

**CONFERENCE COMMITTEE REPORT**  
**Senate Bill No. 47 By Senator Morrell**

June 5, 2013

To the Honorable President and Members of the Senate and to the Honorable Speaker and Members of the House of Representatives.

Ladies and Gentlemen:

We, the conferees appointed to confer over the disagreement between the two houses concerning Senate Bill No. 47 by Senator Morrell, recommend the following concerning the Reengrossed bill:

1. That all House Committee Amendments proposed by the House Committee on Municipal, Parochial, and Cultural Affairs and adopted by the House of Representatives on May 28, 2013, be rejected.
2. That House Floor Amendment proposed by Representatives Arnold and Abramson and adopted by the House of Representatives on May 30, 2013, be rejected.
4. That all House Floor Amendments (Set No. HFASB474743952) proposed by Representative Abramson and adopted by the House of Representatives on May 30, 2013, be rejected.
5. That all House Floor Amendments (Set No. HFASB474743953) proposed by Representative Abramson and adopted by the House of Representatives on May 30, 2013, be rejected.
6. That all House Floor Amendments proposed by Representative Brossett and adopted by the House of Representatives on May 30, 2013, be rejected.
7. That House Floor Amendment (Set No. HFASB474743957) proposed by Representative Abramson and adopted by the House of Representatives on May 30, 2013, be rejected.
9. That the following amendments to the reengrossed bill be adopted:

AMENDMENT NO. 1

On page 1, line 2, delete "and 4074" and insert ", 4074, and 4091"

AMENDMENT NO. 2

On page 1, line 5, after "members;" insert "to require the board to report on contracts for the construction and repair of its public systems of water, sewerage, and drainage and on the operations of such systems;"

AMENDMENT NO. 3

On page 1, line 9, delete "and 4074" and insert ", 4074, and 4091"

AMENDMENT NO. 4

On page 2, line 3, change "**Six**" to **Eight**"

AMENDMENT NO. 5

On page 2, line 4, delete "Senate," and insert "city council,"

AMENDMENT NO. 6

On page 2, line 5, after "Committee," delete the remainder of the line and delete lines 6 through 13 and insert:

**"(d) The members appointed pursuant to Subparagraphs (b) and (c) of this Paragraph shall include one citizen from each of the five councilmanic districts within the city of New Orleans. In addition, two of the appointments shall be consumer advocates with community advocacy or consumer protection experience or experience in a related field."**

AMENDMENT NO. 7

On page 3, line 22, after "mayor" delete the comma "," and delete the remainder of the line and at the beginning of line 23, delete "at-large members as appropriate,"

AMENDMENT NO. 8

On page 4, at the end of line 16, delete "Subparagraph" and on line 17, delete "(A)(1)(c) of this Section, the terms of office of board members" and insert "Subparagraphs (A)(1)(b) and (c) of this Section, the terms of office"

AMENDMENT NO. 9

On page 5, between lines 25 and 26, insert the following:

"\* \* \*

§4091. Reports of board

**A.** On or prior to the first day of May of each year, the board shall make to the city council, in writing, a full and detailed report of its acts, doings, receipts, and expenditures, the same to be put in printed form for public distribution, and a synopsis of same, including a statement of receipts and disbursements, published in the official journal of the city.

**B. In addition to the requirements of Subsection A of this Section, the board shall report quarterly, in September, December, March, and June, to the city council relative to the contracts let in the construction and repair of its public systems of water, sewerage, and drainage. Such report shall include the following for new contracts let during the reporting period:**

**(1) The total number of contracts let to all contractors.**

**(2) The total value of contracts let to all contractors.**

**(3)(a) The total number of contracts let to local disadvantaged business enterprises expressed as a percentage of the total number of contracts let.**

**(b) The total number of contracts let to local businesses expressed as a percentage of the total number of contracts let.**

**(4)(a) The total value of contracts let to local disadvantaged business enterprises expressed as a percentage of the total value of contracts let.**

