

BOARD OF DIRECTORS' MEETING

March 27, 2024

MEETING MINUTES

SEWERAGE AND WATER BOARD OF NEW ORLEANS

ROLL CALL

The Board of Directors for the Sewerage and Water Board of New Orleans (SWBNO) met on Wednesday March 27, 2024, at 9:02 AM in the Executive Boardroom. Special Counsel Ms. Yolanda Grinstead called the roll and confirmed the following members were present: Hon. Mayor LaToya Cantrell, Director Joseph Peychaud, Director Janet Howard, Director Lynes R. Sloss, Director Robin Barnes, Councilmember Freddie King, Director Alejandra Guzman, Director Tamika Duplessis, Director Tyler Antrup, and Director Chadrick Kennedy.

The following member(s) were absent: Director Maurice Sholas.

Staff present were: Ghassan Korban, Executive Director; Renee Lapeyrolerie, Chief of Staff; Grey Lewis, Chief Financial Officer; Stephen Nelson, General Superintendent; Yolanda Grinstead, Special Counsel; Rene Gonzalez, Chief Customer Service Officer; Irma Plummer, EDBP; Tanyell Allen, Board Relations.

APPROVAL OF PREVIOUS MINUTES

Prior to beginning the meeting, Hon. Mayor Cantrell gave her opening remarks. Mayor Cantrell indicated this month the city has experienced higher than average rain fall, which is consistent with previous years. She stated the climate has changed, but Sewerage and Water Board of New Orleans are on front lines of it. The Sewerage and Water Board of New Orleans has been proactive in communication, being very transparent as they know this is a priority, but they are moving ahead. The utility has shifted its momentum moving forward by taking action, considering where they have been, where they are, and solutions identified for where they need to be. Mayor Cantrell talked about the Turbine 4 setback. Mayor Cantrell stated they are observing and assessing Turbine 4 closely and it is anticipated to be working in time for hurricane season. The utility wants to ensure transparency and accountability every step of the way.

Mayor Cantrell acknowledged the utility is actively meeting the people where they are with rolling out promise pay; with 4200 payment plans thus far and have collected \$800,030. The Sewerage and Water Board are taking steps in the right direction and understanding balance is necessary based on the population of customers and residents they serve. Mayor Cantrell stated it is inspiring to see the utility company being intentional in how they move and manage. She thanked the Board for being very consistent and engaged.

Smart metering is underway moving the utility into the 21st century. Over 7,000 smart meter readers have been installed, modernizing the utility, and eliminating billing estimations. Mayor Cantrell acknowledged the work happening with the power complex and Board for responding to the needs of

the utility. The utility is a priority for the city. Mayor Cantrell gave a shoutout to Director Sloss, Director Howard and those leaning in on the task force meetings, your presence is valuable. Also, a big thanks Renee Lapeyrolerie, Chief of Staff, for her leadership with legislator. Mayor Cantrell stated to push back the state of utility to the middle of the quarter this year to allow the task force to complete their process and aligned on phase approaches to the investments they are making.

Mayor Cantrell presented a motion to accept the minutes of the March 4, 2024, Board Meeting. Director Barnes moved for approval of the minutes. Director Psychaud seconded. The motion carried.

COMMITTEE REPORTS

Audit Committee Report

Director Maurice Sholas reported on the summary and actions taken by the Audit Committee. The Audit Committee Report for the month of March was presented and recommended for approval.

Mayor Cantrell asked for a motion to adopt the Audit report as amended. Director Kennedy moved to adopt Audit minutes as proposed. Director Sloss seconded. The motion carried.

Strategy Committee Report

Director Robin Barnes reported on the summary and actions taken by the Strategy Committee. The Strategy Committee Report for the month of March was presented and recommended for approval.

Mayor Cantrell asked for a motion to adopt the Strategy report as amended. Director Sloss moved to adopt Strategy minutes as proposed. Director Antrup seconded. The motion carried.

Finance & Administration Committee Report

Director Lynes Sloss reported on the summary and actions taken by the Finance and Administration Committee. The Finance Report for the month of March was presented and recommended for approval.

Mayor Cantrell asked for a motion to adopt the Finance report as amended. Director Psychaud moved to adopt Finance minutes as proposed. Director Howard seconded. The motion carried.

