



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

Sewerage & Water Board OF NEW ORLEANS

LATOYA CANTRELL, PRESIDENT

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July 7, 2021

The Finance and Administration Committee met on Wednesday, July 7, 2021, via Microsoft Teams. The meeting convened at approximately 9:00 A.M.

1. ROLL CALL

Present:

Director Lynes Sloss
Director Janet Howard
Director Ralph Johnson
Director Alejandra Guzman
Director Joseph Peychaud

Absent:

2. CASH FLOW OVERVIEW

Mr. Grey Lewis, Chief Financial Officer, presented an update on the cash flow situation at the SWB, as it is critical that the SWB maintain sufficient cash flow levels to continue operations, and meet our bond requirements. Our 2021 water and sewer cash flow levels are comparable to our 2020 levels at the end of May, however there are no rate increases in 2021 in both Water and Sewer, and there have been increased delinquent accounts attributable to the COVID pandemic. The F&A committee received an update on the plan to resume normal collections in August after a series of notifications and outreach to customers starting with a formal press release announcing the resumption of water shutoffs after a notice letter has been sent out giving the customer an opportunity to request a payment plan of up to 24 months. Customer bills will be verified for accuracy and the last bill must include an actual read with appropriate true up of estimates before a customer can receive a notice for shut off and the last billing cannot exceed 33 days. The Committee requested routine updates throughout the process of resuming normal collections which the CFO indicated based on internal capacity would take approximately 6 months to reach out to all delinquent customers. Management continues to strive to reduce expenses and manage cash to meet our financial requirements. Currently, we are on track to meet Days Cash on Hand and the Debt Service Coverage Requirements and the

2020 annual audit has now been completed and filed with the Louisiana Legislative Auditor on the June 30th deadline. Additionally, there was a presentation on the WIFIA loan program by Lisa Daniel, Financial Advisor with PFM – the WIFIA loan will provide key project financing for the Sewer consent decree plan and with a 49% loan from the EPA. The loan is currently expected to close at the end third quarter after all required approvals by the City, BOLCD and BOD.

3. **ACTION ITEMS**

- Resolution (R-091-2021) Renewal of Microsoft Enterprise License Agreement
 - **Director Ralph Johnson moved to accept R-091-2021. Director Janet Howard seconded. The motion carried.**

- Resolution (R-092-2021) Authorization of Amendment No. 2 to The Support and Maintenance Agreement Between the Sewerage and Water Board of New Orleans and Cogsdale Corporation for Enhanced Services Including System Integrations, Upgrades for Great Plains Human Resources and Cogsdale CSM Billing System and Related Systems
 - **Director Janet Howard moved to accept R-092-2021. Director Ralph Johnson seconded. The motion carried.**

GENERAL SUPERINTENDENT'S REPORT

CONTRACT AWARDS

- Resolution (R-065-2021) Award of Contract #30237 – Restoration of Gravity Flow Sanitary Sewer Mains by Point Repair at Various Sites throughout Orleans Parish to Wallace C. Drennan, LLC
 - **Director Ralph Johnson moved to accept R-065-2021. Director Janet Howard seconded. The motion carried.**

CONTRACT CHANGE ORDERS

- Resolution (R-055-2021) Ratification of Change Order No. 3 Between the Sewerage and Water Board of New Orleans and Walter J. Barnes Electric Co. for Contract 1370A – 60HZ Transformers and Switchgear

- Resolution (R-079-2021) Ratification of Change Order No. 3 Between the Sewerage and Water Board of New Orleans and M. R. Pittman Group, LLC. for Contract 1377 – Water Hammer Hazard Mitigation Program Claiborne Ave Pumping Station and Off-Site Improvements
- Resolution (R-066-2021) Ratification of Change Order No. 3 Between the Sewerage and Water Board of New Orleans and Cycle Construction Company, LLC. for Contract 1403 – Demolition of Abandoned C-7 and C-8 Basins and Other Site Improvements at the Carrollton Water Plant.
- Resolution (R-067-2021) Ratification of Change Order No. 5 Between the Sewerage and Water Board of New Orleans and Industrial and Mechanical Contractors, Inc. for Contract 3799 – Installation of Sludge Dryer at the East Bank Wastewater Treatment Plant
 - o **Director Ralph Johnson moved to accept Contract Change Orders. Director Janet Howard seconded. The motion carried.**

CONTRACT ADMENDMENTS

- Resolution (R-068-2021) Authorization of Amendment No. 7 to the Agreement Between the Sewerage and Water Board of New Orleans and Arcadis U.S. INC. for Design and Engineering Services for the Water Line Replacement Program
- Resolution (R-069-2021) Authorization of Contract Amendment No. 5 to the Agreement Between the Sewerage and Water Board of New Orleans and Black and Veatch Corporation for Design and Engineering Services for the Waterline Replacement Program
- Resolution (R-070-2021) Authorization of Contract Amendment No. 5 to the Agreement Between the Sewerage and Water Board of New Orleans and Hartman Engineering Inc. for Design and Engineering Services for the Waterline Replacement Program
- Resolution (R-071-2021) Authorization of Contract Amendment No. 8 to the Agreement Between the Sewerage and Water Board of New Orleans and Linfield, Hunter & Junius, Inc., for Design and Engineering Services for the Waterline Replacement Program
- Resolution (R-072-2021) Authorization of Amendment No. 9 to the Professional Service Agreement Between Sewerage and Water Board of New Orleans and MWH Americas, Inc. (predecessor in interest to Stantec Consulting Services, Inc.) for Design and Engineering Services for the Water Line Replacement Program

- Resolution (R-073-2021) Authorization of Contract Amendment No. 2 to the Agreement Between the Sewerage and Water Board of New Orleans and Jacobs Engineering Group, Inc. for Design and Engineering Services for the Power Frequency Converter at Carrollton Water Plant
- Resolution (R-074-2021) Authorization of Amendment No 7. To the Agreement Between the Sewerage and Water Board of New Orleans and Neel-Schaffer for Design and Engineering Services for Water Line Replacement Program
 - o **Director Janet Howard moved to accept Contract Amendments. Director Ralph Johnson seconded. The motion carried.**

4. **INFORMATION ITEMS** –

The information items were received.

5. **PUBLIC COMMENT** –

None.

6. **ADJOURNMENT**

There being no further business to come before the Finance and Administration Committee Meeting. The meeting adjourned at approximately 10:15 AM.

Respectfully submitted,

Lynes Sloss, Chair