**(b) The total value of contracts let to local businesses expressed as a percentage of the total value of contracts let.**

**(5) The total number of contracts let to a fifty-fifty joint venture enterprise expressed as a percentage of the total number of contracts let.**

**C. In addition to the requirements of Subsections A and B of this Section, the board shall report quarterly, in September, December, March, and June, to the city council relative to its operations. Such report shall include the following in a manner as prescribed by the city council:**

**(1) Standard industry metrics for best practice, including but not limited to:**

**(a) Percentage of water loss.**

**(b) Percentage of water paid.**

**(c) Percentage of receivables outstanding, including delinquency schedule.**

**(d) Customer service improvements.**

**(2) Processes and indicators for prevention of waste or fraud.**

**(3) Performance metrics for employees and contractors.**

**(4) Benchmarks of success regarding improved coordination between the board and the Department of Public Works to ensure priority and resource alignment.**

**(5) Report on the efficiency and effectiveness of information systems.**

**(6) Detailed reports on assessment and status of technologies and operation programs and strategies for system redundancy and service improvements.**

**(7) Detailed reports on assessment and status of operational reforms, capital improvement programs, and service assurance programs."**

AMENDMENT NO. 10

On page 6, line 5, after "Act" and before "The members" delete the period "." and insert a semicolon ";" and "however, such members shall remain in office until the board members are appointed as provided in this Act and take office."

Respectfully submitted,

Senators:

Representatives:

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Senator Jean-Paul J. Morrell

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Representative Jared Brossett

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Senator Edwin R. Murray

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Representative Girod Jackson III

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Senator Karen Carter Peterson

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Representative Walt Leger III

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The legislative instrument and the following digest, which constitutes no part of the legislative instrument, were prepared by Cathy Wells.

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CONFERENCE COMMITTEE REPORT DIGEST

Senate Bill No. 47 by Senator Morrell

**Keyword and summary of the bill as proposed by the Conference Committee**

LOCAL AGENCIES. Provides relative to the Sewerage and Water Board of the city of New Orleans. (See Act)

**Report adopts House amendments to:**

1. Rejects all House committee and floor amendments.

**Report rejects House amendments which would have:**

1. Retained present law city council confirmation of nominees instead of Senate confirmation.
2. Changed proposed law requirement from the mayor appointing at least one member from each councilmanic district of his citizen member appointees to the mayor appointing at least one member from each councilmanic district between his citizen members and syndicate members of the board of liquidation, city debt appointees.
3. Removed appointments to board by House delegation and Senate delegation.
4. Added a four-year term of office for mayor's appointees from the syndicate members of the board of liquidation, city debt.
5. Changed proposed law quorum from six to five.
6. Added requirement for the board to quarterly report to city council on certain matters regarding contracts.
7. Added requirement for the board to quarterly report to city council on certain matters regarding it's operations.
8. Authorized the mayor to disapprove the list of nominees submitted to him by the selection committee.
9. Reduced proposed law appointments by the mayor of citizen members to the board from six to two.
10. Added an appointment by each at-large member of the city council.
11. Provided a sunset on rate increases approved by the city council in 2012, unless such increase proceeds are pledged to repayment of bonds.
12. Required the board to quarterly report to the city council on customer service improvements.

**Report amends the bill to:**

1. Add two additional citizen members to the board appointed by the mayor.

2. Require that two of the mayor's appointments are consumer advocates with community advocacy or consumer protection experience or experience in a related field.
3. Add requirement for the board to report quarterly to city council on certain matters regarding contracts and operations.
4. Retain present law city council confirmation instead of Senate confirmation.
5. Change proposed law requirement from the mayor appointing at least one member from each councilmanic district of his citizen member appointees to the mayor appointing at least one member from each councilmanic district between his citizen members and syndicate members of the board of liquidation, city debt appointees.
6. Add a four-year term of office for mayor's appointees from the syndicate members of the board of liquidation, city debt.
7. Add requirement for the board to quarterly report to city council on certain matters regarding contracts.
8. Add requirement for the board to quarterly report to city council on certain matters regarding it's operations.

