

BOARD OF DIRECTORS' MEETING

October 17, 2018

MEETING MINUTES

SEWERAGE AND WATER BOARD OF NEW ORLEANS

ROLL CALL

The Board of Directors of the Sewerage and Water Board of New Orleans (SWBNO) met on Wednesday, October 17, 2018 at 9:04 AM in the Board Room at 625 St. Joseph Street. Deputy Special Counsel, Ms. Yolanda Grinstead, called the roll and confirmed the following members were present: Director Andrew Amacker, Director Joseph Peychaud, Director Alejandra Guzman, Director Lewis Stirling, III, Director Lynes Sloss, Director Dr. Tamika Duplessis, Director Robin Barnes, Director Nicole Barnes, and Hon. LaToya Cantrell.

The following member(s) were absent: Director Ralph Johnson, Director Eileen Gleason

Also present were: Ms. Geneva Coleman, The Hawthorne Agency, Inc.; Mr. Randy Smith, Royal Engineers; Ms. Brenda Thorton, Communirep; Rev. Dr. Ernest Marcelle, Jr., Rev. William Barnwell, Rev. Gregory Manning, Ms. Sylvia McKenzie, Mr. Pat Bryant, Justice and Beyond; Mr. Russell Kelly, ATCO Services, LLC; Mr. Joseph Sensebe, Mr. Robert Turner, PE, I-Team; Ms. Rita Lagrand, Lakeview; Mr. Lloyd Lazard; Mr. Jason Anders, Plant N Power, LLC; Mr. Kerry Nix, The Lens; Ms. Bambi Hall, GEC.

Staff present were: Mr. Ghassan Korban, Executive Director; Mr. Bruce Adams, Interim General Superintendent; Ms. Yvette Downs, Chief Financial Officer; Mr. Richard Rainey, Deputy Director, Communications; Ms. Rosita Thomas, Finance Department; Ms. Jacqueline Winston, Ms. Candace Newell, Board Relations; Ms. Yolanda Grinstead, Special Counsel; Ms. Mary Beth Arceneaux, Legal Dept.; Mr. Dexter Joseph, Budget Dept.; Mr. Robert Jackson, Community & Intergovernmental Relations; Ms. Conestler Green, Purchasing; Ms. Irma Plummer, EDBP; Mr. Eric Labat, Chief of Operations; Mr. Ron Spooner, Chief of Engineering; Mr. Ramsey Green, Chief Administrative Officer, Infrastructure; Ms. Grace Birch, Mr. Curtis Elmore, Communications; Mr. Jason Higginbotham, Mr. Leon Contreras, OEM; Mr. J'Hue Joseph.

Prior to the start of the Board of Directors' meeting, Mayor Cantrell welcomed Director Alejandra Guzman to the Board.

APPROVAL OF PREVIOUS MINUTES

Director Lynes Sloss moved for approval of the Minutes of September 19, 2018. Director Robin Barnes seconded. The motion carried.

Pension Committee Report

Director Joseph Peychaud read the report of the Pension Committee. Director Lynes Sloss moved for approval of the report of the Pension Committee. Director Lewis Stirling seconded. The motion carried.

Finance and Administration Committee Report

Director Lynes Sloss read the report of the Finance and Administration Committee. Director Dr. Tamika

Duplessis moved to accept the report of the Finance and Administration Committee. Director Robin Barnes seconded. The motion carried.

Audit Committee Report

Director Dr. Tamika Duplessis read the report of the Audit Committee. Director Lewis Stirling, III moved to accept the report of the Audit Committee. Director Lynes Sloss seconded. The motion carried.

