GENERAL SUPERINTENDENT RECOMMENDATIONS
FOR THE AUGUST 16, 2017 MEETING

A. **BIDS**. A listing of the bids received during the month of July is included in the following report. A brief summary is attached for your review.

Item 1 - R-066-2017 - CONTRACT 6259 - INSTALLATION OF PERMANENT GENERATORS AT 5 UNDERPASS DRAINAGE PUMPING STATIONS

B. **CONTRACT FINAL ACCEPTANCE**

Item 2 - R-064-2017 - CONTRACT 3795 - MODIFICATION TO THE RETURN ACTIVATED SLUDGE PS AND PIPELINE AT THE EAST BANK SEWER TREATMENT PLANT

- R-065-2017 - CONTRACT 6248 - INSTALLATION OF TWO 60-HERTZ FEEDERS FROM THE CARROLLTON WATER PLANT TO DRAINAGE PUMPING STATION 1

GENERAL SUPERINTENDENT RECOMMENDATIONS
REPORT OF FINAL ACCEPTANCE TO BE
CONSIDERED BY THE FINANCE AND ADMINISTRATION COMMITTEE
AND THE BOARD'S MEETING OF AUGUST 16, 2017

During July 2017 bids were received and evaluated as per attached tabulations) on various items as follows:

1. **CONTRACT 6259 – INSTALLATION OF PERMANENT GENERATORS AT 5 UNDERPASS DRAINAGE PUMPING STATIONS**

Four (4) bids were received on July 28, 2017 for performing work under Contract 6259. It is recommended that the low bid of **Industrial and Mechanical Contractors, Inc.** in the total amount of **$1,428,310.00**, be accepted based upon the technical review of the proposals.

The four (4) bidders are as follows:

1. **Industrial and Mechanical Contractors, Inc.**	**$1,428,310.00**
2. Warton-Smith, Inc.	1,589,100.00
3. Lou-Con, Inc.	1,620,000.00
4. MR Pittman Group	1,757,000.00

The estimated amount for this project is $1,218,000.00.

The DBE participation is 36%.

Funds for this project are budgeted under Capital Program 575 (Hurricane Recovery Funds) and 75% Hazardous Mitigation Grant Program funded.

2.

REPORT OF FINAL ACCEPTANCE

PROPOSAL:

Contracts 3795 and 6248 be considered for acceptance.

EVALUATION:

Contract 3795 - **Industrial and Mechanical Contractors, Inc.** - Modification of the Return Activated Sludge PS and Pipeline at the East Bank Sewer Treatment Plant.

Contract 6248 - **Walter J. Barnes Electric Co., Inc.** - Installation of Two 60-Hertz Feeders from the Carrollton Water Plant to Drainage Pumping Station 1.

RECOMMENDATION:

The above contracts are recommended for acceptance.

JRB/J
RAUG17.GSR

R-066-2017

CONTRACT 6259 - INSTALLATION OF PERMANENT GENERATORS AT 5 UNDERPASS DRAINAGE PUMPING STATIONS

BE IT RESOLVED by the Sewerage and Water Board of New Orleans that four (4) bids were received on July 28, 2017 after advertising according to the Public Bid Law, for performing work under Contract 6259. The low bid was hereby accepted and contract awarded therefore to **Industrial and Mechanical Contractors, Inc.** for the total amount of **$1,428,310.00.**

I, Cedric S. Grant, Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on August 16, 2017.

CEDRIC S. GRANT
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

FINAL ACCEPTANCE AND CLOSE OUT TO CONTRACT 3795 - MODIFICATION TO THE RETURN ACTIVATED SLUDGE PS AND PIPELINE AT THE EAST BANK SEWER TREATMENT PLANT

WHEREAS, Contract 3795 - Modification to the Return Activated Sludge PS and Pipeline at the East Bank Sewer Treatment Plant is ready for Final Acceptance by the Sewerage & Water Board of New Orleans; and

WHEREAS, the General Superintendent in his report has recommended that this contract receive final acceptance and be closed out.

NOW, THEREFORE, BE IT RESOLVED, by the Sewerage and Water Board of New Orleans that the recommendation of the General Superintendent to authorize final acceptance and to close out Contract by **Industrial and Mechanical Contractors, Inc.** for Modification to the Return Activated Sludge PS and Pipeline at the East Bank Sewer Treatment Plant, is hereby approved.

I, Cedric S. Grant, Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on August 16, 2017.

CEDRIC S. GRANT
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

FINAL ACCEPTANCE AND CLOSE OUT TO CONTRACT 6248 - INSTALLATION OF TWO 60-HERTZ FEEDERS FROM THE CARROLLTON WATER PLANT TO DRAINAGE PUMPING STATION 1

WHEREAS, Contract 6248 - Installation of Two 60-Hertz Feeders from the Carrollton Water Plant to Drainage Pumping Station 1 is ready for Final Acceptance by the Sewerage & Water Board of New Orleans; and

WHEREAS, the General Superintendent in his report has recommended that this contract receive final acceptance and be closed out.

NOW, THEREFORE, BE IT RESOLVED, by the Sewerage and Water Board of New Orleans that the recommendation of the General Superintendent to authorize final acceptance and to close out Contract by **Walter J. Barnes Electric Co., Inc.** for Installation of Two 60-Hertz Feeders from the Carrollton Water Plant to Drainage Pumping Station 1, is hereby approved.

I, Cedric S. Grant, Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on August 16, 2017.

CEDRIC S. GRANT
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

Emergency Procurement for Repair to Drainage Pumping Station Equipment

WHEREAS, the City of New Orleans was inundated on August 5, 2017, with over nine inches of rain in isolated areas that caused major flooding;

WHEREAS, while flooding may not be prevented when the city receives that amount of rain, measures can be taken to mitigate and reduce its risks by expeditiously rectifying some of the deficiencies in our drainage system through the use of the emergency procurement procedure, given that the city is in the heart of hurricane season.

WHEREAS, the Honorable President of Sewerage & Water Board of New Orleans requested that the Board authorize the Executive Director to use emergency procurement procedures to repair the following equipment and professional services:

Drainage Pumping Station ID	Pump ID	Description
3	ALL	Identify & install Anti-Reverse Mechanism
3	ALL	Replace/replacement of butterfly gates
4	ALL	Identify & install Anti-Reverse Mechanism
5	ALL	Identify & install Anti-Reverse Mechanism
6	CD 1	Re-assemble Pump, shaft, and re-alignment
6	ALL	Identify & install Anti-Reverse Mechanism
7	ALL	Identify & install Anti-Reverse Mechanism
7	ALL	Investigate & assess replacement of discharge bells
11	ALL	Identify & install Anti-Reverse Mechanism
11	B	Pump seized
11	E	Re-assemble Pump, bearing, shaft, and re-alignment (field)
12	CD 1	Investigate & assess placement of CD1 - *Inactive for 30 years
12	D	Investigate & assess the addition of a flex expansion coupling system
13	ALL	Identify & install Anti-Reverse Mechanism

Underpass DPS	Description
Bay Street	Underpass Stations - Generators and generator foundations
Hospital	Underpass Stations - Generators and generator foundations

Ponchartrain	Underpass Stations - Generators and generator foundations
St. Bernard Ave	Underpass Stations - Generators and generator foundations
Old Carrollton	Underpass Stations - Generators and generator foundations
Old Carrollton	Electric rewind of motor, awaiting spare parts to arrive
CP 239	Expedite pending Contract 5239 for generators and generator foundations
6	25 Cycle 6600v 2mw Diesel/Nat. Gas Generator

Professional Services Contractor	**Description**
Veolia Contract	Resiliency & Assets Management Study
CH2M	PgM Emergency Operations & Maintenance in Support of S&WB-NO

NOW, THEREFORE, BE IT RESOLVED, that upon motion being made and seconded, the Board of Directors unanimously authorizes the Executive Director to use emergency procurement procedures to repair the drainage equipment and to retain the professional services described above.

I, Cedric S. Grant, Executive Director, Sewerage and Water Board of New Orleans, do hereby certify that the above and foregoing is a true and correct copy of a resolution adopted at the Regular Meeting of the said Board, duly called and held, according to law, on August 16, 2017.

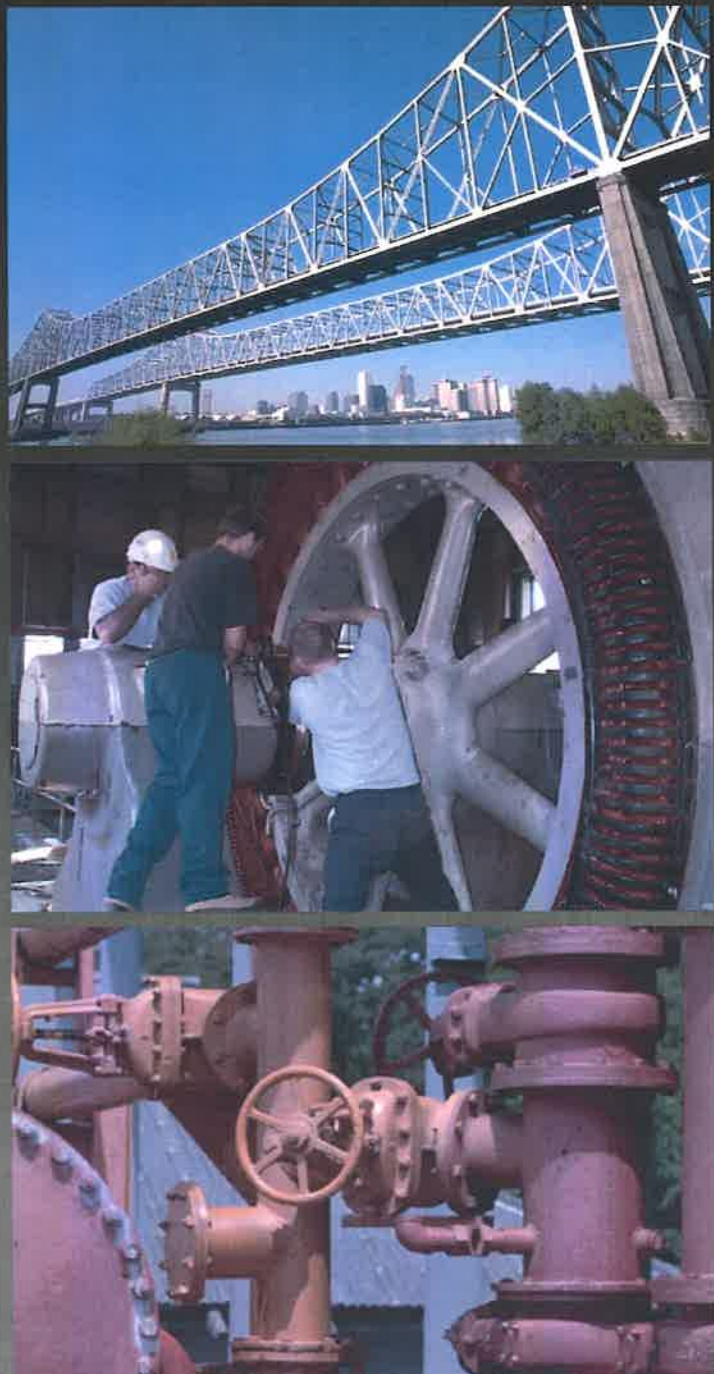
CEDRIC S. GRANT
EXECUTIVE DIRECTOR
SEWERAGE AND WATER BOARD OF NEW ORLEANS

Emergency Drainage Pump Station Repairs

MASTER PROJECTS LIST

DPS ID	PUMP ID	ORIGINAL RESOLUTION AUTHORIZATION - August 10, 2017	CONTRACTOR	ESTIMATE	DURATION
01	#2 Vertical	Repair Impeller & Damaged Shaft	Conhagen	$190,000	4 Weeks
01	CD 1	Repair Bearing Failure & seat	Conhagen	$221,700	4 Weeks
05	CD 2L/2R	Repair Impeller Failure & Damaged Shaft	Bollinger	$568,000	4 Weeks
06	I	Shaft, Bearings, and Impeller Repairs	TBD		TBD
11	D	Re-assemble Pump, bearing, shaft, and re-alignment (field)	Conhagen	$97,000	10 Days
15	3	Repair Gear Box & Re-install	Philadelphia Gear	$266,000	TBD
20 AMID	1	Repair & Re-install angle drive, shaft, impeller, and casing	TBD	TBD	TBD
Grant	2	Disassemble Pump, replace hardware, repair bearing	TBD	TBD	TBD
Grant	4	Disassemble Pump, replace hardware, repair bearing	TBD	TBD	TBD
DPS ID	**PUMP ID**	**ADDITIONAL PROJECTS IDENTIFIED**	**CONTRACTOR**	**ESTIMATE**	**DURATION**
3	ALL	Identify & install Anti-Reverse Mechanism	TBD	TBD	TBD
3	ALL	Replace/replacement of butterfly gates	TBD	TBD	TBD
4	ALL	Identify & install Anti-Reverse Mechanism	TBD	TBD	TBD
5	ALL	Identify & install Anti-Reverse Mechanism	TBD	TBD	TBD
6	CD 1	Re-assemble Pump, shaft, and re-alignment	Bollinger	$75/HR T&M	2 Weeks
6	ALL	Identify & install Anti-Reverse Mechanism	TBD	TBD	TBD
7	ALL	Identify & install Anti-Reverse Mechanism	TBD	TBD	TBD
7	ALL	Investigate & assess replacement of discharge bells	TBD	TBD	TBD
11	ALL	Identify & install Anti-Reverse Mechanism	TBD	TBD	TBD
11	B	Pump seized	TBD	TBD	TBD
11	E	Re-assemble Pump, bearing, shaft, and re-alignment (field)	Conhagen	$152,000	3 weeks after D
12	CD 1	Investigate & assess placement of CD1 - *Inactive for 30 years	TBD	TBD	TBD
12	D	Investigate & assess the addition of a flex expansion coupling system	TBD	TBD	TBD
13	ALL	Identify & install Anti-Reverse Mechanism	TBD	TBD	TBD

Underpass DPS	PUMP ID		CONTRACTOR	ESTIMATE	DURATION
Bay Street	N/A	Underpass Stations - Generators and generator foundations	TBD	TBD	TBD
Hospital	N/A	Underpass Stations - Generators and generator foundations	TBD	TBD	TBD
Ponchartrain	N/A	Underpass Stations - Generators and generator foundations	TBD	TBD	TBD
St. Bernard Ave	N/A	Underpass Stations - Generators and generator foundations	TBD	TBD	TBD
Old Carrollton	N/A	Underpass Stations - Generators and generator foundations	TBD	TBD	TBD
Old Carrollton	N/A	Electric rewind of motor, awaiting spare parts to arrive	SWB	N/A	2 Weeks
CP 5239	N/A	Expedite pending Contract 5239 for generators and generator foundations	IMC	TBD	TBD
Professional Services	**PUMP ID**		**CONTRACTOR**	**ESTIMATE**	**DURATION**
N/A	N/A	Veolia Contract - Resiliency & Assets Management Study	Veolia	TBD	TBD
N/A	N/A	CH2M - PgM Emergency Operations & Maintenance in Support of S&WB-NO	CH2M	TBD	TBD



Aligning Financial Resources for Drainage and Power Systems Emergency Repairs

Sewerage and Water Board of New Orleans
August 14, 2017

Introduction

Emergency repairs to the drainage and power systems will require substantial financial resources.

Sewerage and Water Board of New Orleans has the financial resources to immediately meet this requirement.

This presentation will describe the tactics that the Board may use to align resources to make the emergency repairs happen.

Presentation

I. Strategy / Results

II. Immediate Tactics

III. Near-Term Tactics

IV. Long-Term Tactics

Strategy

The financial management practices of the Sewerage and Water Board are governed by Louisiana Revised Statutes 33:4071 – 33:4159.10.

In compliance with those statutes and to support sound financial management and achieve the objectives of the 2011-2020 Strategic Plan, Sewerage and Water Board acquires, controls, reports, and disburses financial assets according to the ***Financial Management Policy***.

Strategy

The Board of Directors adopted the ***Financial Management Policy*** on May 21, 2014 that included these components:

I.A. The Sewerage and Water Board will annually develop and maintain separate ten-year financial plans that identify the financial resources needed to achieve the objectives of the strategic plan; identify options for creation of resources; identify shortages between what is needed and what may be funded; and, describe the consequences of under-funding.

*The Board adopted updates to the **2017-2026 Financial Plan** on April 19, 2017 that accomplished the objectives identified in the **Financial Management Policy**.*

Strategy

The Board of Directors adopted the ***Financial Management Policy*** on May 21, 2014 that included these components:

VI.E. The Sewerage and Water Board will maintain an Operating Reserve Fund for water, sewer, and drainage systems, each with not less than 180 days of projected operating expenses.

The operating reserves are intended to provide liquidity for day-to-day operations as well as to provide capacity to fund emergency repairs. The policy target level was established to support a credit rating at a high-quality investment grade.

Strategy



The Board of Directors adopted the ***Financial Management Policy*** on May 21, 2014 that included these components:

VI.F. Reserves will be utilized only for the purposes delineated in the initial creation of the reserve fund, unless authorized by a two-thirds majority vote of the Board of Directors for diversion of reserves during a declared emergency and in conformance with federal, state, and other legal requirements including the Bond Resolution covenants.

The individual system reserves are intended to provide resources for that system. However, the Board may divert those resources on an interim basis during a declared emergency with the specific intent to restore those resources at a reasonable later date.

Strategy Result

As a result of these financial management policies and plans, Sewerage and Water Board has these operating reserve balances as of June 30, 2017 to pay the expenses associated with the current emergency:

Water System	***$ 38,175,125*** *or 187.2 days*
Sewer System	***$ 62,922,142*** *or 294.5 days*
Drainage System	***$ 30,857,273*** *or 307.5 days*
Total	***$131,954,540*** *or 254.8 days*

Strategy Result

Additionally, Sewerage and Water Board has these capital reserve balances as of June 30, 2017:

Water System	***$ 81,151,830***
Sewer System	***$ 32,358,000***
Drainage System	***$ 0***
Total	***$113,509,830***

Water and sewer system bond proceeds can be used for improvements to the power system but not for the drainage system.

Presentation

I. Strategy / Results

II. Immediate Tactics

III. Near-Term Tactics

IV. Long-Term Tactics

Immediate Tactics

1. Confirm emergency repair estimate and determine how much *__may__* be funded by bond funds and how much *__must__* be funded from operating funds.

The estimate should identify which expenditures represent acquisition of new capital assets and which represent maintenance to existing assets or purchase of short-term services. The necessary declarations of emergency have already taken place.

Immediate Tactics

2. Authorize staff to divert water and sewer system reserves during a declared emergency according to Financial Management Policy VI.F.

	Current	Minimum	Available
Water System	$ 38,175,125	$18,354,330	$19,820,795
Sewer System	$ 62,922,142	$19,232,730	$43,689,412
Drainage System	$ 30,857,273	$ 9,030,600	$21,826,673
Total	$131,954,540	$46,617,660	$85,336,880

Immediate Tactics

Drainage system reserves should be depleted first down to near the 90-day level. Then, water and sewer system reserves should be diverted at a rate of 1/4 water system reserves and 3/4 sewer system reserves, ensuring that the remaining water and sewer system reserves do not fall below a minimum of 90 days of liquidity.



