



625 St. Joseph Street
New Orleans, LA 70165
504.529.2837 or 52.WATER

May 14, 2025

The Finance and Administration Committee met on Wednesday, May 14, 2025, in the Executive Boardroom. The meeting convened at approximately 9:02 a.m.

1. **ROLL CALL**

Present:

Director Janet Howard
Director Joseph Peychaud
Director Robin Barnes

Members Absent:

Director Chadrick Kennedy

2. **CASH FLOW OVERVIEW**

Grey Lewis, Chief Financial Officer, presented an update on the March 2025 Preliminary financial results and liquidity position, as it is critical that SWBNO maintain sufficient cash flow levels to continue operations, and meet bond covenant requirements.

March 2025 revenues were \$17.4 below budget by \$5m below budget driven by a lower amount of bills issued. April has rebounded at \$27.6m above budget with 162k bills issued. Bill Volatility for the first 4 months of the year has existed with May looking to be a smoother month in terms of the billing cycles production. Smart meters have reached 110,000 with the project to reach substantial completion on residential customers by later this summer. Cash collections were up in March (\$20.6m) and April (\$21.7m) after a slower start to the year.

Operating expenses \$19.4m in March 2025 were well below conservatively set budget. The year end activities for the annual audit are well under way with the audit required to be done by next month. Past due receivables have remained flat at around \$65m with 11k of 25k customers past due not part of promise pay payment plan.

Susannah Kirby, Chief Customer Service Officer, presented on restructuring underway in Customer Service / Revenue to drive initiatives related to Smart Meter Delinquency monitoring, Overall collections efforts being more timely and Close tracking of Service Orders which drive workflow processes in the billing system. Additional resources have been added with CSM training and development of a manual of procedures to more timely address SM delinquency. Action lists have been provided to staff to address workflow items which were not previously able to be pulled from CSM Cogsdale with clear actionable steps. The presence of Protiviti Government Services as management consultants has brought 3-4 senior level consultants to



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augment staffing on the AR project. Management also reported on a parallel project to procure the next CIS system to replace CSM Cogsdale in the next couple of years after Smart Metering.

Zach Unger, Director and Sharon Chun, Senior Consultant of Protiviti presented on their phase 1 involvement in the AR project over the past several months including direct access in the billing system and gaining an understanding of the operating environment and typical data and reporting challenges being incurred with CSM Cogsdale. Protiviti covered workstream objectives, Key accomplishments, and next steps for their study of roughly 25,000 past due customers. Customers with arrearages were grouped to isolate instances of successive nonpayment months, water meter service orders, estimated reads and penalties assessed. Further on to the collections business workflow, Protiviti noted missing steps that need to take place in the billing system to fully complete the business workflow so all notice and collection activities will occur. Due to the plans to replace the system and SWBNO lack of mature process that prevent / detect errors timely, Protiviti discussed several paths to execute improvements and train staff and mid-level managers to oversee clerical actions. Further information on a Phase 2 proposal will be shared with Management. Information gathered with the help of Protiviti is being used to drive further enrollment into Promise pay payment plans.

ACTION ITEMS

- Resolution (R-075-2025) Amendment No. 2 to Agreement for Armed Security Guards at Board Facilities for Renewal
 - o **Director Kennedy moved to accept R-075-2025. Director Psychaud seconded. The motion carried.**

GENERAL SUPERINTENDENT'S REPORT

CONTRACT AWARD/RENEWAL

- Resolution (R-051-2025) Second Renewal of Contract 30246 – 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.
 - o **Director Psychaud moved to accept Contract Awards/Renewal. Director Barnes seconded. The motion carried.**

Board of Directors: Hon. LaToya Cantrell, President, Hon. Freddie King III, Robin Barnes, H. Davis Cole, Janet Howard, Chadrick Kennedy, Joseph Psychaud, Tamika Duplessis, Ph.D., Maurice Sholas, M.D., Ph.D., Tyler Antrup



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CONTRACT AMENDMENTS

- Resolution (R-050-2025) Authorization of Amendment No. 13 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-068-2025) Authorization of Amendment No. 10 to the Agreement between The Sewerage and Water Board of New Orleans and Integrated Logistical Support, Inc. for Design and Engineering Services for the Water Line Replacement Program.
 - o **Director Peychaud moved to accept Contract Amendments. Director Barnes seconded. The motion carried.**

CONTRACT CHANGE ORDER BY RATIFICATION

- Resolution (R-052-2025) Ratification of Change Order No. 1 for Contract 2165 – Transmission Main Replacement – South Claiborne Avenue (Louisiana Avenue to Third Street) - TM011 - Per FEMA JIRR Project Worksheets 21031 & 21032 between The Sewerage and Water Board of New Orleans and Cycle Construction Company, LLC.
- Resolution (R-063-2025) Ratification of Change Order No. 4 for Contract 30228 – Mid City Basin No. 2 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Fleming Construction Company, LLC.
- Resolution (R-064-2025) Ratification of Change Order No. 3 for Contract 30233 – Carrollton Basin No. 4 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Hard Rock Construction, LLC.
- Resolution (R-065-2025) Ratification of Change Order No. 4 for Contract 30236 – Carrollton Basin No. 6 Sewer Rehabilitation between The Sewerage and Water Board and BLD Services LLC.
- Resolution (R-066-2025) Ratification of Change Order No. 2 for Contract 30255 – Carrollton Basin No. 14 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and



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Fleming Construction Company, LLC

- Resolution (R-067-2025) Ratification of Change Order No. 2 for Contract 30256 – Carrollton Basin No. 15 Sewer Rehabilitation between The Sewerage and Water Board and Hard Rock Construction, LLC.
- Resolution (R-070-2025) Ratification of Change Order No. 4 for Contract 1420 – Power Complex Phase 1 Equipment Installation and Commissioning between Sewerage and Water Board of New Orleans and Frischhertz Barnes a Joint Venture.
 - o **Director Barnes moved to accept Contract Change Order by Ratification. Director Peychaud seconded. The motion carried.**

FINAL ACCEPTANCE

- Resolution (R-071-2025) Authorization of Final Acceptance for Contract 30228 – Mid City Basin No. 2 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Fleming Construction Group, LLC.
- Resolution (R-072-2025) Authorization of Final Acceptance for Contract 30236 – Carrollton Basin No. 6 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.
 - o **Director Peychaud moved to accept Final Acceptance. Director Barnes seconded. The motion carried.**

3. INFORMATION ITEMS

The information items were received.

4. PUBLIC COMMENT

None.

5. ADJOURNMENT



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There being no further business to come before the Finance and Administration Committee Meeting. Director Barnes moved to adjourn. Director Peychaud seconded. The motion carried. The meeting adjourned at approximately 9:48 a.m.