive position by reaching out to those customers with regular updates on the status of their requests and realistic timelines on repair completion dates. We have proposed a staff three CSR's and a supervisor.</p>
<b>E. Establish feedback processes for customer.</b>	
<i>Staff will develop a feedback process for every walk-in and telephone customer contact to provide a method for immediate feedback to management about the customer experience. Staff will also develop a comprehensive survey instrument for customers who may not have had occasion to contact the Board.</i>	<p>In progress. The Hawthorne Agency and Dr. Silas Lee and Associates are in the final phases of the comprehensive customer satisfaction study satisfaction. Staff anticipates reporting on the results during the January cycle of committee meetings.</p>



## SEWERAGE AND WATER BOARD OF NEW ORLEANS

<b>IV. Evaluate possible changes to the leak adjustment policy.</b>	
<b>A. Examine statutory and policy limitations.</b>	
<i>Customers experiencing high bills are frequently dismayed that water lost through leaks on their service lines is billed without adjustment to volume or rate, while water main and hydrant leaks are allowed to remain unrepaired for long periods of time. The leak adjustment policy of Sewerage and Water Board is less "forgiving" than that of many other large metropolitan water agencies. Staff proposes to study the statutory and policy limitations and alternatives for consideration by the Board.</i>	On hold. The SWB leak adjustment policy is governed by Louisiana State law. We plan to develop legislative alternatives to allow for greater credits to assist customers with high bills resulting from leaks on their property.

Staff will provide ongoing status updates on the implementation of the Customer Service Improvement Plan at upcoming Operations Committee meetings.

Robert K. Miller  
Deputy Director

**Sewerage and Water Board of New Orleans  
Customer Service Report  
Indicators of Metric Results  
October 2014**

Operations Support	Goal	Goal Met		Within Control Limits		Trend
<b>Billing Accuracy / Reasonable</b>						
	Meters Read	Green		Green		Green
	Estimated Bills	Yellow		Green		Yellow
	High Bill Complaints	Red		Red		Red
	Adjusted Bills					
<b>Problem Resolution</b>						
	Customer Contacts	Yellow		Green		Yellow
	Call Wait Time	Green		Green		Green
	Abandoned Calls	Green		Green		Green
	Emergency Abandoned Calls	Green		Green		Green
	Low Water Pressure	Green		Green		Yellow
	Water System Leaks	Green		Green		Green
	Sewer System Leaks	Green		Green		Green
<b>Collections Effectiveness</b>						
	Accounts Off for Non-Payment			Green		Green
	Receivables 30 to 120 Days Old			Green		Yellow
	Receivables 120 Days and Older			Green		Green

Green = Favorable Variance

Yellow = Minimal Variance / No Action Recommended

Red = Unfavorable Variance / Action Recommended





# Sewerage and Water Board of New Orleans

## Meters Read as a Percentage of Total Meters

**Constituency:**  
Customer Ratepayers

**Objective:** Provide  
Accurate Bills

**Goal:** Read 98% or  
more of meters each  
month

**Currently Meeting**  
**Goal:** Yes

**Process Operating**  
**Within Control Limits:**  
Yes

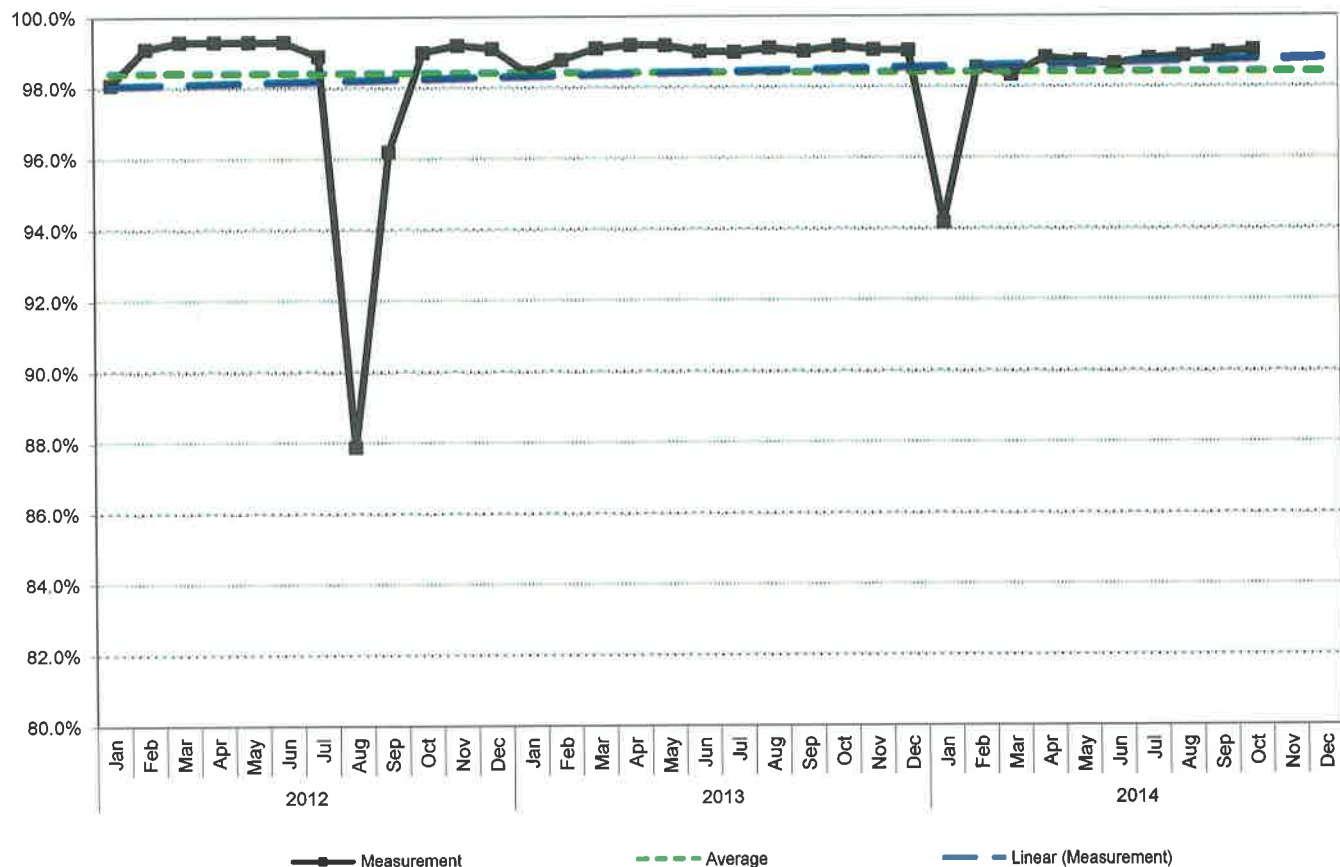
**Trend:** Favorable

### Analysis

The purpose of the customer billing and collection processes is to collect revenues from customer accounts that are billed according to the service rules and are based upon accurate metered consumption. Obtaining an accurate reading is the first step in that process. Staff has maintained a reading rate near or above the goal since April 2010 except for two months affected by Hurricane Isaac in 2012 and a winter freeze in January 2014.

### Plans for Improvement

Staff is working to reduce the number of estimated and erroneous readings. Also, the Automated Meter Reading pilot project is also intended to reduce the number of estimated and erroneous readings, as well as to reduce the cost of obtaining a validated reading.



**Data Table**

	Jan	Feb	Mar	Apr	ate Bills	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	98.1%	99.1%	99.3%	99.3%	99.3%	99.3%	98.9%	87.9%	96.2%	99.0%	99.2%	99.1%
2013	98.4%	98.8%	99.1%	99.2%	99.2%	99.0%	99.0%	99.1%	99.0%	99.2%	99.1%	99.0%
2014	94.2%	98.5%	98.3%	98.8%	98.7%	98.6%	98.8%	98.9%	99.0%	99.0%		

# Sewerage and Water Board of New Orleans

## Bills Estimated as a Percentage of Total Bills

**EUM Attribute:**  
**Customer Satisfaction**

**Description:** Provides reliable, responsive, and affordable services in line with explicit, customer-accepted service levels. Receives timely customer feedback to maintain responsiveness to customer needs and emergencies.

**Constituency:**  
**Customer Ratepayers**

**Objective:** Provide Accurate Bills

**Goal:** Bill Accounts With Less Than 2% Estimated

**Currently Meeting Goal:** Close

**Process Operating Within Control Limits:**  
**Yes**

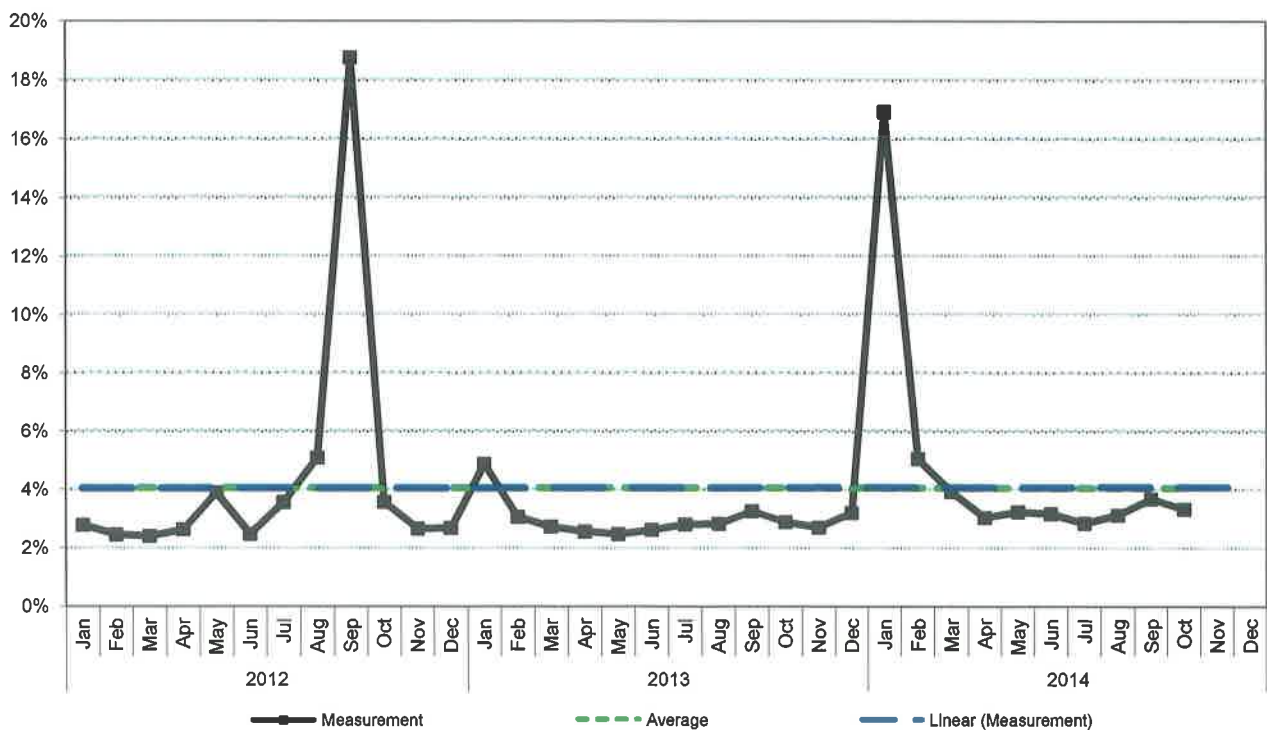
**Trend:** Level

### Analysis

A bill is estimated if the meter is not read by the designated billing date. Bills are also estimated when a meter is read and the reliability of the reading is doubtful and the account is placed on an exception report. If the reading is not verified by the billing date, the bill will be estimated. Spikes in estimated bills usually occur when the Meter Reading department is unable to read a large section of meters during extreme weather.

### Plans for Improvement

Current plans are focused on obtaining readings for accounts each month and verifying the reliability of each reading. Future plans will focus on advanced metering infrastructure that allows for readings to be obtained automatically several times daily.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	2.8%	2.5%	2.4%	2.6%	3.9%	2.5%	3.6%	5.1%	18.8%	3.6%	2.7%	2.7%
2013	4.9%	3.1%	2.7%	2.6%	2.5%	2.6%	2.8%	2.8%	3.3%	2.9%	2.7%	3.2%
2014	16.9%	5.1%	3.9%	3.0%	3.2%	3.2%	2.8%	3.1%	3.7%	3.3%		