Presentation

I. Strategy / Results

II. Immediate Tactics

III. Near-Term Tactics

IV. Long-Term Tactics

Near-Term Tactics

3. Revise 2017 Operating Budget to reflect additional expenses anticipated to be incurred during the current emergency and 2017 Capital Budget to reflect any capital projects that may not be accomplished due to focus on current emergency.

Staff has recently completed a mid-year revision of the 2017 Operating Budget to reflect lower water and sewer sales and lower planned expenditure levels. However, this revision did not contemplate the additional expenses associated with the current emergency.

Also, staff has recently begun development of the 2018 Capital Budget. This will need to consider any 2017 capital projects that may not be accomplished this year.

Near-Term Tactics

4. Ensure Compliance with Bond Covenants

The Board of Directors adopted master bond resolutions in 2014 that include provisions to notify bond holders of material events according to IRS Rule 17 CFR 240.15c2-12. These events include the following, if material:

- Principal and interest payment delinquencies and non-payment related defaults
- Unscheduled draws on debt and credit service reserves reflecting financial difficulties
- Substitution of credit or liquidity providers, or their failure to perform
- Adverse tax opinions or events affecting the tax-exempt status of the security
- Modifications to rights of securities holders and/or bond calls
- Defeasances
- Release, substitution, or sale of property securing repayment of the securities
- Rating changes
- Financial reporting

Near-Term Tactics

Ensure Compliance with Bond Covenants

Staff has notified Board of Liquidation staff and Bond Counsel of the current emergency.

It was their opinion that the current events do not meet the listed requirements for issuing a material event notice and advised that we should not issue such a notice at this time.

Instead, they advised that we should continue to communicate with Board of Liquidation and Bond Counsel as news develops.

Near-Term Tactics

Ensure Compliance with Bond Covenants

Also, any management contract for Sewerage and Water Board must comply with IRS rules that accompany our tax-exempt debt. It will be necessary and appropriate to involve Bond Counsel to review any management contract provisions to ensure compliance.

Near-Term Tactics

5. Ensure Communications with Rating Agencies

Sewerage and Water Board revenue bonds and dedicated tax bonds are currently rated by Standard & Poor's and Fitch Ratings.

These bonds have been on a continuously favorable trajectory as a result of effective financial planning and performance.

It will be appropriate to ensure accurate and ongoing communications with these agencies as this emergency unfolds.

Near-Term Tactics

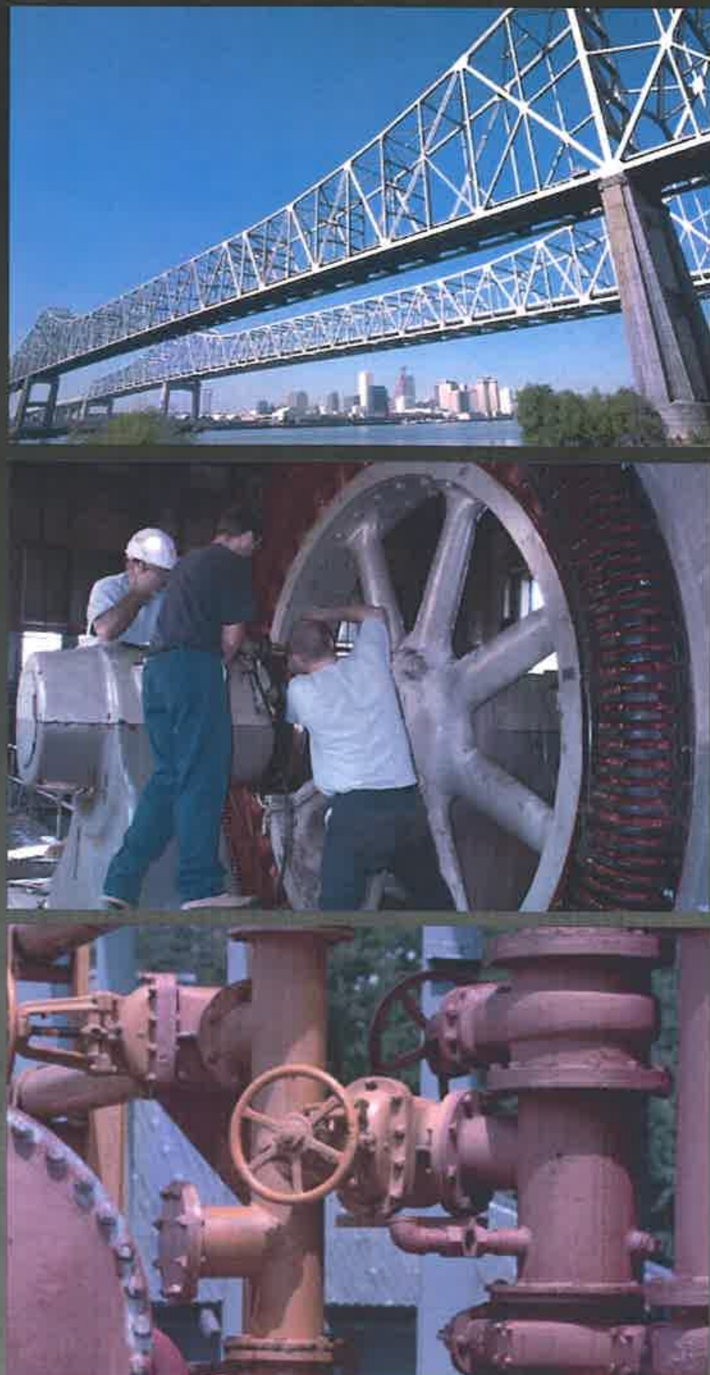


6. Ensure Compliance with the Financial Management Policy duties

I.G. The financial plan will be updated when conditions materially change.

IX.I. The Executive Director will identify to the Board of Directors any and all occasions when the Sewerage and Water Board is not in compliance with this policy and will develop and present a plan to the Board of Directors within sixty days to restore full compliance within one year.

IX.J. The Board of Directors will promptly notify the Board of Liquidation City Debt of any changes to this policy as well as any and all occasions when the Sewerage and Water Board is not in compliance with this policy.



Presentation

I. Strategy / Results

II. Immediate Tactics

III. Near-Term Tactics

IV. Long-Term Tactics

Long-Term Tactics

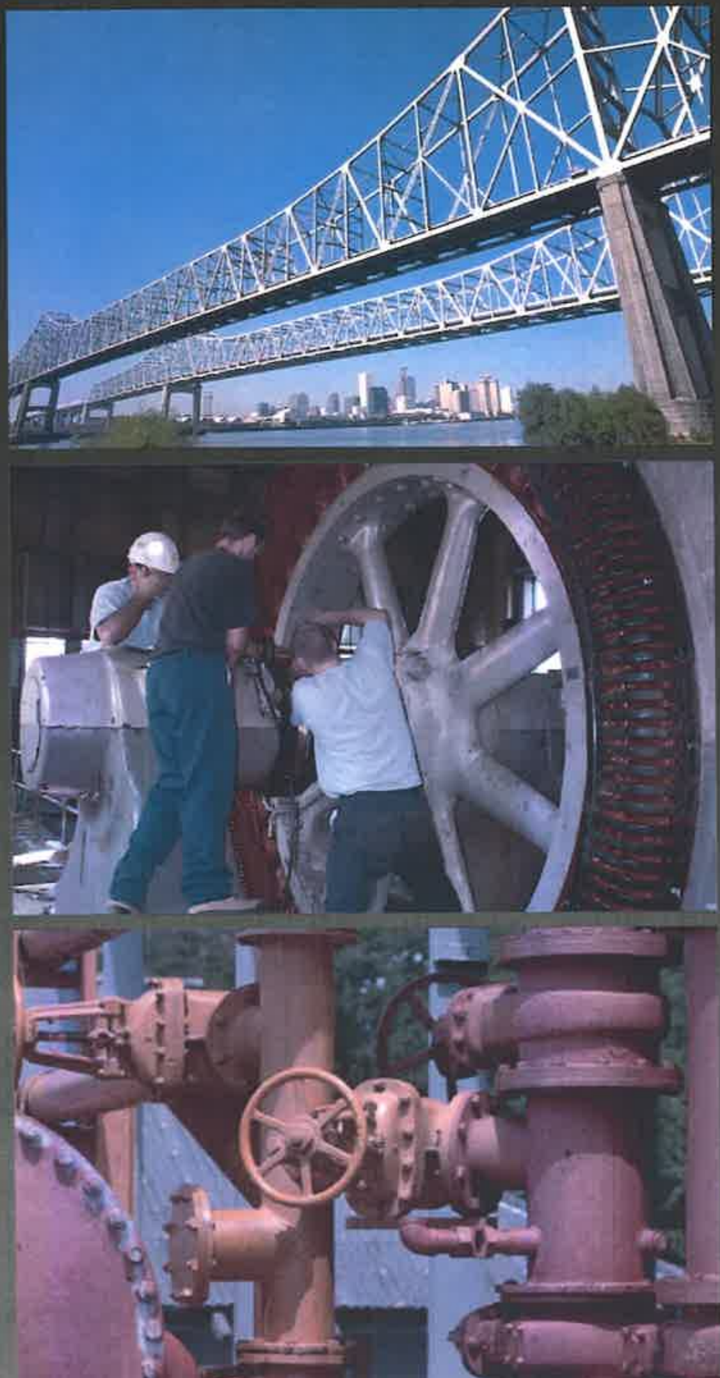
7. Restore Operating Reserve Balances

As the Board draws down operating reserves, it will be necessary and appropriate to develop a plan to restore those reserves back to the policy target levels in a reasonable period of time.

Long-Term Tactics

8. Fully Fund Drainage Capital Improvement Program

The 2017-2026 Financial Plan currently contemplates that $545.2 million of planned capital improvements for the drainage system will be deferred due to inadequate funding. This amount will increase as a result of financial resources redirected for the current emergency. It will be necessary and appropriate to identify and create additional financial resources to fully fund the drainage capital improvement program.



Questions?

Sewerage and Water Board of New Orleans
Summary of Financial Results
Through June 30, 2017

Prior Year Variances	Water	Sewer	Drainage
Revenues	2,865,594	932,346	(15,541)
Operating Expenses	(5,677,677)	2,744,402	1,923,041
Non-Operating Revenues and Expenses	(126,896)	(77,875)	(11,659,820)
Income before Capital Contributions	8,416,375	(1,889,931)	(13,598,402)

Budget Variances	Water	Sewer	Drainage
Revenues	(2,394,010)	(513,770)	17,406
Operating Expenses	(1,455,441)	(10,882,326)	(3,149,731)
Non-Operating Revenues and Expenses	(2,005,635)	(705,780)	(12,595,349)
Income before Capital Contributions	(2,944,204)	9,662,776	(9,428,212)

	Water	Sewer	Drainage
Days of Cash	188.1	308.7	337.1

	Water	Sewer	Drainage
Projected Debt Service Coverage Times	2.05	2.04	Not Applicable

SEWERAGE AND WATER BOARD OF NEW ORLEANS

August 14, 2017

Finance and Administration Committee
Sewerage and Water Board of New Orleans
New Orleans, Louisiana

Re: Financial Results through June 2017

Attached are *the Statement of Revenues, Expenses, and Changes in Net Position* with budget and prior year comparisons for the water, sewer, drainage and total systems through June 2017. The Variance Indicators for Financial Results through June 2017 is also attached. The *Statement of Net Assets* and the *Statement of Cash Flows* will be provided shortly.

Operating Revenues:

Water System Fund (pages 7 and 8, line 5) for June of $7,406,974 is $918,946 or 11.0% less than budgeted and $134,477 or 1.8% less than June 2016. June YTD operating revenues of $45,182,678 is $2,394,010 or 5.0% less than budgeted and $2,865,594 or 6.8% more than June YTD 2016. YTD revenues have been reduced by $1,820,008 to reflect billings that occurred in 2017 that were subsequently credited in 2016. MTD and YTD budget variances are due to lower than anticipated water usage.

Sewer System Fund (pages 13 and 14, line 5) for June of $8,960,761 is $675,442 or 7.0% less than budgeted and $1,668,560 or 15.7% less than June 2016. June YTD operating revenues of $54,550,246 is $513,770 or 0.9% less than budgeted and $932,346 or 1.7% more than June YTD 2016. YTD revenues have been reduced by $1,626,938 to reflect billings that occurred in 2017 that were subsequently credited in 2016. MTD and YTD budget variances are due to lower than anticipated water usage.

Drainage System Fund (pages 19 and 20, line 5) for June of $1,707 is $1,707 or 100.0% more than budgeted and $1,927 or 53.0% less than for June 2016. June YTD operating revenues of $17,406 is $17,406 or 100.0% more than budgeted and $15,541 or 47.2% less than June YTD 2016.

Total System Funds (pages 1 and 2, line 5) for June of $16,369,442 are $1,592,681 or 8.9% less than budgeted and $1,804,964 or 9.9% less than June 2016. June YTD operating revenues of $99,750,330 are $2,890,374 or 2.8% less than budgeted and $3,782,398 or 3.9% more than June YTD 2016.

Operating Expenses:

Water System Fund (pages 7 and 8, line 18) for June of $6,424,583 is $1,784,154 or 21.7% less than budgeted and $2,964,311 or 31.6% less than June 2016. June YTD operating expenses of $40,965,572 is $1,455,441 or 3.4% less than budgeted and $5,677,677 or 12.2% less than June YTD 2016.

Sewer System Fund (pages 13 and 14, line 18) for June of $5,421,441 is $4,036,590 or

42.7% less than budgeted and $603,978 or 10.0% less than June 2016. June YTD operating expenses of $38,237,525 is $10,882,326 or 22.2% less than budgeted and $2,744,402 or 7.7% more than June YTD 2016.

Drainage System Fund (pages 19 and 20, line 18) for June of $4,393,547 is $1,283,142 or 22.6% less than budgeted and $395,381 or 8.3% less than June 2016. June YTD operating expenses of $26,650,426 is $3,149,731 or 10.6% less than budgeted and $1,923,041 or 7.8% more than June YTD 2016.

Total System Funds (pages 1 and 2, line 18) for June of $16,239,571 are $7,103,886 or 30.4% less than budgeted and $3,963,670 or 19.6% less than June 2016. June YTD operating expenses of $105,853,523 is $15,487,498 or 12.8% less than budgeted and $1,010,234 or 0.9% less than June YTD 2016.

Net Non-Operating Revenues:

Water System Fund (pages 7 and 8, line 28) for June of $128,241 is $79,080 or 160.9% more than budgeted and $86,694 or 40.3% less than June 2016. June YTD net non-operating revenues of $534,341 are $2,005,634 or 79.0% less than budgeted and $126,896 or 19.2% less than June YTD 2016. MTD and YTD variances are attributable to delays in receipt of operating and maintenance grant funds.

Sewer System Fund (pages 13 and 14, line 28) for June of $142,630 is $120,347 or 540.1% more than budgeted and $94,221 or 39.8% less than June 2016. June YTD net non-operating revenues of $445,491 are $705,780 or 61.3% less than budgeted and $77,875 or 14.9% less than June YTD 2016. MTD and YTD variances are attributable to delays in receipt of operating and maintenance grant funds.

Drainage System Fund (pages 19 and 20, line 28) for June of $381,760 is $611,498 or 61.6% less than budgeted and $416,981 or 52.2% less June 2016. June YTD net non-operating revenues of $38,723,015 are $12,595,349 or 24.5% less than budgeted and $11,659,820 or 23.1% less than June YTD 2016.

Total System Funds (pages 1 and 2, line 28) for June of $652,632 is $412,070 or 38.7% less than budgeted and $597,896 or 47.8% less than June 2016. June YTD net non-operating revenues of $39,702,847 are $15,306,765 or 27.8% less than budgeted and $11,864,591 or 23.0% less than June YTD 2016. MTD and YTD variances are attributable to timing of the supplemental tax bills for the renewal of the 3-mill drainage tax that was approved in December 2016 but not billed until April 2017. YTD variances are anticipated to be resolved in the third quarter of the year.

Income Before Contributions in Aid of Construction:

Water System Fund (pages 7 and 8, line 29) for June of $1,110,633 is $944,289 or 567.7% more than budgeted and $2,743,141 or 168.0% more than June 2016. June YTD income before capital contributions of $4,751,446 is $2,944,204 or 38.3% less than budgeted and $8,416,375 or 229.6% more than June YTD 2016.

Sewer System Fund (pages 13 and 14, line 29) for June of $3,681,949 is $3,481,495 or 1736.8% more than budgeted and $1,158,803 or 23.9% less than June 2016. June YTD income before capital contributions of $16,758,212 is $9,662,776 or 136.2% more than budgeted and $1,889,931 or 10.1% less than June YTD 2016.

Drainage System Fund (pages 19 and 20, line 29) for June of -$4,010,079 is $673,352 or 14.4% less than budgeted and $23,528 or 0.6% less than June 2016. June YTD income before capital contributions of $12,089,995 is $9,428,212 or 43.8% less than budgeted and $13,598,403 or 52.9% less than June YTD 2016.

Total System Funds (pages 1 and 2, line 29) for June of $782,503 is $5,099,135 or 118.1% more than budgeted and $1,560,810 or 200.5% more than June 2016. June YTD income before capital contributions of $33,599,654 is $2,709,641 or 7.5% less than budgeted and $7,071,959 or 17.4% less than June YTD 2016.

The balances of funds from the Series 2014 bond proceeds available for capital construction as of June 30, 2017 are:

	Water	Sewer	Total
Original Balance	$213,282.18	-	$213,282.18
Less Disbursements	(200,000.00)	-	(200,000.00)
Plus Reimbursements	1,456,269.35	20,925.60	1,477,194.95
Plus Income	33,926.52	-	33,926.52
Ending Balance	$1,503,478.05	20,925.60	$1,524,403.65

The balances of funds from the Series 2015 bond proceeds available for capital construction as of June 30, 2017 are:

	Water	Sewer	Total
Original Balance	$82,056,131.17	$35,012,118.15	$117,068,249.32
Less Disbursements	(4,400,000.00)	(3,500,000.00)	(7,900,000.00)
Plus Reimbursements	1,916,682.40	770,519.12	2,687,201.52
Plus Income	75,538.39	54,436.85	129,975.24
Ending Balance	$79,648,351.96	$32,337,074.12	$111,985,426.08

The days-of-cash at June 30, 2017 were 187.19 for the water system, 294.45 for the sewer system, and 307.53 for the drainage system. These results are well ahead of their minimum policy target of 180 days for the water, sewerage and drainage systems.

The projected coverage for the year ending December 31, 2016, based upon financial results through

Sewerage and Water Board of New Orleans

December 31, 2016, remains at the budgeted levels of 2.05 times for the water system and 2.04 times for the sewer system. The results are ahead of the policy target of 1.50 times and the bond covenant minimum of 1.25 times.

Certification. In connection with the accompanying monthly financial report of the Sewerage and Water Board of New Orleans for the period ended June 30, 2017, I hereby certify that, to my knowledge, the information contained in the report fairly presents, in all material respects, the financial condition and results of the Board.

