

BOARD OF DIRECTORS' MEETING

March 19, 2025

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 19, 2025, at 9:00 a.m. in the Executive Boardroom. Special Counsel, Ms. Yolanda Grinstead called the roll and confirmed the following members were present: Hon. Mayor LaToya Cantrell, Hon. Freddie King III, Director Joseph Peychaud, Director Robin Barnes, Director Lynes Sloss, Director H. Davis Cole, Director Janet Howard, Director Chadrick Kennedy, Director Tyler Antrup, Director Maurice Sholas.

The following member(s) were absent: Director Tamika Duplessis

Staff present were: Ghassan Korban, Executive Director; Jamie Parker, Interim Chief of Staff; Grey Lewis, Chief Financial Officer; Stephen Nelson, General Superintendent; Darryl Harrison, Deputy Special Counsel; Susanna Kirby; Brionne Lindsey, Board Relations; Giselle Smothers, Board Relations; Water Quality Team, Water Plant.

Mayor LaToya Cantrell began her remarks by acknowledging the recent Super Bowl event held in New Orleans. She highlighted the consistent efforts of the Sewerage and Water Board, which were made possible through a unified and collaborative approach. The Sewerage and Water Board played a crucial role, with admiration going to the Water Purification, Pumping, and Power teams that are vital for maintaining water quality. These teams effectively met the public's needs through their efficient operations. The Water Quality Team was present during the meeting.

In a related update, the Hub Grade Center has partnered with the Utility and is now operational as the only facility of its kind in North America, located in New Orleans. These teams collaborate closely to monitor water production and pumping capacity, ensuring health standards and the safety of our residents. None of this would be achievable without your dedication. On behalf of the Board and Leadership, we express our gratitude and support for your hard work.

Acknowledgments:

Water Purification Team: Kenneth Hopel, Steven Ware, Edward Azemas, Alton DeLarge III.

Pumping and Power Team: Shawn De Jean, Sam Lewis, Ben Poole III, Richard Syleve.

The utility is on track to reach a remarkable milestone of installing 140,000 mechanical meters by the end of 2025, currently exceeding projections. This accomplishment is a testament of the Water Boards' progress. In recognition, the South Claiborne Transmission Project is complete. This project involved replacing a 48-inch water main originally installed in 1907. The

transformative impact this initiative brings to our infrastructure is appreciated. Your team and dedication are the utilities most valued asset.

Additionally, fifty applications have been received for the Executive Director position. This strong interest signals that many individuals are eager to be a part of our utility. Thank you to S&WB leadership and the committee for their efforts. The organization remains committed to upholding transparency and ensuring that the priorities of our utility are at the forefront of all our endeavor, stated by the mayor.

APPROVAL OF PREVIOUS MINUTES

Mayor Cantrell presented a motion to accept the minutes of the February 19, 2025, Board Meeting as amended. Director Howard moved for approval of the minutes. Director Sloss seconded. The motion carried.

COMMITTEE REPORTS

Strategy Committee

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

- **Mayor Cantrell asked for a motion to adopt the Strategy report. Director Anthrup moved to adopt the Strategy minutes as proposed. Director Peychaud seconded. The motion carried.**

Audit Committee

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

- **Mayor Cantrell asked for a motion to adopt the Audit report. Director Barnes moved to adopt the Audit minutes as proposed. Director Anthrup seconded. The motion carried.**

Finance & Administration Committee Report

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

- **Mayor Cantrell asked for a motion to adopt the Finance report. Director Sholas moved to adopt Finance minutes as proposed. Director Peychaud seconded. The motion carried.**

Governance Committee

Director Chadrick Kennedy reported in the summary and actions taken by the Governance Committee. The Governance Report for the month of February was presented and recommended for approval.

- **Mayor Cantrell asked for a motion to adopt the Governance Report. Director Sloss moved to adopt the minutes as proposed. Director Howard seconded. The motion carried.**

REPORT OF THE EXECUTIVE DIRECTOR

Executive Director Ghassan Korban began by expressing his gratitude and reflections of his decision to retire. He noted that he would share his parting remarks during his final meeting. Meanwhile, Mr. Korban quickly reflected on his tenure since he began with the Utility. Despite this transition, Mr. Koban conveyed his strong confidence in the Leadership Team, expressing satisfaction with their capabilities as he empowers them to make more decisions. The Utility is in good hands, he stated.

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

The Power Complex

- The complex is Anticipated to come online in summer 2025
- All Major Equipment has been delivered (CTG7, SFCs, Auxiliaries)
- Utility Rack cabling installation is ongoing
- Commissioning and Testing Planning
- DOE Grant secured through DNR
 - Next Steps: Subrecipient agreement
- The Power Complex will host the next month's meeting in April