# Sewerage and Water Board of New Orleans

## Investigations from High Bill Complaints as a Percentage of Total Bills

**Constituency:**  
Customer Ratepayers

**Objective:** Provide  
Accurate Bills

**Goal:** Reduce  
percentage over time

**Currently Meeting**  
**Goal:** No

**Process Operating**  
**Within Control Limits:**  
No

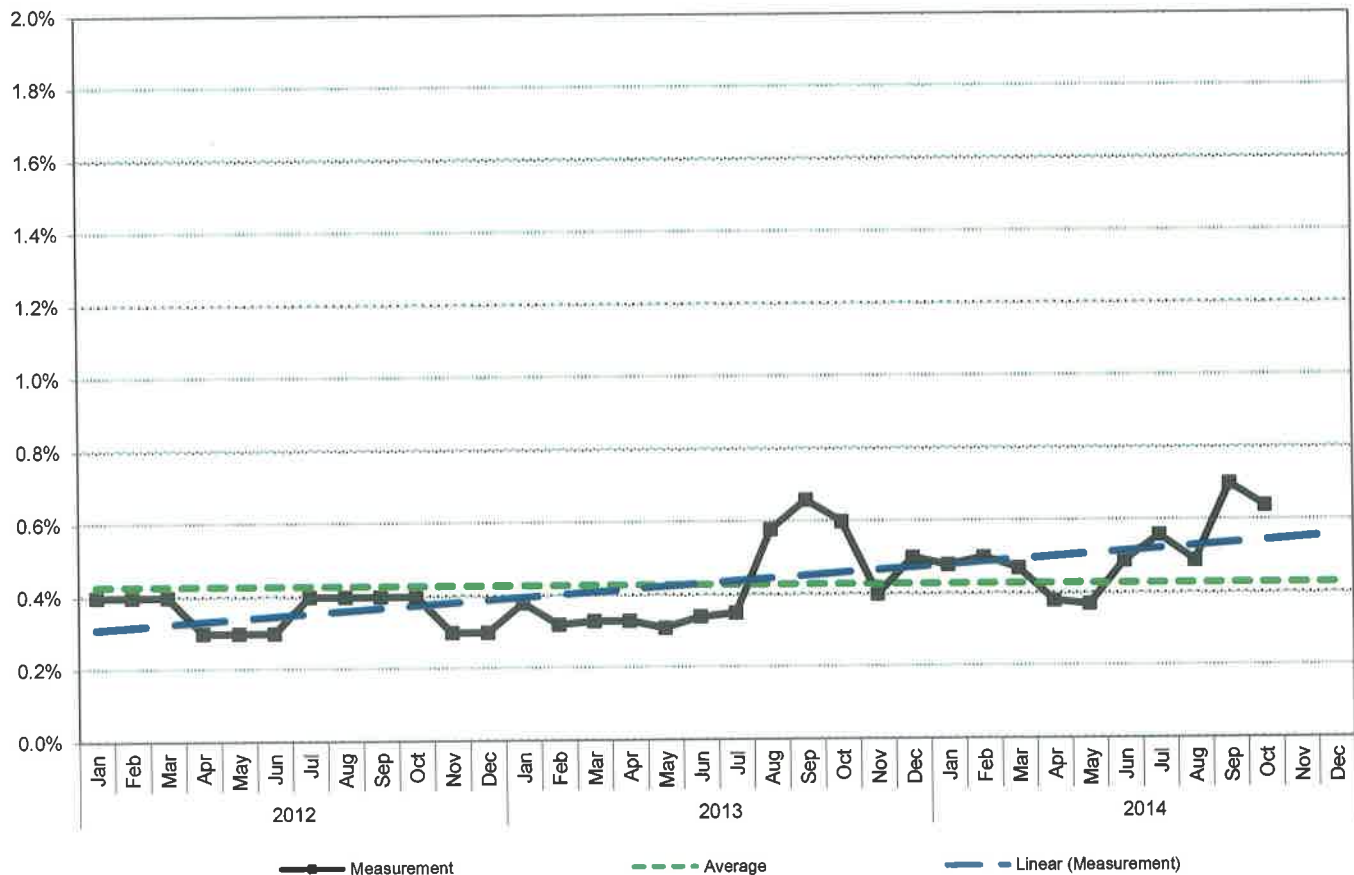
**Trend:** Unfavorable

### Analysis

Customers request an investigation about their usage when the bill is higher than normal amounts. The higher billed amount may be due to: a leak; one or more estimated readings followed by an actual reading; an erroneous meter reading; or increased water, sewer, or sanitation rates. Before an adjustment can be made, an inspection of the meter and service line must be performed.

### Plans for Improvement

Staff is working to reduce the number of estimated and erroneous readings. Also, the Automated Meter Reading pilot project is also intended to reduce the number of estimated and erroneous readings, as well as to reduce the cost of obtaining a validated reading.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	0.4%	0.4%	0.4%	0.3%	0.3%	0.3%	0.4%	0.4%	0.4%	0.4%	0.3%	0.3%
2013	0.4%	0.3%	0.3%	0.3%	0.3%	0.3%	0.4%	0.6%	0.7%	0.6%	0.4%	0.5%
2014	0.5%	0.5%	0.5%	0.4%	0.4%	0.5%	0.6%	0.5%	0.7%	0.6%		

# Sewerage and Water Board of New Orleans

## Bills Adjusted as a Percentage of Total Bills Computed

**Constituency:**  
Customer Ratepayers

**Objective:** Provide  
Accurate Bills

**Goal:** Reduce  
percentage over time

**Currently Meeting**  
**Goal:** No

**Process Operating**  
**Within Control Limits:**  
No

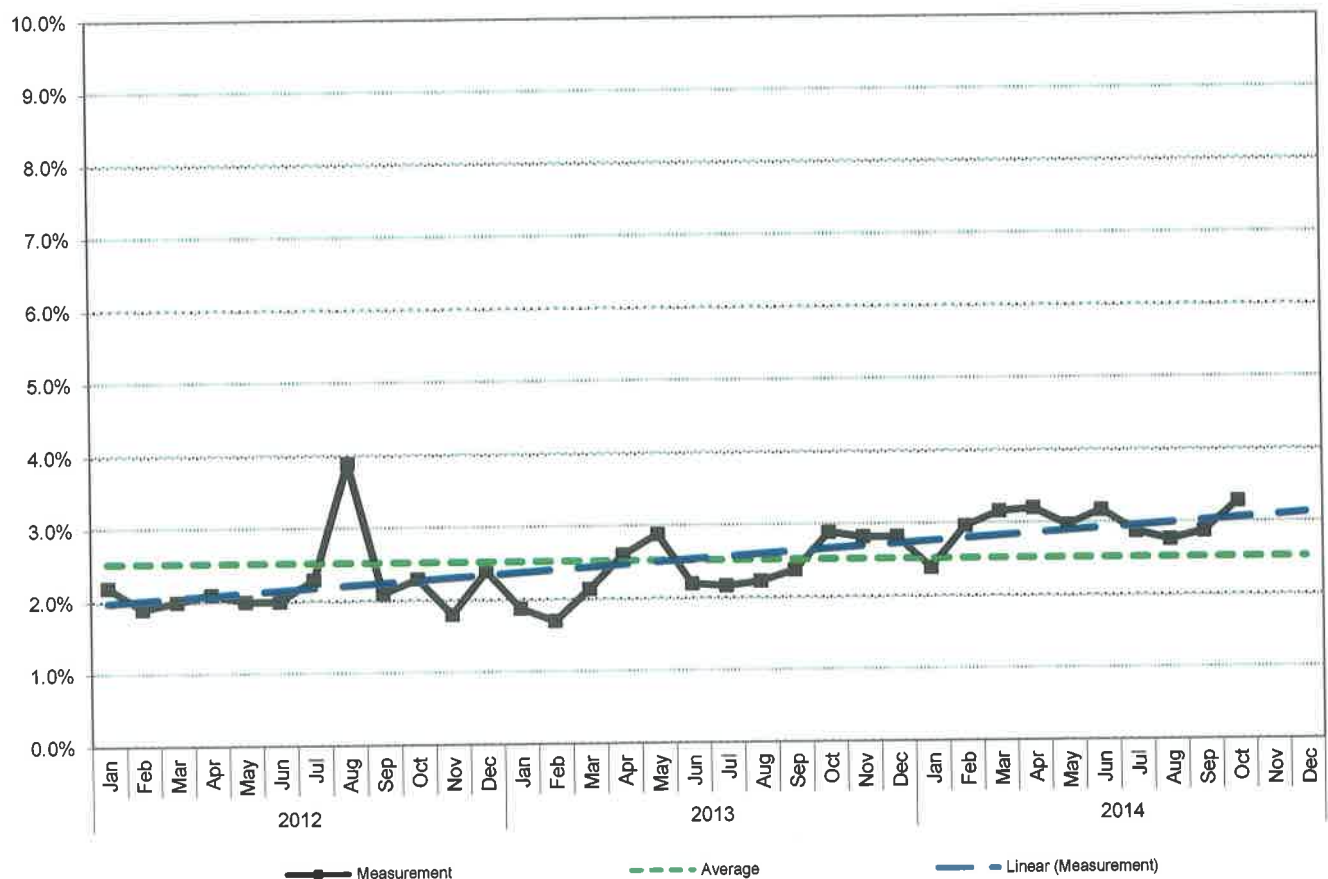
**Trend:** Unfavorable

### Analysis

Customers request adjustments to their bill due to higher than normal amounts. The higher billed amount may be due to: a leak; one or more estimated readings followed by an actual reading; an erroneous meter reading; or increased water, sewer, or sanitation rates. Before an adjustment can be made, an inspection of the meter and service line must be performed.

### Plans for Improvement

Staff is working to reduce the number of estimated and erroneous readings. Also, the Automated Meter Reading pilot project is also intended to reduce the number of estimated and erroneous readings, as well as to reduce the cost of obtaining a validated reading.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2012</b>	2.2%	1.9%	2.0%	2.1%	2.0%	2.0%	2.3%	3.9%	2.1%	2.3%	1.8%	2.4%
<b>2013</b>	1.9%	1.7%	2.1%	2.6%	2.9%	2.2%	2.2%	2.2%	2.4%	2.9%	2.8%	2.8%
<b>2014</b>	2.4%	3.0%	3.2%	3.2%	3.0%	3.2%	2.9%	2.8%	2.9%	3.3%		

# Sewerage and Water Board of New Orleans

## Total Inbound Customer Contacts

**Constituency:**  
Customer Ratepayers

**Objective:** Provide Timely  
Information and Respond  
Promptly to Requests

**Goal:** Reduce  
Triggers of Customer  
Calls

**Currently Meeting  
Goal:** Close

**Process Operating  
Within Control  
Limits:** Yes

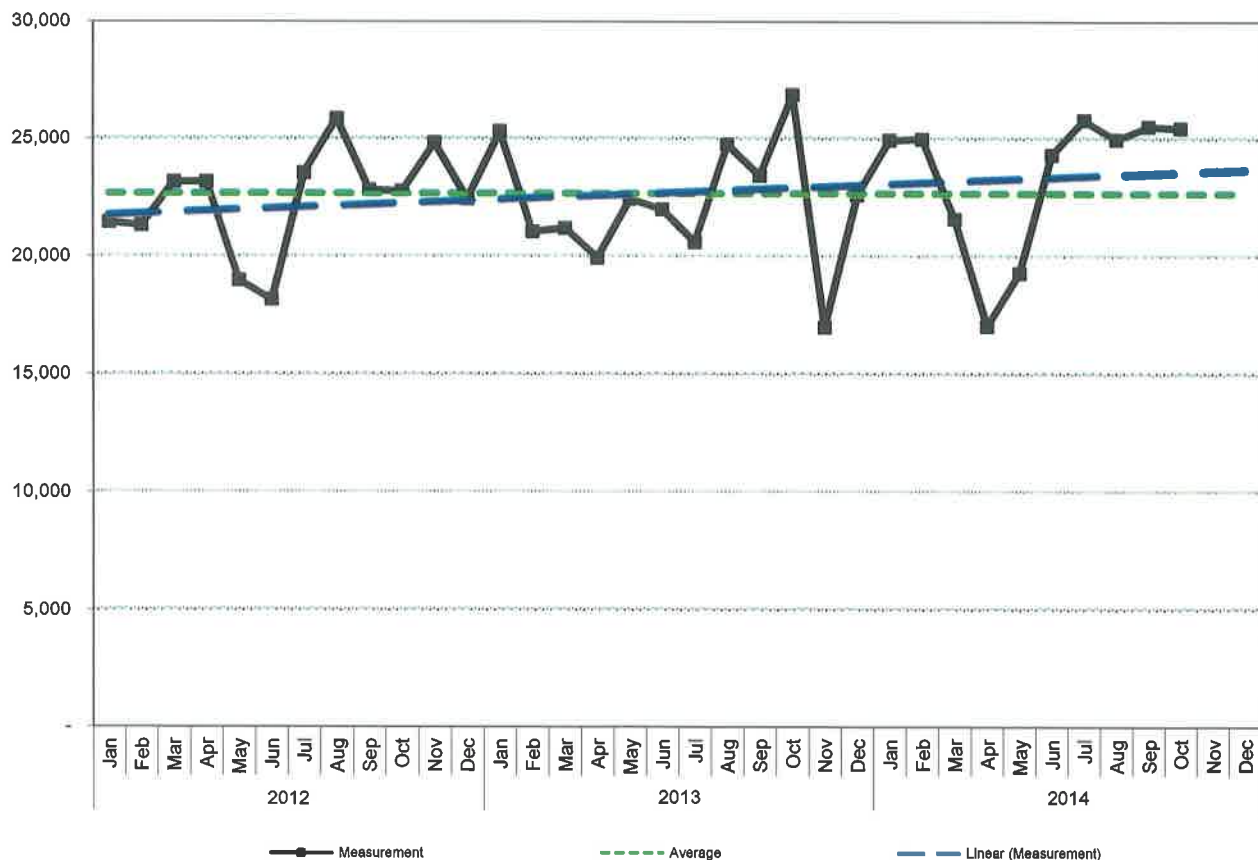
**Trend:** Level

### Analysis

Customers contact the Sewerage and Water Board to start or end service; to request information about their bill; to report concerns about their water service, sewer connection, street flooding, or solid waste sanitation service; and other matters. The Call Center for emergency repairs is operated continuously, while the Call Center for billing and non-emergency issues is operated from 7 AM to 7 PM. Call volumes can vary significantly month to month.

### Plans for Improvement

Staff is analyzing the events that trigger calls in order to determine methods to reduce the volume. Short term plans for improvement will focus on creating more efficient "scripts" for handling routine call matters. Longer term plans will focus on reducing the overall call volumes with interactive voice response capabilities.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	21,447	21,313	23,164	23,164	18,977	18,149	23,545	25,870	22,818	22,773	24,842	22,438
2013	25,331	21,051	21,194	19,937	22,446	21,994	20,602	24,764	23,439	26,892	16,980	22,610
2014	24,945	24,992	21,579	17,032	19,276	24,315	25,800	24,967	25,532	25,467		



# Sewerage and Water Board of New Orleans

## Average Call Wait Time

**Constituency:**  
Customer Ratepayers

**Objective:** Provide  
Accurate Bills

**Goal:** Reduce over  
time

**Currently Meeting  
Goal:** Yes

**Process Operating  
Within Control Limits:**  
Yes

**Trend:** Favorable

### Analysis

Customers contact the Sewerage and Water Board to start or end service; to request information about their bill; to report concerns about their water service, sewer connection, street flooding, or solid waste sanitation service; and other matters. The Call Center for emergency repairs is operated continuously, while the Call Center for billing and non-emergency issues is operated from 7 AM to 7 PM. Call volumes can vary significantly month to month.