Robert K. Miller
Deputy Director / Chief Financial Officer

SEWERAGE AND WATER BOARD OF NEW ORLEANS
ALL SYSTEM FUNDS
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH PRIOR YEAR COMPARISONS
JUNE 2017

		A	B	C	D	E	F	G	H	
		MTD Actual	MTD Prior Year	MTD Variance	%	YTD Actual	YTD Prior Year	YTD Variance	%	
	Operating revenues:									
1	Sales of water and delinquent fees	7,254,571	7,230,903	23,668	0.3%	44,313,184	40,599,785	3,713,399	9.1%	1
2	Sewerage service charges and delinquent fees	8,932,658	8,872,450	60,208	0.7%	54,150,772	51,465,846	2,684,926	5.2%	2
3	Plumbing inspection and license fees	59,420	59,030	390	0.7%	305,200	355,100	(49,900)	-14.1%	3
4	Other revenues	122,793	2,012,023	(1,889,230)	-93.9%	981,174	3,547,201	(2,566,027)	-72.3%	4
5	Total operating revenues	16,369,442	18,174,406	(1,804,964)	-9.9%	99,750,330	95,967,932	3,782,398	3.9%	5
	Operating Expenses:									
6	Executive Director	179,355	443,865	(264,510)	-59.6%	786,112	1,461,691	(675,578)	-46.2%	6
7	Special Counsel	95,443	121,824	(26,381)	-21.7%	973,338	738,919	234,419	31.7%	7
8	Security	767,704	508,649	259,055	50.9%	5,591,750	4,063,207	1,528,543	37.6%	8
9	Operations	6,831,045	10,694,027	(3,862,982)	-36.1%	48,766,546	49,548,634	(782,088)	-1.6%	9
10	Engineering	504,025	542,641	(38,616)	-7.1%	3,765,909	2,725,063	1,040,846	38.2%	10
11	Logistics	854,731	921,475	(66,744)	-7.2%	5,001,356	5,483,931	(482,575)	-8.8%	11
12	Communications	31,999	-	31,999	0.0%	210,355	64,759	145,596	224.8%	12
13	Administration	1,169,888	1,055,929	113,958	10.8%	5,191,706	7,109,662	(1,917,957)	-27.0%	13
14	Chief Financial Officer	1,212,060	1,670,750	(458,690)	-27.5%	9,680,040	9,004,152	675,888	7.5%	14
15	Continuous Improvement	12,750	-	12,750	0.0%	79,878	12	79,866	665550.6%	15
16	Overhead and Budget Adjustments	(837,912)	(1,274,927)	437,015	-34.3%	(6,318,106)	(6,315,608)	(2,498)	0.0%	16
17	Non-Cash Operating Expenses	5,418,483	5,519,007	(100,524)	-1.8%	32,124,639	32,979,334	(854,695)	-2.6%	17
18	Total operating expenses	16,239,571	20,203,241	(3,963,670)	-19.6%	105,853,523	106,863,757	(1,010,234)	-0.9%	18
19	Operating income (loss)	129,871	(2,028,835)	2,158,705	-106.4%	(6,103,193)	(10,895,825)	4,792,632	-44.0%	19
	Non-operating revenues (expense):									
20	Two-mill tax	-	161	(161)	-100.0%	450	7,016	(6,566)	-93.6%	20
21	Three-mill tax	30,932	221,144	(190,212)	-86.0%	342,157	14,270,940	(13,928,783)	-97.6%	21
22	Six-mill tax	134,204	223,515	(89,311)	-40.0%	15,329,054	14,423,945	905,109	6.3%	22
23	Nine-mill tax	201,171	335,042	(133,871)	-40.0%	22,977,635	21,620,851	1,356,784	6.3%	23
24	Interest income	286,324	287,871	(1,547)	-0.5%	757,210	976,800	(219,590)	-22.5%	24
25	Other Income	-	182,794	(182,794)	-100.0%	296,165	267,886	28,279	10.6%	25
26	Interest expense	-	-	-	0.0%	-	-	-	0.0%	26
27	Operating and maintenance grants	-	-	-	0.0%	176	-	176	0.0%	27
28	Total non-operating revenues	652,632	1,250,527	(597,896)	-47.8%	39,702,847	51,567,438	(11,864,591)	-23.0%	28
29	Income before capital contributions	782,503	(778,307)	1,560,810	-200.5%	33,599,654	40,671,613	(7,071,959)	-17.4%	29
30	Capital contributions	5,785,495	1,702,769	4,082,726	239.8%	13,959,406	11,896,020	2,063,385	17.3%	30
31	Change in net position	6,567,998	924,462	5,643,536	610.5%	47,559,060	52,567,633	(5,008,574)	-9.5%	31
32	Net position, beginning of year					2,228,421,948	2,082,688,315	145,733,633	7.0%	32
33	Net position, end of year					2,275,981,008	2,135,255,948	140,725,059	6.6%	33

SEWERAGE AND WATER BOARD OF NEW ORLEANS
ALL SYSTEM FUNDS
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH BUDGET COMPARISONS
JUNE 2017

		A	B	C	D	E	F	G	H	
		MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%	
	Operating revenues:									
1	Sales of water and delinquent fees	7,254,571	7,935,169	(680,598)	-8.6%	44,313,184	45,343,824	(1,030,640)	-2.3%	1
2	Sewerage service charges and delinquent fees	8,932,658	9,558,637	(625,979)	-6.5%	54,150,772	54,620,784	(470,012)	-0.9%	2
3	Plumbing inspection and license fees	59,420	52,567	6,853	13.0%	305,200	300,384	4,816	1.6%	3
4	Other revenues	122,793	415,750	(292,956)	-70.5%	981,174	2,375,712	(1,394,538)	-58.7%	4
5	Total operating revenues	16,369,442	17,962,123	(1,592,681)	-8.9%	99,750,330	102,640,704	(2,890,374)	-2.8%	5
	Operating Expenses:									
6	Executive Director	179,355	142,337	37,019	26.0%	786,112	724,771	61,341	8.5%	6
7	Special Counsel	95,443	237,976	(142,533)	-59.9%	973,338	1,211,765	(238,427)	-19.7%	7
8	Security	767,704	999,552	(231,849)	-23.2%	5,591,750	5,089,675	502,075	9.9%	8
9	Operations	6,831,045	9,934,458	(3,103,412)	-31.2%	48,766,546	50,585,801	(1,819,255)	-3.6%	9
10	Engineering	504,025	1,143,498	(639,473)	-55.9%	3,765,909	5,822,640	(2,056,732)	-35.3%	10
11	Logistics	854,731	1,477,281	(622,550)	-42.1%	5,001,356	7,522,248	(2,520,892)	-33.5%	11
12	Communications	31,999	101,189	(69,190)	-68.4%	210,355	515,252	(304,897)	-59.2%	12
13	Administration	1,169,888	1,385,298	(215,411)	-15.5%	5,191,706	7,053,876	(1,862,171)	-26.4%	13
14	Chief Financial Officer	1,212,060	2,495,463	(1,283,403)	-51.4%	9,680,040	12,706,783	(3,026,743)	-23.8%	14
15	Continuous Improvement	12,750	40,980	(28,229)	-68.9%	79,878	208,666	(128,788)	-61.7%	15
16	Overhead and Budget Adjustments	(837,912)	(1,509,774)	671,862	-44.5%	(6,318,106)	(7,687,700)	1,369,594	-17.8%	16
17	Non-Cash Operating Expenses	5,418,483	6,895,199	(1,476,716)	-21.4%	32,124,639	37,587,243	(5,462,604)	-14.5%	17
18	Total operating expenses	16,239,571	23,343,458	(7,103,886)	-30.4%	105,853,523	121,341,021	(15,487,498)	-12.8%	18
19	Operating income (loss)	129,871	(5,381,335)	5,511,205	-102.4%	(6,103,193)	(18,700,317)	12,597,124	-67.4%	19
	Non-operating revenues (expense):									
20	Two-mill tax	-	-	-	0.0%	450	-	450	0.0%	20
21	Three-mill tax	30,932	266,939	(236,007)	-88.4%	342,157	13,791,840	(13,449,683)	-97.5%	21
22	Six-mill tax	134,204	281,902	(147,698)	-52.4%	15,329,054	14,564,926	764,128	5.2%	22
23	Nine-mill tax	201,171	422,553	(221,382)	-52.4%	22,977,635	21,831,927	1,145,709	5.2%	23
24	Interest income	286,324	24,304	262,021	1078.1%	757,210	1,255,686	(498,476)	-39.7%	24
25	Other Income	-	33,149	(33,149)	-100.0%	296,165	1,712,688	(1,416,523)	-82.7%	25
26	Interest expense	-	(43,167)	43,167	-100.0%	-	(2,230,280)	2,230,280	-100.0%	26
27	Operating and maintenance grants	-	79,022	(79,022)	-100.0%	176	4,082,825	(4,082,649)	-100.0%	27
28	Total non-operating revenues	652,632	1,064,702	(412,070)	-38.7%	39,702,847	55,009,612	(15,306,765)	-27.8%	28
29	Income before capital contributions	782,503	(4,316,632)	5,099,135	-118.1%	33,599,654	36,309,295	(2,709,641)	-7.5%	29
30	Capital contributions	5,785,495	-	5,785,495	0.0%	13,959,406	-	13,959,406	0.0%	30
31	Change in net position	6,567,998	(4,316,632)	10,884,630	-252.2%	47,559,060	36,309,295	11,249,765	31.0%	31
32	Net position, beginning of year					2,228,421,948	2,082,688,315	145,733,633	7.0%	32
33	Net position, end of year					2,275,981,008	2,104,206,523	171,774,485	8.2%	33

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SEWERAGE AND WATER BOARD OF NEW ORLEANS
WATER SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH PRIOR YEAR COMPARISONS
JUNE 2017

		A	B	C	D	E	F	G	H	
		MTD Actual	MTD Prior Year	MTD Variance	%	YTD Actual	YTD Prior Year	YTD Variance	%	
	Operating revenues:									
1	Sales of water and delinquent fees	7,254,571	7,230,903	23,668	0.3%	44,313,184	40,599,785	3,713,399	9.1%	1
2	Sewerage service charges and delinquent fees	-	-	-	0.0%	-	-	-	0.0%	2
3	Plumbing inspection and license fees	56,195	29,515	26,680	90.4%	180,320	176,140	4,180	2.4%	3
4	Other revenues	96,208	281,033	(184,825)	-65.8%	689,174	1,541,159	(851,985)	-55.3%	4
5	Total operating revenues	7,406,974	7,541,451	(134,477)	-1.8%	45,182,678	42,317,084	2,865,594	6.8%	5
	Operating Expenses:									
6	Executive Director	62,365	150,172	(87,807)	-58.5%	280,635	502,240	(221,604)	-44.1%	6
7	Special Counsel	32,101	34,002	(1,901)	-5.6%	325,803	243,593	82,210	33.7%	7
8	Security	283,038	214,556	68,483	31.9%	2,081,529	1,542,831	538,699	34.9%	8
9	Operations	3,506,441	5,634,248	(2,127,807)	-37.8%	23,582,903	24,362,659	(779,756)	-3.2%	9
10	Engineering	220,620	252,379	(31,760)	-12.6%	1,412,880	988,184	424,696	43.0%	10
11	Logistics	275,679	313,755	(38,076)	-12.1%	1,616,795	1,827,121	(210,326)	-11.5%	11
12	Communications	10,666	-	10,666	0.0%	70,119	21,586	48,532	224.8%	12
13	Administration	540,140	491,994	48,146	9.8%	2,373,957	3,308,710	(934,753)	-28.3%	13
14	Chief Financial Officer	573,835	726,146	(152,311)	-21.0%	4,319,289	3,931,047	388,242	9.9%	14
15	Continuous Improvement	4,250	-	4,250	0.0%	26,626	4	26,622	665550.5%	15
16	Overhead and Budget Adjustments	(326,830)	(471,511)	144,680	-30.7%	(2,349,769)	(2,297,370)	(52,399)	2.3%	16
17	Non-Cash Operating Expenses	1,242,277	2,043,152	(800,875)	-39.2%	7,224,804	12,212,645	(4,987,841)	-40.8%	17
18	Total operating expenses	6,424,583	9,388,894	(2,964,311)	-31.6%	40,965,572	46,643,250	(5,677,677)	-12.2%	18
19	Operating income (loss)	982,391	(1,847,443)	2,829,834	-153.2%	4,217,105	(4,326,166)	8,543,271	-197.5%	19
	Non-operating revenues (expense):									
20	Two-mill tax	-	-	-	0.0%	-		-	0.0%	20
21	Three-mill tax	-	-	-	0.0%	-		-	0.0%	21
22	Six-mill tax	-	-	-	0.0%	-		-	0.0%	22
23	Nine-mill tax	-	-	-	0.0%	-		-	0.0%	23
24	Interest income	128,241	133,591	(5,350)	-4.0%	402,395	542,028	(139,634)	-25.8%	24
25	Other Income	-	81,344	(81,344)	-100.0%	131,793	119,209	12,584	10.6%	25
26	Interest expense	-	-	-	0.0%	-	-	-	0.0%	26
27	Operating and maintenance grants	-	-	-	0.0%	153	-	153	0.0%	27
28	Total non-operating revenues	128,241	214,935	(86,694)	-40.3%	534,341	661,237	(126,896)	-19.2%	28
29	Income before capital contributions	1,110,633	(1,632,508)	2,743,141	-168.0%	4,751,446	(3,664,928)	8,416,375	-229.6%	29
30	Capital contributions	4,643,795	595,018	4,048,777	680.4%	9,563,421	4,980,399	4,583,023	92.0%	30
31	Change in net position	5,754,428	(1,037,490)	6,791,918	-654.6%	14,314,868	1,315,470	12,999,397	988.2%	31
32	Net position, beginning of year					337,110,237	318,792,375	18,317,862	5.7%	32
33	Net position, end of year					351,425,105	320,107,845	31,317,259	9.8%	33

SEWERAGE AND WATER BOARD OF NEW ORLEANS
WATER SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH BUDGET COMPARISONS
JUNE 2017

		A	B	C	D	E	F	G	H	
		MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%	
	Operating revenues:									
1	Sales of water and delinquent fees	7,254,571	7,935,169	(680,598)	-8.6%	44,313,184	45,343,824	(1,030,640)	-2.3%	1
2	Sewerage service charges and delinquent fees	-	-	-	0.0%	-	-	-	0.0%	2
3	Plumbing inspection and license fees	56,195	25,175	31,020	123.2%	180,320	143,856	36,464	25.3%	3
4	Other revenues	96,208	365,576	(269,368)	-73.7%	689,174	2,089,008	(1,399,834)	-67.0%	4
5	Total operating revenues	7,406,974	8,325,920	(918,946)	-11.0%	45,182,678	47,576,688	(2,394,010)	-5.0%	5
	Operating Expenses:									
6	Executive Director	62,365	52,926	9,439	17.8%	280,635	269,496	11,139	4.1%	6
7	Special Counsel	32,101	75,758	(43,658)	-57.6%	325,803	385,759	(59,955)	-15.5%	7
8	Security	283,038	369,134	(86,096)	-23.3%	2,081,529	1,879,613	201,916	10.7%	8
9	Operations	3,506,441	4,785,971	(1,279,530)	-26.7%	23,582,903	24,369,947	(787,043)	-3.2%	9
10	Engineering	220,620	364,423	(143,803)	-39.5%	1,412,880	1,855,624	(442,744)	-23.9%	10
11	Logistics	275,679	492,718	(217,038)	-44.0%	1,616,795	2,508,896	(892,101)	-35.6%	11
12	Communications	10,666	33,730	(23,063)	-68.4%	70,119	171,751	(101,632)	-59.2%	12
13	Administration	540,140	628,364	(88,223)	-14.0%	2,373,957	3,199,598	(825,641)	-25.8%	13
14	Chief Financial Officer	573,835	1,099,356	(525,521)	-47.8%	4,319,289	5,597,870	(1,278,581)	-22.8%	14
15	Continuous Improvement	4,250	13,660	(9,410)	-68.9%	26,626	69,555	(42,929)	-61.7%	15
16	Overhead and Budget Adjustments	(326,830)	(1,440,009)	1,113,179	-77.3%	(2,349,769)	(7,332,461)	4,982,692	-68.0%	16
17	Non-Cash Operating Expenses	1,242,277	1,732,707	(490,430)	-28.3%	7,224,804	9,445,365	(2,220,562)	-23.5%	17
18	Total operating expenses	6,424,583	8,208,737	(1,784,154)	-21.7%	40,965,572	42,421,013	(1,455,441)	-3.4%	18
19	Operating income (loss)	982,391	117,183	865,208	738.3%	4,217,105	5,155,675	(938,569)	-18.2%	19
	Non-operating revenues (expense):		-							
20	Two-mill tax	-	-	-	0.0%	-	-	-	0.0%	20
21	Three-mill tax	-	-	-	0.0%	-	-	-	0.0%	21
22	Six-mill tax	-	-	-	0.0%	-	-	-	0.0%	22
23	Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%	23
24	Interest income	128,241	6,124	122,118	1994.2%	402,395	316,386	86,009	27.2%	24
25	Other Income	-	7,209	(7,209)	-100.0%	131,793	372,465	(240,672)	-64.6%	25
26	Interest expense	-	(3,683)	3,683	-100.0%	-	(190,287)	190,287	-100.0%	26
27	Operating and maintenance grants	-	39,511	(39,511)	-100.0%	153	2,041,412	(2,041,259)	-100.0%	27
28	Total non-operating revenues	128,241	49,161	79,080	160.9%	534,341	2,539,976	(2,005,635)	-79.0%	28
29	Income before capital contributions	1,110,633	166,344	944,289	567.7%	4,751,446	7,695,651	(2,944,204)	-38.3%	29
30	Capital contributions	4,643,795		4,643,795	0.0%	9,563,421		9,563,421	0.0%	30
31	Change in net position	5,754,428	166,344	5,588,083	3359.4%	14,314,868				31
32	Net position, beginning of year					337,110,237	318,792,375	18,317,862	5.7%	32
33	Net position, end of year					351,425,105	318,792,375	32,632,730	10.2%	33

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SEWERAGE AND WATER BOARD OF NEW ORLEANS
SEWER SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH PRIOR YEAR COMPARISONS
JUNE 2017

