

**Ethics Review Board**

**City of New Orleans**

**November 14, 2017**

**3:30 P.M. – 5:30 P.M.**

**Norman Mayer Library | 3001 Gentilly Boulevard | New Orleans, Louisiana 70122**

**Minutes**

Present: Mr. Allen Miller, Chair; Mr. James Brown, Vice Chair; Dr. Joe Ricks; Rev. Brandon Boutin; Mr. Howard Rodgers; Elizabeth Livingston de Calderon; Dr. Michael Cowan  
Staff: Dane Ciolino, General Counsel  
Guest: Toni Hackett Antrum, the Hackett Group, Ethics Education Trainers

At 3:34 p.m., a quorum being present, the Chair called the meeting to order. On a motion by Mr. Brown and seconded by Dr. Ricks, the board unanimously approved the minutes of the October 25, 2017 meeting.

Inspector General's Report

The Deputy of Investigations, William Bonney told the board that both Lance Cardwell, General Counsel and Erica Smith, Deputy of Audit will present to the Board on behalf of the Office of Inspector General (OIG).

Mr. Bonney told the board that the newspaper reported that the New Orleans Police Department (NOPD) arrested a Sewerage & Water Board (S&WB) employee charged with stealing brass while on a Carnival Cruise Ship.

Mr. Cardwell told the Board as part of the transition process, the OIG had updates regarding the credit card use policy and the procurement policy for items under \$15,000. He told the board that the OIG discovered that there is not a written policy for credit card usage. As a result, it appears that there may have been instances where items were purchased using the OIG credit card and those purchases may have not followed the City's Procurement Rules. For instance, it appears that multiple purchases through vendors such as Amazon were in excess of \$1,000 should have had three informal bids, and the bids may have not been obtained.

Mr. Cardwell told the board that the OIG currently does not know the entire scope of the problem but are working internally to identify any problem transactions. He also told the board that the OIG has been in contact with the City's Finance Division and will set a meeting to obtain additional information regarding the credit card transactions, other small procurements, and potential problems that may have been identified.

Mr. Cardwell told the board that the OIG plans to update the OIG's Credit Card and Procurement Policies to ensure they meet and exceed the City's rules and policies so that these issues do not arise in the future.

In response to Mr. Miller, Mr. Cardwell told the board that the OIG reinstated the OIG's Succession and Complaint Policies. He also told the board that the OIG has undertaken a thorough review of all OIG Policies and plan to review everything afresh to make any necessary changes.

In response to Mr. Rodgers, Mr. Cardwell told the board that the OIG will update the Credit Card Policy to ensure that it exceeds the City's Policy.

In response to Dr. Ricks, Mr. Cardwell told the board that the OIG plans to get an external check from the City's Finance Division once the OIG's Credit Card Policy is completed to make sure it's accurate.

In response to Mr. Miller, Mr. Cardwell told the board that there is one OIG Credit Card and it has been used at the directive of the Inspector General.

In response to Dr. Ricks, Mr. Cardwell told the board that the OIG is reviewing all OIG Policies including, Human Resource Policies and Finance Policies.

In response to Ms. Livingston de Calderon, Mr. Cardwell told the board that the OIG will work with the City's Finance Division to ensure that the OIG's Credit Card Policy exceeds the City's Policy.

Ms. Smith told the board that the OIG is in the early stages of planning a S&WB Audit. She also told the board that the OIG has a meeting scheduled for Friday, November 17, 2017, to meet with the Emergency Management Team.

Ms. Smith told the board that the City has 5 turbines that power 121 pumps at 24 pump stations. 4 turbines generate 25-cycle power and the others generate 60-cycle power. She also told the board that S&WB can get 60-cycle power (standard) from Entergy, (101 high capacity).

Ms. Smith told the board that 51% pumping capacity relies on 25-cycle electrical power and dates back the 1920's.

Ms. Smith told the board that the turbine failures have been an issue for the City at various points. In March 2017 all four 25-cycle turbines were not working. During the summer 2017, only one of these turbines was functioning and 8 pumps were out of service during the flooding.

Ms. Smith told the board that Turbine 4 was slated for repairs in 2012, the original contract cost was \$12.7 million. As of August 2017, S&WB spent about \$24 million on refurbishing the turbine. The additional cost came from 40 change orders, as well as an additional contract to Industrial & Mechanical Contractors to refurbish the generator attached to the turbine.

In response to Mr. Miller, Ms. Smith told the board that the OIG will not play the role of Managers and will only provide oversight.

In response to Mr. Rodgers, Mr. Bonney told the board that 19 arrest warrants were issued to date, 12 of the employees have been arrested to date and 7 still have outstanding warrants.

### Independent Police Monitor's Report

The Deputy Independent Police Monitor (DIPM), Ms. Ursula Price reported that the Office of the Independent Police Monitor's (OIPM) year-to-date activities for 2017: 40 complaints, 2 officer commendations, 12 investigations being monitored, 32 disciplinary hearings, 4 critical incidents, 28 mediations, and 2 additional complaints from police officers.

Ms. Price told the board that the Independent Police Monitor Susan Hutson will be extending her medical leave.

In response to Mr. Brown, Ms. Price told the board that an off duty officer saw a traffic accident occur and when approaching the vehicle, some of the passengers jumped from the vehicle and ran. A woman with a small infant remained behind and there was a physical struggle between the woman and the NOPD officer.

Ms. Price told the board that the OIPM's goal is to have 40 mediations by the end of the year.

In response to Dr. Cowan, Ms. Price told the board that she would have the monthly break down of the Use of Force Complaints at the ERB's December Meeting.

### General Counsel's Report

Mr. Dane Ciolino told the board that there have been no new complaints since the last ERB meeting, there is 1 current pending complaint in Civil Litigation and no matters for Executive Session.

### Ethics Education Report

Ms. Toni Hackett Antrum of the Hackett Group told the board that the Hackett Group decided to add another dimension to their report. This will include creating a short questionnaire for the City's vendors or contractors to get their view points.

In response to Dr. Cowan, Ms. Antrum told the board that the Hackett Group plans to send correspondences to the City's Finance Division and/or the City's Purchasing Division to get a list of the City's vendors and/or contractors.

Mr. Miller suggested to Ms. Antrum that the Hackett Group could narrow their search by selecting vendors and/or contractors with contracts with access to \$1 million or more.

Mr. Brown suggested to Ms. Antrum that the Hackett Group provide ethics education training to vendors and/or contractors with large contracts.

Ms. Antrum told the board that the Hackett Group wants to reach out to the liaisons for each City Department.

Mr. Brown told the board that the Inspector General Search Subcommittee consists of Mr. Brown, Dr. Ricks and Ms. Livingston de Calderon. He also told the board that they are in the process of narrowing the pool of candidates to a smaller group of about 5 finalists.

Mr. Brown told the board that the ERB will try to have the 5 finalists identified by the end of November and have their names and resumes posted on the ERB website for the public to view. He also told the board that the ERB will have a Special ERB Meeting on December 13, 2017, to receive public comment on the finalists. Then the ERB will move to Executive Session to interview the candidates on issues of character and professional competence.

Mr. Brown told the board that the ERB does not plan to vote at the December 13, 2017 meeting, but the vote will take place at the ERB's regularly scheduled meeting on December 20, 2017.

In response to Dr. Cowan, Mr. Brown told the board that there has been approximately 26 applications and/or resumes received for the Inspector General position. He also told the board that the quality of the resumes have been very strong.

At 4:11 p.m., Mr. Miller moved that the meeting adjourn, Mr. Brown seconded. The motion carried unanimously and the meeting adjourned.