### Plans for Improvement

Staff is analyzing the events that trigger calls in order to determine methods to reduce the volume. Short term plans for improvement will focus on creating more efficient "scripts" for handling routine call matters. Longer term plans will focus on reducing the overall call volumes with interactive voice response capabilities.



Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	2:22	2:34	2:22	2:20	2:12	2:29	2:25	2:12	2:10	1:52	1:42	1:36
2013	2:13	2:15	1:51	2:17	2:03	1:52	2:03	2:11	1:53	2:26	2:40	3:22
2014	3:20	3:17	2:13	1:33	1:49	1:58	1:46	1:54	1:54	1:24		

# Sewerage and Water Board of New Orleans

## Calls Abandoned by Customers as a Percentage of Total

**Constituency:**  
Customer Ratepayers

**Objective:** Provide Timely  
Information and Respond  
Promptly to Requests

**Goal:** Respond to calls  
with less than 10%  
abandoned

**Currently Meeting**  
**Goal:** Yes

**Process Operating**  
**Within Control Limits:**  
Yes

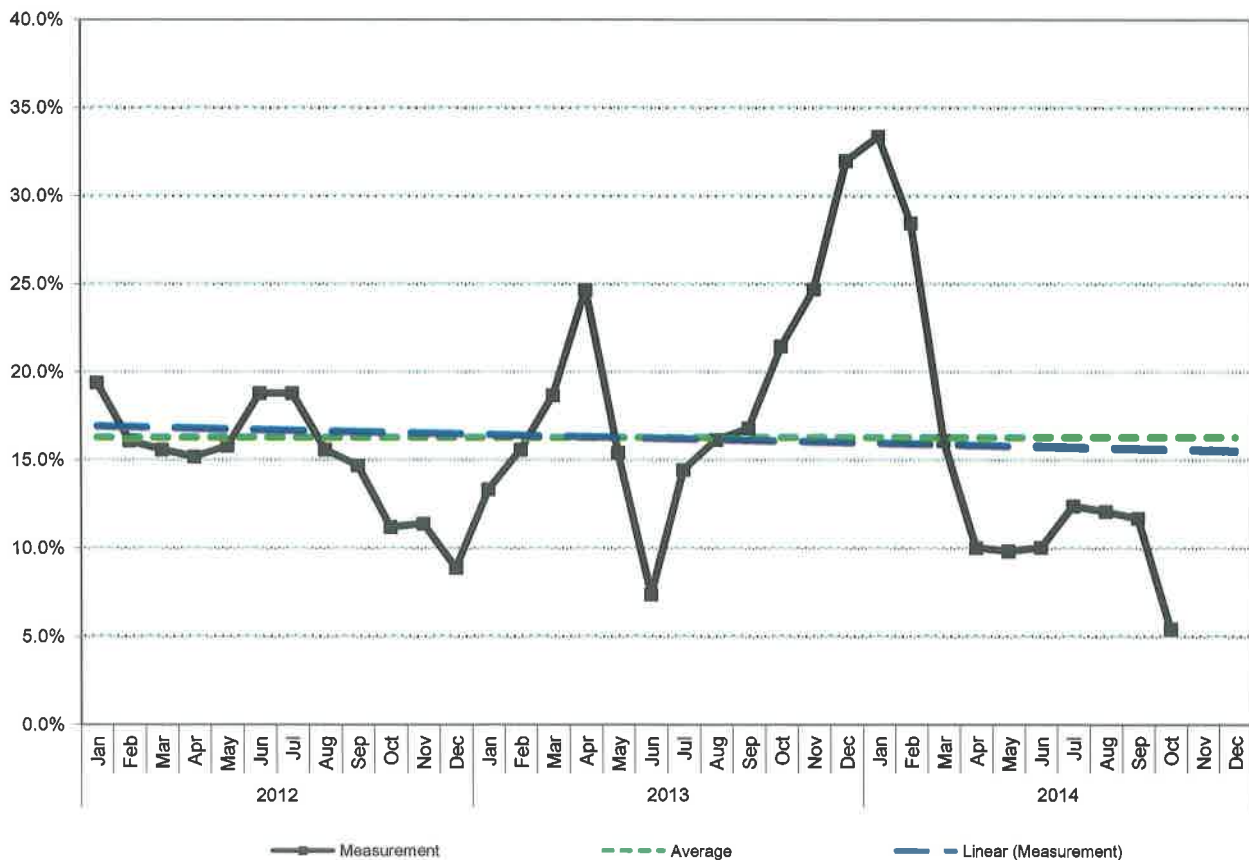
**Trend:** Yes

### Analysis

Customers abandon their call after waiting for an amount of time considered inconvenient, which varies from customer to customer. Some portion of the volume of abandoned calls is from customers calling and hanging up on multiple occasions.

### Plans for Improvement

In order to resolve the significant increase in abandoned calls, additional employees have been hired and are being trained. Call rollover time has been reduced from 3 minutes to 20 seconds. Medium term plans for improvement will focus on creating more efficient "scripts" for handling routine call matters. Longer term plans will focus on reducing the overall call volumes with interactive voice response capabilities.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	19.4%	16.1%	15.6%	15.2%	15.8%	18.8%	18.8%	15.6%	14.7%	11.2%	11.4%	8.9%
2013	13.3%	15.6%	18.7%	24.7%	15.4%	7.4%	14.5%	16.2%	16.8%	21.5%	24.7%	32.0%
2014	33.4%	28.5%	16.1%	10.0%	9.8%	10.1%	12.4%	12.1%	11.7%	5.5%		

# Sewerage and Water Board of New Orleans

## Emergency Calls Abandoned by Customers as a Percentage of Total Emergency Calls

**Constituency:**  
Customer Ratepayers

**Objective:** Provide Timely Information and Respond Promptly to Requests

**Goal:** Respond to calls with less than 10% abandoned

**Currently Meeting Goal:** Yes

**Process Operating Within Control Limits:**  
Yes

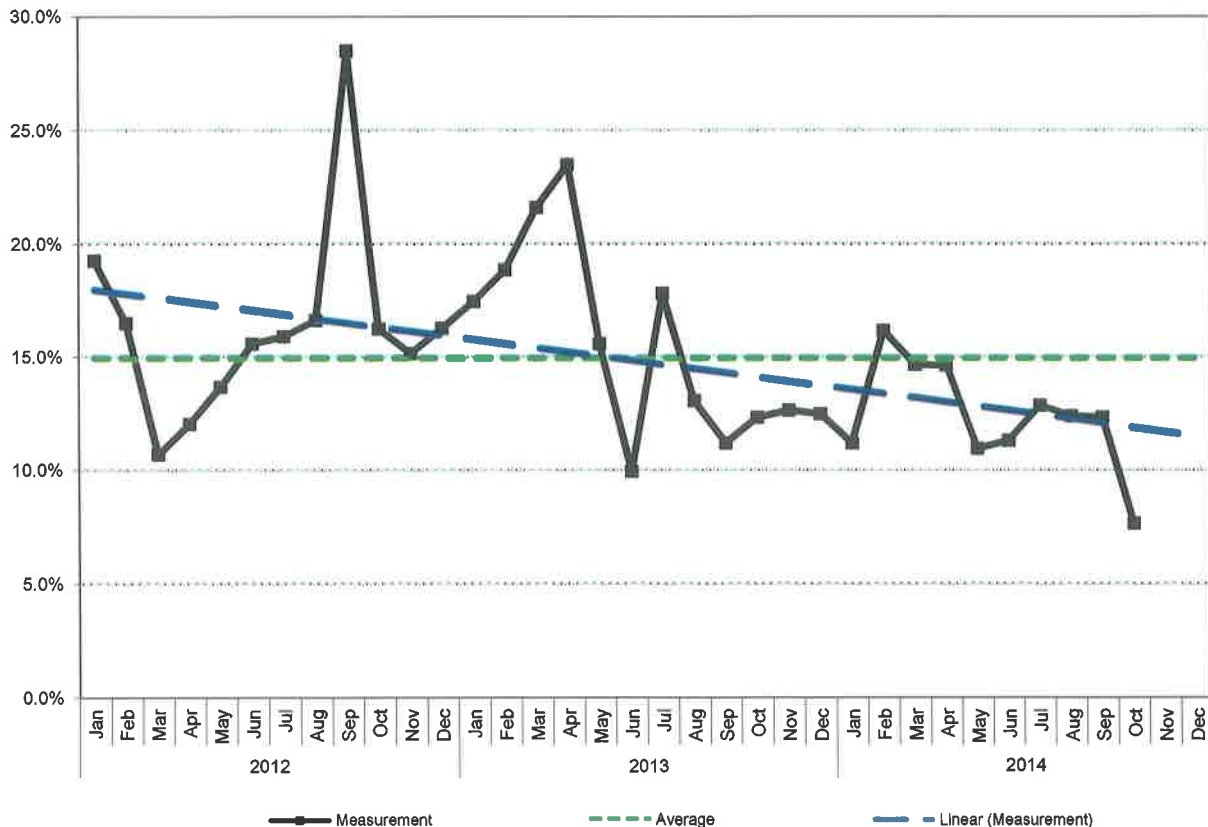
**Trend:** Favorable

### Analysis

Customers abandon their call after waiting for an amount of time considered inconvenient, which varies from customer to customer. Some portion of the volume of abandoned calls is from customers calling and hanging up on multiple occasions. Staff is addressing this issue as a top priority. The telephone system was recently upgraded.

### Plans for Improvement

In order to resolve the significant increase in abandoned calls, additional employees were hired and trained. Call rollover time was reduced from 3 minutes to 20 seconds. Scripts were created for more efficient handling of routine call matters. Longer term plans will focus on reducing the overall call volumes with interactive voice response capabilities.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	19.3%	16.5%	10.7%	12.0%	13.7%	15.6%	15.9%	16.6%	28.5%	16.3%	15.2%	16.3%
2013	17.5%	18.9%	21.6%	23.5%	15.6%	10.0%	17.8%	13.1%	11.2%	12.3%	12.7%	12.5%
2014	11.2%	16.2%	14.7%	14.6%	11.0%	11.3%	12.9%	12.4%	12.3%	7.6%		



# Sewerage and Water Board of New Orleans

## Total Service Requests about Low Water Pressure

**Constituency:**  
Customer Ratepayers

**Objective:** Provide Timely  
Information and Respond  
Promptly to Requests

**Goal:** Reduce  
Number of Service  
Requests

**Currently Meeting  
Goal:** Yes

**Process Operating  
Within Control  
Limits:** Yes

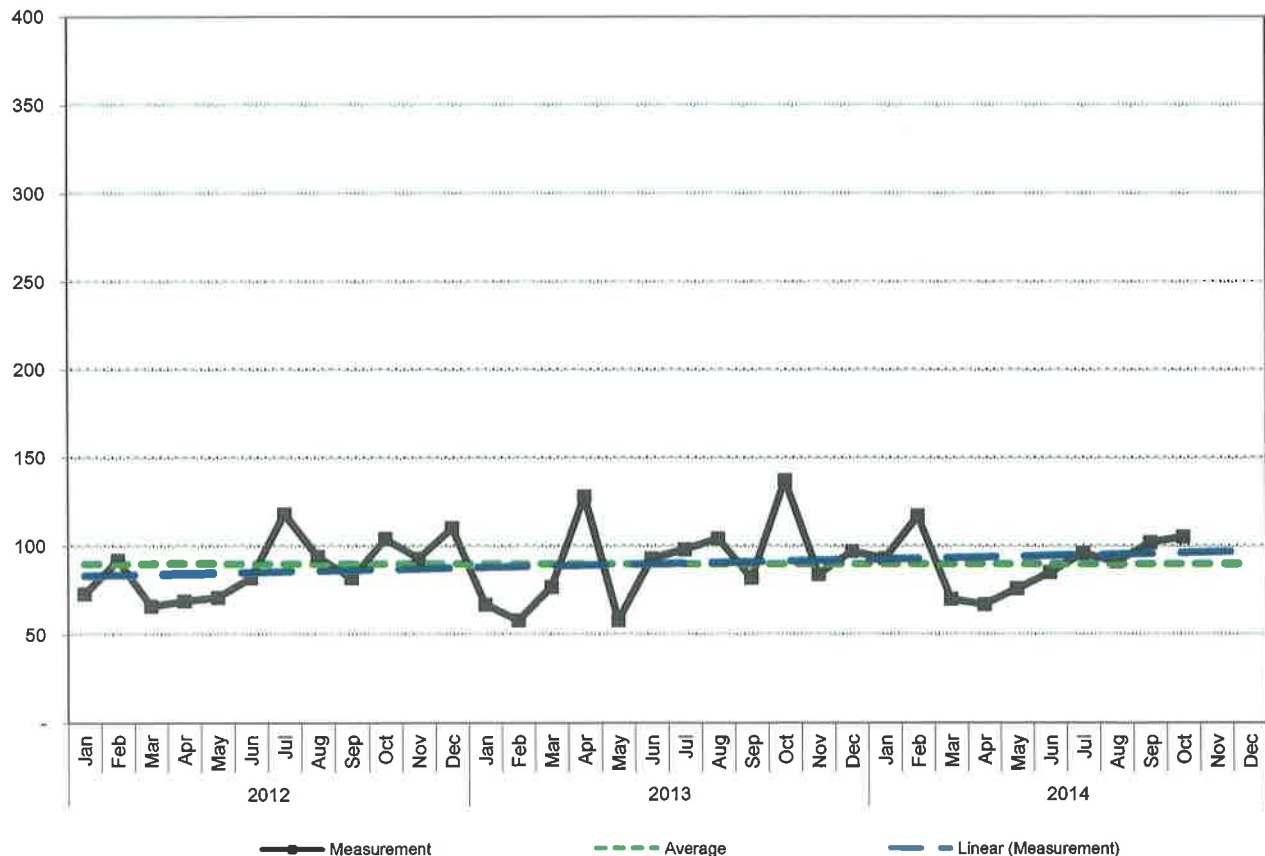
**Trend:** Level

### Analysis

Customers contact the Sewerage and Water Board to request resolution to low water pressure. System pressure can be impaired by power failures at the treatment plants, by water main breaks, and by certain types of repair activities.

