

SEWERAGE & WATER BOARD OF NEW ORLEANS

COMMITTEE ON INFRASTRUCTURE

WEDNESDAY, JUNE 3, 2015

9:00 AM

COMMITTEE MEMBERS

Mrs. Kerri Kane, Chair • Mr. Alan Arnold • Dr. Tamika Duplessis • Mr. Joseph Peychaud • Ms. Kimberly Thomas

FINAL AGENDA

ACTION ITEMS

1. Approval of Previous Report

PRESENTATION ITEMS

2. By-Law Changes
3. Hurricane Preparedness
4. Topics for Future Discussions

INFORMATION ITEMS

5. 2015 Committee/Board Meeting Schedule
6. Any Other Matters

REFERENCE MATERIALS (In Binders)

- A. Sewerage and Water Board By-Laws
- B. 2015 Operating and Capital Budgets
- C. 2011-2020 Strategic Plan
- D. Commitments to the City Council
- E. Bond Ratings Information



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

Sewerage & Water Board OF NEW ORLEANS

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

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

April 1, 2015

The Infrastructure Committee met on Wednesday, April 1, 2015 in the 2nd Floor Board Room, 625 St. Joseph Street, New Orleans, LA. The meeting convened at 9:00 AM.

Action Item:

The Committee report of Wednesday, March 4, 2015 was accepted following motion by Mr. Joseph Peychaud and second by Mr. Alan Arnold and the motion carried.

Presentation Items:

Urban Water Series Workshops and Site Visits

Carmen James of Greater New Orleans Foundation presented information from the Urban Water Series Phase I workshop and Phase II site visits to Austin, TX, Philadelphia, PA, and Milwaukee, WI. The workshops brought experts from around the United States to New Orleans to describe how vanguard cities were developing green storm water management approaches. Green storm water management is a new way to think about, address, and pay for storm water runoff and treatment; the major elements discussed were:

- Re-establishing key components of the natural water cycle lost or compromised through urbanization;
- Raising revenue to fund storm water management in ways that incentivize property owners to reduce storm water runoff;
- Ensuring that everyone pays their fair share of the cost of managing storm water;
- Regulating and restricting land development to prevent or reduce storm water runoff; and,
- Involving a wide-variety of stakeholders in making important decisions about storm water management for their neighborhoods and communities.

Ella Delio presented concepts for ongoing value added by Greater New Orleans Foundation:

- Provide information from other cities on stormwater fees;
- Serve as a convener of stakeholders across sectors in New Orleans;
- Build communications and public information materials based upon market research;
- Highlight what is already occurring for green initiatives in New Orleans; and
- Possibly pilot a rain barrel program.

Mr. Arnold commented that New Orleans was different from other cities due to movement of stormwater by pumping rather than by gravity. He also noted the differences on geography, soil types, and rainfall. He emphasized the need to know more about the contemplated cost of implementation and whether the community could afford it. He observed that there were significant quality of life benefits from green infrastructure and that a large demonstration project based upon public/private collaboration may be needed.

Mr. Grant encouraged focus on where we already have this in place in the community. He noted that significant grant applications were underway with businesses and other philanthropic entities offering assistance. He emphasized the need for coordination of efforts, noting that this was a fifty-year initiative. He stated that he intends to come back to the Committee with a proposal for furthering this partnership.

Power Plant Retrofit Projects

Mr. Becker presented information regarding capital projects at the Carrollton Water Plant:

- Storm-proofing projects estimated at \$70 million, including a 15 megawatt 60 cycle generator, storm-proofing of the building, and improvements at the East Bank river intakes.
- Katrina-related storm damage restoration projects estimated at \$55 million, including Turbine #4 repairs, steam pump repairs, and boiler repairs. He noted that most of the work was inside the Carrollton Plant and would be completed in 2015.
- Power Plant HMGP projects estimated at \$150 million which were not damage repair but hazard mitigation for future storms. The projects included replacement of critical feeders, refurbishment of the boiler room, refurbishment of the turbines, construction of a generator test load bank, and improvements at the Oak Street intakes.
- Water hammer projects estimated at \$50 million to construct water towers at the plant and booster pump stations in the distribution system to be bid in 2015.

He stated that the Water Quality Master Plan prepared by Arcadis has identified approximately \$200 million in additional projects related to basin repairs, tank maintenance, gallery repairs, filter media replacement, chemical storage, and SCADA.

Mr. Grant commented that these projects would improve system reliability.