#### **Digest of the bill as proposed by the Conference Committee**

Present law provides that the public water, sewerage, and drainage systems of the city of New Orleans shall be constructed, controlled, maintained, and operated by the Sewerage and Water Board of the city of New Orleans.

Present law provides that the board is composed of the mayor, three members of the city council, one of whom is required to be an at-large member of the council, two members of the board of liquidation, city debt, and seven citizens, appointed by the mayor, two at large and one from each of the five council who are subject to confirmation by the city council.

Proposed law provides for the board to be composed of the mayor, two syndicate members of the board of liquidation, city debt, and eight members appointed by the mayor from a list of nominees submitted by the Sewerage and Water Board Selection Committee. The mayor's appointments shall include one member from each of the five councilmen's districts within the city of New Orleans and two members who shall be consumer advocates with community advocacy or consumer protection experience or experience in a related field. The citizen appointees are subject to confirmation by the city council.

Proposed law requires that each citizen member shall be a registered voter in Orleans Parish and shall be domiciled in the parish of Orleans for two years previous to his appointment.

Proposed law creates the Sewerage and Water Board Selection Committee and provides a process for selecting a nomination pool of applicants. Also provides that the members of the Selection Committee will be comprised of the president, chancellor, chair, board of directors or respective designee of Dillard University, Loyola University, Tulane University, Xavier, Delgado Community College, University of New Orleans, Southern University at New Orleans, New Orleans Chamber of Commerce, New Orleans Regional Black Chamber of Commerce, and the Urban League of Greater New Orleans.

Proposed law requires each nominee to have experience in either architecture, environmental quality, finance, accounting, business administration, engineering, law, public health, urban planning, facilities management, public administration, science, construction, business management, community or consumer advocacy or other pertinent discipline.

Present law provides that terms of board members are nine years.

Proposed law reduces terms of the eight citizen members and two syndicate board of liquidation, city debt members appointed by the mayor to four years and prohibits a member from serving more than two consecutive terms of office. Also provides that in the event any

appointed member is elected to any office or removes his residence from Orleans Parish, his membership on the board is ipso facto vacated, and his successor shall be immediately appointed.

Present law provides that a quorum of the board is seven members and requires a vote of board members to change rules adopted by the board.

Proposed law changes the quorum of the board to six members and requires a quorum vote to adopt or change rules.

Present law provides for board membership when redistricting or election to office or change in residency occurs.

Proposed law repeals such provisions.

Proposed law requires that in addition to the detailed annual report to the city council detailing acts, doings, receipts and expenditures of the board, the board is to make quarterly reports to the city council relative to contracts let in the construction and repair of its public systems of water, sewerage, and drainage. Proposed law enumerates the items to be included in the report.

Proposed law also requires the board to report to the city council quarterly on its operations. Provides that such report shall include, in a manner prescribed by the council, certain items including standard industry metrics for best practices, fraud prevention, employee and contractor performance metrics, benchmarks on coordination of board and department, efficiency and effectiveness of information systems, assessment and status and strategies for technologies and operation programs and assessment and status of operational reforms, capital improvement programs, and service assurance programs.

Proposed law provides that the terms of the members of the Sewerage and Water Board for the city of New Orleans in office on the effective date of this Act shall terminate on the effective date of this Act; however, any such member remains in office until his successor is appointed and takes office.

Effective on the first day of Jan. following an election at which a majority of the voters of the city of New Orleans approve an amendment to the home rule charter of the city to change the composition of the board to provide the identical composition of the board as contained in proposed law.

(Amends R.S. 33:4071(A), (B), (C)(1), and (E), 4074, and 4091; repeals R.S. 33:4071(C)(2) and (3))