### Plans for Improvement

Staff continues to make repairs to the water system to reduce the number of occasions of low pressure.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	73	92	66	69	71	82	118	94	82	104	93	110
2013	67	58	77	128	58	93	98	104	82	137	84	97
2014	93	117	70	67	76	85	96	91	102	105		

# Sewerage and Water Board of New Orleans

## Total Service Requests for Water System Leaks

**Constituency:**  
Customer Ratepayers

**Objective:** Provide Timely  
Information and Respond  
Promptly to Requests

**Goal:** Reduce  
Number of Service  
Requests

**Currently Meeting  
Goal:** Yes

**Process Operating  
Within Control  
Limits:** Yes

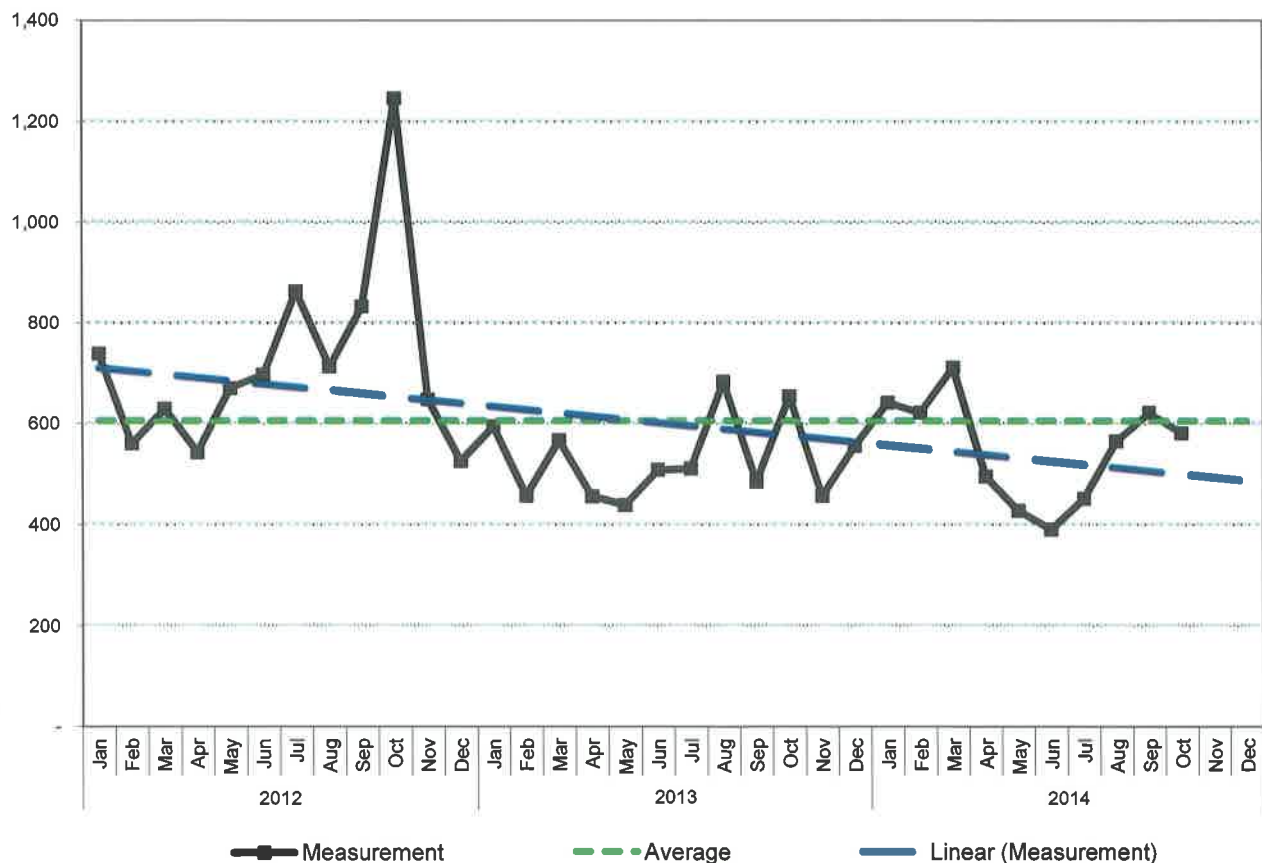
**Trend:** Favorable

### Analysis

Customers contact the Sewerage and Water Board to request repairs to leaking mains, services and fire hydrants.

### Plans for Improvement

Staff is working with FEMA to expand beyond point repairs to line replacements for water mains with high frequency of failure.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	739	560	629	543	670	697	863	713	833	1,246	648	526
2013	594	457	567	456	439	508	511	683	485	654	457	556
2014	641	621	711	495	428	390	451	565	621	581		

# Sewerage and Water Board of New Orleans

## Total Service Requests for Sewer System Leaks

**Constituency:**  
Customer Ratepayers

**Objective:** Provide Timely  
Information and Respond  
Promptly to Requests

**Goal:** Reduce  
Number of Service  
Requests

**Currently Meeting  
Goal:** Yes

**Process Operating  
Within Control  
Limits:** Yes

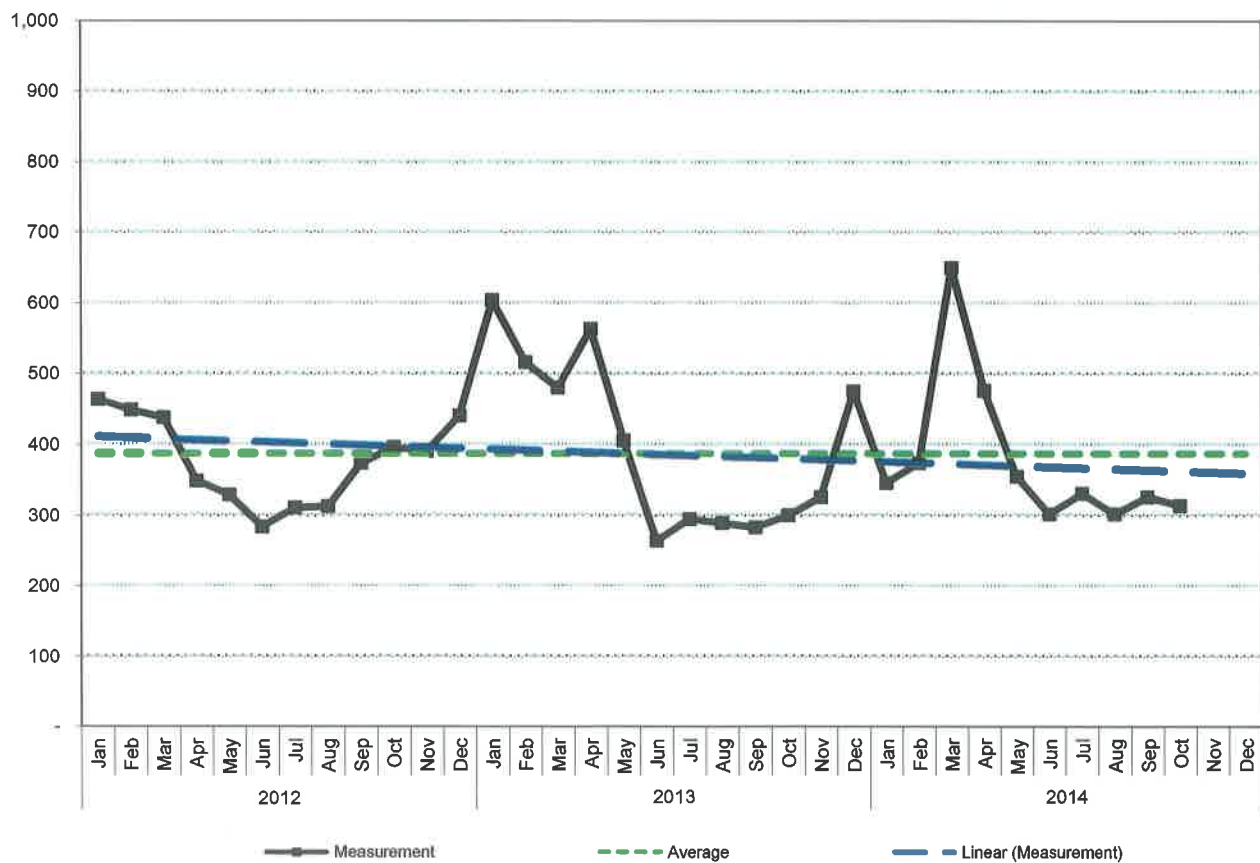
**Trend:** Favorable

### Analysis

Customers contact the Sewerage and Water Board to request repairs to leaking sewer collection mains and service lines.

### Plans for Improvement

Staff has recently expanded the use of Networks Department field staff focused on sewer system repairs.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	464	449	438	349	329	284	311	313	374	396	391	441
2013	604	516	480	563	406	264	295	289	283	300	326	475
2014	346	374	650	476	355	302	331	302	326	314		

# Sewerage and Water Board of New Orleans

## Total Accounts Turned Off for Non-Payment

**Constituency:**  
Customer  
Ratepayers

**Objective:** Ensure  
Collection of Payments for  
Services Provided

**Goal:** None  
Established

**Currently Meeting**  
**Goal:** Not Applicable

**Process Operating**  
**Within Control**  
**Limits:** Yes

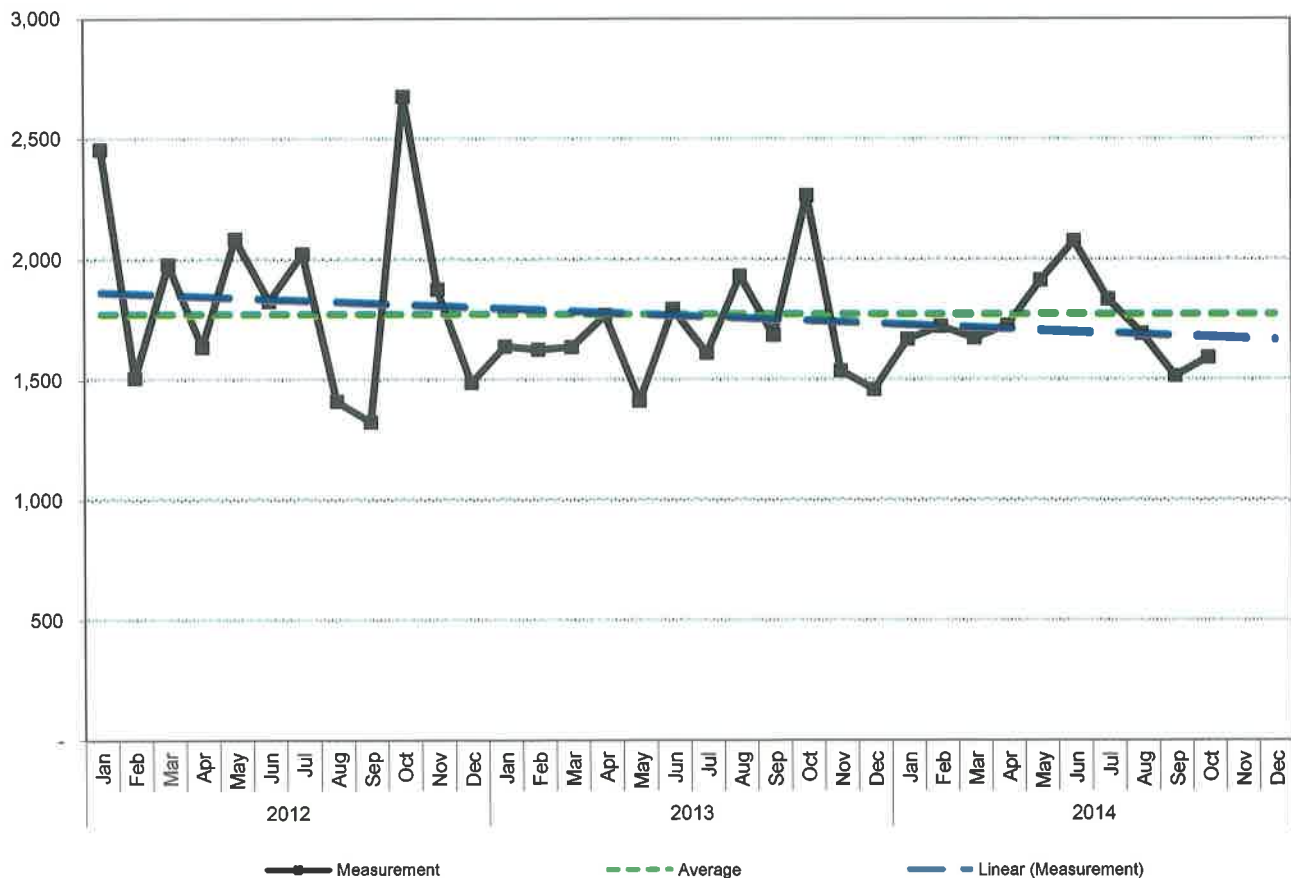
**Trend:** Favorable

### Analysis

Customers accounts are turned-off for non-payment for balances more than \$50 and over sixty days past due.

