

# SEWERAGE & WATER BOARD OF NEW ORLEANS

## GOVERNANCE COMMITTEE MEETING

TUESDAY, SEPTEMBER 10, 2019

**10:30 AM**

6 2 5 S T . J O S E P H S T R E E T  
2 <sup>N D</sup> F L O O R B O A R D R O O M

Ralph Johnson, Chair • Robin Barnes  
Lynes Sloss • Jay. H. Banks • Janet Howard

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### FINAL AGENDA

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1. **ROLL CALL**

2. **DISCUSSION ITEMS**

- a. Bylaw Amendments – Initial Review
- b. Ad Hoc Committee – Creation and Charge

3. **EXECUTIVE SESSION**

Executive Director Evaluation Criteria

4. **PUBLIC COMMENT**

5. **ADJOURNMENT**

**BY-LAWS  
OF THE  
SEWERAGE AND WATER BOARD  
OF NEW ORLEANS**

**REVISED AND AMENDED THROUGH  
AUGUST 19, 2015**

**BY-LAWS  
OF THE  
SEWERAGE AND WATER BOARD OF NEW ORLEANS**

**ARTICLE I - MEETINGS OF THE BOARD**

Section 1:

Regular meetings of the Board shall be held on the third Wednesday of each month in the Sewerage and Water Board's Board Room.

In the event a regular meeting of the Board cannot be held on the third Wednesday of the month due to a legal holiday or other circumstances, or will not be held in the Sewerage and Water Board's Board Room, the President or President Pro Tem shall have the power to designate another day for the meeting either in the same week, in the week prior to, or in the week succeeding the week of the third Wednesday of that month and/or another location.

The time and location of the meetings shall be promulgated by the Executive Director's Office at least 24 hours in advance.

Section 2:

Special meetings may be called by the President of the Board, and shall be called by him when so requested in writing by four (4) members of the Board.

Written notice stating agenda and the time and the place of the meeting shall be served by the Executive Director on each member and promulgated at least 24 hours in advance.

Section 3:

No subjects shall be considered at special meetings, except those embraced in the call. However, upon approval of 2/3 of the members present, a matter not on the agenda may be taken up.

Section 4:

Six members shall constitute a quorum for the transaction of business at all Board meetings. Written notice stating the agenda and the time and place of the meeting shall be served by the Executive Director on each Trustee, and promulgated at least 24 hours in advance.

Eight members shall constitute a quorum for the transaction of any business by the Board of Trustees of the Employee's Retirement System of the Sewerage and Water Board of New Orleans.

Section 5:

In the absence of specific rules, policies, or procedures, Robert's Rules of Order, as newly revised, shall be used in conducting a meeting.

Section 6:

The meeting of the Trustees of the Employee's Retirement System of the Sewerage and Water Board of New Orleans ("Retirement System") shall be held during, before or after the Regular or Special Meetings of the Board.

## **ARTICLE II - OFFICERS**

### Section 1:

Officers of the Board shall be the President and the President Pro Tem. The Mayor of the City of New Orleans is the Ex-Officio President of the Board. The President Pro Tem shall be elected by a majority of the members of the Board.

### **ARTICLE III - ELECTIONS**

#### Section 1:

Voting shall be by viva voce, except if otherwise noted herein, a majority of all members present to prevail. Appropriations shall be by roll call vote.

## **ARTICLE IV - DUTIES OF OFFICERS**

### Section 1:

Appointments to the Board are made by the President as set forth in R.S. 33:4071. The President shall also make appointments to all Committees of the Board. The President shall preside at all meetings of the Board. He shall have authority to open all documents addressed to the Board. He shall have authority to sign all contracts, checks, warrants and other documents or papers in the name of the Board, and as directed by it. He has the right to vote at any meeting of the Board or any of the Board's committees. The President may also be authorized other duties as established by the Board.

### Section 2:

The President Pro Tem shall assume all the duties of the President in the President's absence, or at the President's direction, and any other duties and privileges as may be established by the Board. The President Pro Tem has the right to vote at any meeting of the Board or any of the Board's committees. When both the President and President Pro Tem are in attendance at any committee or Board meeting and the President is presiding, the President Pro Tem shall have the same right to vote as any other member of the Board. The President Pro Tem shall serve for a two (2) year period with an option for the Board to re-elect him for another two (2) year term should the Board so desire, it being the intention of this section that the above reference to terms shall constitute a full, complete and consecutive term and should any President Pro Tem who is removed as such by his removal from the Board through causes beyond his control, who returns to the Board and is reinstated to the position of President Pro Tem, he shall be entitled to serve, if elected by the Board, two (2) full and consecutive two (2) year terms.