Mr. Peychaud asked about localized low pressure notices. Mr. Becker responded by describing tie-ins for new construction projects.

Topics for Future Discussions: None

Response to Questions: There were no remaining questions from Board members at this time. The remaining information items were accepted.

Adjournment:

There being no further business to come before the Committee, the meeting adjourned at 9:55 AM.

PRESENT: Mrs. Kerri Kane- Chair
 Mr. Alan Arnold

Mr. Joseph Peychaud
Ms. Kimberly Thomas
Mrs. Robin Barnes

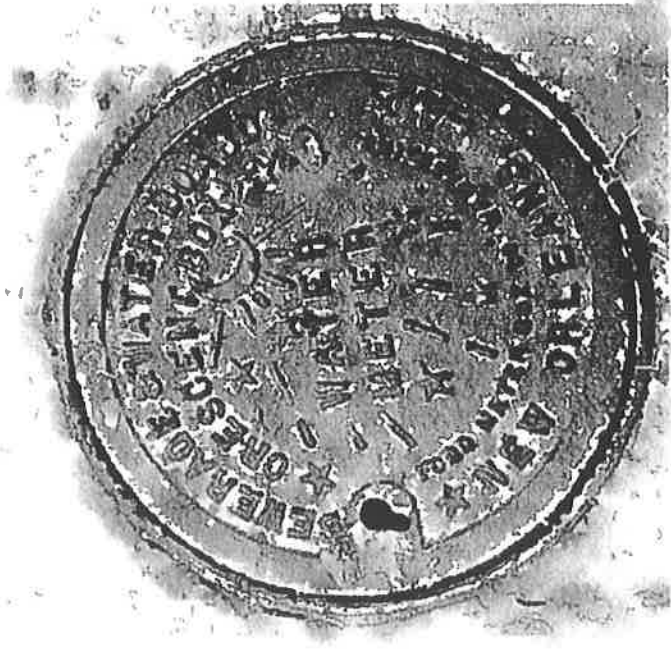
ABSENT: Dr. Tamika Duplessis

Also in attendance were: Cedric S. Grant, Executive Director; Joseph Becker, General Superintendent; Harold Marchand, Legal Department; Yolanda Grinstead, Legal Department; Lauren Averill, GAEA Consultants; Susan Higginbotham, Staff of the Executive Director Office; Robert Jackson, IG&R Department; Brenda Thornton; Kevin Garrison, Budget Department; Geneva Coleman, Hawthorne Agency; Carmen James and Ella Delio, Greater New Orleans Foundation.

Respectfully Submitted,

Mrs. Kerri Kane
Chairperson

Sewerage and Water Board of New Orleans



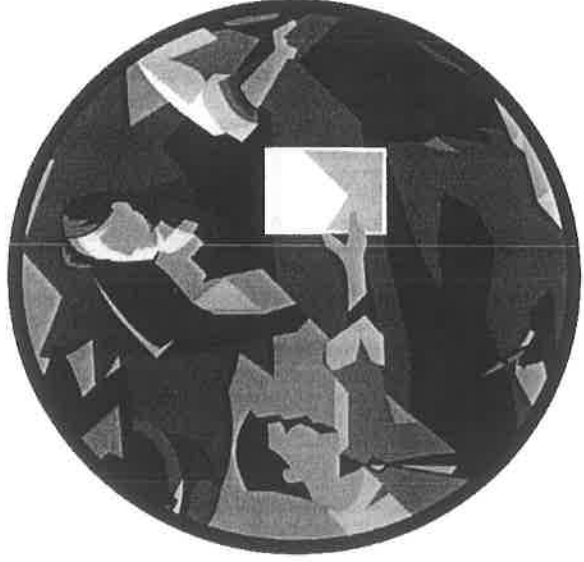
***New Orleans Office of Inspector General
Guide for Boards, Commissions and Public
Benefit Corporations: Model Board Manual***

April 18, 2015

Board Structure

The Board has two main responsibilities:

- (1) to lead the organization in fulfilling its mission
- (2) to oversee the Executive Director's performance.



The duties of the Board include:

- Determining the vision, strategies, and major goals/outcomes of the organization, and holding the Executive Director accountable for developing a strategic plan based on these goals.
- Approving the annual budget for the organization.
- Determining the policy and administrative constraints within which the Executive Director can operate.
- Monitoring the performance of the organization relative to the achievement of the goals/outcomes within the administrative parameters.