Governance Committee Report

Director Tamika Duplessis reported on the summary and actions taken by the Governance Committee. The Governance Committee Report for the month of March was presented and recommended for approval.

Mayor Cantrell asked for a motion to adopt the Governance report as amended. Director Sloss moved to adopt Governance minutes as proposed. Director Barnes seconded. The motion carried.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Ghassan Korban presented a slide overview that focused on the following topics:

Pumping and Power Reporting

Existing Efforts

- Continue to share Pump and Power Status with traditional media and social media prior to severe weather event.
- Now updated with information about one inch per hour metric

Moving Forward

- Updated dashboard will have additional features and user engagement.
- Videos and animations explaining New Orleans' drainage system.
- 40.5 MW Currently Available
- Current Power Statuses as of March 27, 2024

Turbine 4 Update

- Previously offline since February 3 due to coolant oil water intrusion
- Repairs completed and testing underway when operator error contributed to damaged bearings.
- Contractor immediately engaged to initiate investigation and repairs.
- Repair timeline – 5 to 7 weeks (end of April/early May)
- Internal investigation being conducted on process controls.

Short-Term Power Plan

- Communication device in EMD #3 has been repaired, adding 2.5 megawatts of 25 Hz power.
- Repair the radiator of EMD #1, adding 2.5 megawatts of 25 Hz power (timeline to be determined)
- Replace the voltage regulator of EMD #2, adding 2.5 megawatts of 25 Hz power (anticipated timeline four to six weeks)
- Repair Frequency Changer #4, adding 6 megawatts of 25 Hz power (anticipated timeline three to five weeks)
- These assets back online would take our power generation capabilities to 51.5 megawatts.
- With Turbine 4 online, 70 megawatts would be available.
- New air compressors recently installed to improve EMD reliability.

SWBNO Power Complex Progress

Entergy Substation Work Complete

SWBNO Connections and Backup Plant

- Utility rack – 85% complete
- Foundations for SFCs, T7, transformers, and auxiliary equipment being poured.
- Transformers and turbine equipment in storage

Recent Funding Challenges

- Contract Bid 1420 was \$20+ million over budget, based on initial engineering estimates.
- City Council Public Budget Meeting on April 2 to discuss gap in estimate, lessons learned, and proposed funding plan.

Pavement Restoration Backlog Progress

- Paving Backlog continues to decrease as projected.
- Average response timeline has dropped from 101 days in early/mid 2023 to 71 days currently.
- New contract has been awarded and renewals of existing contracts will also take place as a result of Infrastructure Advisory Board
- Aim to reduce backlog so repairs can be completed within 2-4 weeks.

Promise Pay | Customer Service Progress

- Over 4,200 Promise Pay payment plans activated.
- \$830,000+ payments collected.
- Over \$10 million promised.
- 98% retention rate

Billing Enhancement Initiative

- As we prepare to transition to billing from Smart Meters, we have assembled a special team to conduct a comprehensive review of our data management systems, identifying and addressing any weaknesses that may contribute to billing inaccuracies.
- Includes data entry processes, validation mechanisms, and system integrations with the goal of a seamless Smart Meter transition.

Smart Metering Update

- Accuracy of Smart Meters leads to more precise billing.
- Currently evaluating the impact on our customers
- Each customer uses water differently, Impact is different for each customer.
- Community Outreach continues.
- Presented at 50+ neighborhood meetings.

- 10 meetings in March
- Detailed design of the customer portal is underway.
- We are installing meters of all sizes and all customer types.
- Installed more than 7000 meters across the city.

Governor’s SWBNO Taskforce

Three Public Taskforce meetings were held.

- First meeting: SWBNO Overview
- Second meeting: Public Comment
- Third meeting: Suggested Recommendations
- Taskforce recommendations are due to the Governor today.
- Governor will review recommendations, some may lead to State legislation.
- Zoom recordings and minutes are available.