## **ARTICLE V - DUTIES OF EXECUTIVE DIRECTOR**

### Section 1:

The Board shall elect an Executive Director whose salary shall be fixed by the Board. The Executive Director shall hold office at the pleasure of the Board. The election or removal of the Executive Director, and the amount of his salary, shall be determined by a majority vote of the entire Board at one of its regular monthly meetings. The duties of the Executive Director shall be fixed by the Board. The Executive Director is responsible for the daily operations of the organization.

### Section 2:

The Executive Director shall be present at all meetings of the Board and its Committees. He shall keep full and accurate written records of the proceedings at all such meetings.

### Section 3:

The Executive Director shall be custodian and hold in safekeeping all records and papers belonging to the Board.

### Section 4:

All motions and resolutions passed by the Board shall be recorded by the Executive Director in a book or books to be kept for that purpose. He shall attend to the publication of motions and resolutions and other notices as required.

### Section 5:

The Executive Director shall keep all the accounts of the Board, relating to the receipt and disbursement of funds. He shall keep an inventory of all property acquired or disposed of by the Board, and he is required to make written report at each regular meeting of all transactions named in this section.

The Executive Director shall submit a written annual report for the Board to present to the City Council in accordance with R.S. 33:4091. The report shall be prepared in a timely fashion so that it may be submitted to the City Council on or prior to the first day of May of each year.

At least one day in advance of its regular monthly meeting or of any committee meetings, the Executive Director shall deliver to each member of the Board or Committee the meeting notice, agenda, and copies of all reports being presented to the Board or Committee.

### Section 6:

The Executive Director shall also perform such other duties germane to his office, as may be required of him by direction of the Board. The Sewerage and Water Board employees'



indemnity bond is considered as satisfying the statutory requirement for the Executive Director's indemnity bond.

Section 7:

Neither the Executive Director, nor any unclassified employee shall engage in any other occupation or employment that would interfere or conflict with their Sewerage and Water Board duties. The unclassified employees shall not engage in any other occupation or employment unless certified by the Executive Director as not interfering or in conflict with their Sewerage and Water Board Duties.

The Executive Director shall receive such certification from the President Pro Tem before engaging in any other occupation or employment as described above.

Section 8:

A Deputy Director shall act in the absence of the Executive Director in carrying out the duties prescribed by these By-Laws, as well as any other duties that are assigned by the Executive Director or by the Board.

## **ARTICLE VI - COMMITTEES**

### Section 1:

There shall be four (4) standing Committees, to be named respectively: the Audit Committee, the Finance and Administration Committee, the Governance Committee, and the Strategy Committee.

In addition, a Pension Committee is established in accordance with the "Rules and Regulations of the Employees Retirement System of the Sewerage and Water Board of New Orleans."

A Plumbing Conference Committee is established in accordance with the Plumbing Code of the City of New Orleans.

Other Ad Hoc Committees may be formed by the Board or by the President of the Board.

### Section 2:

The President of the Board shall appoint the Chairpersons and all members of the foregoing Committees. The President of the Board may appoint the Vice Chairpersons of the four (4) standing Committees. The make-up of the Committees may be re-examined periodically and new appointments made so that all members of the Board may participate in all phases of Sewerage and Water Board operations and administration. Each Board member must be assigned to serve on at least one (1) Committee.

Each committee shall consist of five (5) members of the Board, to be appointed by the President. Three (3) members of any standing committee shall constitute a quorum.

### Section 3:

The Audit Committee shall monitor compliance with federal, state, and local laws and regulations and have charge of the affairs of the Board relating to the internal control and risk management framework.

The following matters are illustrative of those brought before the Audit Committee for consideration: review of all contracts awarded by the Executive Director; regulatory compliance; internal controls assessment; internal and external audit reports compliance; and recommendations from external consultants.

### Section 4:

The Finance and Administration Committee shall monitor operational performance and align financial resources to achieve the objectives of the Board.

The following matters are illustrative of those brought before the Finance and Administration Committee for consideration: organizational performance metrics; operating and capital budgets; and financial reporting.

#### Section 5:

The Governance Committee shall manage the business of the Board of Directors.

The following matters are illustrative of those brought before the Governance Committee for consideration: perform orientation and training of new Board members; conduct evaluation and improvement of Board performance; oversee Board compliance with requirements for written financial disclosure statements; and consideration of Bylaw changes.

#### Section 6:

The Strategy Committee shall have charge of the affairs of the Board relating to long-term planning for the capabilities of the organization.

The following matters are illustrative of those brought before the Strategy Committee for consideration: strategic planning; facilities planning; personnel planning; financial planning; and information technology planning.