The Power Complex

WPC Program - Phase 1 Completion Schedule - March 2025		Jan-25	Feb-25	Mar-25	Apr-25	May-25	Jun-25	Jul-25	Aug-25	Sep-25	Oct-25	Nov-25	Dec-25
Element	WPC Schedule												
Preparation Activities	1418 (Utility Rack)	Complete											
	1415 Piling, Underground Ductbank, Foundations, Retaining Wall	Complete											
1420 Install & Commission Equipment	1420 Install SFC 1 / Interconnect Modules / Set Ancilliary Eqpt (1417)												
	1420 Install SFC 2 / Interconnect Modules / Set Ancilliary Eqpt (1417)												
	1420 Install SFC 3 / Interconnect Modules / Set Ancilliary Eqpt (1417)												
	1420 Install Interim Switchgear PDC 2 (1427)												
	1420 Install Switchgear PDC 1 (1427)												
	Interconnect cables from SFCs to Central Control												
	Interconnect to Entergy Sullivan Substation												
	Design / Implement PDCS Control System												
	Startup/Commission individual SFC's & PDC's							★	★	★			
	1420 Set/Assemble GSU6/GSU7 Transformers (1440)												
	1420 T250 CTG 7 / FGC / EER / XFMR Installation (1438)												
	1420 FO Tank Area Equipment Installation												
	Startup/Commission CTG T7 and ancilliary equipment									★			

Lead Service Line Replacement Program

City Projects to begin late Spring 2025

- \$86M in State Revolving Funds Secured
- \$66M State Revolving Funds Application in Progress
- Awarded - Contract for Potholing and LSL Replacements at Schools and Daycares
 - Inspections at Schools to start in April 2025
 - Will repair at No Cost
 - Project anticipated to last 10 – 13 years
- RFP for Program Manager for the LSL Replacement Program
 - Firm will be selected this month (March)
- Mitigation:
 - Pitcher Distribution to Re-start

Installation Progress

- Over 94,000 meters installed
 - 67% of population
- Over 31% of customers have had a continuous usage event since installation
 - Continuous usage = potential leak
 - Proactively notifying customers, 46% have repaired their leaks

Director Howard asked how many of the events resulted in bills that have been written off as actual charges.

Billing Laws Implementation

- Third party administrator (HGI) appointed by City Council Ordinance implemented 9/6/24
 - Ongoing exchange between HGI and SWBNO to input adjustments & ensure accuracy
 - 9664 decisions 2024 (Sept.-Dec.)
 - \$18.7M in credits given
 - 1389 decisions 2025 (Jan.-Feb)
 - \$2.7M in credits
- Temporary fixed rate residential billing began
 - Fixed rate is based on usage and includes the “ready to serve” fee
 - 2000 accounts are now on fixed bill
- Arbiters
 - CEA has been executed with LLA who will administer the program
 - Arbitration Requests:
 - 175 accounts from SWBNO requested arbitration from September through February
- No more estimated bills beginning January 2025

Drainage Consolidation (Act 763)

- **2025 Funding:** \$18M estimated (IMF, Traffic Camera Revenues, ARPA funds)
- **2025 Goal:** Clean 10-15% of the system (4-5% internal 10% contractor efforts)
- Cleaning contractor proposals received with award anticipated in April mtgs
- Repairs for contract change order being routed and advertisement for larger repairs pending
- Initial engineering/management contract with consultant executed
- Permanent engineering consultant advertisement advertised shortly

Drainage Consolidation Internal Efforts

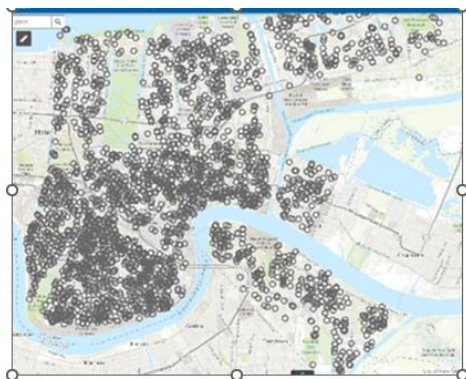
- 4 of 5 DPW vac trucks have been received
- Completed Cleaning on over 39,162 linear feet of drain lines and 569 storm drain structures
- Collected over 500,000lbs of debris
- Initial assessments showing 50% of lines require cleaning
- Assessments and cleanings based on 311 data ongoing
- Developing workforce by hiring and training staff continues
 - Director Sholas raised the possibility of hiring additional staff, which would present an opportunity for growth within the agency.
 - Mayor Cantrell stated that the city is hiring.
 - Director Barnes also noted an increased number of trucks are visible in the field.

Prioritizing Pavement Progress

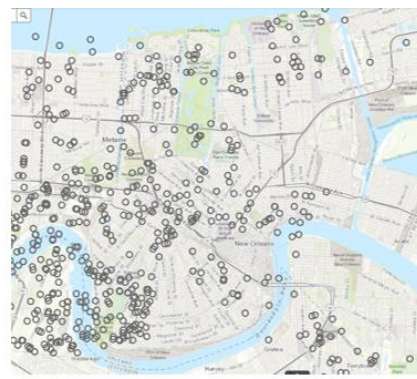
Paving repairs backlog
around **590** compared to
3000+ in late 2023

Paving restoration timeline is
30 days compared to
100+ days in 2023

Goal: to reduce backlog
which means repairs can be
completed within 2-4 weeks



Paving backlog from 6/21/2023



Paving backlog from 3/13/2025

- The diagram illustrates the considerable advancements the Utility has achieved from the summer of 2023 to the current year-to-date.
- There has been a notable decrease in backlog numbers, and the completed work indicates that operations are actively progressing.
 - Director Anthrup commended the team for their effective turnaround calls and the proactive measures being implemented to fulfill the requests associated with the work calls.
 - Mr. Steve Nelson expressed his pride in the Networks team for their successful accomplishments for achieving the work.