### Plans for Improvement

Staff is monitoring the number of accounts turned-off for non-payment to determine trend directions. No actions are contemplated at this time.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
<b>2012</b>	2,456	1,511	1,980	1,638	2,085	1,829	2,024	1,413	1,327	2,676	1,877	1,490
<b>2013</b>	1,641	1,628	1,638	1,770	1,415	1,795	1,613	1,932	1,687	2,265	1,540	1,461
<b>2014</b>	1,670	1,723	1,675	1,727	1,915	2,077	1,836	1,694	1,518	1,594		

# Sewerage and Water Board of New Orleans

## Water and Sewer Receivables 30 to 120 Days Old

**EUM Attribute:**  
Financial Viability

**Description:** Establishes and maintains an effective balance between long-term debt, asset values, operations and maintenance expenditures, and operating revenues

**Constituency:**  
Customer Ratepayers

**Objective:** Efficient use of resources in providing services

**Goal:** None established

**Currently Meeting Goal:** Not Applicable

**Process Operating Within Control Limits:** Yes

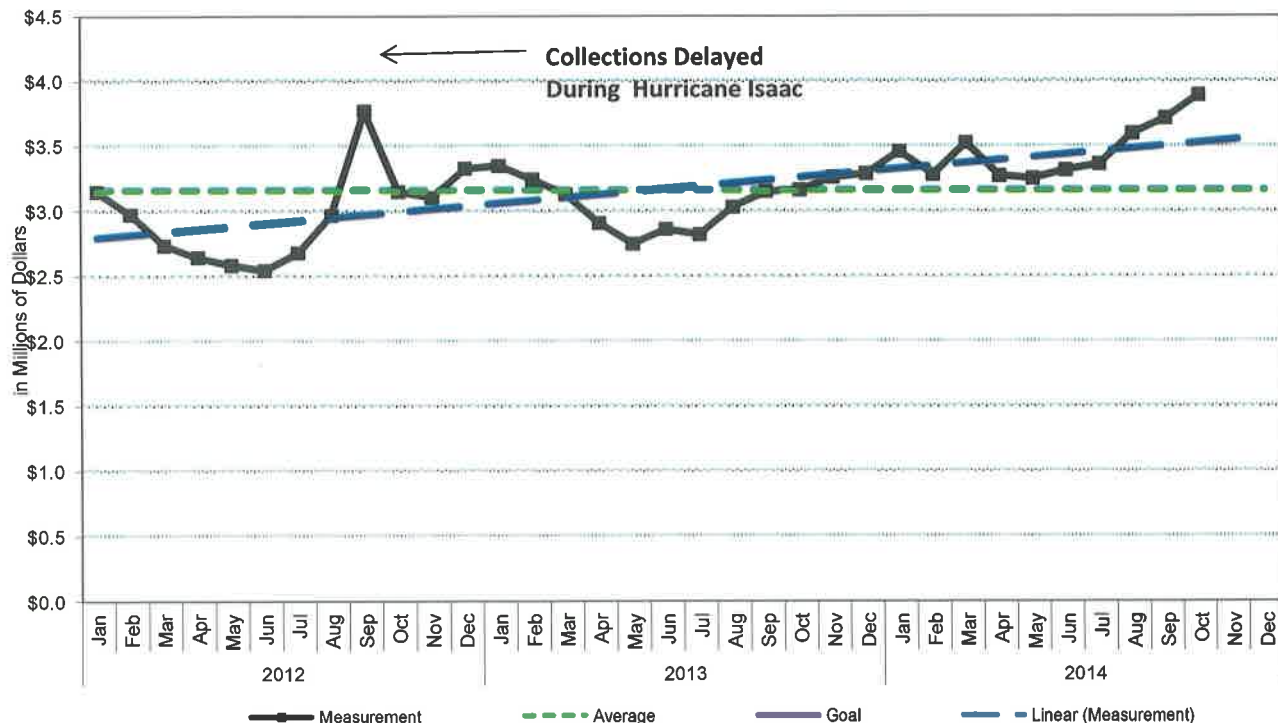
**Trend:** Level, when adjusted for rate increases.

### Analysis

Water and sewer accounts receivable that are 30 to 120 days old are handled by internal staff using service disconnection. When those accounts are turned-off and final bills sent, the remaining balances after 30 days are sent to a collection agency. The uncollectable balances for 2007 and 2008 were higher than normal due to accounts that remained open for vacated facilities and were written off in 2011 and 2012, .

### Plans for Improvement

It appears that the higher post-Katrina accounts receivable balances have been resolved through standard collection practices and that annual collection rates now exceed 98% of annual billings. Staff intends to use standard process improvement methods to continue collection practices pending implementation of new billing and collection system.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	\$3.149	\$2.973	\$2.735	\$2.643	\$2.583	\$2.544	\$2.678	\$2.966	\$3.770	\$3.149	\$3.104	\$3.327
2013	\$3.348	\$3.243	\$3.127	\$2.907	\$2.748	\$2.860	\$2.819	\$3.031	\$3.149	\$3.161	\$3.258	\$3.287
2014	\$3.458	\$3.280	\$3.524	\$3.271	\$3.249	\$3.314	\$3.361	\$3.598	\$3.715	\$3.893		



# Sewerage and Water Board of New Orleans

## Water and Sewer Receivables 120 Days and Older

**EUM Attribute:**  
Financial Viability

**Description:** Establishes and maintains an effective balance between long-term debt, asset values, operations and maintenance expenditures, and operating revenues

**Constituency:**  
Customer Ratepayers

**Objective:** Efficient use of resources in providing services

**Goal:** None established

**Currently Meeting Goal:** Not Applicable

**Process Operating Within Control Limits:** Yes

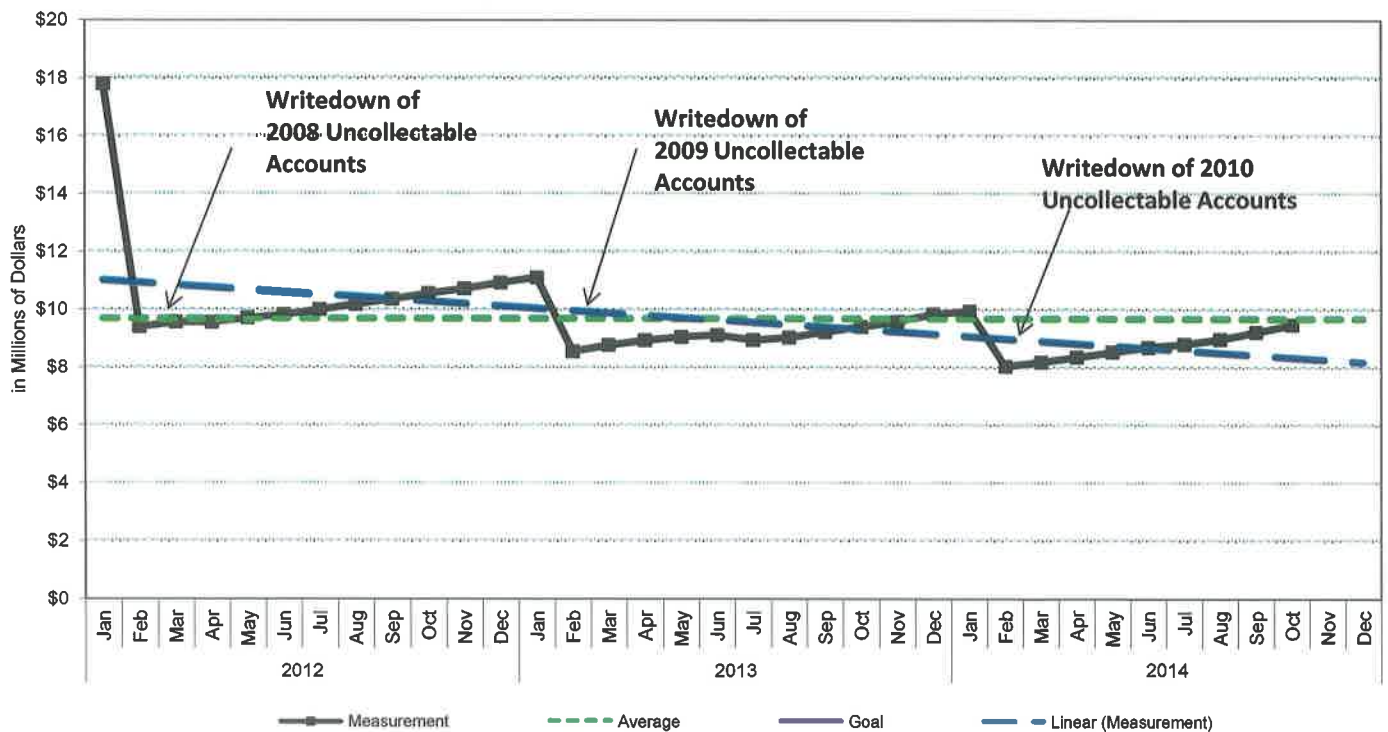
**Trend:** Favorable

### Analysis

Water and sewer accounts receivable that are 120 days and older are handled by a collection agency. When those accounts remain uncollected after three years, the balances are written off as part of an annual process. The uncollectable balances for 2007 and 2008, which were written off early in 2011 and 2012, were higher than normal due to accounts that remained open post-Katrina for residences and businesses but were not occupied.

### Plans for Improvement

It appears that the higher post-Katrina accounts receivable balances have been resolved through standard collection practices and that annual collection rates now exceed 98% of annual billings. Staff intends to use standard process improvement methods to continue collection practices pending implementation of new billing and collection system.



**Data Table**

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2012	\$ 17.811	\$ 9.400	\$ 9.558	\$ 9.557	\$ 9.710	\$ 9.818	\$ 9.995	\$ 10.176	\$ 10.360	\$ 10.553	\$ 10.724	\$ 10.931
2013	\$ 11.104	\$ 8.552	\$ 8.766	\$ 8.928	\$ 9.055	\$ 9.113	\$ 8.939	\$ 9.029	\$ 9.224	\$ 9.398	\$ 9.585	\$ 9.839
2014	\$ 9.946	\$ 8.032	\$ 8.185	\$ 8.360	\$ 8.536	\$ 8.694	\$ 8.807	\$ 8.977	\$ 9.218	\$ 9.478		

**Sewerage & Water Board Contracts with SLDDBE Participation January 2013 - November 2014**

Category	Category Dollar Amount	SLDDBE Dollar Value
Goods and Services Contracts	\$ 1,966,487	\$ 77,621
Construction Contracts	75,093,174	24,802,554
Professional Services Contracts	<u>12,497,750</u>	<u>4,374,213</u>
Grand Total	\$ 89,557,411	\$ 29,254,387

# Sewerage and Water Board Contracts with SLD BE Participation January 2013 - November 2014

<u>Prime Contractor</u>	<u>SLD BE Sub-Contractor</u>	<u>SLD BE %</u>	<u>Dollar Amount</u>
<u>Goods &amp; Services Contracts</u>			
<b>Arc Enterprises</b>			
Furnishing Janitorial Services for S&WB Main Office and Gen. DeGaulle Annex Building	Ricard's Paper Assorted Products Cleaning Concierge, LLC	5.00% 5.00% 20.00% 30.00%	\$ 99,776
<b>Assorted Products</b>			
Furnishing Hand Tools, Hardware Supplies, Paint and Paint Supplies	Westbank Safety and Janitorial Supply, Inc.	30.00%	\$ 108,744
Furnishing Aerosol, Janitorial, and Industrial Chemicals	Westbank Safety and Janitorial Supply, Inc.	30.00%	\$ 84,999
<b>Blue Ribbon Resources, LLC</b>			
Furnishing River Sand, Mason Sand and Washed Gravel	Qualified Transportation, LLC	30.00%	\$ 67,538
<b>General Mills Supplies, Inc.</b>			
Furnishing Flashlights and Flashlight Batteries	Assorted Products	21.00%	\$ 8,867
<b>Herbert S. Hiller</b>			
Furnishing Fire Extinguishers Service	Assorted Products Paint Pro Depot	19.80% 6.93% 26.73%	\$ 13,500
<b>KSM Janitorial &amp; Cleaning Service, LLC</b>			
Furnishing Janitorial Services for Central Yard and 2901 Eads St. Trailer	RASI Janitorial Services, LLC	31.00%	\$ 10,378
<b>Louisiana Vegetation Management, Inc.</b>			
Furnishing Chemical Control Foliage at Specified Sewerage & Water Board Locations within the City of New Orleans	Assorted Products Topp Knotch Personnel	19.80% 6.93% 26.73%	\$ 13,500



# **Sewerage and Water Board Contracts with SLDBE Participation January 2013 - November 2014**

<u>Prime Contractor</u>	<u>SLDBE Sub-Contractor</u>	<u>SLDBE %</u>	<u>Dollar Amount</u>
Southeast Safety & Supply Furnishing Safety Supplies	Assorted Products	30.00%	\$ 42,751

# Sewerage and Water Board Contracts with SLDBE Participation January 2013 - November 2014

<u>Prime Contractor</u>	<u>SLDBE Sub-Contractor</u>	<u>SLDBE %</u>	<u>Dollar Amount</u>
<b>Twin Commerical Tires, LLC</b> Furnishing and Delivering Complete Fleet Tire Service	Vern Keeler & Associates	20.00%	\$ 69,140
<b>Westbank Paper and Janitorial Supply</b> Furnishing Paper Products and Janitorial Sanitary Supplies	Assorted Products	30.00%	\$ 28,441
<u>Construction Contracts</u>			
<b>BLD Services, LLC</b> #30002 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various Sites Throughout Orleans Parish	Hebert's Trucking & Equipment Services Advantage Manhole & Concrete Services, Inc  Prince Dump Truck Service	30.42%  0.89%  4.69% <u>36.00%</u>	\$ 1,229,739  35,876  <u>189,625</u> \$ 1,455,240
#30003 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various Sites Throughout Orleans Parish	Hebert's Trucking & Equipment Services Advantage Manhole & Concrete Services, Inc  Prince Dump Truck Service	29.84%  0.98% <u>5.18%</u> <u>36.00%</u>	\$ 1,276,914  41,986 <u>221,468</u> \$ 1,540,368
#3986 - Lower Ninth Ward Are Sewer Rehabilitation - Sewer Rehabilitation #5	Prince Dump Truck Service Advantage Manhole & Concrete Services, C&M Construction Group, Inc.	5.37% 12.49% 10.17% <u>28.03%</u>	\$ 358,658 834,682 <u>679,950</u> \$ 1,873,290
<b>Boh Bros.</b> #2105 - Replacement of Water Lines Damaged by Hurricane Katrina within Various Roadways in Different Neighborhoods throughout the City of New	Auguillard Construction MS & Sons Bricklaying, LLC Baker Ready Mix Prince Dump Truck Service	21.90% 4.35% 2.21% <u>7.55%</u>	\$ 1,467,000 291,375 147,750 <u>505,750</u>

# **Sewerage and Water Board Contracts with SLDBE Participation January 2013 - November 2014**

<u>Prime Contractor</u>	<u>SLDBE Sub-Contractor</u>	<u>SLDBE %</u>	<u>Dollar Amount</u>
Orleans		36.01%	\$ 2,411,875