CORRESPONDING RESOLUTIONS

The following resolutions were approved at the October 2018 Finance and Administration Committee Meeting:

- R-129-2018 – Expedited work on DPS 6 and DPS 7
- R-142-2018 – Emergency Pump/Spare Parts for Old Carrollton Delta Process
- R-130-2018 – DPS 20M.R. Pittman Group
- R-131-2018 – DPS 6, I Pump Alfred Conhagen, Inc.
- R-132-2018 – DPS 1 and DPS 11 Alfred Conhagen, Inc.
- R-133-2018 – DPS 6 and DPS 5 Bollinger
- R-134-2018 – DPS 11 Pump B Bollinger
- R-135-2018 – Old Carrollton Underpass Pump Advanced Industrial Products
- R-136-2018 – Grant DPS 2 and 4 Industrial and Mechanical Contractors
- R-137-2018 – Emergency Diving Inspection Services Specialty 7-MWI Pump Rental
- R-138-2018 – Emergency Pump Rentals DPS 5 and DPS 7-Temporary Pump
- R-139-2018 – DPS 5 and DPS 7-MWI Pump Rental
- R-140-2018 – Emergency Crane Rental for Pump Repair ALL Crane Rental
- R-143-2018 – Emergency Repair to Gearbox at DPS 15-Philadelphia Gear
- R-117-2018 – Contract 1352 – Hurricane Katrina Related Pump Replacement Package at CWP –
Ratification of CO #12 and Final Acceptance
- R-116-2018 – Contract 6247 – Hazard Mitigation Grant Project Carrollton Water Purification Plant STG No. 4-
CO #14
- R- 126-2018 – Contract 30006 – Restoration of Existing Gravity Sewer Mains Damaged by Hurricane Katrina-
CO #2 and Final Acceptance
- R-078-2018 – Change Order #1 Contract 3664
- R-147-2018 – HNTB Amendment No. 1 – Design and Engineering for Algiers Water Treatment Plant Design
Services
- R-146-2018 – Veolia Capital Program Management EB/WBWWTP’s Extension – Amendment No. 2
- R-158-2018 – Contract 30216 – Final Renewal of Contract – Sewer Point Repair One Year Renewal
- R-163-2018 – Update to the SWBNO Hazard Mitigation Plan
- R-152-2018 – Resolution of Thanks to John Wilson

Director Lewis Stirling moved to approve the Corresponding Resolutions in global. Director Joseph Peychaud seconded. The motion carried.

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Ghassan Korban gave his report.

116 of 120 pumps are fully operational; 4 pumps are out of service; repairs underway

DRAINAGE PUMPS UNDER REPAIR

Location	Pump	Capacity (CFS)	Scheduled Completion
DPS #15	#3	250	TBD
DPS #13	#5	1,000	October
DPS #4	Constant Duty	80	TBD
DPS #4	C	1,000	TBD
	Total	2,330 CFS	

There is interest in our pumping ability and our power capacity. Therefore, these two topics will be a regular feature of the Executive Director’s Report. The truth of the matter is we have an old system and we will always be working on a handful of pumps at any given time. This is routine and we feel like we are in a stable state.

➤ **25 Hz Power Assets Schedule**

Unit	Status/Expected Return to Service Date	Available MW
▪ Turbine #6	Available	3.75 MW*
▪ Carrollton Freq. Changer (1&2)	Available	8.5 MW
▪ Station D Freq. Changer (3&4)	Available	12 MW
▪ EMDs #2, 3, 4, 5	Available	10 MW
▪ Turbine #5	Available	20 MW
▪ Turbine #3	Available	12 MW
▪ Turbine #1	Available	6 MW
▪ Turbine #4	Commissioning underway	17 MW

*Turbine 6 is a 60 Hz generator that can produce 3.75 MW of 25 Hz power through a frequency changer. Mr. Korban added that while this gives us a level of comfort in that we are stable, he is going to continue with his message that this is where we may start feeling complacent and comfortable and lose sight of what the future looks like. He’s going to be right on in terms of what today looks like, but also what tomorrow looks like. We need to make a commitment to start planning for the future so that we know where we’re going.

PROGRESS AND GOALS

Billing

Executive Director Korban reiterated that regaining the confidence of our public is still our top priority. We

owe our customers 100% accurate and timely bills. The Sewerage and Water Board is continuing to work with Cogsdale who brought on the software. We have been in contact with Cogsdale for quite some time. Mr. Korban clarified the misunderstanding of what went on during the Quarterly Report that was presented to the City Council Public Works Committee. Chairman Giarrusso invited Cogsdale to come and present their case and answer questions from the committee.