People Plan

- Conducted People Plan Survey
- Results determined: Employees are not in favor of continuing the effort
- Robust engagement resulted in feedback from employees on how we can improve internal workforce policies and process
- Leadership remains committed to implementing internal initiatives:
 - Improve onboarding and orientation
 - Improve employee communications (HR Connect)
 - Employee recognition opportunities

Executive Director Korban is profoundly disheartened by the survey results from the people plan, interpreting them as a personal shortcoming. He has been a strong advocate for this initiative since its inception.

The Board engaged in a comprehensive discussion, focusing on several key topics of significance.

Director Joseph Peychaud: What determination was made by the employees that lead to the rejection of the people plan? What's the plan to move forward?

Executive Korban shared the individuals are apprehension towards change, fearing the unknown and favoring the security of familiar circumstances. This plan presented an opportunity for increased compensation, enhanced promotion potential, and various positive outcomes that accompany the new model.

Mayor Cantrell advises all factors must be considered: the external influences, the political culture, and the narrative of the utility. Further suggesting the results presents an ideal opportunity to prioritize the Human Resources aspect; appoint a strong leader to the position for the long term, someone capable of bridging connections to foster trust within the system.

Director Sloss is profoundly disappointed in the results of the People Plan and viewed as a huge, missed opportunity. Sloss reviewed the plan as an opportunity for the employees to thrive beyond merit-based compensation, offering increased salary raises, more flexibility, and a chance to contribute more significantly to shaping the future of the HR function.

Director Howard requested that the People Plan is documented and submitted to the Operations Committee for review. She emphasized that the Plan is primarily a matter for the Board, rather than an operational concern. Additionally, Director Howard has asked for an outline and timeline detailing responsibilities so the progress can be effectively tracked.

Director Sholas shared the challenges in communication with leadership in Human Resources, particularly due to frequent turnover in that role. It seems Human Resources are often working with new individuals in Civil Service or those who are still in the learning phase. Rather than viewing the results as a setback, embrace it as an opportunity to enhance the communication skills. Director Sholas suggests meeting the people of the utility where they are and explain where they need to go.

ACTION ITEMS

Resolution (R-059-2025) Declaration of Vacancy on the Board of Directors for Sewerage and Water Board of New Orleans, Council District C.

Resolution (R-060-2025) Declaration of Vacancy on the Board of Directors for Sewerage and Water Board of New Orleans, Consumer/Community Advocate.

- **Mayor Cantrell asked for a motion to approve the Action Items. Director Sholas made a motion to accept the Action items as proposed. Director Barnes seconded. The motion carried.**

Director Robin Barnes commented: Encouraged active participation at every level to elevate our efforts in promoting the available positions throughout the campaign.

CORRESPONDING RESOLUTIONS

The following resolutions were discussed at the February 19, 2025, Finance and Administration Meeting:

General Superintendent Recommendations:

- Resolution (R-058-2025) Authorizing Performance of Internal Audit Plan
- Resolution (R-039-2025) Attestation to Completion of the Annual Auditor Compliance Questionnaire Required by the Louisiana State Legislative Auditor for our Fiscal 2024 Audit of the Annual Comprehensive Financial Report.
- Resolution (R-031-2025) 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.
- Resolution (R-041-2025) 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.
- Resolution (R-028-2025) Ratification of Change Order No. 1 for Contract 30249 – Carrollton Basin No. 8 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Impetus Infrastructure, LLC.
- Resolution (R-029-2025) Ratification of Change Order No. 2 for Contract 30260 – Carrollton Basin No. 19 Sewer Rehabilitation between The Sewerage and Water Board and Hard Rock Construction
- **Mayor Cantrell asked for a motion to approve Corresponding Resolutions in Globo. Director Sholas moved to accept Corresponding resolutions as proposed. Director Kennedy seconded. The motion carried.**

EXECUTIVE SESSION

Mayor Cantrell presented a motion to enter executive session at 9:52 a.m. Director Psychaud moved. Director Sholas seconded. The motion carried.

Mayor Cantrell presented a motion to exit the executive session at 10:29 a.m. Director Sloss moved. Director Sholas seconded. The motion carried.

INFORMATION ITEMS

The following items were submitted for informational purposes only:

- A. CFO – January 2025 Report
- B. GSO – February 2025 Report
- C. Legal – February 2025 Report
- D. Safety – February 2025 Report
- E. HR – February 2025 Report
- F. FEMA – February 2025 Report
- G. EDBP – February 2025 Report
- H. Procurement - February 2025 Report

PUBLIC COMMENTS

There were no public comments.

ADJOURNMENT

There being no further business to come before the Board of Directors, Director Psychaud moved to adjourn. Director Howard seconded. The motion carried. The meeting adjourned at approximately 10:30 a.m.