		A	B	C	D	E	F	G	H	
		MTD Actual	MTD Prior Year	MTD Variance	%	YTD Actual	YTD Prior Year	YTD Variance	%	
	Operating revenues:									
1	Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%	1
2	Sewerage service charges and delinquent fees	8,932,658	8,872,450	60,208	0.7%	54,150,772	51,465,846	2,684,926	5.2%	2
3	Plumbing inspection and license fees	3,225	29,515	(26,290)	-89.1%	124,880	178,960	(54,080)	-30.2%	3
4	Other revenues	24,878	1,727,356	(1,702,478)	-98.6%	274,594	1,973,095	(1,698,500)	-86.1%	4
5	Total operating revenues	8,960,761	10,629,321	(1,668,560)	-15.7%	54,550,246	53,617,901	932,346	1.7%	5
	Operating Expenses:									
6	Executive Director	59,568	147,768	(88,200)	-59.7%	260,471	485,966	(225,495)	-46.4%	6
7	Special Counsel	32,101	34,002	(1,901)	-5.6%	322,815	243,492	79,322	32.6%	7
8	Security	249,895	160,126	89,769	56.1%	1,823,916	1,323,376	500,539	37.8%	8
9	Operations	1,915,847	2,903,399	(987,551)	-34.0%	16,893,313	16,628,772	264,540	1.6%	9
10	Engineering	154,202	158,512	(4,310)	-2.7%	1,301,902	956,571	345,331	36.1%	10
11	Logistics	266,866	310,101	(43,235)	-13.9%	1,581,932	1,802,690	(220,758)	-12.2%	11
12	Communications	10,666	-	10,666	0.0%	70,118	21,586	48,532	224.8%	12
13	Administration	349,733	314,481	35,251	11.2%	1,558,218	2,118,358	(560,139)	-26.4%	13
14	Chief Financial Officer	540,854	698,626	(157,771)	-22.6%	4,131,591	3,749,057	382,534	10.2%	14
15	Continuous Improvement	4,250	-	4,250	0.0%	26,626	4	26,622	665550.8%	15
16	Overhead and Budget Adjustments	(282,270)	(441,155)	158,885	-36.0%	(2,208,258)	(2,229,247)	20,989	-0.9%	16
17	Non-Cash Operating Expenses	2,119,729	1,739,559	380,170	21.9%	12,474,881	10,392,496	2,082,385	20.0%	17
18	Total operating expenses	5,421,441	6,025,419	(603,978)	-10.0%	38,237,525	35,493,123	2,744,402	7.7%	18
19	Operating income (loss)	3,539,319	4,603,902	(1,064,582)	-23.1%	16,312,721	18,124,778	(1,812,056)	-10.0%	19
	Non-operating revenues (expense):									
20	Two-mill tax	-	-	-	0.0%	-	-	-	0.0%	20
21	Three-mill tax	-	-	-	0.0%	-	-	-	0.0%	21
22	Six-mill tax	-	-	-	0.0%	-	-	-	0.0%	22
23	Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%	23
24	Interest income	142,630	135,400	7,230	5.3%	281,096	374,689	(93,592)	-25.0%	24
25	Other Income	-	101,451	(101,451)	-100.0%	164,371	148,677	15,695	10.6%	25
26	Interest expense	-	-	-	0.0%	-	-	-	0.0%	26
27	Operating and maintenance grants	-	-	-	0.0%	23	-	23	0.0%	27
28	Total non-operating revenues	142,630	236,851	(94,221)	-39.8%	445,491	523,365	(77,875)	-14.9%	28
29	Income before capital contributions	3,681,949	4,840,753	(1,158,803)	-23.9%	16,758,212	18,648,143	(1,889,931)	-10.1%	29
30	Capital contributions	327,662	283,588	44,073	15.5%	2,143,260	2,899,008	(755,748)	-26.1%	30
31	Change in net position	4,009,611	5,124,341	(1,114,730)	-21.8%	18,901,473	21,547,151	(2,645,679)	-12.3%	31
32	Net position, beginning of year					792,100,836	763,119,641	28,981,195	3.8%	32
33	Net position, end of year					811,002,309	784,666,792	26,335,516	3.4%	33

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SEWERAGE AND WATER BOARD OF NEW ORLEANS
SEWER SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH BUDGET COMPARISONS
JUNE 2017

		A	B	C	D	E	F	G	H	
		MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%	
	Operating revenues:									
1	Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%	1
2	Sewerage service charges and delinquent fees	8,932,658	9,558,637	(625,979)	-6.5%	54,150,772	54,620,784	(470,012)	-0.9%	2
3	Plumbing inspection and license fees	3,225	27,392	(24,167)	-88.2%	124,880	156,528	(31,648)	-20.2%	3
4	Other revenues	24,878	50,173	(25,296)	-50.4%	274,594	286,704	(12,110)	-4.2%	4
5	Total operating revenues	8,960,761	9,636,203	(675,442)	-7.0%	54,550,246	55,064,016	(513,770)	-0.9%	5
	Operating Expenses:									
6	Executive Director	59,568	46,984	12,584	26.8%	260,471	239,241	21,230	8.9%	6
7	Special Counsel	32,101	63,317	(31,217)	-49.3%	322,815	322,410	405	0.1%	7
8	Security	249,895	326,924	(77,028)	-23.6%	1,823,916	1,664,681	159,235	9.6%	8
9	Operations	1,915,847	3,247,606	(1,331,759)	-41.0%	16,893,313	16,536,663	356,650	2.2%	9
10	Engineering	154,202	439,354	(285,152)	-64.9%	1,301,902	2,237,169	(935,268)	-41.8%	10
11	Logistics	266,866	479,956	(213,090)	-44.4%	1,581,932	2,443,912	(861,980)	-35.3%	11
12	Communications	10,666	33,730	(23,063)	-68.4%	70,118	171,751	(101,632)	-59.2%	12
13	Administration	349,733	417,212	(67,479)	-16.2%	1,558,218	2,124,422	(566,204)	-26.7%	13
14	Chief Financial Officer	540,854	1,053,334	(512,480)	-48.7%	4,131,591	5,363,531	(1,231,939)	-23.0%	14
15	Continuous Improvement	4,250	13,660	(9,410)	-68.9%	26,626	69,555	(42,929)	-61.7%	15
16	Overhead and Budget Adjustments	(282,270)	663,859	(946,129)	-142.5%	(2,208,258)	3,380,340	(5,588,598)	-165.3%	16
17	Non-Cash Operating Expenses	2,119,729	2,672,095	(552,366)	-20.7%	12,474,881	14,566,176	(2,091,295)	-14.4%	17
18	Total operating expenses	5,421,441	9,458,031	(4,036,590)	-42.7%	38,237,525	49,119,851	(10,882,326)	-22.2%	18
19	Operating income (loss)	3,539,319	178,172	3,361,147	1886.5%	16,312,721	5,944,165	10,368,556	174.4%	19
	Non-operating revenues (expense):		-							
20	Two-mill tax	-	-	-	0.0%	-	-	-	0.0%	20
21	Three-mill tax	-	-	-	0.0%	-	-	-	0.0%	21
22	Six-mill tax	-	-	-	0.0%	-	-	-	0.0%	22
23	Nine-mill tax	-	-	-	0.0%	-	-	-	0.0%	23
24	Interest income	142,630	11,592	131,038	1130.4%	281,096	598,920	(317,824)	-53.1%	24
25	Other Income	-	8,318	(8,318)	-100.0%	164,371	429,753	(265,382)	-61.8%	25
26	Interest expense	-	(37,138)	37,138	-100.0%	-	(1,918,814)	1,918,814	-100.0%	26
27	Operating and maintenance grants	-	39,511	(39,511)	-100.0%	23	2,041,412	(2,041,389)	-100.0%	27
28	Total non-operating revenues	142,630	22,283	120,347	540.1%	445,491	1,151,271	(705,780)	-61.3%	28
29	Income before capital contributions	3,681,949	200,454	3,481,495	1736.8%	16,758,212	7,095,436	9,662,776	136.2%	29
30	Capital contributions	327,662		327,662	0.0%	2,143,260		2,143,260	0.0%	30
31	Change in net position	4,009,611	200,454	3,809,157	1900.3%	18,901,473				31
32	Net position, beginning of year					792,100,836	763,119,641	28,981,195	3.8%	32
33	Net position, end of year					811,002,309	763,119,641	47,882,668	6.3%	33

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SEWERAGE AND WATER BOARD OF NEW ORLEANS
DRAINAGE SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH PRIOR YEAR COMPARISONS
JUNE 2017

		A	B	C	D	E	F	G	H	
		MTD Actual	MTD Prior Year	MTD Variance	%	YTD Actual	YTD Prior Year	YTD Variance	%	
	Operating revenues:									
1	Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%	1
2	Sewerage service charges and delinquent fees	-	-	-	0.0%	-	-	-	0.0%	2
3	Plumbing inspection and license fees	-	-	-	0.0%	-	-	-	0.0%	3
4	Other revenues	1,707	3,635	(1,927)	-53.0%	17,406	32,947	(15,541)	-47.2%	4
5	Total operating revenues	1,707	3,635	(1,927)	-53.0%	17,406	32,947	(15,541)	-47.2%	5
	Operating Expenses:									
6	Executive Director	57,422	145,925	(88,502)	-60.6%	245,006	473,486	(228,479)	-48.3%	6
7	Special Counsel	31,241	53,820	(22,579)	-42.0%	324,720	251,834	72,886	28.9%	7
8	Security	234,770	133,967	100,803	75.2%	1,686,305	1,197,000	489,305	40.9%	8
9	Operations	1,408,757	2,156,380	(747,623)	-34.7%	8,290,330	8,557,203	(266,873)	-3.1%	9
10	Engineering	129,203	131,750	(2,546)	-1.9%	1,051,127	780,308	270,819	34.7%	10
11	Logistics	312,186	297,619	14,567	4.9%	1,802,628	1,854,120	(51,491)	-2.8%	11
12	Communications	10,666	-	10,666	0.0%	70,119	21,586	48,532	224.8%	12
13	Administration	280,014	249,453	30,561	12.3%	1,259,530	1,682,594	(423,064)	-25.1%	13
14	Chief Financial Officer	97,371	245,978	(148,608)	-60.4%	1,229,159	1,324,047	(94,888)	-7.2%	14
15	Continuous Improvement	4,250	-	4,250	0.0%	26,626	4	26,622	665550.5%	15
16	Overhead and Budget Adjustments	(228,812)	(362,261)	133,450	-36.8%	(1,760,079)	(1,788,991)	28,912	-1.6%	16
17	Non-Cash Operating Expenses	2,056,478	1,736,297	320,181	18.4%	12,424,955	10,374,193	2,050,761	19.8%	17
18	Total operating expenses	4,393,547	4,788,928	(395,381)	-8.3%	26,650,426	24,727,385	1,923,041	7.8%	18
19	Operating income (loss)	(4,391,840)	(4,785,293)	393,453	-8.2%	(26,633,020)	(24,694,437)	(1,938,583)	7.9%	19
	Non-operating revenues (expense):									
20	Two-mill tax	-	161	(161)	-100.0%	450	7,016	(6,566)	-93.6%	20
21	Three-mill tax	30,932	221,144	(190,212)	-86.0%	342,157	14,270,940	(13,928,783)	-97.6%	21
22	Six-mill tax	134,204	223,515	(89,311)	-40.0%	15,329,054	14,423,945	905,109	6.3%	22
23	Nine-mill tax	201,171	335,042	(133,871)	-40.0%	22,977,635	21,620,851	1,356,784	6.3%	23
24	Interest income	15,453	18,879	(3,426)	-18.1%	73,719	60,083	13,636	22.7%	24
25	Other Income	-	-	-	0.0%	-	-	-	0.0%	25
26	Interest expense	-	-	-	0.0%	-	-	-	0.0%	26
27	Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%	27
28	Total non-operating revenues	381,760	798,741	(416,981)	-52.2%	38,723,015	50,382,835	(11,659,820)	-23.1%	28
29	Income before capital contributions	(4,010,079)	(3,986,552)	(23,528)	0.6%	12,089,995	25,688,398	(13,598,403)	-52.9%	29
30	Capital contributions	814,038	824,163	(10,124)	-1.2%	2,252,724	4,016,613	(1,763,890)	-43.9%	30
31	Change in net position	(3,196,041)	(3,162,389)	(33,652)	1.1%	14,342,719	29,705,012	(15,362,292)	-51.7%	31
32	Net position, beginning of year					1,099,210,875	1,000,776,299	98,434,576	9.8%	32
33	Net position, end of year					1,113,553,594	1,030,481,311	83,072,284	8.1%	33

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SEWERAGE AND WATER BOARD OF NEW ORLEANS
DRAINAGE SYSTEM FUND
STATEMENT OF REVENUES AND EXPENSES AND CHANGES IN NET POSITION
WITH BUDGET COMPARISONS
JUNE 2017

		A	B	C	D	E	F	G	H	
		MTD Actual	MTD Budget	MTD Variance	%	YTD Actual	YTD Budget	YTD Variance	%	
	Operating revenues:									
1	Sales of water and delinquent fees	-	-	-	0.0%	-	-	-	0.0%	1
2	Sewerage service charges and delinquent fees	-	-	-	0.0%	-	-	-	0.0%	2
3	Plumbing inspection and license fees	-	-	-	0.0%	-	-	-	0.0%	3
4	Other revenues	1,707	-	1,707	0.0%	17,406	-	17,406	0.0%	4
5	Total operating revenues	1,707	-	1,707	0.0%	17,406	-	17,406	0.0%	5
	Operating Expenses:									
6	Executive Director	57,422	42,427	14,996	35.3%	245,006	216,034	28,972	13.4%	6
7	Special Counsel	31,241	98,900	(67,659)	-68.4%	324,720	503,597	(178,876)	-35.5%	7
8	Security	234,770	303,495	(68,725)	-22.6%	1,686,305	1,545,381	140,924	9.1%	8
9	Operations	1,408,757	1,900,880	(492,123)	-25.9%	8,290,330	9,679,192	(1,388,862)	-14.3%	9
10	Engineering	129,203	339,722	(210,518)	-62.0%	1,051,127	1,729,847	(678,720)	-39.2%	10
11	Logistics	312,186	504,608	(192,422)	-38.1%	1,802,628	2,569,440	(766,811)	-29.8%	11
12	Communications	10,666	33,730	(23,063)	-68.4%	70,119	171,751	(101,632)	-59.2%	12
13	Administration	280,014	339,723	(59,709)	-17.6%	1,259,530	1,729,856	(470,325)	-27.2%	13
14	Chief Financial Officer	97,371	342,772	(245,402)	-71.6%	1,229,159	1,745,381	(516,222)	-29.6%	14
15	Continuous Improvement	4,250	13,660	(9,410)	-68.9%	26,626	69,555	(42,929)	-61.7%	15
16	Overhead and Budget Adjustments	(228,812)	(733,624)	504,812	-68.8%	(1,760,079)	(3,735,579)	1,975,500	-52.9%	16
17	Non-Cash Operating Expenses	2,056,478	2,490,397	(433,919)	-17.4%	12,424,955	13,575,702	(1,150,748)	-8.5%	17
18	Total operating expenses	4,393,547	5,676,690	(1,283,142)	-22.6%	26,650,426	29,800,157	(3,149,731)	-10.6%	18
19	Operating income (loss)	(4,391,840)	(5,676,690)	1,284,850	-22.6%	(26,633,020)	(29,800,157)	3,167,137	-10.6%	19
	Non-operating revenues (expense):		-							
20	Two-mill tax	-	-	-	0.0%	450	-	450	0.0%	20
21	Three-mill tax	30,932	266,939	(236,007)	-88.4%	342,157	13,791,840	(13,449,683)	-97.5%	21
22	Six-mill tax	134,204	281,902	(147,698)	-52.4%	15,329,054	14,564,926	764,128	5.2%	22
23	Nine-mill tax	201,171	422,553	(221,382)	-52.4%	22,977,635	21,831,927	1,145,709	5.2%	23
24	Interest income	15,453	6,588	8,865	134.6%	73,719	340,380	(266,661)	-78.3%	24
25	Other Income	-	17,622	(17,622)	-100.0%	-	910,470	(910,470)	-100.0%	25
26	Interest expense	-	(2,345)	2,345	-100.0%	-	(121,179)	121,179	-100.0%	26
27	Operating and maintenance grants	-	-	-	0.0%	-	-	-	0.0%	27
28	Total non-operating revenues	381,760	993,259	(611,498)	-61.6%	38,723,015	51,318,364	(12,595,349)	-24.5%	28
29	Income before capital contributions	(4,010,079)	(4,683,431)	673,352	-14.4%	12,089,995	21,518,208	(9,428,212)	-43.8%	29
30	Capital contributions	814,038		814,038	0.0%	2,252,724		2,252,724	0.0%	30
31	Change in net position	(3,196,041)	(4,683,431)	1,487,390	-31.8%	14,342,719	21,518,208	(7,175,489)	-33.3%	31
32	Net position, beginning of year					1,099,210,875	1,000,776,299	98,434,576	9.8%	32
33	Net position, end of year					1,113,553,594	1,022,294,507	91,259,087	8.9%	33

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SEWERAGE AND WATER BOARD
Inter-Office Memorandum

Date: August 11, 2017

From: Willie Mingo, Purchasing Agent
Purchasing Department

Thru: Vicki Rivers, Deputy Director
Sewerage and Water Board New Orleans - Logistics

To: Sharon Judkins, Deputy Director
Sewerage and Water Board New Orleans- Administration

Re: **Executive Director's Approval of Contracts of $1,000,000.00 or less**

1. Cintas Corporation
   625 Elmwood Park Blvd., Harahan, LA. 70123

   - Safety Shoes
   - 1st & Final Renewal 9/1/17 - 8/31/18
   - $125,000.00 annually

2. Total Community Action Inc.
   1420 Jefferson Davis Parkway, New Orleans, LA 70125

   - Administrative fees for assistant program
   - 1- year start date: 1/1/17 – 12/31/17
   - $45,000 annually

3. Johnson Yacoubian & Paysee
   701 Poydras St. Suite 4700, New Orleans, LA 70122

   - Legal Service in defense of the Board in Worker's Compensation Cases
   - 1-year start date: 9/1/17 – 8/31/18
   - $50,00.00 annually inclusive for services & reimbursements for cost

4. Rodel Parsons Koch Blache Balhoff & McCollister Law Corporation.
   1515 Poydras St. Suite 2330, New Orleans, LA 70122

   - Legal Service in defense of the Board in Worker's Compensation Cases
   - 1-year start date: 9/1/17 – 8/31/18
   - $50,000.00 annually inclusive for services & reimbursement for cost

- Upon request, complete contract available for review in Procurement office.

SEWERAGE AND WATER BOARD
Inter-Office Memorandum

Date: August 3, 2017

To: Valerie Rivers, Deputy Director - Logistics
Sharon Judkins, Deputy Director - Human Resources

From: Veronica Johnson-Christmas, EDBP

Re: EDBP Contract/Certification Summary - July 2017

Analyses conducted by EDBP

EDBP Department did not receive any contracts to review for the month of July 2017.

Construction Review Committee Recommendations

The Construction Review Committee did not convene Wednesday, July 12, 2017, due to lack of quorum. The following recommendations were completed by E-mail ballot on Friday, July 21, 2017.

Open Market Contracts

1. **Contract #1385 - Replacement of Filter Media at 6 Filters at the Algiers New Filter Gallery at the Algiers Water Treatment Plant**
   Budget Amount: $1,000,000.00
   Recommended Percentage Goal: 35%
   Renewal Option(s): One year contract, no renewal option

2. **Contract #1394 - Painting and Repairs of 2 Four Million Gallon Water Storage Tanks at the Algiers Water Purification Plant**
   Budget Amount: $250,000.00
   Recommended Percentage Goal: 35%
   Renewal Option(s): One year contract, one year renewal option

Staff Contract Review Committee Recommendations

The Staff Contract Review Committee convened Wednesday, July 12, 2017 and made the following recommendations:

Open Market Contracts

1. **Leak detection and correlation services, fire flow testing citywide at various locations**

Budget Amount:	$1,000,000.00
Recommended Percentage Goal:	15%
Renewal Option(s):	One year contract, one year renewal option

2. **Request for furnishing Full Circle Stainless Steel Repair & Tap Clamps and Transitional Couplings for Cast Iron, Ductile Iron & Transite Pipe**

Budget Amount:	$300,000.00
Recommended Percentage Goal:	0%
Justification:	Items are shipped directly from manufacturer
Renewal Option(s):	One year contract, one (1) year renewal option

3. **Request for furnishing Sewer Repair Couplings**

Budget Amount:	$200,000.00
Recommended Percentage Goal:	0%
Justification:	Items are shipped directly from manufacturer
Renewal Option(s):	One year contract, one (1) year renewal option

Renewal Contracts

4. **Request for Furnishing Safety Shoes**

Budget Amount:	$125,000.00
Recommended Percentage Goal:	0%
Renewal Option(s):	First and final one (1) year renewal

Final Acceptance Contracts with SLDBE Participation for the month of July:

1. **Contract #6248 – Installation of two 60Hz Feeders from Carrollton Water Plant to DPS #1**

DBE Goal:	12%
DBE Participation Achieved:	12.4%
Prime Contractor:	Walter Barnes Electric Co., Inc.