#### Section 7:

The Pension Committee is established by Section (3) of the "Rules and Regulations of the Employee Retirement System of the Sewerage and Water Board of New Orleans." This Committee consists of: Chairperson - President Pro Tem; Four (4) members appointed by the President, at least one of which shall be a member of the Finance Committee; Three (3) employee members elected by the employees and one (1) retiree representative elected by Board retirees. Five members shall constitute a quorum.

The Committee shall be in charge of matters relating to the management of the Employee Retirement System, including establishment of the rules and regulations and management of the pension fund.

#### Section 8:

A. The Board of Trustees, as defined in the Rules and Regulations of the Employee's Retirement System of the Sewerage and Water Board of New Orleans, shall have full and final authority to make all decisions concerning the investment of assets of said retirement system, to include recommendations of the Pension Committee made to the Board, and which involve the exercise of the Trustees' Investment Authority, as set forth in Section 8.6 of the Rules and Regulations of the Retirement System. These matters shall include, but not limited to, the following:

- a. Selection, hiring, and termination of various investment managers, custodial banks and financial consulting firms.
- b. The establishment of an Investment Policy, Asset Allocation Policy and Rebalancing Policy.
- c. Deciding what portion of the Retirement System assets a particular investment manager shall invest.

- d. Evaluating the performance of a particular investment manager, including placing that investment manager on probation.
- e. Receipt and review of actuarial reports and annual investment reports prepared by the investment consultant.

B. Because the Pension Committee will be called upon to review matters which the Board of Trustees of the Employees' Retirement System will be required to approve in order to be effective:

- a. The Pension Committee, in making its written report to the Board of Directors of the Sewerage and Water Board of New Orleans, shall designate three (3) types of agendas for consideration by the Board of Directors. These three (3) agendas shall consist of consent items, non-consent items and items to be considered by the full Board of Trustees.
- b. At the time that the Pension Committee report is received by the Board of Directors, and such report has on its agenda 'Board of Trustees Items,' the four (4) employee-elected Trustees, if present, shall be invited by the chairperson to join the Board of Directors' Trustees in considering the specific items of that agenda. A roll call shall be made by the Secretary to establish a quorum of the Board of Trustees, which quorum shall be no less than eight(8) Trustees. At this time, it is recognized that this is an official meeting of the Board of Trustees of the Employees' Retirement System of the Sewerage and Water Board of New Orleans and all Trustees present shall have the right to make motions, enter into discussions, vote and otherwise fully participate in the matters at hand. Each Trustee shall have one vote. All actions of the Trustees shall be by voice vote, unless a roll call is requested and a majority of all Trustees present shall prevail.

Upon conclusion of the specific items of the Board of Trustees agenda, to include that specified on the agenda of the Pension Committee, the chairman shall call for a motion to end the Board of Trustees meeting. Upon such affirmative vote to end, the employee-elected Trustees shall withdraw and the Board of Directors shall continue its regular business.

#### Section 9:

The Plumbing Conference Committee is established by the Plumbing Code of the City of New Orleans. Matters relating to the Plumbing Code shall be brought before the Plumbing Conference Committee for consideration. This Committee consists of: the General Superintendent, the Supervisor of Plumbing; four members of the Sewerage and Water Board appointed by the President, one licensed master plumber, one licensed journeyman plumber, and one member of any allied plumbing or engineering trade or profession. Except for the first two above, all shall be appointed to two (2) year terms by the President of the Board. Five members constitute a quorum.

#### Section 10:

Any of the Committees may meet upon regular call of the Chairperson and shall meet upon ruling to that effect by the Board.

Section 11:

All reports of Committees for submission at the regular meeting of the Board shall be in writing and action thereon may be deferred to the subsequent regular meeting of the Board.

Section 12:

Both the President of the Board and the President Pro Tem shall be ex-officio members of each and all committees, both with the right to vote the same as any other member of said committees. Both the President of the Board, and the President Pro Tem, when acting as ex-officio members of a Committee in accordance with the foregoing, shall be true members in every sense and shall be counted towards the establishment of a quorum for the meeting.

Section 13:

Action taken by a Committee of the Board shall be by a majority of those present.

Section 14:

Whenever there is an absence of a quorum required for a Committee of the Board to meet, the Executive Director shall reschedule the Committee Meeting to the next available date and time at which a quorum can be reasonably anticipated. Absent a quorum, there shall be no meeting of the Committee, however, the members present may, if they so desire, receive information or reports pertaining to matters on the agenda for such meeting.