# Sewerage and Water Board Contracts with SLDBE Participation January 2013 - November 2014

<u>Prime Contractor</u>	<u>SLDBE Sub-Contractor</u>	<u>SLDBE %</u>	<u>Dollar Amount</u>
#30006 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various Sites Throughout Orleans Parish	Auguillard Construction Standard Cement Materials, Inc. Prince Dump Truck Service	18.50% 12.80% 6.30% <b>37.60%</b>	\$ 879,035 607,400 300,000 1,786,435
<b>Fleming Construction Co., LLC</b> #30004 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point from Manhole to Manhole and Point	Hebert's Trucking & Equipment Services Cooper Contracting Dieudonne Enterprises, Inc. Auguillard Construction	10.60% 6.36% 4.24% 14.84% <b>36.04%</b>	\$ 500,000 300,000 200,000 700,000 1,700,000
<b>Industrial &amp; Mechanical Contractors, Inc.</b> #8132 - Katrina Related Repairs to Garage #1 and the Generator Building at Central Yard	RLH Investments Joseph Electric, Inc.	28.73% 13.28% <b>42.01%</b>	\$ 346,000 160,000 506,000
#3668 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Victoria Sewage Pumping	Dieudonne Enterprises, Inc. Trigon Associates, LLC	21.51% 18.07% <b>39.58%</b>	\$ 263,446 221,358 484,804
#3669 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Sewage Pumping Station #6	JL Construction Group Joseph Electric Dieudonne Enterprises	18.02% 14.17% 4.38% <b>36.57%</b>	\$ 522,819 411,200 127,080 1,061,099
<b>Lou-Con, Inc.</b> #3663 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Bullard Sewage Pumping Station	RLH Investments, LLC Assorted Products EBE Fence Co.	36.49% 0.36% 1.43% <b>38.28%</b>	\$ 509,000 5,000 20,000 534,000
#3670 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Lawrence Sewage Pumping Station	Gulf State Constructors Assorted Products EBE Fence Co.	36.45% 0.14% 1.43% <b>38.02%</b>	\$ 509,000 2,000 20,000 531,000

# Sewerage and Water Board Contracts with SLDBE Participation January 2013 - November 2014

Prime Contractor	SLDBE Sub-Contractor	SLDBE %	Dollar Amount
#3666 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Lawrence Sewage Pumping Station	Gulf State Constructors Assorted Products EBE Fence Co.	36.00% 0.14% <u>1.41%</u> <b>37.56%</b>	\$ 509,000 2,000 <u>20,000</u> \$ 531,000
#1378 - Hurricane Related Repairs to Boilers/Duct/Elevators at Main Purification Plant Power Complex	Jesus is Lord Plumbing Cole Construction Affordable Trucking Contractors, LLC Delta Personnel Choice Supply Co.	0.31% 4.22% 3.14% 1.57% <u>11.30%</u> <b>20.54%</b>	\$ 50,000 672,000 500,000 250,000 <u>1,800,000</u> \$ 3,272,000
<b>TKTMJ, Inc.</b>			
#3665 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Doldt Sewage Pumping Station	Choice Supply Solutions Dillon Bros. Concrete Gulf State Constructors	16.38% 2.17% <u>17.46%</u> <b>36.01%</b>	\$ 226,000 30,000 <u>241,000</u> \$ 497,000
#3667 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Plum Orchard Sewage Pumping Station	Choice Supply Solutions Dillon Bros. Concrete Gulf State Constructors	8.88% 2.66% <u>24.51%</u> <b>36.05%</b>	\$ 100,000 30,000 <u>276,000</u> \$ 406,000
<b>Wallace C. Drennan, Inc.</b>			
# 2101 - Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at various sites throughout Orleans Parish	Auguillard Construction C & M Construction Cooper Contracting Prince Dump Truck Service	10.45% 6.23% 11.79% <u>7.55%</u> <b>36.02%</b>	\$ 310,000 185,000 350,000 <u>224,000</u> \$ 1,069,000
#30000 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various Sites Throughout Orleans Parish	Auguillard Construction C & M Construction Cooper Contracting Prince Dump Truck Service	14.76% 4.71% 4.31% <u>12.24%</u> <b>36.02%</b>	\$ 705,000 225,000 206,000 <u>585,000</u> \$ 1,721,000
#30008 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane	Auguillard Construction C & M Construction	7.42% 12.68%	\$ 117,000 200,000

# **Sewerage and Water Board Contracts with SLDBE Participation January 2013 - November 2014**

<u>Prime Contractor</u>	<u>SLDBE Sub-Contractor</u>	<u>SLDBE %</u>	<u>Dollar Amount</u>
Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point	Cooper Contracting Prince Dump Truck Service	7.48% 8.56% 36.14%	118,000 135,000 570,000

# **Sewerage and Water Board Contracts with SLD BE Participation January 2013 - November 2014**

<u>Prime Contractor</u>	<u>SLDBE Sub-Contractor</u>	<u>SLDBE %</u>	<u>Dollar Amount</u>
#30005 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various Sites Throughout	Auguillard Construction C & M Construction Choice Supply Solutions, LLC Cooper Contracting Prince Dump Truck Service	11.50% 6.70% 2.31% 5.20% 10.40% <u>36.11%</u>	\$ 500,000 290,000 100,000 225,000 <u>450,000</u> \$ 1,565,000
<b><u>Professional Services Contracts</u></b>			
CH2M Hill, Inc. Retrofit Power Plant Hazard Mitigation Grant Project at the Carrollton Water Treatment Plant	ILSI Engineering Trigon Associates, LLC	12.00% <u>23.00%</u> <b>35.00%</b>	\$ 1,499,730 <u>2,874,483</u> \$ 4,374,213

Sewerage & Water Board of New Orleans Contracts with SLDBE Participation January 2013 - November 2014						
Goods & Services Contracts						
Contract Description	Contract Dollar Amount	Prime Contractor	SLDBE Subcontractor	SLDBE %	Awarded SLDBE Dollar Value	Award Date
Furnishing Hand Tools, Hardware Supplies, Paint and Paint Supplies	362,480	Assorted Products, LLC	Westbank Safety and Janitorial Supply, Inc.	30%	108,744	2/20/13
Furnishing Safety Supplies	142,505	Southeast Safety & Supply	Assorted Products	30%	42,751	2/20/13
Furnishing Aerosol, Janitorial and Industrial Chemicals	283,331	Assorted Products, LLC	Westbank Safety and Janitorial Supply, Inc.	30%	84,999	5/15/13
Furnishing Paper Products and Janitorial Sanitary Supplies	94,805	Westbank Safety and Janitorial Supply, Inc.	Assorted Products	30%	28,441	6/19/13
Furnishing Janitorial Services for Central Yard and 2901 Eads St. Trailer	33,543	KSM Janitorial and Cleaning Service, LLC	RASI Janitorial Services, LLC	31%	10,378	8/21/13
Furnishing Pest & Rodent Control Services for Sewerage and Water Board	28,016	Imperial Exterminating	Inspector 12 Services	33%	9,245	11/20/13
Furnishing Janitorial Services for Sewerage and Water Board Main Office and General DeGaulle Annex Building			Ricard's Paper	5%	4,754	
			Assorted Products	5%	4,754	
			Cleaning Concierge, LLC	20%	19,014	
	99,775	Arc Enterprises	Total	30%	28,521	10/16/13



Sewerage & Water Board of New Orleans Contracts with SLDBE Participation January 2013 - November 2014							
Goods & Services Contracts							
Contract Description	Contract Dollar Amount	Prime Contractor	SLDBE Subcontractor	SLDBE %		Awarded SLDBE Dollar Value	Award Date
Furnishing Flashlight and Flashlight Batteries	42,222	General Mills Supplies, Inc.	Assorted Products	21%		8,867	4/16/14
			Assorted Products	20%	10,000		
			Paint Pro Depot	7%	3,500		
Furnishing Fire Extinguishers Service	50,496	Herbert S. Hiller	Total	27%		13,500	10/16/13
Furnishing River Sand, Mason Sand and Washed Gravel - YW14-0010	225,125	Blue Ribbon Resources, LLC	Qualified Transportation, LLC	30%		67,538	6/2/14
Furnishing and Delivering Complete Fleet Tire Service - YG14-0061	344,200	Twin Commercial Tires, LLC	Vern Keeler & Associates	20%		69,140	6/2/14
Furnishing Chemical Control Foliage at Specified Sewerage and Water Board Locations within the City of New Orleans			Assorted Products	13%	33,600		
		Louisiana Vegetation Management	Topp Knotch Personnel	1%	2,000		
	259,990		Total	14%		35,600	9/17/14
Total Goods & Services Contracts	1,966,487					77,621	

Sewerage & Water Board Contracts with SLDBE Participation January 2013 - November 2014						
Construction Contracts						
Contract Description	Contract Dollar Amount	Prime Contractor	SLDBE Sub-Contractor	Awarded SLDBE %	Awarded SLDBE Dollar Value	Award Date
#2101 - Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites Throughout Orleans Parish			Auguillard Construction	10.45%	310,000	
			C & M Construction	6.23%	185,000	
			Cooper Contracting	11.79%	350,000	
			Prince Dump Truck Service	7.55%	224,000	
	2,967,900	Wallace Drennan, Inc.	Total	36.02%	1,069,000	2/20/13
#30000 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various Sites Throughout Orleans Parish			Auguillard Construction	14.76%	705,000	
			C & M Construction	4.71%	225,000	
			Cooper Contracting	4.31%	206,000	
			Prince Dump Truck Service	12.24%	585,000	
	3,584,849	Wallace Drennan, Inc.	Total	36.02%	1,721,000	2/20/13
#30008 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various Sites Throughout Orleans Parish			Auguillard Construction	7.42%	117,000	
			C & M Construction	12.68%	200,000	
			Cooper Contracting	7.48%	118,000	
			Prince Dump Truck Service	8.56%	135,000	
	1,577,000	Wallace Drennan, Inc.	Total	36.14%	570,000	2/20/13
#2105 - Replacement of Water Lines Damaged by Hurricane Katrina within Various Roadways in Different Neighborhoods throughout the City of New Orleans			Auguillard Construction	21.90%	1,467,000	
			MS & Sons Bricklaying, LLC	4.35%	291,375	
			Baker Ready Mix	2.21%	147,750	
			Prince Dump Truck Service	7.55%	505,750	
	6,699,595	Boh Brothers Construction Co., LLC	Total	36.00%	2,411,875	5/15/13
#30002 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various Sites Throughout Orleans Parish			Hebert's Trucking & Equipment Services	30.42%	1,229,739	
			Advantage Manhole & Concrete Services, Inc	0.89%	35,876	
			Prince Dump Truck Service	4.69%	189,625	
			Total	36.00%	1,455,240	5/15/13
#30003 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various Sites Throughout Orleans Parish			Hebert's Trucking & Equipment Services	29.84%	1,276,914	
			Advantage Manhole & Concrete Services, Inc	0.98%	41,986	
			Prince Dump Truck Service	5.18%	221,468	
			Total	36.00%	1,540,368	5/15/13

# Sewerage & Water Board Contracts with SLDBE Participation January 2013 - November 2014

## Construction Contracts

Contract Description	Contract Dollar Amount	Prime Contractor	SLDBE Sub-Contractor	Awarded SLSLDBE %	Awarded SLDBE Dollar Value	Award Date
#30004 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various	4,717,448	Fleming Construction Co., LLC	Hebert's Trucking & Equipment Services Cooper Contracting Dieudonne Enterprises, Inc. Auguillard Construction Total	10.60% 6.36% 4.24% 14.84% 36.04%	500,000 300,000 200,000 700,000 1,700,000	
#3663 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Bullard Sewage Pumping Station			RLH Investments, LLC Assorted Products EBE Fence Co. Total	36.49% 0.36% 1.43% 38.28%	509,000 5,000 20,000 534,000	7/17/13
#3670 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Lawrence Sewage Pumping Station	1,395,000	Lou-Con, Inc.	Gulf State Constructors Assorted Products EBE Fence Co. Total	36.45% 0.14% 1.43% 38.02%	509,000 2,000 20,000 531,000	7/17/13
#3665 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Dodd Sewage Pumping Station	1,396,500	Lou-Con, Inc.	Choice Supply Solutions Dillon Bros. Concrete Gulf State Constructors Total	16.38% 2.17% 17.46% 36.01%	226,000 30,000 241,000 497,000	8/21/13
#3666 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Lake Forest Sewage Pumping Station	1,379,991	TKTMJ, Inc.	Gulf State Constructors Assorted Products EBE Fence Co. Total	36.00% 0.14% 1.41% 37.56%	510,000 2,000 20,000 532,000	8/21/13
#3667 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Plum Orchard Sewage Pumping Station	1,416,500	Lou-Con, Inc.	Choice Supply Solutions Dillon Bros. Concrete Gulf State Constructors Total	8.88% 2.66% 24.51% 36.05%	100,000 30,000 276,000 406,000	8/21/13
#3668 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Victoria Sewage Pumping Station	1,126,180	TKTMJ, Inc.	Dieudonne Enterprises, Inc. JL Construction Total	21.51% 18.07% 39.58%	263,446 221,358 484,804	8/21/13
#3788 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Burke Sewage Pumping Station	1,224,990	Industrial & Mechanical Contractors, Inc.	Dieudonne Enterprises, Inc. JL Construction Total	9.83% 28.09% 37.92%	136,500 389,943 526,443	11/20/13