The Economically Disadvantaged Business Program recommends that the participation on subject contract be approved for Final Acceptance.

2. **Contract #3795 – Modifications to the Return Activated Sludge PS and Pipeline at the Eastbank Sewer Treatment Plant**

DBE Goal:	5%
DBE Participation Achieved:	5.6%
Prime Contractor:	Industrial and Mechanical Contractors, Inc.

The Economically Disadvantaged Business Program recommends that the participation on subject contract be approved for Final Acceptance.

Sewerage & Water Board of New Orleans Contracts with DBE Participation January through July 2017

Sewerage & Water Board of New Orleans Contracts with DBE Participation January 2017 - July 2017

Goods & Services Contracts

Contract Description	Contract Dollar Amount	Prime Contractor	DBE Subcontractor	DBE %	DBE Dollar Value	Award Date
YW 17-0005; Furnishing Rubber PVC Hip Boots and Knee Boots	$199,996.00	Southeast Safety and Supply	Assorted Products	31.00%	$62,000.00	2/15/2017
YW 17-0010;Furnishing Riversand and Mason Sand to the SWBNO	$295,540.00	Trucking Innovations, LLC	Blakely AA Trucking LLC	30.00%	$88,662.00	3/15/2017
Total Goods & Services Contracts	$495,536.00			30.40%	$150,662.00	

Sewerage & Water Board Contracts with DBE Participation January 2017 - July 2017

Construction Contracts

Contract Description	Contract Dollar Amount	Prime Contractor	DBE Sub-Contractor	Awarded DBE %		Awarded DBE Dollar Value	Award Date
			The Beta Group	0.21%	$50,000.00		
			JEI Solutions	9.70%	$2,279,000.00		
			Landrieu Concrete & Cement Inc.	0.64%	$150,000.00		
			C.Watson Group	1.43%	$336,000.00		
#1368 - HMGP Oak Street Pump Station Upgrade and Rehabilitation Project	$23,492,500.00	M.R. Pitmann Group, LLC	**Total**	**11.98%**		**$2,815,000.00**	1/18/17
#6260 - Rewind of Constant Duty Motors #1 and #2 at the DPS #6 and Ammortissuer Winding Replacement and Cleaning of Motor "C" at DPS #6 and DPS #7	$595,000.00	Bollinger Armature Services, LLC	Next Generation Logistics, LLC	**5.07%**		**$30,166.00**	3/15/17
#6261 - 2017 Rewind of the Sewage Pump Motor at Sewage Pump Station #21	$93,610.00	Houma Armature Works & Supply, LLC	JEI Solutions	**5.02%**		**$4,700.00**	3/15/17
			Prince Dump Truck Service	7.68%	$226,000.00		
			C&M Construction Group, Inc.	28.53%	$840,000.00		
#2126 - 2017 Water Main Point Repair, Water Service Connection, Water Valve, and Fire Hydrant Point Replacement at Various Sites throughout Orleans Parish	$2,944,440.00	Wallace C. Drennan, Inc.	**Total**	**36.20%**		**$1,066,000.00**	3/15/17
#2127 - Algiers Lock Forebay Waterline Replacement	$271,375.00	BLD Services, LLC	Choice Supply Solutions	**12.25%**		**$33,250.00**	3/15/17
#30210 - Restoration of Gravity Flow Sanitary Sewers by Point Repair of Sewer Mains at Various Sites throughtout the City of New Orleans	$1,503,700.00	Grady Crawford Construction Co., Inc.	Purnell Construction Co., LLC	**36.24%**		**$545,000.00**	7/19/17
			Hebert's Trucking and Equipment Service, LLC	2.90%	$35,000.00		
			EFT Diversified, Inc.	24.85%	300,000.00		
			Cooper Contracting Group, LLC	8.28%	100,000.00		
#2128 - Water Main Point Repair, Water Service Connection, Water Valve, and Fire Hydrant Replacement at Various Sites throughout Orleans Parish	$1,207,050.00	Fleming Construction Co., LLC	**Total**	36.04%		**$435,000.00**	7/19/17
Total Construction Contracts	**$30,107,675.00**			16.37%		**$4,929,116.00**	

Sewerage & Water Board Contracts with DBE Participation January 2017 - July 2017

Professional Service Contracts

Contract Description	Contract Dollar Amount	Prime Contractor	DBE Sub-Contractor	DBE %	DBE Dollar Value	Awarded DBE Value	Award Date
Communication/Marketing Firm	$200,000.00	The Ehrhardt Group, Inc.	The Hawthorne Agency, Inc.	40.00%		$80,000.00	2/15/2017
Total Professional Services Contracts	$200,000.00			40.00%		$80,000.00	

Sewerage and Water Board of New Orleans
Customer Service Report
Indicators of Metric Results
July 2017

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

Green = Favorable Variance
Yellow = Minimal Variance / No Action Recommended
Red = Unfavorable Variance / Action Recommended

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: No

Process Operating Within Control Limits: No

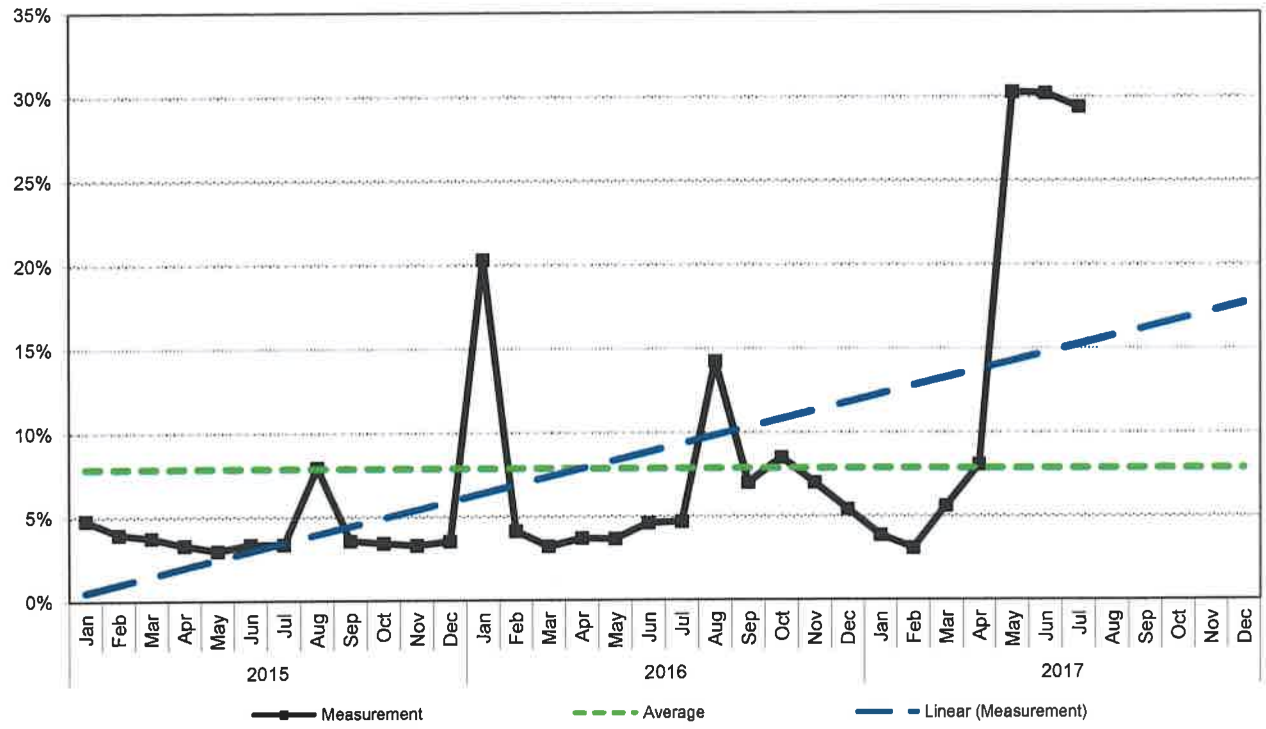
Trend: Unfavorable

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
2015	4.8%	4.0%	3.7%	3.3%	3.0%	3.4%	3.4%	7.9%	3.6%	3.4%	3.3%	3.5%
2016	20.3%	4.1%	3.2%	3.7%	3.7%	4.6%	4.7%	14.2%	7.0%	8.5%	7.0%	5.4%
2017	3.9%	3.1%	5.6%	8.1%	30.3%	30.2%	29.4%					

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: Close

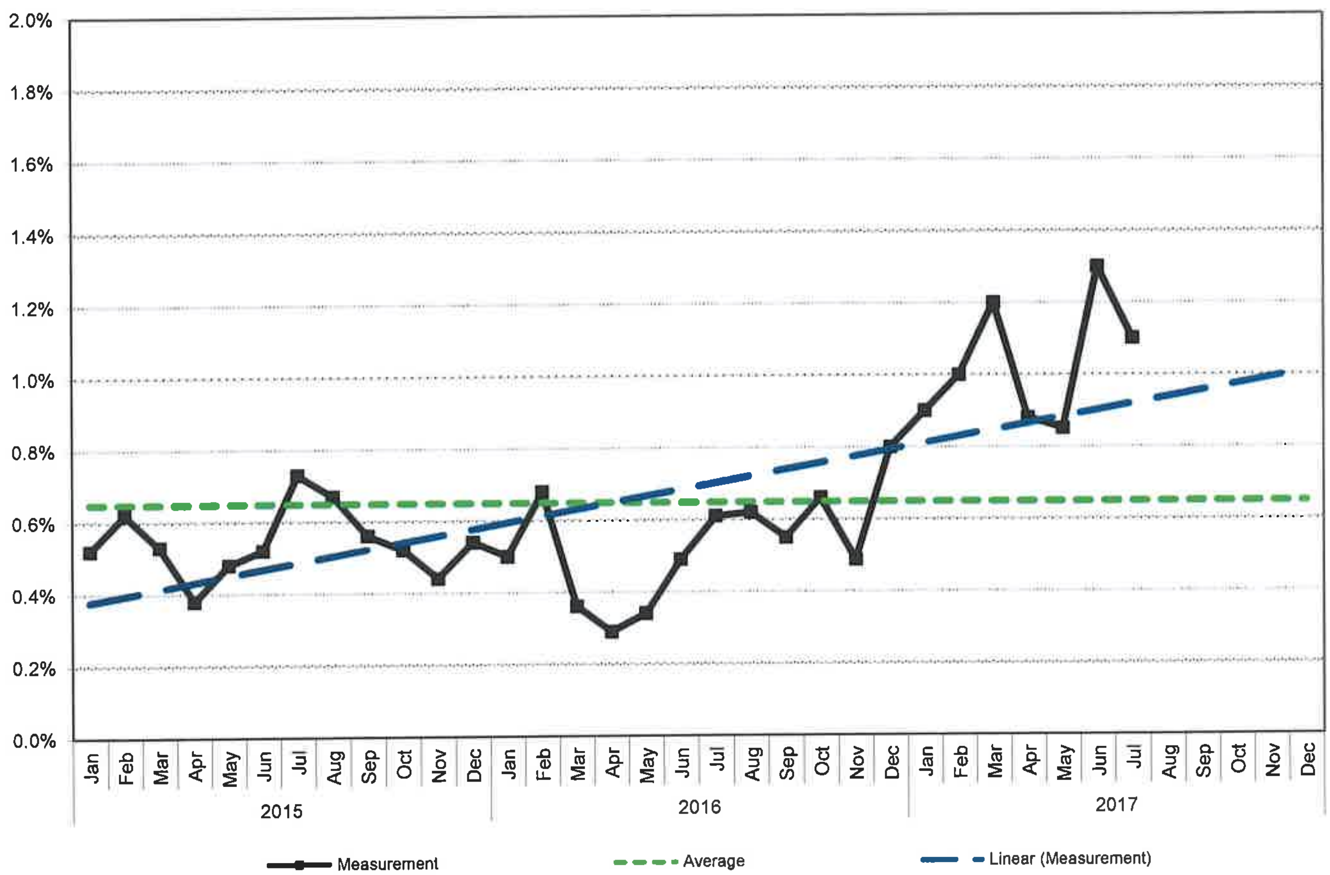
Trend: Unfavorable

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
2015	0.5%	0.6%	0.5%	0.4%	0.5%	0.5%	0.7%	0.7%	0.6%	0.5%	0.4%	0.5%
2016	0.5%	0.7%	0.4%	0.3%	0.3%	0.5%	0.6%	0.6%	0.6%	0.7%	0.5%	0.8%
2017	0.9%	1.0%	1.2%	0.9%	0.9%	1.3%	1.1%					

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: Yes

Process Operating Within Control Limits: Yes

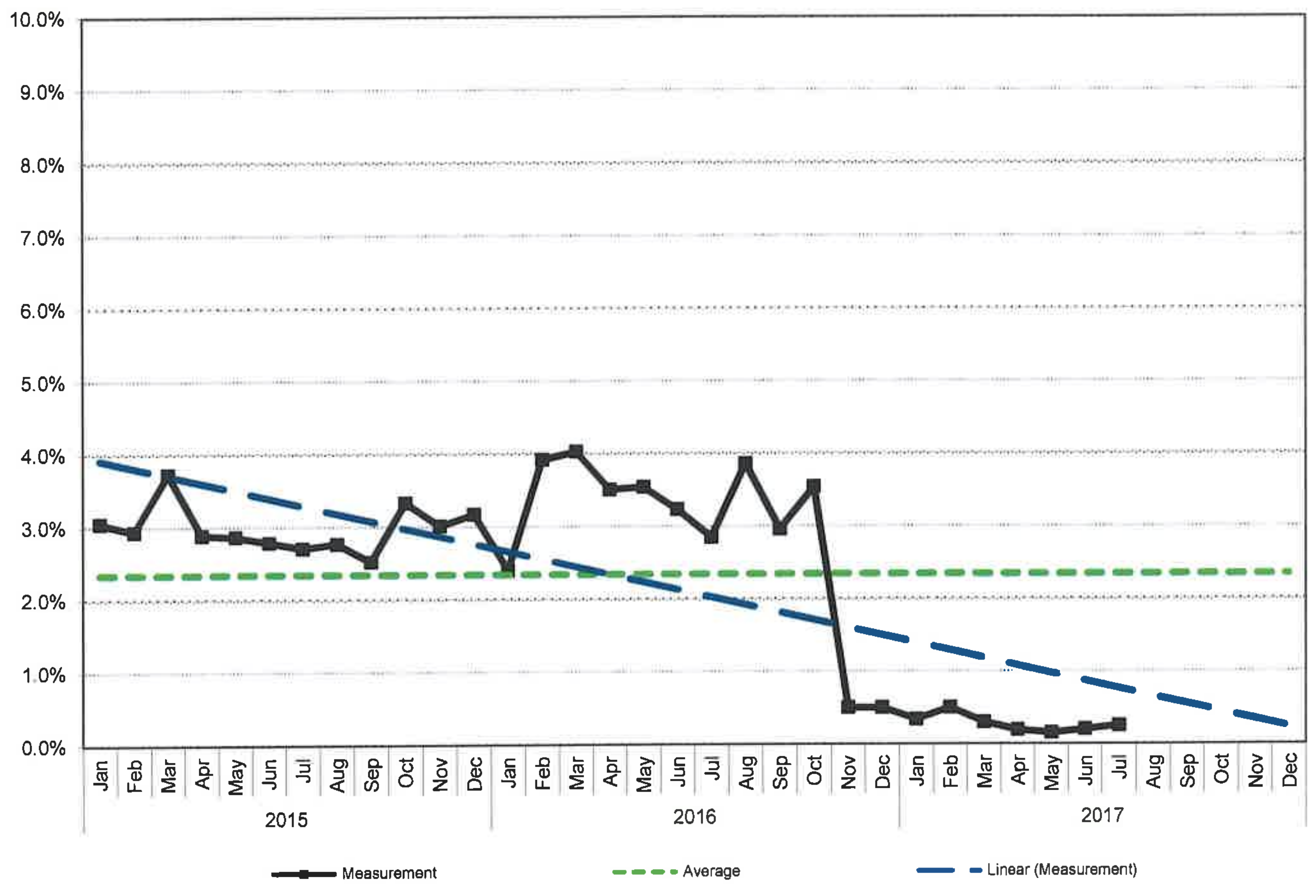
Trend: Favorable

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

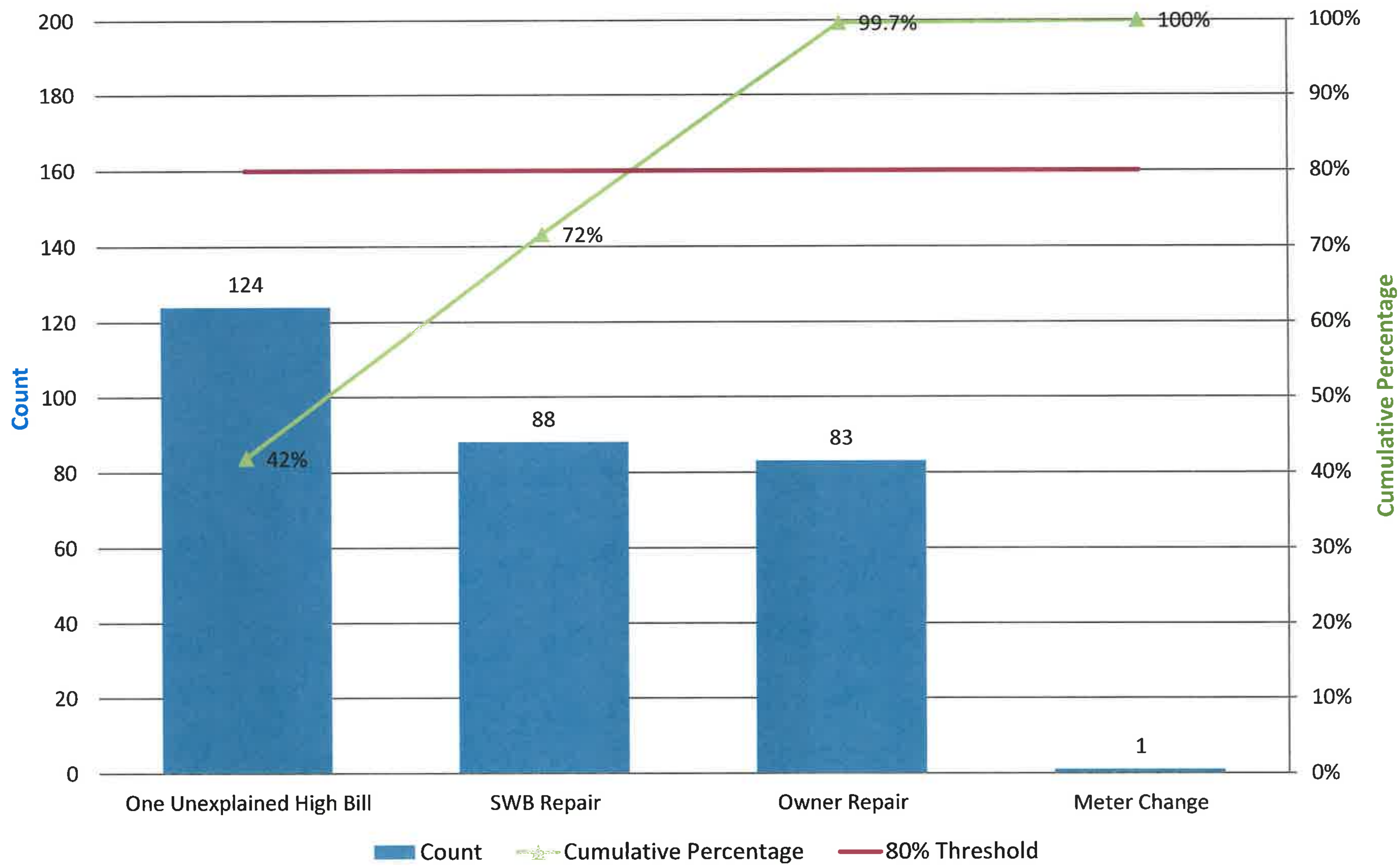
Adjustments have reduced sharply following implementation of the new billing sysem as a result of the ability to correct a bill by cancelling and rebilling rather than by adjustment.



Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	3.1%	2.9%	3.7%	2.9%	2.9%	2.8%	2.7%	2.8%	2.5%	3.3%	3.0%	3.2%
2016	2.4%	3.9%	4.0%	3.5%	3.5%	3.2%	2.9%	3.9%	3.0%	3.5%	0.5%	0.5%
2017	0.3%	0.5%	0.3%	0.2%	0.2%	0.2%	0.3%					

Sewerage and Water Board of New Orleans
Reasons for Adjustments
July 2017



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

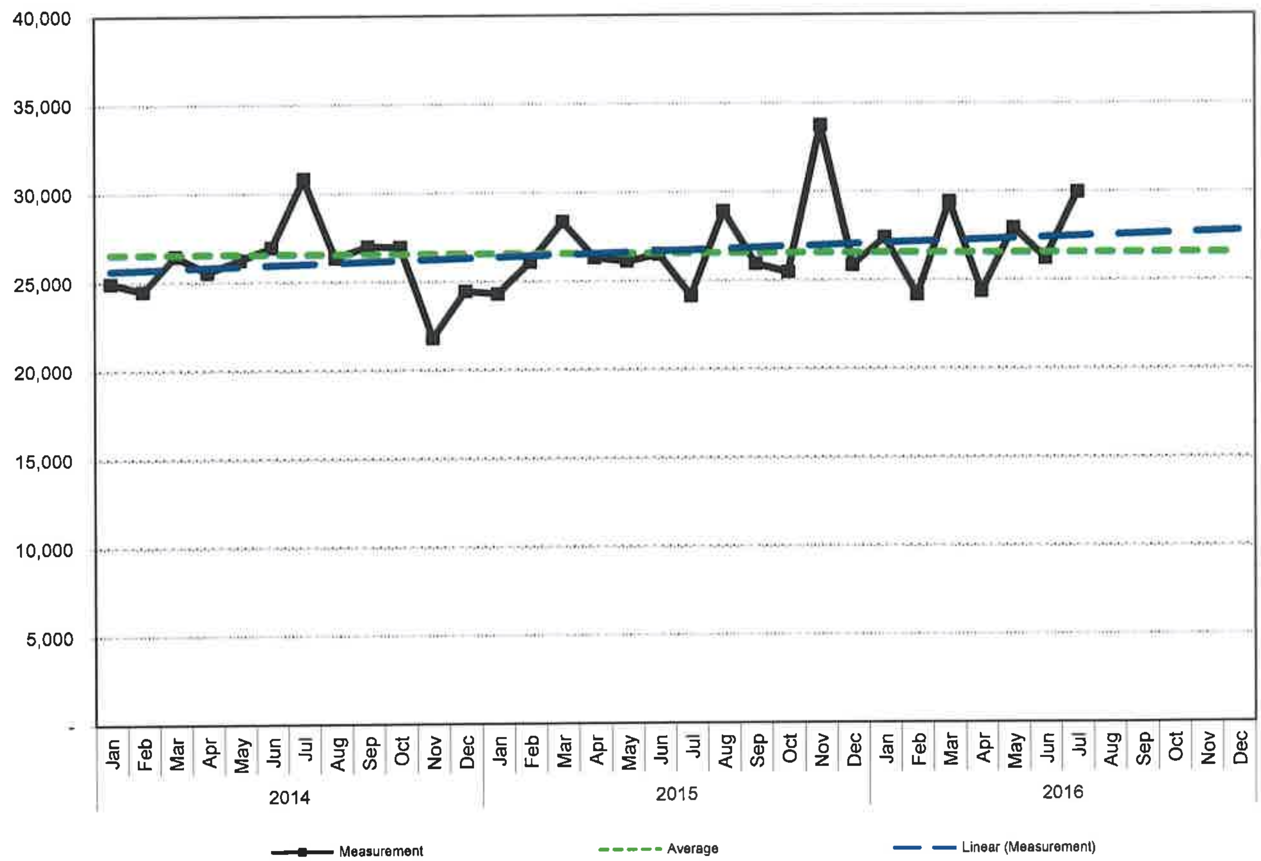
Trend: Level

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 continously, 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. Calls increased sharply after go-live on new system.

Plans for Improvement

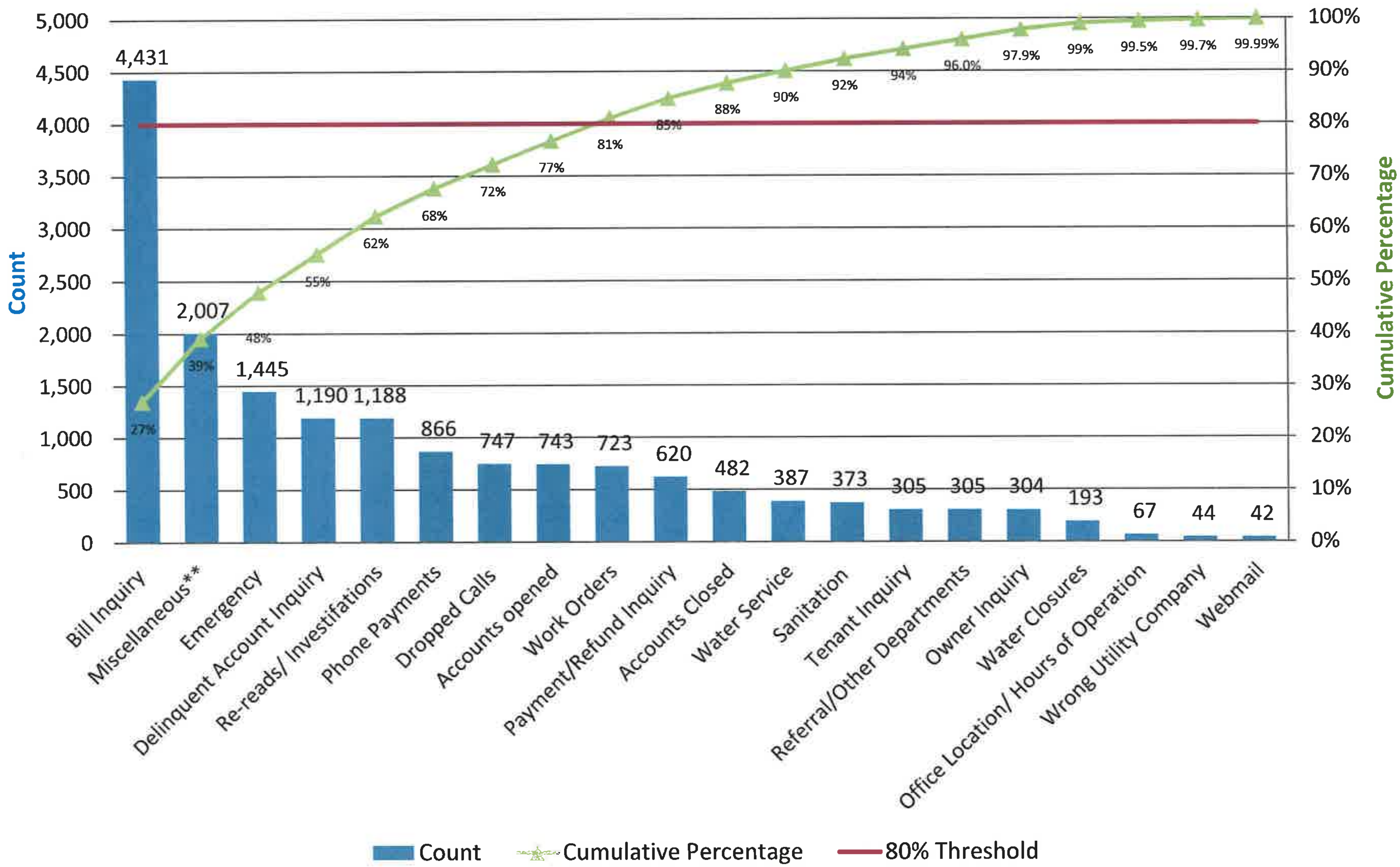
Engage a consultant to re-engineer the call center processes for receiving and handling calls.



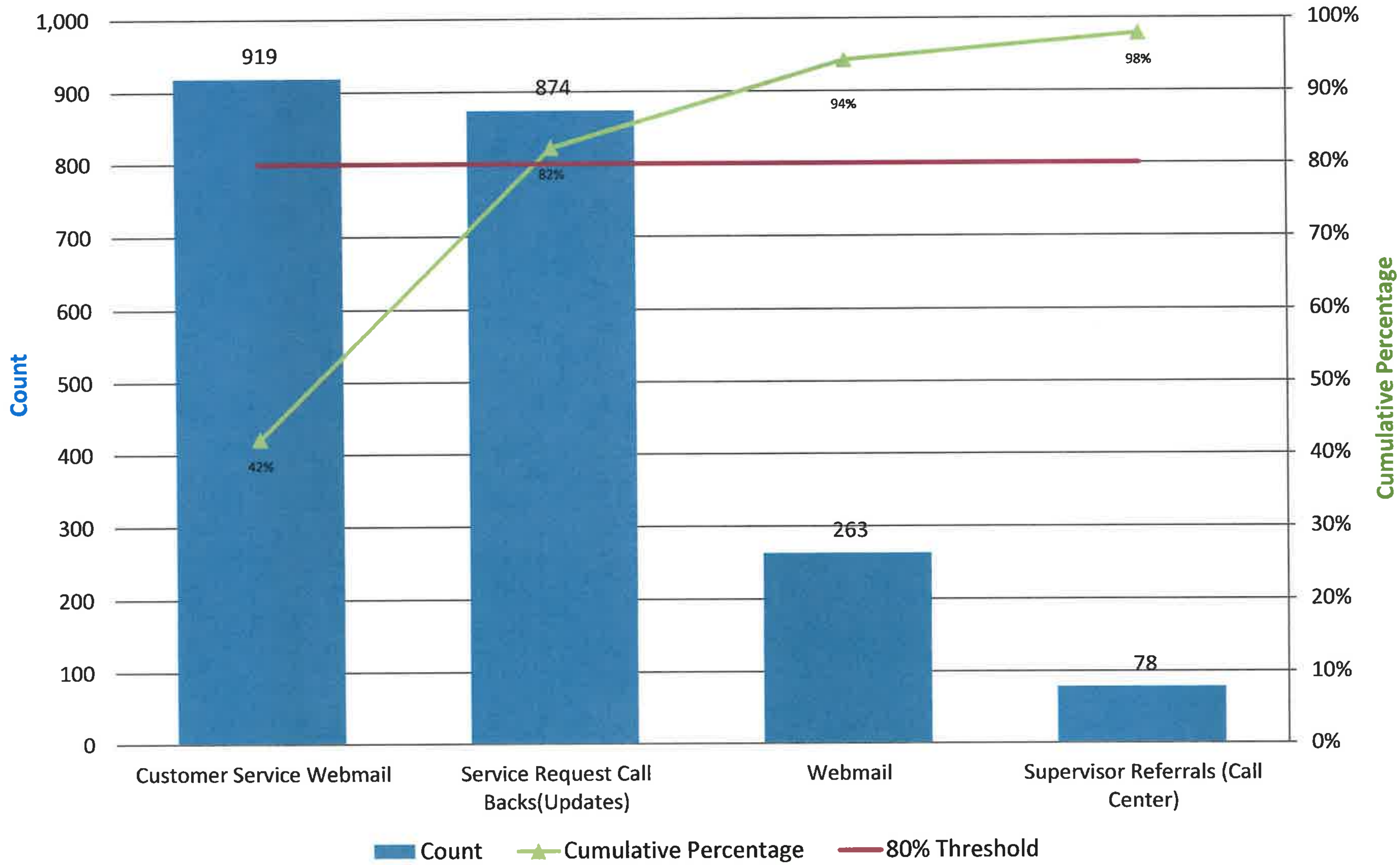
Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2014	24,967	24,496	26,486	25,565	26,261	26,963	30,836	26,368	27,019	26,973	21,816	24,469
2015	24,311	26,089	28,365	26,333	26,121	26,515	24,149	28,942	25,958	25,483	33,746	25,866
2016	27,425	24,169	29,436	24,346	27,955	26,222	29,969					

Sewerage and Water Board of New Orleans
Types of Customer Calls
July 2017



Sewerage and Water Board of New Orleans
Types of Service Request Contact Center Calls
June 2017



Sewerage and Water Board of New Orleans
Average Call Wait Time for Calls Answered

Constituency: Customer Ratepayers

Objective: Provide Accurate Bills

Goal: Reduce over time

Currently Meeting Goal: No

Process Operating Within Control Limits: Yes

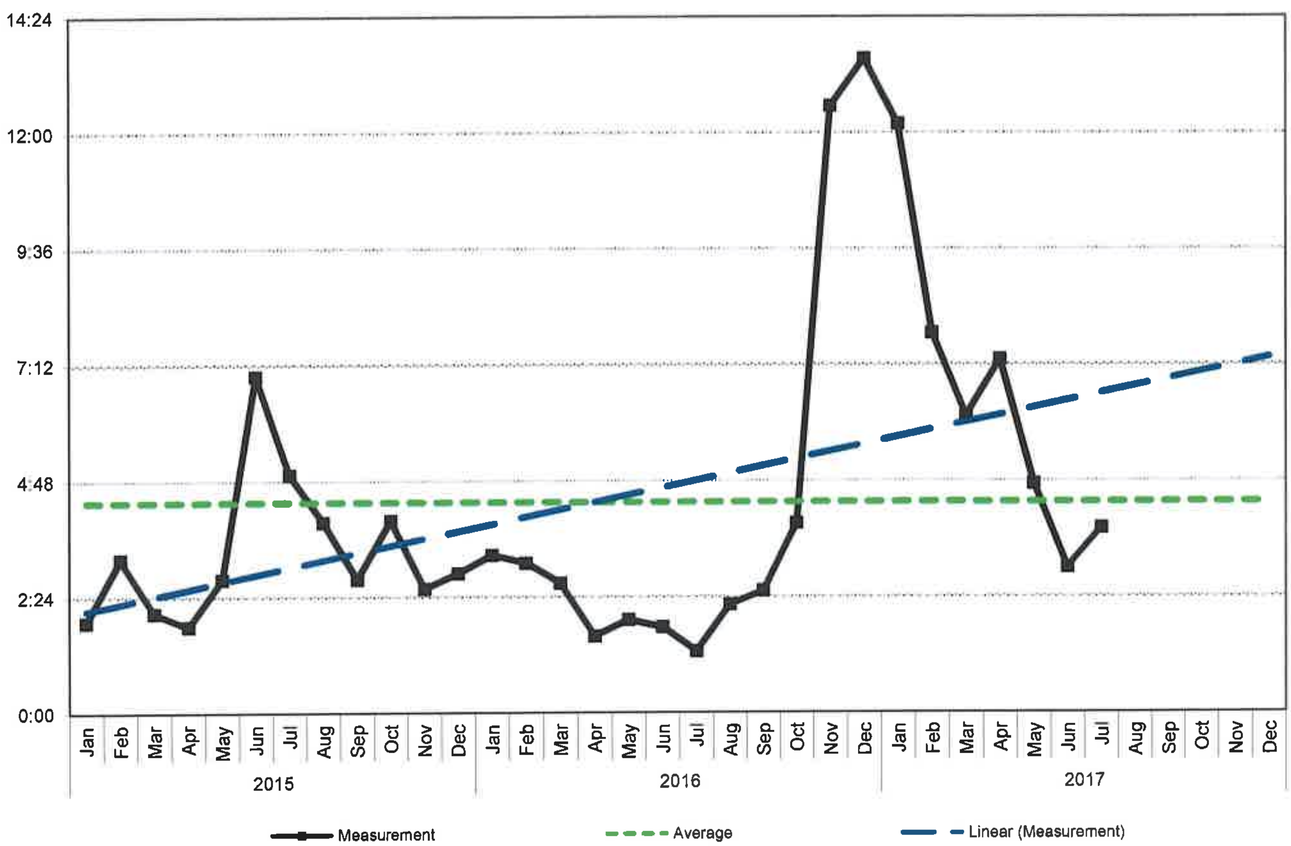
Trend: Favorable

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 continously, 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. Call wait times have increased sharply while training and implementation for the new billing system occurs.

Plans for Improvement

Interactive voice response capabilities were implemented in October 2016 with the intent to reduce the volume of calls requiring Call Center assistance. We have provided customers with the opportunity to leave their contact information at a link on our website so that we can call them back during non-peak times..



Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	1:53	3:11	2:04	1:47	2:46	6:58	4:56	3:57	2:46	3:59	2:34	2:53
2016	3:16	3:06	2:41	1:35	1:55	1:46	1:16	2:14	2:31	3:55	12:33	13:32
2017	12:11	7:51	6:08	7:18	4:44	3:00	3:49					

Sewerage and Water Board of New Orleans
Average Call Wait Time for Calls Abandoned

Constituency: Customer Ratepayers

Objective: Provide Accurate Bills

Goal: Reduce over time

Currently Meeting Goal: No

Process Operating Within Control Limits: Yes

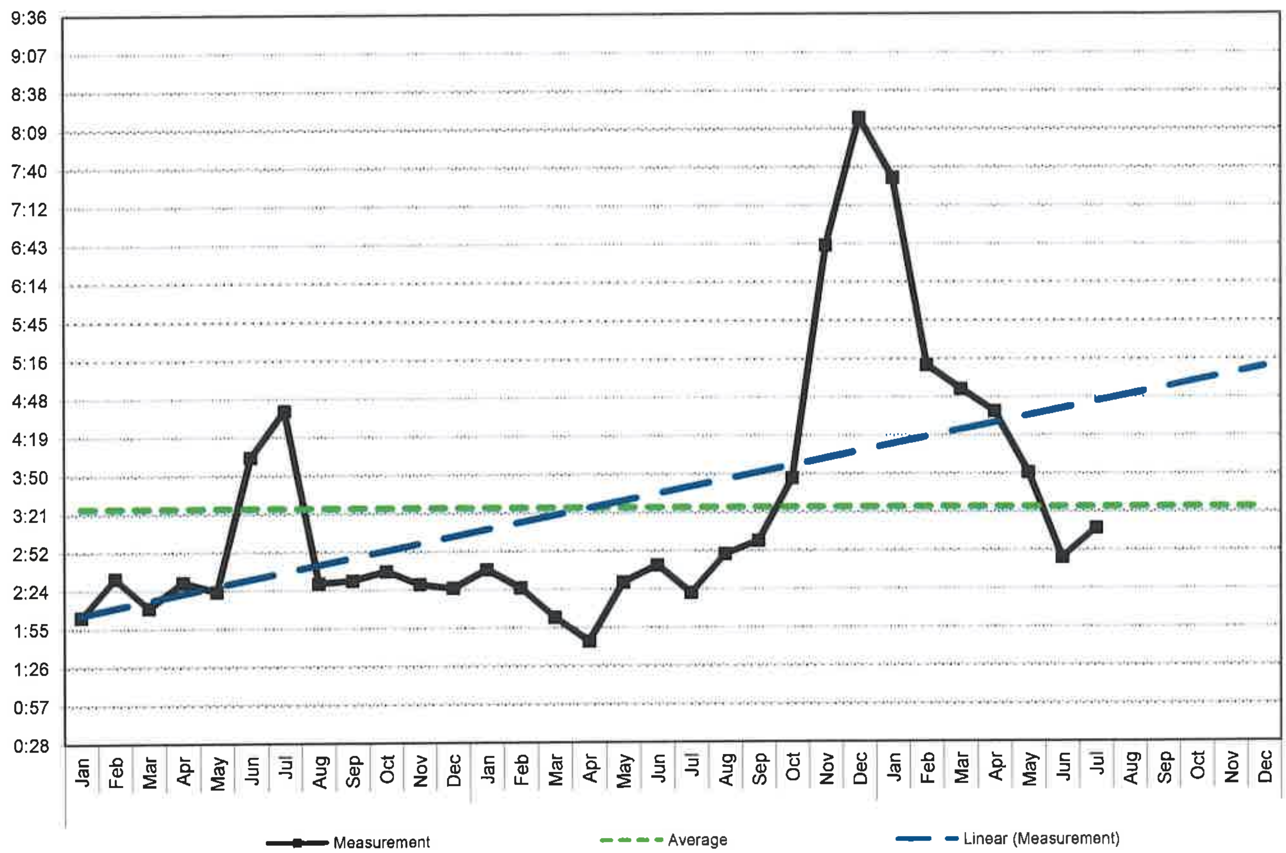
Trend: Favorable

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 continously, 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. Call wait times have increased sharply while training and implementation for the new billing system occurs.

Plans for Improvement

Interactive voice response capabilities were implemented in October 2016 with the intent to reduce the volume of calls requiring Call Center assistance. We have provided customers with the opportunity to leave their contact information at a link on our website so that we can call them back during non-peak times.



Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	2:04	2:33	2:11	2:30	2:23	4:04	4:39	2:29	2:31	2:38	2:28	2:25
2016	2:39	2:25	2:03	1:45	2:29	2:42	2:21	2:50	3:00	3:47	6:42	8:18
2017	7:33	5:12	4:54	4:37	3:51	2:47	3:09					

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: No

Process Operating Within Control Limits: Yes

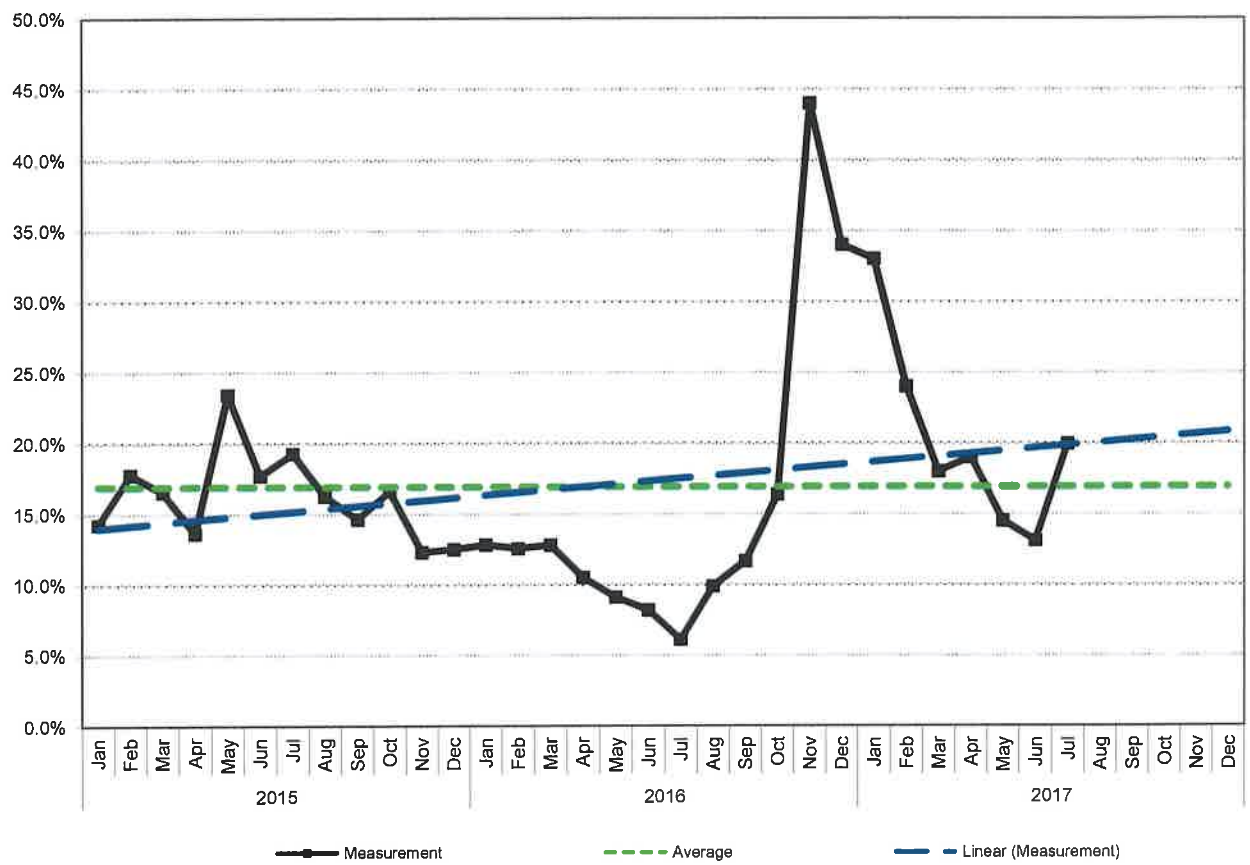
Trend: Favorable

Analysis

Customers abandon their calls 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

Abandoned calls have returned to near historical levels following implementation of the new billing system.



Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	14.3%	17.8%	16.6%	13.7%	23.4%	17.7%	19.3%	16.3%	14.7%	16.6%	12.3%	12.5%
2016	12.8%	12.6%	12.8%	10.5%	9.1%	8.2%	6.1%	9.9%	11.7%	16.4%	44.0%	34.0%
2017	33.0%	24.0%	18.0%	19.0%	14.5%	13.1%	19.9%					

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: Close

Process Operating Within Control Limits: Yes

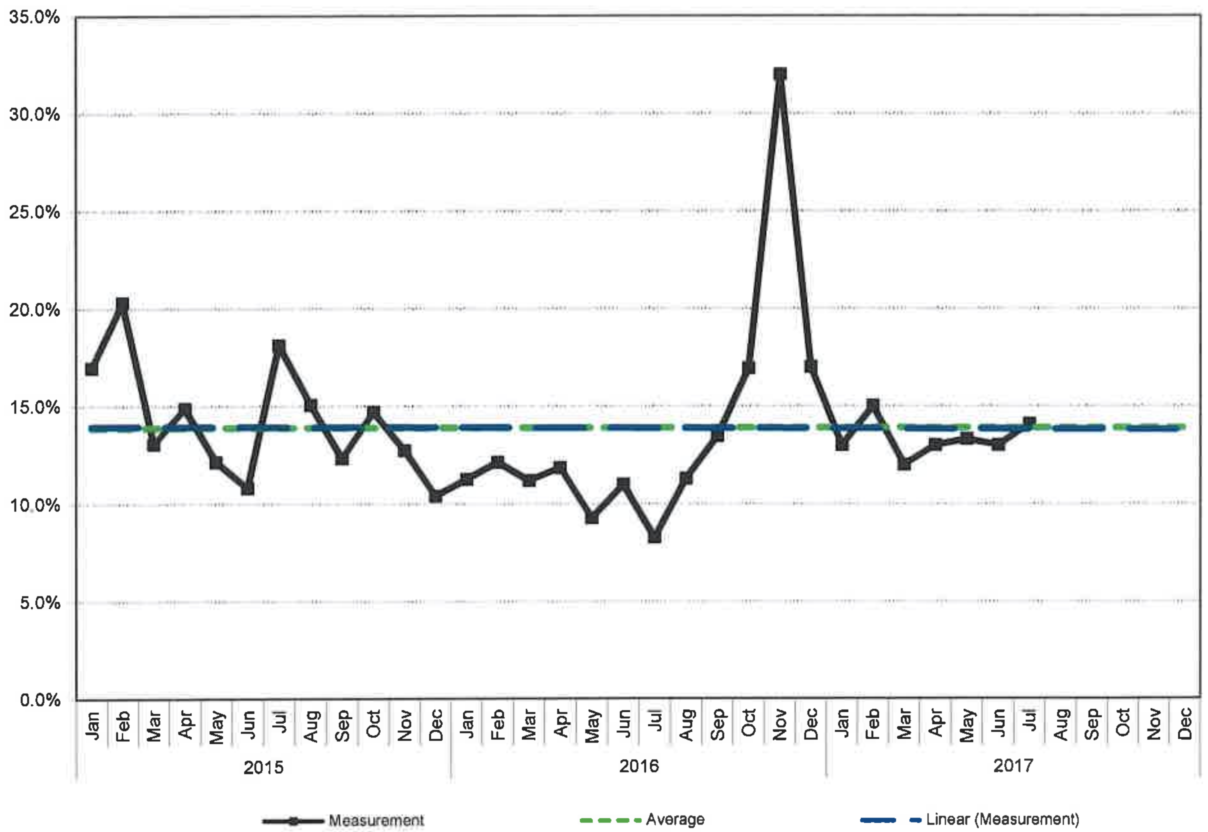
Trend: Level

Analysis

Customers abandon their calls 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

Abandoned calls have returned to near historical levels following implementation of the new billing system.



Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	17.0%	20.3%	13.1%	14.9%	12.2%	10.8%	18.1%	15.1%	12.3%	14.7%	12.7%	10.4%
2016	11.3%	12.1%	11.2%	11.9%	9.3%	11.0%	8.3%	11.3%	13.5%	16.9%	32.0%	17.0%
2017	13.0%	15.0%	12.0%	13.0%	13.3%	13.0%	14.1%					

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

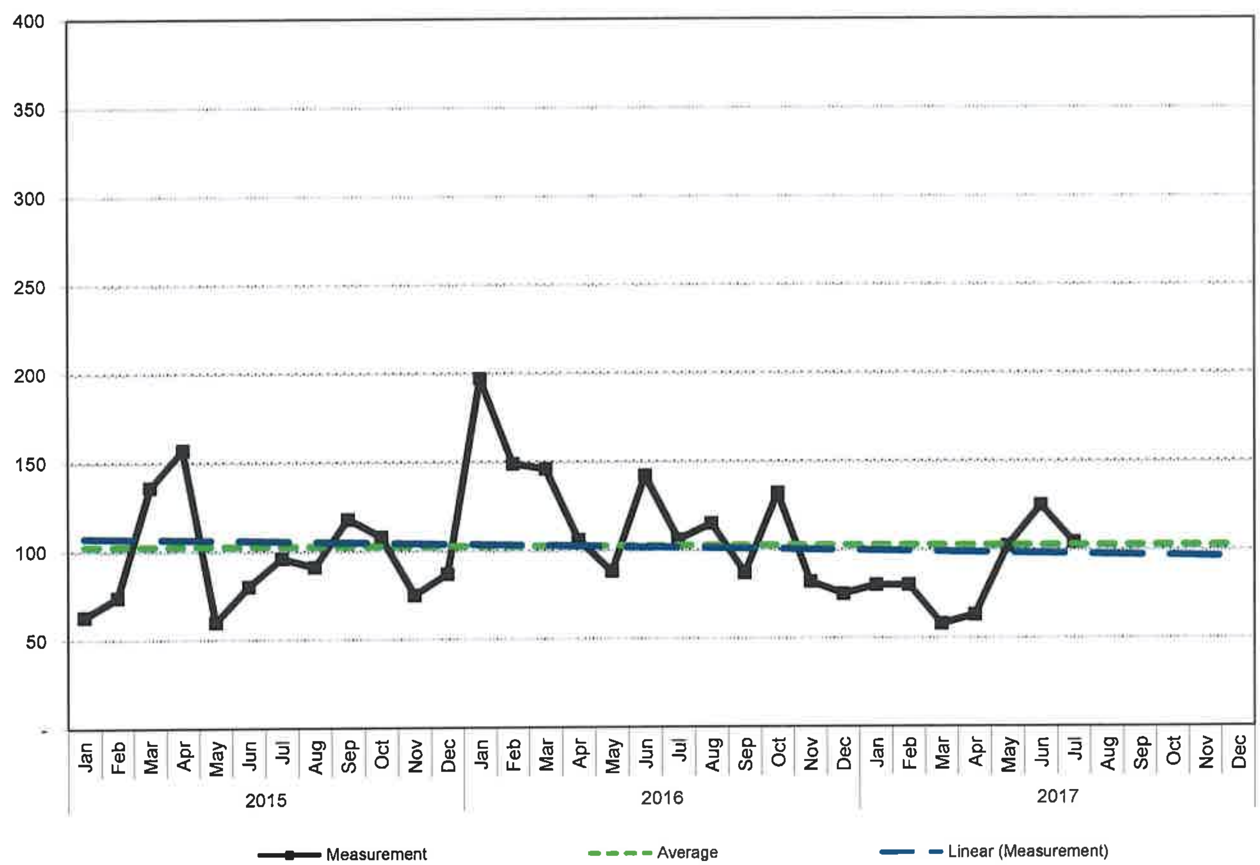
Trend: Favorable

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
2015	63	74	136	157	60	80	96	91	118	108	75	87
2016	197	149	146	106	88	142	106	115	87	132	82	75
2017	80	80	58	63	102	125	104					

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: Close

Process Operating Within Control Limits: Yes

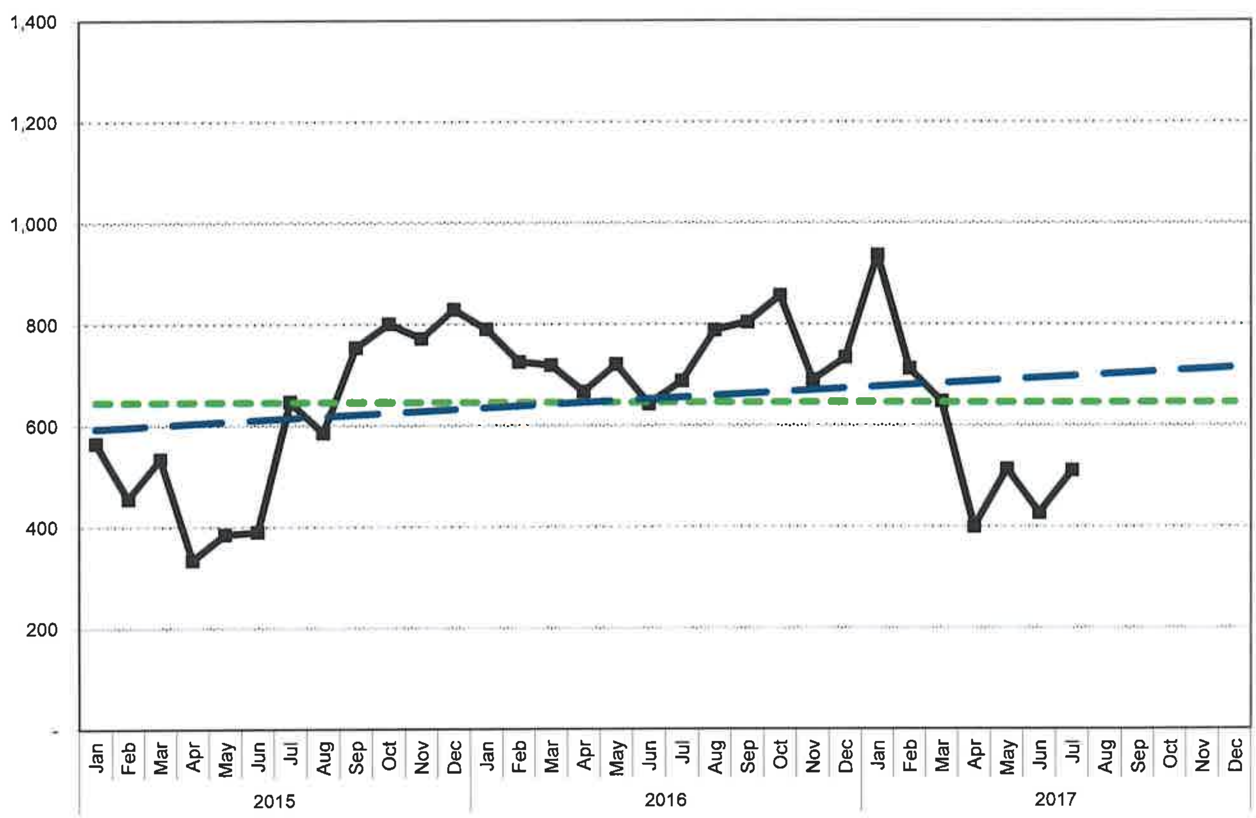
Trend: Favorable

Analysis

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

Plans for Improvement

Water mains with high frequency of failure are replaced as part of FEMA settlement.



Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	566	456	535	335	385	390	647	586	754	801	772	829
2016	790	726	719	667	721	643	688	788	804	856	690	734
2017	936	712	647	399	514	427	511					

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

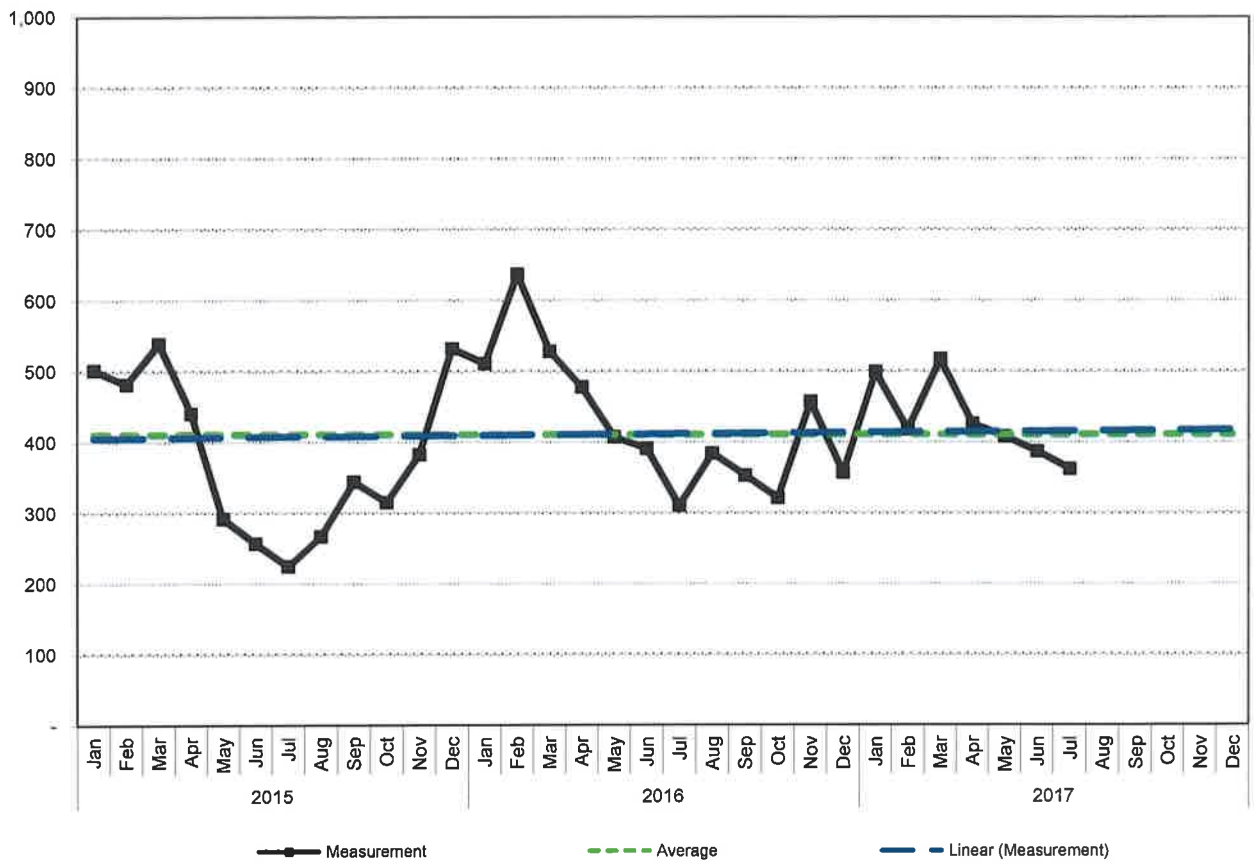
Trend: Favorable

Analysis

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

Plans for Improvement

Staff performs repairs as part of routine maintenance of the sewage collection system.



Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	502	482	539	441	292	257	225	267	344	315	383	532
2016	511	637	528	478	407	391	310	384	353	321	457	357
2017	499	418	517	426	408	387	362					

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

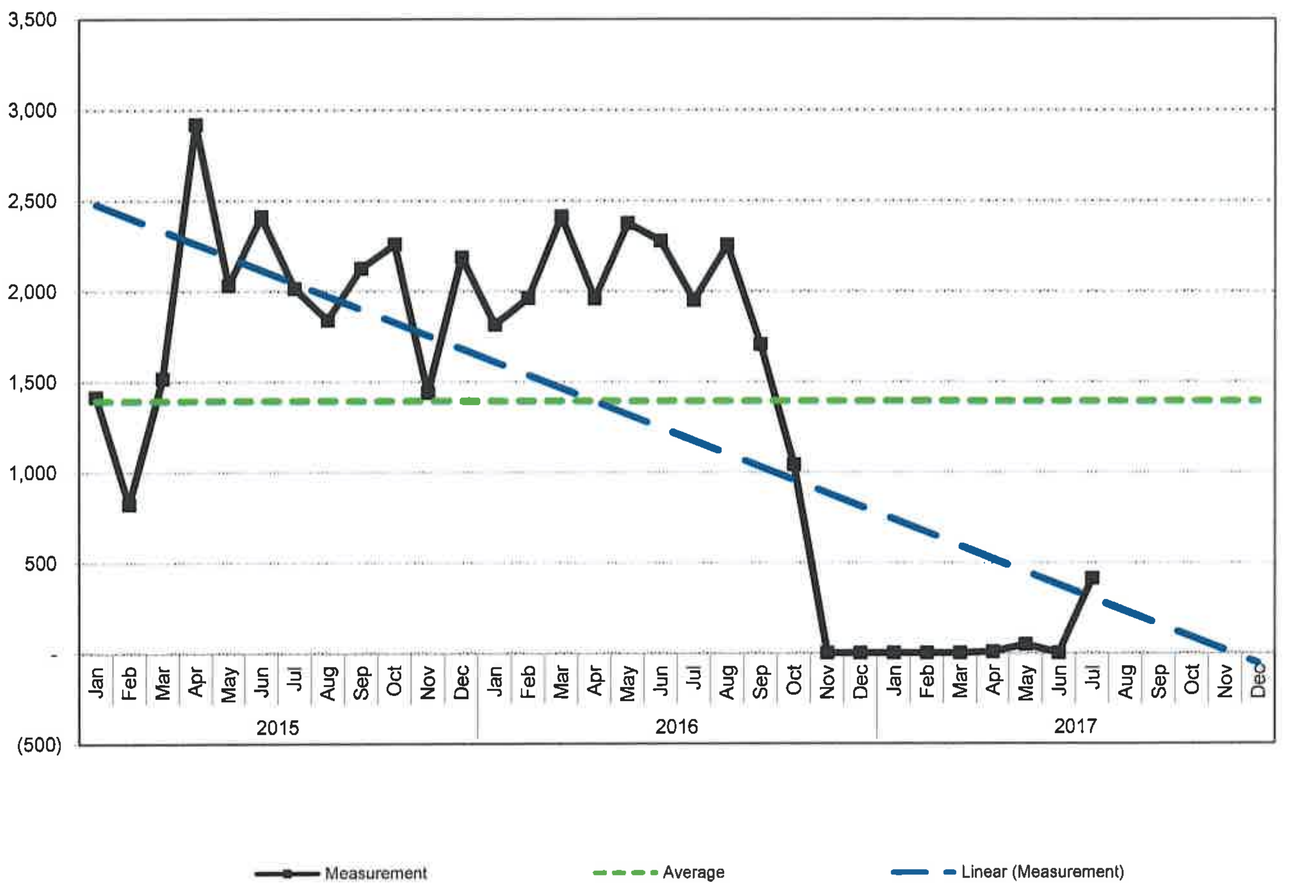
Trend: Stable

Analysis

Customers accounts are turned-off for non-payment for balances more than $50 and over sixty days past due. Turn-offs were temporarily suspended following go-live on the new system.

Plans for Improvement

Non-payment turnoffs was be resumed on July 24, 2017 at a pace of approximately 50 accounts per day after contacting delinquent customers by mail and by phone.



Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	1,417	823	1,517	2,920	2,033	2,411	2,016	1,840	2,126	2,258	1,439	2,187
2016	1,816	1,962	2,412	1,960	2,375	2,278	1,950	2,254	1,706	1,043	-	-
2017	-	-	-	6	46	-	412	-	-	-	-	-

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

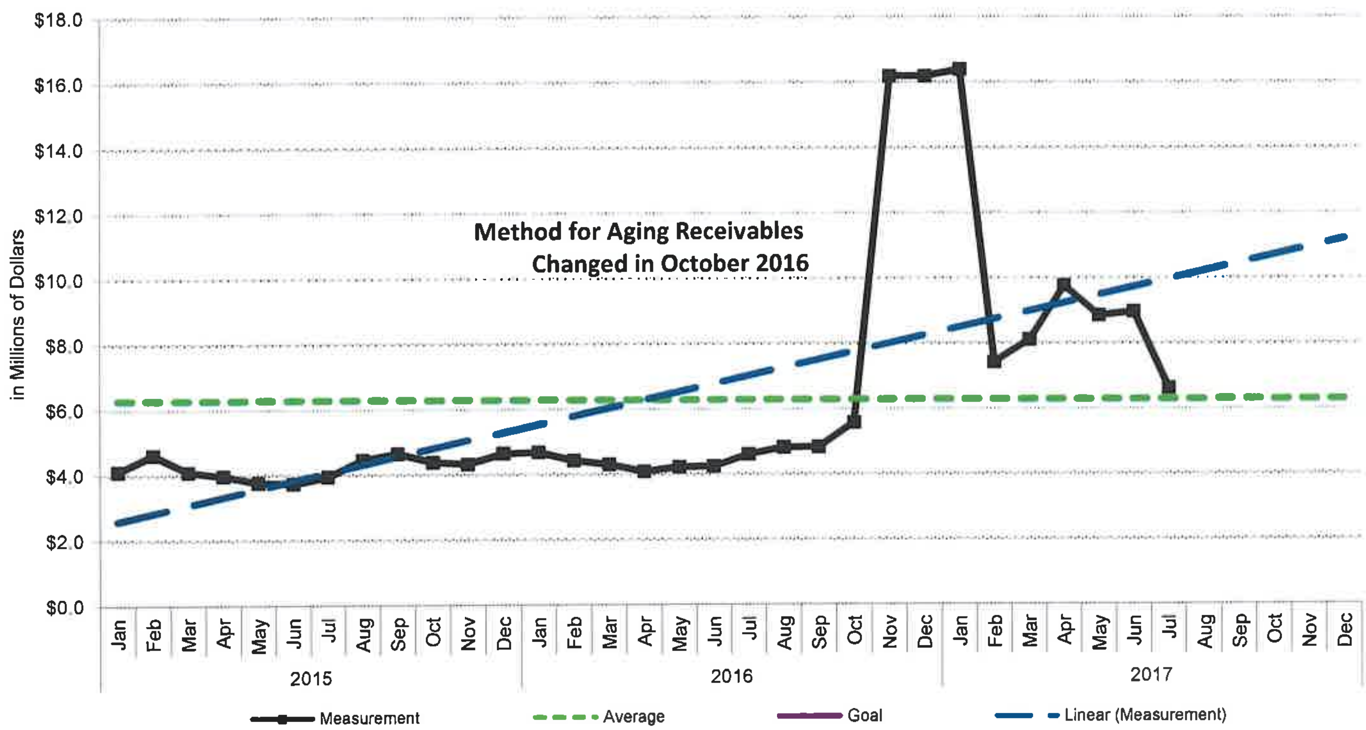
Trend: Method for Aging Receivables Changed in October 2016

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.

Plans for Improvement

Staff anticipates that resumption of standard collection practices will reduce the delinquent balances.



Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	$ 4.10	$ 4.61	$ 4.09	$ 3.97	$ 3.77	$ 3.73	$ 3.94	$ 4.45	$ 4.64	$ 4.38	$ 4.32	$ 4.64
2016	$ 4.68	$ 4.42	$ 4.30	$ 4.08	$ 4.22	$ 4.24	$ 4.60	$ 4.81	$ 4.82	$ 5.57	$ 16.18	$ 16.18
2017	$ 16.39	$ 7.41	$ 8.10	$ 9.76	$ 8.84	$ 8.96	$ 6.61					

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

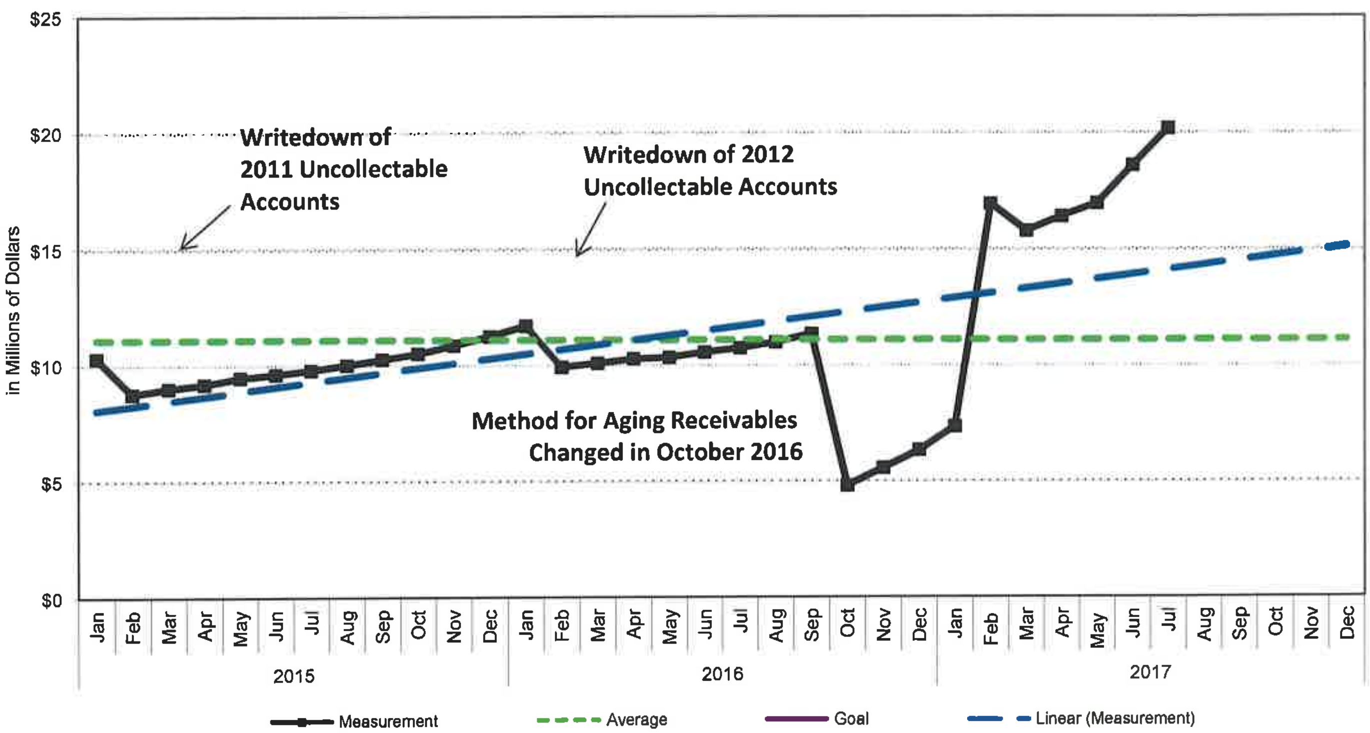
Trend: Method for Aging Receivables Changed in October 2016

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.

Plans for Improvement

Staff anticipates that resumption of standard collection practices will reduce the delinquent balances.



Data Table

	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
2015	$ 10.32	$ 8.78	$ 9.01	$ 9.19	$ 9.47	$ 9.62	$ 9.80	$ 10.02	$ 10.26	$ 10.51	$ 10.87	$ 11.25
2016	$ 11.71	$ 9.92	$ 10.09	$ 10.27	$ 10.34	$ 10.56	$ 10.74	$ 10.99	$ 11.35	$ 4.81	$ 5.57	$ 6.33
2017	$ 7.35	$ 16.93	$ 15.78	$ 16.40	$ 16.96	$ 18.60	$ 20.19					

Project Delivery Unit July Report

Hurricane Katrina	# of PWs	Obligations	FEMA Revenue Received	% Financially Complete	Total # PWs Submitted for Closeout	Total $ Value Submitted for Closeout	# PWs Officially Closed
St. Joseph Headquarters	20	$ 1,419,212.36	$ 549,146.47	39%	19	$ 1,030,774.25	13
Central Yard	42	$ 28,875,337.60	$ 21,786,932.50	75%	22	$ 6,970,933.67	19
Wastewater Treatment Plant	128	$ 90,738,913.76	$ 75,453,001.24	83%	126	$ 83,171,975.76	119
Carrollton Water Plant	54	$ 74,234,090.71	$ 59,397,119.98	80%	45	$ 9,266,910.71	38
Distribution Network	82	$ 525,597,609.71	$ 182,095,879.52	35%	12	$ 14,353,028.00	11
Pump Stations	167	$ 82,697,768.82	$ 67,138,042.53	81%	141	$ 57,570,784.73	126
Total	**493**	**$ 803,562,932.96**	**$ 406,420,122.24**	**51%**	**365**	**$ 172,364,407.12**	**326**

Hurricane Gustav	# of PWs	Obligations	FEMA Revenue Received	% Financially Complete	Total # PWs Submitted for Closeout	Total $ Value Submitted for Closeout	# PWs Officially Closed
Total	**9**	**$ 673,838.62**	**$ 668,689.06**	**99%**	**9**	**$ 673,838.62**	**7**

Hurricane Isaac	# of PWs	Obligations	FEMA Revenue Received	% Financially Complete	Total # PWs Submitted for Closeout	Total $ Value Submitted for Closeout	# PWs Officially Closed
Total	**8**	**$ 1,554,775.01**	**$ 922,831.53**	**59%**	**1**	**$ 4,540.20**	**1**

Hurricane Katrina Hazard Mitigation	HMGP No.	# of Projects	Obligations	FEMA Revenue Received	% Financially Complete	Total # of Contracts Completed	Total $ Value Submitted for Closeout
Retrofit of Power House	39	9	$ 91,510,697.00	$ 45,423,136.40	49%	0	$ -
Flood Mitigation of 9 SPS	6	9	$ 19,987,722.00	$ 15,028,080.21	63%	0	$ -
Total		**18**	**$ 111,498,419.00**	**$ 59,445,458.36**	**52%**	**0**	**$ -**

Hurricane Ike Hazard Mitigation	Contracts	# of Contracts	Obligations	FEMA Revenue Received	% Financially Complete	Total # Contracts Submitted for Closeout	Total $ Value Submitted for Closeout
Total		**1**	**$ 988,659.00**	**$ 42,000.00**	**4%**	**0**	**$ -**

Project Delivery Unit July Report

% Submitted	% Closed	# PWs Submitted but Not Closed	Total $ Value Submitted but Not Closed
95%	65%	6	$ 654,667.10
52%	45%	3	$ 362,720.23
98%	93%	7	$ 36,411,857.99
83%	70%	7	$ 6,672,479.88
15%	13%	1	$ 139,057.99
84%	75%	15	$ 18,332,230.11
74%	**66%**	**39**	**$ 62,573,013.30**

% Submitted	% Closed	# PWs Submitted but Not Closed	Total $ Value Submitted but Not Closed
100%	**78%**	**2**	**$ 265,537.84**

% Submitted	% Closed	# PWs Submitted but Not Closed	Total $ Value Submitted but Not Closed
13%	**13%**	**0**	**$ -**

# PWs Contracts Closed	% Submitted	% Closed	# Contracts Submitted but Not Closed	Total $ Value Submitted but Not Closed
0	0%	0%	0	$ -
0	0%	0%	0	$ -
0	**0%**	**0%**	**0**	**$ -**

# Contracts Officially Closed	% Submitted	% Closed	# Contracts Submitted but Not Closed	Total $ Value Submitted but Not Closed
0	**0%**	**0%**	**0**	**$ -**