Board Structure

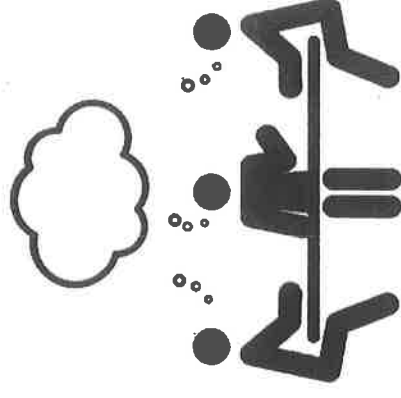
The duties of the Board include (con't):

- Selecting, fairly compensating, nurturing, evaluating annually, and, if necessary, terminating an Executive Director. The Executive Director's performance should be assessed against explicit board policies and agreed-upon performance objectives.
- Ensuring financial solvency and integrity through policies and behavior.
- Requiring periodic financial and other external audits to ensure compliance with the law and with good practices.
- Evaluating and constantly improving the Board's performance as a governing body; setting expectations for Board Member's involvement.

The Board should create administrative procedures that delegate responsibility to the Executive Director and Staff in order to allow them to make timely decisions without undue Board Direction. This includes delegating responsibility for all procurement decisions and negotiations to the Executive Director or an appointed Purchasing Agent.

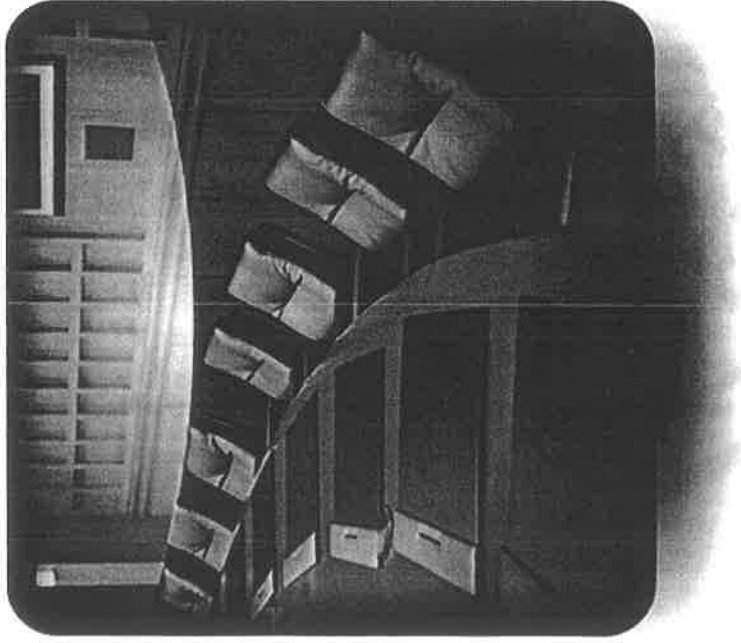
Governing Style

The Board guides the organization by emphasizing outward vision, encouraging, feedback from a diverse group of stakeholders, and providing strategic leadership to the Executive Director and Staff.



The Executive Director and Staff, not the Board, are responsible for the organization's daily operations.

Standing Committees



- Committees help the Board to be effective and efficient. They speak “to the board” and not “for the board.”
- Committees are not created to advise or exercise authority over staff.

Standing Committees

Below are some suggested committees.
Additional committees may be outlined in the board's by-laws.

- Governance Committee
- Finance Committee
- Audit and Compliance Committee
- Additional committees as determined

Standing Committees

Governance Committee

This committee recommends policies to the Board pertaining to governance issues and processes including the orientation and training of new Board Members, the evaluation and improvement of the contribution of individual Board Members and Officers, and the recommendation of Bylaw changes.

Finance Committee

This committee develops and recommends to the Board those financial principles, plans, and courses of action that further the organization's mission and financial wellbeing.

It reviews the annual budget and submits it to the Board for its approval.

In addition, the committee makes recommendations with regards to the level and terms of indebtedness, cash management, investment policy, risk management, financial monitoring and reports, employee benefit plans, signatory authority for expenditures and other policies that the committee determines are advisable for effective financial management.

Standing Committees

Audit and Compliance Committee

This committee oversee the organization's internal accounting controls; recommends external auditors for Board approval; reviews the external auditor's annual audit plan; and reviews the annual report and the results of the external audit.