Sewerage & Water Board Contracts with SLDBE Participation January 2013 - November 2014						
Construction Contracts						
Contract Description	Contract Dollar Amount	Prime Contractor	SLDBE Sub-Contractor	Awarded SLSLDBE %	Awarded SLDBE Dollar Value	Award Date
#30005 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various Sites Throughout Orleans Parish	4,333,769	Wallace C. Drennan, Inc.	Auguillard Construction	11.54%	500,000	
			C&M Construction Group, Inc.	6.69%	290,000	
			Choice Supply Solutions, LLC	2.31%	100,000	
			Cooper Contracting	5.19%	225,000	
			Prince Dump Truck Service	10.38%	450,000	
			<b>Total</b>	<b>36.11%</b>	<b>1,565,000</b>	<b>1/20/14</b>
#30006 - Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole and Point Repairs at Various Sites Throughout Orleans Parish	4,759,309	Boh Bros. Construction Co., LLC	Auguillard Construction	18.47%	879,035	
			Standard Cement Materials, Inc.	12.76%	607,400	
			Prince Dump Truck Service	6.30%	300,000	
			<b>Total</b>	<b>37.54%</b>	<b>1,786,435</b>	<b>1/20/14</b>
#8132 - Katrina Related Repairs to Garage #1 and the Generator Building at Central Yard	1,204,500	Industrial & Mechanical Contractors, Inc.	RLH Investments, LLC	28.73%	346,000	
			Joseph Electric, Inc.	13.28%	160,000	
			<b>Total</b>	<b>42.01%</b>	<b>506,000</b>	<b>2/21/14</b>
#30009 - Restoration of Existing Gravity Sewer Mains by Excavation and Replacement from Manhole to Manhole at Various Sites throughout Orleans Parish	2,088,008	Wallace C. Drennan, Inc.	C&M Construction Group, Inc.	23.95%	500,000	
			Prince Dump Truck Service	8.62%	180,000	
			Choice Supply Solutions, LLC	3.83%	80,000	
			<b>Total</b>	<b>36.40%</b>	<b>760,000</b>	<b>5/21/14</b>
#3669 - Hurricane Katrina Related 404 Hazard Mitigation Grant Program Replacement of Sewage Pumping Station #6	2,900,900	Industrial & Mechanical Contractors, Inc.	JL Construction Group	18.02%	522,819	
			Joseph Electric, Inc.	14.17%	411,200	
			Dieudonne Enterprises, Inc.	4.38%	127,080	
			<b>Total</b>	<b>36.58%</b>	<b>1,061,099</b>	<b>6/2/14</b>
			Jesus is Lord Plumbing	0.31%	50,000	
			Cole Construction	4.22%	672,000	
#1378 - Hurricane Katrina Related Repairs to Boiler/Duct/Elevator at Main Purification Plant Power Complex	15,928,241	Plant-N-Power Services, LLP	Affordable Trucking			
			Contractors, LLC	3.14%	500,000	
			Delta Personnel	1.57%	250,000	
			Choice Supply Co.	11.30%	1,800,000	
			<b>Total</b>	<b>20.54%</b>	<b>3,272,000</b>	<b>8/20/14</b>

Sewerage & Water Board Contracts with SLDBE Participation January 2013 - November 2014						
Construction Contracts						
Contract Description	Contract Dollar Amount	Prime Contractor	SLDBE Sub-Contractor	Awarded SLDBE %	Awarded SLDBE Dollar Value	Award Date
#3986 - Lower Ninth Ward Are Sewer Rehabilitation-Sewer Rehabilitation #5			Prince Dump Truck Service	5.37%	358,658	
			Advantage Manhole & Concrete Services, Inc	12.49%	834,682	
			C&M Construction Group, Inc.	10.17%	679,950	
			<b>Total</b>	<b>28.03%</b>	<b>1,873,290</b>	
<b>Total Construction Contracts</b>	<b>75,093,174</b>				<b>24,802,554</b>	<b>9/17/14</b>

Sewerage & Water Board Contracts withSLDBE Participation from January 2013 - November 2014							
Professional Service Contracts							
Contract Description	Contract Dollar Amount	Prime Contractor	SLDBE Sub-Contractor	SLDBE %		Awarded SLDBE Value	Award Date
Retrofit Power Plant Hazard Mitigation Grant Project at the Carrollton Water Treatment Plant	12,497,750	CH2M Hill	ILSI Engineering	12%	1,499,730		
			Trigon Associates, LLC	23%	2,874,483		
			<b>Total</b>	<b>35%</b>		4,374,213	3/20/2013
<b>Total Professional Service Contracts</b>	<b>\$ 12,497,750</b>					<b>\$ 4,374,213</b>	

# Sewerage & Water Board of New Orleans Committee & Board of Director's Meeting Schedule

# 2015

<b>THURSDAY</b>	<b>JANUARY 1, 2015</b>	<b>HOLIDAY</b>	<b>NEW YEAR'S DAY / OFFICE CLOSED</b>
MONDAY	JANUARY 5, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	JANUARY 6, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	JANUARY 7, 2015	<b>9:00 AM</b>	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	JANUARY 7, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	JANUARY 9, 2015	9:00 AM	EXECUTIVE COMMITTEE
<b>MONDAY</b>	<b>JANUARY 19, 2015</b>	<b>HOLIDAY</b>	<b>MLK DAY / OFFICE CLOSED</b>
WEDNESDAY	JANUARY 21, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	FEBRUARY 2, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	FEBRUARY 3, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	FEBRUARY 4, 2015	<b>9:00 AM</b>	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	FEBRUARY 4, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	FEBRUARY 6, 2015	9:00 AM	EXECUTIVE COMMITTEE
<b>TUESDAY</b>	<b>FEBRUARY 17, 2015</b>	<b>HOLIDAY</b>	<b>MARDI GRAS/ OFFICE CLOSED</b>
WEDNESDAY	FEBRUARY 18, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	MARCH 2, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	MARCH 3, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	MARCH 4, 2015	<b>9:00 AM</b>	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	MARCH 4, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	MARCH 6, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	MARCH 18, 2015	9:00 AM	BOARD OF DIRECTOR'S
<b>WEDNESDAY</b>	<b>APRIL 1, 2015</b>	<b>9:00 AM</b>	<b>COMMITTEE ON INFRASTRUCTURE</b>
<b>WEDNESDAY</b>	<b>APRIL 1, 2015</b>	<b>10:30 AM</b>	<b>PENSION COMMITTEE</b>
<b>FRIDAY</b>	<b>APRIL 3, 2015</b>	<b>HOLIDAY</b>	<b>GOOD FRIDAY / OFFICE CLOSED</b>
MONDAY	APRIL 6, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	APRIL 7, 2015	8:00 AM	FINANCE COMMITTEE
FRIDAY	APRIL 10, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	APRIL 15, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	MAY 4, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	MAY 5, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	MAY 6, 2015	<b>9:00 AM</b>	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	MAY 6, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	MAY 8, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	MAY 20, 2015	9:00 AM	BOARD OF DIRECTOR'S
<b>MONDAY</b>	<b>MAY 25, 2015</b>	<b>HOLIDAY</b>	<b>MEMORIAL DAY / OFFICE CLOSED</b>
MONDAY	JUNE 1, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	JUNE 2, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	JUNE 3, 2015	<b>9:00 AM</b>	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	JUNE 3, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	JUNE 5, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	JUNE 17, 2015	9:00 AM	BOARD OF DIRECTOR'S

# Sewerage & Water Board of New Orleans Committee & Board of Director's Meeting Schedule

# 2015

WEDNESDAY	JULY 1, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	JULY 1, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	JULY 3, 2015	HOLIDAY	INDEPENDENCE DAY/OFFICE CLOSED
MONDAY	JULY 6, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	JULY 7, 2015	8:00 AM	FINANCE COMMITTEE
FRIDAY	JULY 10, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	JULY 15, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	AUGUST 3, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	AUGUST 4, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	AUGUST 5, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	AUGUST 5, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	AUGUST 7, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	AUGUST 19, 2015	9:00 AM	BOARD OF DIRECTOR'S
TUESDAY	SEPTEMBER 1, 2015	8:00 AM	OPERATIONS/ FINANCE COMMITTEE
WEDNESDAY	SEPTEMBER 2, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	SEPTEMBER 2, 2015	10:30 AM	PENSION
FRIDAY	SEPTEMBER 4, 2015	9:00 AM	EXECUTIVE COMMITTEE
MONDAY	SEPTEMBER 7, 2015	HOLIDAY	LABOR DAY / OFFICE CLOSED
WEDNESDAY	SEPTEMBER 16, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	OCTOBER 5, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	OCTOBER 6, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	OCTOBER 7, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	OCTOBER 7, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	OCTOBER 9, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	OCTOBER 21, 2015	9:00 AM	BOARD OF DIRECTOR'S
MONDAY	NOVEMBER 2, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	NOVEMBER 3, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	NOVEMBER 4, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	NOVEMBER 4, 2015	10:30 AM	PENSION COMMITTEE
FRIDAY	NOVEMBER 6, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	NOVEMBER 18, 2015	9:00 AM	BOARD OF DIRECTOR'S
THURSDAY	NOVEMBER 26, 2015	HOLIDAY	THANKSGIVING / OFFICE CLOSED
FRIDAY	NOVEMBER 27, 2015	HOLIDAY	VETERANS DAY / OFFICE CLOSED
WEDNESDAY	DECEMBER 2, 2015	9:00 AM	COMMITTEE ON INFRASTRUCTURE
WEDNESDAY	DECEMBER 2, 2015	10:30 AM	PENSION COMMITTEE
MONDAY	DECEMBER 7, 2015	8:00 AM	OPERATIONS COMMITTEE
TUESDAY	DECEMBER 8, 2015	8:00 AM	FINANCE COMMITTEE
FRIDAY	DECEMBER 11, 2015	9:00 AM	EXECUTIVE COMMITTEE
WEDNESDAY	DECEMBER 16, 2015	9:00 AM	BOARD OF DIRECTOR'S
FRIDAY	DECEMBER 25, 2015	HOLIDAY	CHRISTMAS DAY / OFFICE CLOSED

NOTE: DUE TO THE LABOR DAY HOLIDAY IN SEPTEMBER, WE ARE ATTEMPTING TO HOLD THE OPERATIONS AND FINANCE COMMITTEES AS A JOINT MEETING.



**Presented for your careful consideration by Board Member Alan Arnold**

*Management responses shown in bold below. October 2014*

**ANALYSIS OF NET ASSETS ON BALANCE SHEET**

all numbers in this request for answers to questions are in thousands

	2004	2009	2013
	1,826,416	2,248,235	2,891,420
Depr	(546,973)	(643,843)	(783,552)
Net	1,279,442	1,604,392	2,107,837
Unrestricted Cash available	3,043	21,159	30,326
Free Cash Flow(exc grants)	58,991	26,051	52,972
% rate of return on assets	4.6	1.6	2.5
Long Term Debt	270,900	228,878	170,255
% of Assets	21.1	14.3	8.1

Of the \$828,395 increase since 2004, how much was contributed capital from Fed, State or other sources?

***Essentially all capital improvements made between 2005 and 2013 were funded by contributed capital from federal and state programs.***

Of the work completed, how much was repair of damage from the storm at market rate and how much was new construction?

***Essentially all capital improvements made between 2005 and 2013 were for construction related to damage following Hurricane Katrina.***

The 5 year Capital Budget in 2004 was 1.9 billion. Of the items listed in that budget, which ones have actually been constructed?

***Management has not analyzed the 2004-2008 Capital Improvement Plan to determine which projects have been constructed as that plan was made irrelevant by the damage following Hurricane Katrina. Instead, a new capital improvement plan was developed based upon the new needs that existed as a result of the storm.***

Isn't a budget supposed to reflect capital needs THAT WILL BE MET in each year or is it just a Capital Needs Statement?

***Prior to 2014, management used the Capital Improvement Plan to identify capital needs and the preferred schedule for constructability, noting that funding was not available at that time to fully execute the plan. Beginning in 2014, the Capital Improvement Plan was developed to provide for full funding within the constraints of the program of water and sewer rates adopted for 2013-2020.***

Is it the intention of this Board to budget capital needs each year based on greatest need and ability to pay?

***It is management's intent to recommend a capital budget each year based upon priority, constructability, and funding availability.***

Would it not be helpful if the Board was furnished comparative statistics such as rate of return and debt to equity and other metrics from systems that are similar to ours?

*Comparative financial statistics are particularly helpful when establishing water and sewer rates to achieve particular financial objectives. The key financial metrics used between the occasions for establishing water and sewer rates are the debt service coverage ratio and the days of unrestricted cash on hand.*

The drainage department would have to be treated separately since at present it is supported only by property taxes. Water and sewer can be treated as a single unit since there are many publicly owned systems that are supported only by fee for service.

#### ANALYSIS OF MAJOR LIABILITIES OTHER THAN DEBT

	2,004	2,009	2,013
Pension	0	1,855	15,430
Post Ret Health	0	24,474	54,778

The pension plan is presently under scrutiny by the Pension Comm. However the question is why the liability of \$15,430,000 on the Balance Sheet is different from the unfunded liability amount reported in the Actuarial Report? That amount for 2013 is \$62,379,320.

*This information will be provided under separate cover.*

The Post Retirement Health Benefit plan has had a dramatic increase. The cost curve appears to be out of control. This is a defined benefit plan like the pension plan. In my two years this activity was never reported on by the Finance Comm who must have had the oversight responsibility. I was on the Pension Comm and it was not included in its duties of oversight. This matter needs immediate attention. The questions are too numerous for this report. Isn't the Pension Comm with its employee members better suited to handle this issue?

*Post-retirement health benefits are paid on an annual cost basis. The difference between the annual cost basis and the actuarial basis is a non-cash expense recorded as a long-term liability. Changes to the funding for post-retirement health benefits are appropriately considered by the Finance Committee according to the Sewerage and Water Board bylaws. The cost of these benefits is not paid from Pension Fund assets.*

A copy of the actuarial report should be furnished to the appropriate committee. Regardless, I request a copy of the report ASAP.

*A copy of the actuarial report as of January 1, 2014 has been provided to the Finance and Pension Committees and will be provided to other members of the Board of Directors upon request.*

#### ANALYSIS OF OPERATING EXPENSES

2004	2009	2013
------	------	------

Total (exc depr&amor) major increases	115,938	130,574	144,693
Adm & Gen	14,978	13,504	17,333
Payroll related	18,794	35,085	34,928

Payroll expenses for other than adm & gen are included  
in the costs of the other general department categories

Comparing these line items from the annual report with the OPERATING BUDGET is not possible because different categories are used. Payroll Related is only \$10,573 in the BUDGET.

Of the \$28,785 increase from 2004 to 2013, \$18,561 was due to these two categories or 64.5%. An explanation is requested especially because of the change in the head count.