ACTION ITEMS

ACTION ITEMS

- Resolution (R-066-2024) Declaration of Vacancy on the Board of Directors for Sewerage and Water Board of New Orleans, Council District A
 - **Director Antrup moved to accept (R-066-2024). Director Barnes seconded. The motion carried.**

CORRESPONDING RESOLUTIONS

- Resolution (R-064-2024) Authorizing Performance of Internal Audit Plan
- Resolution (R-065-2024) Louisiana Compliance Questionnaire

General Superintendent Recommendations

The following resolutions were discussed at the March 13, 2024, Finance & Administration Committee Meeting

- Resolution (R-053-2024) Second and Final Renewal of Contract 8168 – Repaving Open Cuts in Streets, Driveways, and Sidewalks Resulting from the Repair to the Sewerage and Water Board of New Orleans Underground Utilities Between the Sewerage and Water Board of New Orleans and CMG Pipelines
- Resolution (R-036-2024) Award of Contract 8171 – Repaving Open Cuts in Streets, Driveways, and Sidewalks at Various Locations Throughout Orleans Parish Between the

- Sewerage and Water Board of New Orleans and Fleming Construction Co, LLC
- Resolution (R-051-2024) First Renewal of Contract 2162 – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites Throughout Orleans Parish Between the Sewerage and Water Board of New Orleans and Boh Bros. Construction Co., LLC
 - Resolution (R-052-2024) First Renewal of Contract 2163 – Water Main Point Repair, Water Service Connection, Water Valve and Fire Hydrant Replacement at Various Sites Throughout Orleans Parish Between the Sewerage and Water Board of New Orleans and Boh Bros. Construction Co., LLC
 - Resolution (R-037-2024) Ratification of Change Order No. 3 for Contract 1415 – West Power Complex Foundations and Underground Package Between the Sewerage and Water Board of New Orleans and M.R. Pittman Group, LLC
 - Resolution (R-038-2024) Ratification of Change Order No. 06 for Contract 1417 – Static Frequency Converter Between the Sewerage and Water Board of New Orleans and Walter J. Barnes Electric Co., Inc
 - Resolution (R-054-2024) Ratification of Change Order No. 1 for Requisition No 21006 – DPS No. 6 I Pump Repair and Installation Between the Sewerage and Water Board of New Orleans and Xylem Water Solutions U.S.A., Inc
 - Resolution (R-049-2024) Ratification of Change Order No. 06 for Contract 1418 – Carrollton Water Plant Utility Rack Between the Sewerage and Water Board of New Orleans and M.R. Pittman Group, LLC
 - Resolution (R-055-2024) Approval of Change Order No. 3 for Contract 1438 – Combustion Turbine Generator 7 Procurement between the Sewerage and Water Board of New Orleans and Solar Turbines, Inc.
 - Resolution (R-027-2024) Authorization of Final Acceptance of Contract 30245 – Carrollton Basin Sewer Rehabilitation No. 3 Between the Sewerage and Water Board of New Orleans and Palmisano Construction. LLC
 - Resolution (R-039-2024) Authorization of Final Acceptance of Contract 1447 – Boiler House Fan Modifications Between the Sewerage and Water Board of New Orleans and Walter J. Barnes Electric Co., Inc
 - Resolution (R-040-2024) Authorization of Final Acceptance of Contract 30237 – Restoration of Gravity Flow Sanitary Sewer Mains by Point Repair at Various Sites Throughout Orleans Parish Between the Sewerage and Water Board of New Orleans and Wallace C. Drennan, Inc.

Mayor Cantrell asked for a motion to approve Corresponding Resolutions in Globo. Director Duplessis moved to accept Corresponding resolutions as proposed. Director Kennedy seconded. The motion carried.

Mayor Cantrell presented a motion to enter executive session. Director Sloss moved. Director Duplessis seconded. The motion carried.

Director Sloss presented a motion to exit executive session. Director Barnes moved. Director Peychaud seconded. The motion carried.

Director Sloss presented a motion to approve the salary increase of 3% for the Executive Director. Director Kennedy moved. Director Howard seconded. The motion carried.

Director Sloss presented a motion to approve the request to increase the annual limit carry over of the Executive Director unused annual leave from 45 days to 90 days. Director Barnes moved. Director Antrup seconded. The motion carried.

INFORMATION ITEMS

The following items were submitted for informational purposes only:

- Report Preliminary Financial Results
- Report General Superintendent
- Report Human Resource
- Report Legal
- Report Safety
- FEMA Project Worksheet Status
- DBE Participation on Contracts Report

PUBLIC COMMENTS

No Public Comments

ADJOURNMENT

There being no further business to come before the Board of Directors, Director Duplessis moved to adjourn. Director Howard seconded. The motion carried. The meeting adjourned at approximately 11:23 AM.