One of the members of the Council asked specifically when Cogsdale was engaged about “the catastrophic failure of the system.” Mr. Korban provided his team has been very diligent towards addressing this issue from day one and the response from Cogsdale that we had not been engaged before June of 2018, giving the impression that Cogsdale was not notified of any issue prior to that, was misleading. Mr. Korban does not believe that this was Cogsdale’s intent, but that this is how the public perceived the statement from Cogsdale staff. Mr. Korban believes this is an unfair representation of what actually transpired. The S&WB has been in communication with Cogsdale for a long time. Mr. Korban invited Cogsdale down for a face-to-face not only to hold them accountable for failures in the billing process, but also to understand what they saw as the problem. Cogsdale had also met with the former Executive Director back in February 2018. Executive Director Korban wanted to make sure the media got the true and factual story.

Mayor Cantrell stated that these issues with Cogsdale were brought to the previous City Council prior to June 2018 while she was still serving on the Council.

SWBNO augmented our staff to look at the balance of the transfer accounts.

SWBNO brought on Utiliworks as a third-party to give us a very deep dive into the billing process, especially the customer service piece of how we address disputes and solve them before they advance to the administrative hearing process.

Outreach

Executive Director Korban is making himself available to talk to a variety of community organizations and faith-based groups to help resolve disputable accounts.

Mr. Korban spoke to a group of students from area high schools and Delgado Community College at the 2018 Water Environment Federation’s Technical Exhibition and Conference (WEFTEC) held in New Orleans September 29 – October 3.

The Water Dogz competed again this year and put forth their best efforts.

The Mayor spoke on The State of the City. There was representation from the Board of Directors.

The Customer Service, Emergency Management, Environmental, and Human Resources staff used their own time to represent the Sewerage and Water Board (S&WB) at the Gentilly Fest on Sunday, October 14th. The team with the Mobile Emergency Unit touched 52 customers and Human Resources touched 47 people who showed an interest in working for the S&WB.

On Tuesday, October 16th, S&WB participated in the Night Out Against Crime.

A team representing S&WB participated in the Making Strides of New Orleans breast cancer run on October 13th.

Canals

The canals are a key component of the drainage system. We will be developing a maintenance schedule for all of the canals. There will be a notice of when maintenance is scheduled and what kind of maintenance (cutting, dredging, etc.) will occur, so that the public is aware.

New Website

We have launched our new website! It is going to be a tool to inform the public of what we are doing and why. It is a fresh new look that was a self-initiated effort by the Communications Department. The staff is very proud of what they have accomplished. Mr. Korban wanted to acknowledge their initiative and all their hard work.

Goals

In addition to maintaining the canals and launching a new website, the S&WB wants to be like any other utility – responsible and accountable. With the help of Fred Tharp and his team, we have a plan to start addressing the street patches throughout the city in a very aggressive way. Mr. Korban stated that the work is scheduled to begin as early as Monday, October 22, 2018. Since capacity is an issue in terms of contracting, as well as funding, we are going to have to be very systematic and efficient. The goal is to change the public's image of the S&WB so that they do not continue to associate us with only billing issues and patches on the streets all over the city.

We just launched the pension payment in a modernized way. Now, retirees are getting their checks automatically. We are aiming to have a fully automated payroll as early as January 1, 2019.

Regarding internal controls, Mr. Korban pointed out that we have no means of measuring our performance. Having looked at the internal audit function within the utility, Mr. Korban felt that it is buried too deeply in the organization, and he wants to make it more visible on what would be a new organizational chart. The more we self-police and create our own audit, the less likely others will scrutinize us, which is Mr. Korban's goal.

Mr. Korban reiterated that a key component of what we do is our people. Admiral Callahan is working tirelessly touching every piece of employee relations and improvements. Admiral Callahan has plans to bring institutions of higher learning located in New Orleans to SWBNO so employees can get the education and training from within. We are looking at safety, recognition, and various other programs that will help boost morale and excite people who are considering working for the utility.

Mayor Cantrell is excited and eager to help on the administrative side relative to DPW with the paving restoration. This was something that came out of the meetings with the Transition Team that was created during her transition. The paving restoration was one of the major recommendations for the S&WB and DPW to get DPW out of that business of filling and waiting. The S&WB has taken ownership and the City has made it a priority to make sure that those resources are funneled appropriately in order for the S&WB to move this project forward.