*Until 2007, the Board recognized the cost of providing post-employment medical benefits as an expense when the benefit premiums were due. Adoption of GASB Statement 45 ACCOUNTING AND FINANCIAL REPORTING BY EMPLOYERS FOR POSTEMPLOYMENT BENEFITS OTHER THAN PENSIONS changed how the cost was computed to an actuarial basis, making the numbers reported in the 2004 CAFR no longer comparable to the corresponding numbers reported in 2013.*

Personnel head count	1,118	836	871
Payroll			
regular	30,165	29,947	29,706
overtime & other	8,886	15,795	17,319
Total	39,051	45,742	47,025
reg per person av	27	36	34
total per person av	34.9	54.7	53.9
PAYROLL RELATED per emp	16.8	41.9	40.1
Total	51.7	96.6	94.0

There is a sizable difference between the headcount in the 2013 annual report and the Black & Veatch report of April 2014. It states the head count at 1,028. What is the basis of the difference?

*The 2013 CAFR report headcount is as of December 31, 2013. The Black & Veatch report headcount is as of the time when their review was performed.*

Have we hired 157 new employees since Jan 1 2014?

*Sewerage and Water Board has hired approximately 130 employees since January 1, 2014. However, approximately 110 employees have terminated service since that time.*

It states 189 additional employees need to be hired to fill vacancies. Is that report an accurate

picture of personnel?

*Yes, that is a reasonable estimate.*

What part of the 2013 payroll was sick pay, vacation pay, and overtime?

*This information will be provided under separate cover.*

Please break down the components of PAYROLL RELATED.

*This information will be provided under separate cover.*

Of the net 247 employees released after the storm, how many had vested pensions and what was the average length of their employment?

*Management did not perform an analysis of the pension status and average length of employment for employees who terminated service following Hurricane Katrina.*

What was the value of their regular salaries?

*Management did not perform an analysis of the value of their regular salaries for employees who terminated service following Hurricane Katrina.*

Of the new employees hired since the storm, how many were working for city and brought their retirement vesting rights with them?

*Management did not perform an analysis of the employees hired following Hurricane Katrina who had previously worked for the city and brought their retirement vesting rights with them. Note that any employees who joined Sewerage and Water Board after previous service with City of New Orleans also brought their retirement contributions with them.*

Does civil service give special preference to employees working for the city over other civil service workers in state or public systems?

*No.*

In general does civil service give preference to civil service workers over those in the private sector if qualifications are similar??

*For jobs that are original entry positions, there is no preference given between civil service workers and private sector applications. For jobs that are promotional positions, there are no applications received from outside the civil service system.*

Are sick days and vacation earned a function of Civil Service or is discretion allowed to the employer?

*The allotment of sick days and vacation days is part of the Civil Service rules and regulations.*

Every employee earns a maximum of 13 sick days per year.

What was the total number of sick days cashed in 2013?

*This information will be provided under separate cover.*

What was the average per employee?

*This information will be provided under separate cover.*

As stated in the annual report except for a few individuals hired before Jan 1, 1979 all employees earn 13 vacation days per year. Bonus days are earned for length of service up to a maximum of 20 days for 20 years of service. However only a maximum of 45 days can be cashed and only at separation. If that is correct, what is the average amount of vacation days cashed in a year at separation?

*This information will be provided under separate cover.*

Is this also purely a function of Civil Service regulations or is any discretion allowed?

*The limitation on days which may be earned during service and cashed upon termination is part of the Civil Service Rules and Regulations.*

In 2013 what was the highest amount of overtime earned by one employee and what was the average and the mean for all employees?

*This information will be provided under separate cover.*

How many employees (excluding top mgmt) collected no overtime?

*This information will be provided under separate cover.*

What amount of overtime is attributable to covering vacation, sick days and holidays?

*Industry best-practices indicate that utility-wide overtime of approximately 7% to 8% as compared to regular time is for covering vacation, sick days, holidays, and the twenty-first shift of round-the-clock schedules as well as for completion of jobs begun on regular time but completed most efficiently by the same workers.*

What amount is attributable to understaffing?

*The amount in excess of the 7% to 8% would be attributable to understaffing.*

Are essential employees rotated so weekends are not overtime?

*Yes.*

Of the other expenses, Maintenance of General Plant needs an explanation.

It has increased from \$10,764,000 in 2004 to \$27,647,127 in 2013. Is that a number that is

expected to grow at least at the inflation rate or has much of that been catch up and covered by FEMA reimbursement and will begin a reversal to the mean?

*Maintenance of General Plant has increased due to: repair of storm-related damage of existing infrastructure; ongoing age-related maintenance of existing infrastructure; increased costs following Hurricane Katrina; temporary facilities to be maintained such as temporary sewer bypass pump stations; and new facilities to be maintained such as backup power generators and drainage and sewer pump stations. While storm-related damage of existing infrastructure will eventually be completed; the remaining maintenance will continue on an on-going basis.*

In conclusion the staffing problem is the most important issue facing the Board now that the capital needs are being addressed. The 2014 Black & Veatch report highlights that fact in its report.

It lists three main problems to solving the problem: 1) Lack of Qualified Candidates 2) Cumbersome Hiring Process 3) Pay Limits and Residency Requirements. My analysis suggests that our current compensation system is a product of the past. To compensate for low salaries the Board adopted a very generous benefits program that pushed the costs into the future just as it did with the Capital Program. Those costs are now damaging the system and will hamper a solution to the staffing problem.

It is imperative that we design a pay system that we can afford without jeopardizing the 10 yr Capital Program. Fairness to the existing loyal hard working employees is important however difficult to define but we must try. It is clear to me that changes to both the pension plan and the post retirement benefits is necessary. That process cannot be done in a piecemeal fashion. It request immediate attention and very careful analysis.

## **ANALYSIS OF REVENUE AND BUDGET ESTIMATES OF REVENUE**

Revenue is going up due to the increase in rates. However the projected increase in the number of customers appears to be high based on available estimates from reliable sources like the Community Data Center of New Orleans. It uses mail addresses and Entergy connections to determine growth patterns. Observers also point out that there is very little in the way of new single housing being created. Most of the action is in renovation. In that case a unit may have already been counted, than goes offline during renovation and then comes back on when finished.

The description and numbers of units is not in the annual report. A five year history and projection is included in the Official Statement for the bond sale which projects a 2% annual increase in both single family and multi family units for the next five years. This projection is critically important to the budget process for estimating future revenues. It also projects commercial units to increase by 2%.per yr and industrial is flat. From 2008 to 2013 multi family increased at 1.5% per yr. Commercial units increased 1% per year.

In 2014 YTD we are below budget for revenue. A thorough analysis of the revenue budget process is requested. Outside data sources and organizations will be needed in the process.

This report also is flawed in that it gives a false picture of the market that the S&WB serves. The 2010 census states that approximately 47% of the population estimated at 379,000 in 2013



live in owner occupied housing, therefore 53% are renters.

*Management respectfully disagrees that the report is flawed.*

The table shows, as a defined term ,106,039 Single Family residents as customers. It lists 4,508 as Multifamily Residential customers. It lists the sales per customer in the single family unit as 51,000 gallons per year. That is an average of 4,250 gal per customer per mth. That is less that the average of 5,300 per mth published in the Official Statement which projects affordably and ranking among regional peers. The cost of that average amount is \$63.52 per month. I live in a 3600 sq. ft. home uptown. My youngest son lives with us while renovating his first time home purchase, an old shotgun double in the Carrollton area. My S&WB bill from Jan-Aug averaged \$80 for the three of us. We do have grass and plants to water. Therefore it is reasonable to assume that an average of 3 persons live in each unit. That suggests that 318,117 people live in the category Single Family Residents. The average multifamily consumption is 147,000 gal. That is 2.9 times greater than the average per address for the single family customer which suggests 8.7 persons live in the 4,508 multi family addresses or 39,219 persons. When that is added to the single family residents the total is 357,336, which is about 20,000 less that the population. The conclusion is that of the 318,117 living in single family units at least 190,800 are living in rental units which equates to 60% of the reported total.

If every rental unit is separately metered, it will also have a separate address for mail and should be separately billed for both S&WB and sanitation. Obviously there are some rental units in a double or other with only one meter for S&WB. That means that the owner is being billed for S&WB and sanitation but in all likelihood the renter has a mailing address and is separately metered for power and directly billed by Entergy. For example does the owner of a shotgun double get 2 sanitation charges if one side is rented and not metered for water?

*Rules for billing of sanitation charges are established by the City of New Orleans, which provides information to Sewerage and Water Board on the number of units to be billed.*

Since the S&WB is responsible for billing for sanitation how is the situation of two sets of cans handled?

*Sewerage and Water Board is responsible for billing the number of sanitation units identified by the City of New Orleans, but is not responsible for determining how many sanitation units are assigned to each dwelling.*

In the Black & Veatch report it states that S&WB staff estimate there are 129,000 meters in the system. The total number of customers reported in Official Statement is 120,591. Is water shut off to 8409 meters or Is there a large category of units that receive metered water but are not considered customers?

*No.*

How many units are inhabitable?

*Sewerage and Water Board does not currently keep records on inhabitable versus uninhabitable properties.*

Of the total how many units have had the water shut off for failure to pay?

*There were 20,385 accounts turned off for non-payment in 2013. However, the number of units turned off will be less than that total due to some accounts being turned off more than one time during 2013.*

If the water is turned off how long is a resident allowed to occupy the unit if a payment plan is not established?

*Sewerage and Water Board does not determine how long a resident may occupy a property after water service has been turned off.*

At what point does the health department or other city agency get involved?

*No other city agencies are involved in the delinquent account or service turn-off process.*

The foregoing may be inaccurate but it helps to more correctly describes the market served than the present description. This distinction is important because it has a bearing on Board policy and creates a more complete description of the customer accounts receivables including the aged accounts that will be written off.

Recognizing that the collection rate is an excellent 98% at present, problems could be developing with the price increases for the next 10 years and the proration of partial collections with sanitation.

There was a 25% increase in 2013 for provision for doubtful accounts.

The Board's stated policy is to write off as uncollectable customer receivables when 3 years is reached.

The finance committee should be closely monitoring that report. I think the report becomes more valuable if the Single Family units that are rental are properly identified. There needs to be special attention given to the accounts of the low income residents in our community for both humanitarian and business reasons.

It is more probable that payment difficulties will occur with renters that we classify as single family residents.

If an account goes into a payment plan, how long does the customer have to repay the outstanding bills?

*The typical payment plan is for three to six months. However, each customer's circumstances are evaluated separately and may be extended in certain cases for up to thirty-six months.*

How are delinquent fees handled in a payment plan?

*Delinquent fees incurred prior to the payment plan are included in the plan. There are no delinquent fees incurred while the customer makes the scheduled payments during the plan. However, if the customer does not make the payments according the schedule, the service is turned off immediately without further notice.*

Until the customer begins paying ( not inc int) the customer eventually needs to pay MORE THAN the normal monthly bill or the outstanding balance will continue to increase. Can a payment plan continue indefinitely?

*No.*

If a customer on a payment plan vacates the premise  
what recourse does the Board have to collect the balance?

*Sewerage and Water Board has the same actions available for collection of delinquent accounts for customers who vacate their resident prior to completion of a payment plan as for customers who vacate their resident without signing a payment plan.*



Is the debt reported to credit agencies?

*The collection agency retained by Sewerage and Water Board reports delinquent accounts to credit agencies.*

Is there any formal collection procedure for bad debts?

*Yes. The Service Rules and Regulations govern the process for collection of accounts receivable.*

Why wait 3 years to write it off?

*The debt remains collectable for up to three years following when the account was last billed.*

What percentage of our bad debts come from the Payment program caused by residents who vacate the premise?

*Management has not computed statistics on what percentage of bad debts come from customers on payment plans who vacate their residence prior to completion of the payment plan.*

The Board's official policy states that it administers its Water Assistance Program for qualifying customers in need of assistance. There are presently 1,400 participants in the program. It is limited to single family residents only. Does that include renters as well as owner occupied residents?

*Yes, the Water Help program is available to renters and owner-occupied residents. However, there are not currently 1,400 participants in the program. There have been 384 accounts provided with assistance through this program during January through September 2014.*

The Board should be furnished a description of the assistance program and the payment plan details. Additionally, an aged receivables account should be furnished and reviewed periodically by the appropriate committee. I request a copy of those reports.

*Extensive information on the Water Help program has been provided to the Operations Committee during 2013 and 2014. Information on accounts receivable balances between 30 and 120 days old and more than 120 days old is provided to the Operations Committee each month.*

Has the Board ever done a cost benefit analysis between incurring bad debts among the poorest among us vs increasing the amount of support in the Water Assistance Program?

*There has not yet been an adequate length of time since the increased funding of Water Help to determine if it has resulted in a corresponding decrease in bad debts. The increase to Water Help occurred in January 2013 and the delinquent accounts for 2013 will not be written off until January 2016.*

As for engineering questions I am clearly unqualified but I have one question that has a large financial component. That pertains to the use of the Carrollton power plant vs. purchased power from Entergy. I recognize that Board's plant is vital to the continuous operation of the system during times of weather and emergency incidents that can interrupt power from Entergy. It costs \$.33 per KW hr just to purchase the fuel to run the Board's power plant to generate power. It costs \$.10 per KW hr to purchase power from Entergy. That equates to \$57,039 for 590,955 hrs for Entergy vs \$128,481 for 336,350 hrs for fuel for the power plant.

I have had discussions with engineers that I respect that claim that mix could be more heavily weighted to Entergy without jeopardizing the integrity of the main function to provide back up for the continuous operation of the system during weather conditions or other emergencies that could negatively impact the system.

To accomplish the goal of a fair, intelligent analysis of this possibility, outside experts would need to be brought to the table to interact with our engineering staff. It seems logical if this was possible our staff would be making proposals to study the issue. It is reasonable to assume that they have done their analysis and have made the decision it is not viable. With great to all involved, differences of opinion on issues like this occur all of the time in many industries. However in many cases after rethinking the issue from a different perspective with help from talented professionals, often positions can change and great rewards can be forthcoming. We are dealing with a large financial reward if that could happen in this issue confronting the S&WB. What have we got to lose by trying?

*The reliability of the public power system must be evaluated in conjunction with the needs for uninterrupted power by the Sewerage and Water Board system. While alternatives are evaluated for consideration, cost savings cannot be realistically and meaningfully achieved by trading reliable service for occasional system disruptions and boil water notices.*