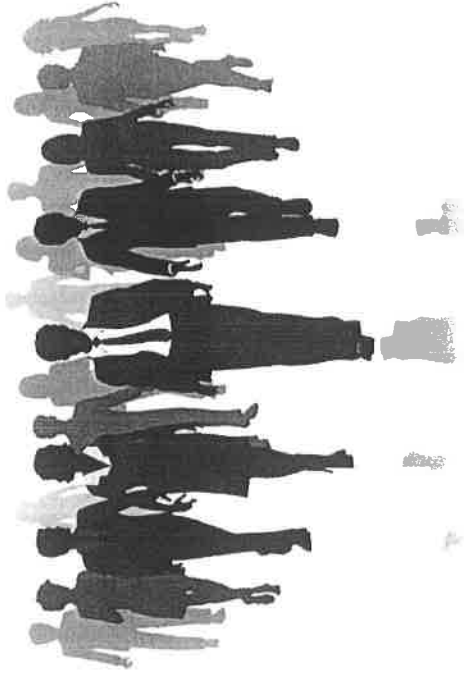
In addition, the committee is responsible for oversight of regulatory compliance, policies and practices regarding ethics and business conduct, including compliance with all federal, state, and local laws.

The committee also oversees Board Members' compliance with requirements regarding written financial disclosure statements.

Additional Committees as Determined

Role of the Executive Director

- The Board's job is confined to establishing policies. The Executive Director has the duty to implement and administer those policies.
- All Board authority delegated to Staff is delegated through the Executive Director.
- The Executive Director has sole responsibility for the supervision and accountability of the organization's staff.



Role of the Executive Director

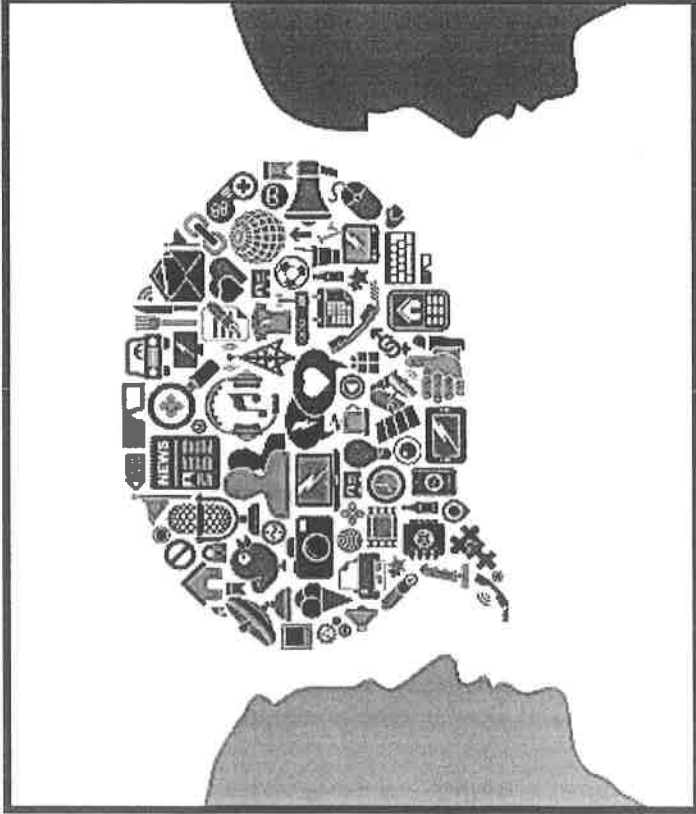
The Executive Director is responsible for the organization's performance in three areas:

- The accomplishment of major organizational goals
- Organization operations within the boundaries of prudence and ethics established in Board Policies on administrative parameters (including fiscal and personnel management)
- Communication with the Board

Communication with the Board

- The Board may change its policies during any meeting, thereby shifting responsibilities between the Board and the Executive Director.
- As long as the Board, delegates authority in a given area to the Executive Director, however, the Board and its members should respect and support the Executive Director's choices. This would not, however, prevent the Board from obtaining from the Executive Director information regarding the delegated areas.
- No Board Member, Officer, or Committee has authority over the Executive Director; this authority is given to the full Board.

Communication with the Board



The Executive Director should keep the Board informed about matters essential to carrying out its policy duties.

The Executive Director should inform the Board of relevant trends and external and internal material changes, particularly changes in the assumptions upon which any Board policy has previously been established. Information should be presented in as clear and concise a format as possible.

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

2015

MONDAY	JUNE 1, 2015	8:00 AM	OPERATION COMMITTEE
TUESDAY	JUNE 2, 2015	8:00 AM	FINANCE COMMITTEE
WEDNESDAY	JUNE 3, 2015	9:00 AM	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
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