Mr. Ron Spooner gave an update on the water towers. The Claiborne Avenue tower is scheduled to come online on November 9, 2018, pending no other issues.

HONORS AND AWARDS

Mr. Fred Tharp, Chief of Networks Administration, introduced the honorees from the Networks Department: Mr. Kevin Pepp; Mr. Eldridge Randolph, Jr.; The Water Dogz (Mr. Jerome Marshall, Mr. Ederick Trask; Mr. Brian Patterson, Mr. Russell Washington). The Water Dogz also presented the Mayor with a team jersey. Mayor Cantrell thanked the team for the jersey and plans to join them in the field in the near future.

Mr. Eric Labat, Chief of Operations, introduced the electricians from our Facilities Maintenance group. They were being recognized for stellar work that was done in the restoration of C Pump at DPS 4. The honorees were Mr. Rick Ranko, Mr. Ernest Roy, Mr. Donald Johnson, Mr. Richard Childress, and Mr. Timothy Hood.

Ms. Yvette Downs stated that she was grateful to see employees being recognized for their dedication to this

system, despite negative media reports. We see it on a daily basis but the public does not get to see it. They continue to do their best in challenging situations. Ms. Downs stated that she is proud to be among them.

Director Robin Barnes feels that if we acknowledge the accomplishments of our employees through the media and communications, this would help to build our brand by humanizing the organization.

Admiral David Callahan gave an update on the HR Report. There is now a working relationship with Civil Service with complete transparency and movement of information. He is working to bring the number of vacancies down, which is currently at around 350. Succession Planning is an area that is in need of much improvement.

Mr. Korban and Admiral Callahan created the Executive Director's Employee Advisory Council (EDEAC) which is a committee of about 25 employees from across the organization with a direct line to the Executive Director that will meet and address issues of employee concerns and incentives.

The Orientation and Onboarding Program was created to make people feel a part of the organization. We are partnering with colleges. A Leadership and Development Program was also created.

INFORMATION ITEMS

The following items were submitted for informational purposes only:

- Financial Results through August 2018
- Monthly Human Resources Activity Report for the Period September 1- 30, 2018
- Executive Director's Approval of Contracts of \$1,000,000.00 or Less
- Report of the General Superintendent
- Report of the Special Counsel
- FEMA Report
- DBE Participation on Contracts

PUBLIC COMMENTS

The following persons appeared before the Board of Directors to make comments:

- Rev. William Barnwell from Justice and Beyond wants to find a way to work together instead of having lawsuits.
- Rev. Gregory Manning from Justice and Beyond gave a summary of their meeting with Executive Director Ghassan Korban.
- Rev. Dr. Ernest Marcelle, Jr. stated that he has increasing water bills and that his meter is still not being read.
- Mr. Pat Bryant requested a response from the Board of Directors and Executive Director Ghassan Korban in response to a portion of a letter that he read which was addressed to Mr. Russell Kelly. In response to the Executive Director's Report, Mr. Bryant also proposed an employee union.
- Mr. Lloyd Lazard addressed the Board in reference to the Audit Committee and EDB participation.
- Mr. Russell Kelly from ATCO expressed his concerns relating to his dispute with Plant-N-Power.
- Mr. Jason Anders, Esq., attorney for Plant-N-Power, addressed the Board regarding Mr. Russell Kelly's dispute with Plant-N-Power.
- Mr. Michael Burnside requested a small greenwater project be constructed on his personal property.
- Ms. Sylvia McKenzie, from the Rosedale Neighborhood Association, wanted to know how contractors and sub-contractors are held accountable for crucial errors that occur on jobs that they are given.

EXECUTIVE SESSION

Director Dr. Tamika Duplessis moved to enter into Executive Session. Director Lynes Sloss seconded. The motion carried.

Director Sloss moved to leave Executive Session and return to Regular Session. Director Andrew Amacker seconded. The motion carried.

There were no action items taken during Executive Session.

ADJOURNMENT

There being no further business to come before the Board, the meeting adjourned at approximately 11:27 AM.