## **ARTICLE VII - DISBURSEMENTS**

### Section 1:

All warrants for payment of money administered by the Board of Liquidation, City Debt, for account of the Sewerage and Water Board of New Orleans, shall be drawn as provided in Article XIV of the Constitution of 1921, as amended by Sections 23.1 through 23.12 and 23.28 through 23.43, which has subsequently been reenacted as LRS 33:4094 through 33:4136, and all said warrants except those for contracts require two (2) signatures, one of which must be provided by the Executive Director, a Deputy Director, General Superintendent, or Deputy General Superintendent. The second signature must be provided by staff designated in writing by the Executive Director. Said warrants shall be listed on audit sheet(s), setting forth the number of the warrant, date of warrant, and number of appropriation; and said audit sheet or sheets require the same signatory authorization, as stated above.

All checks for transfer of money for clearing accounts (i.e., payroll, voucher, etc.) of the Sewerage and Water Board of New Orleans, shall be drawn on the master accounts of the Board and require two (2) signatures, one of which must be provided by the Executive Director, a Deputy Director, General Superintendent, or Deputy General Superintendent. The second signature must be provided by staff designated in writing by the Executive Director. Said checks shall be listed on audit sheet(s), and said audit sheet or sheets require the same signatory authorization, as stated above.

All checks for payment of construction contracts shall be handled in the same manner, as stated above.

### Section 2:

There shall be no disbursement of the monies of this Board without the direct order of resolution of the Board, made and entered of record at a meeting thereof, except as provided in R.S. 33:4084.

## **ARTICLE VIII - EMPLOYEES**

### Section 1:

The appointment, suspension and removal of employees shall be in accordance with the provisions of R.S. 33:4076 of Louisiana Revised Statutes. All payment of wage or salaries shall cease on dismissal of employees.

## **ARTICLE IX - DEPOSITORY**

### Section 1:

All funds of Sewerage and Water Board of New Orleans, subject to its control, shall be deposited with any bank or banks located in the City of New Orleans selected by the Board. Such banks shall furnish acceptable collateral in accordance with applicable law.



## **ARTICLE X – AMENDMENTS**

### Section 1:

Any amendments or changes to these by-laws shall be adopted only after approved by a quorum of the board (R.S. 33:4071E), provided that notice of the proposed amendment shall be given at a regular monthly meeting preceding final action upon such amendment. The amendment to be filed in writing at this meeting and entered upon the Minutes of the Board; further providing that the Executive Director of the Board shall have filed a copy of the amendment with a notice of the meeting for final action, upon every member of the Board not less than a week prior to said meeting.

## **ARTICLE XI – ORDER OF BUSINESS**

### Section 1:

Executive Director shall distribute an agenda for the regular monthly meeting of the Board at least 24 hours in advance of the meeting with an Order of Business. Contained within the Order of Business may be a consent agenda which can be adopted at the Board meeting in globo by voice vote of the majority members present. Only matters receiving a unanimous vote of the members present at a meeting of the Committee before which it has been brought shall be placed upon a consent agenda for consideration by the Board at its regular or special meeting. Should any Board member at the Board meeting object to any item(s) contained in the consent agenda, that item(s) shall be removed, not voted upon as part of the consent agenda and the item(s) placed appropriately in the Order of Business for discussion.

The Board may, by a vote of two-thirds (2/3) of the members present at a meeting, alter the order of business for that meeting.

## **ARTICLE XII – PUBLIC COMMENT**

### Section 1:

In accordance with the provisions of R.S. 42:5(D), the public is invited to attend and give comment on any matter listed on the agenda of a regular or special meeting of the Board or any of its committees. The time and length of such comments shall be determined by the Chair of the meeting.



## **Ad Hoc Committee Committee Charter**

The role of the Ad Hoc Committee is to review the notes from the S&WB Governance Workshop held on May 17, 2019 and develop governance tools and processes to assist the Board to carry out its role as fiduciaries of the S&WB. The output of this committee will also assist the Board and staff to work more efficiently and effectively together to accomplish the strategic goals and objectives of the organization.

Because the committee's work is so closely related to the work of the Governance Committee, it is recommended that the Governance Committee Chair be invited to serve and that the adopted expectations, principles, and other relevant committee outputs be held, monitored for Board acceptance/compliance, and reviewed periodically as part of the ongoing work of the Governance Committee.

The specific tasks of the Ad Hoc Committee include:

- Review and finalize the “Expectations of Myself and My Fellow S&WB Board Members” document that was drafted in the Governance Workshop.
- Review and prioritize the list of “Action Items”.
  - Categorize each item in terms of short term/long term/active/inactive.
  - Assign the responsibility for completion of each item to a Board Committee or Board Officer and the appropriate staff member.
- Refine and finalize the “Guiding Principles” document and the “Long-standing Guiding Principles” document.