



MEMORANDUM

To: All Councilmembers
From: CURO
By: Shannon Blanks
CC: Paul Harang and Anita Curran
Date: February 3, 2022
RE: SWBNO Meeting 01.22.2022

EXECUTIVE SUMMARY

The Sewerage and Water Board of New Orleans (SWBNO) Board of Directors (the Board) met Wednesday, January 19, 2022, via video and teleconference. In addition, the Board received updates on the general standing of the SWBNO. The complete packet for the meeting may be found [here](#).

Executive Director's Report

Executive Director Korban provided an update on significant ongoing projects and the status of the power and drainage assets.

A. Leadership

- [1] *New Board Members* – Two new board members, are joining the Board. Nichelle Taylor will be representing Council District “D”. Additionally, a new City Council representative will join upon approval of the Council.
- [2] *Communications Department*- Director Korban recognized Mr. Robert Jackson, who has retired. Mr. Jackson held several positions during his thirty-three-year tenure, primarily in the communications and intergovernmental relations department.

B. West Power Complex

The West Power Complex located at the Carrollton Water Plant, will house a modern suite of power resources dedicated to SWBNO's plant facilities and operations. The resources will provide adequate power and enhance the services provided to the City of New Orleans and its citizens. Significant portions of the project are underway; their statuses are listed below.

- [1] *Site Preparations* - Site preparations are approximately 95% complete.
- [2] *Turbine 7 ("T7")* - A request for proposals (RFP) was issued on December 15, 2021, and bids are due on February 25, 2022. The RFP may be found [here](#).

- [3] Frequency Changer - A new frequency changer for T7 is being manufactured.
- [4] Equipment - Several pieces of equipment with long lead times are either being designed or ordered.
- [5] Entergy New Orleans (ENO) Substation - The funding for the substation is still in negotiation. Hurricane Ida recovery and discussions with the City Council, the regulators, have slowed the momentum of this project. Director Korban stated that approximately \$30 million is required to build the substation, while the west power complex construction will cost roughly \$74 to \$75 million. SWBNO is seeking to borrow funds for its construction. The substation is expected to save SWBNO a significant amount of money, which will be used to repay stakeholders over ten years. Additionally, Mr. Korban stated that it is unlikely that the substation will be online for June 2023. Therefore, SWBNO is expediting construction and installing T7.

Ramsey Green, the Deputy Chief Administrative Officer for Infrastructure / Chief Resilience Officer, spoke on behalf of the Administration to address funding. He reported that the Administration dedicated \$22 million in bond funds for substation frequency changers in addition to executing a \$74 million cooperative endeavor agreement (CEA) with ENO. Therefore, the Administration prefers that ENO provides a capital investment of \$30 million. The Administration is willing to explore alternative funding approaches if ENO does not have the requisite funds available. Mr. Green suggested that careful examination is required to ensure the Administration maximizes financial resources and any allocations are in alignment with any rules attached to funding sources.

The Administration, City Council, SWBNO, and ENO continue to develop the funding strategy for SWBNO's power stabilization.

C. Smart Metering Program

SWBNO issued a RFP to acquire smart metering infrastructure-related products, software, and citywide installation and implementation services. The responses are due February 18, 2022, and vendor selection is anticipated for late spring, with meter installations beginning in the fourth quarter of 2022. The RFP may be found [here](#).

D. Master Plan

SWBNO intends to begin developing the master plan for the utility. The initial planning will focus on drinking water and sewer collection and treatment strategies. Customizing these strategies will position the utility to receive funds available in the [Infrastructure Investment and Jobs Act](#).

Mr. Green reported that the Administration has a team collecting information and infrastructure requests. He assured board members that the SWBNO is represented at the state and federal levels. Additionally, Mr. Korban reported that a comprehensive list of SWBNO's needs has been provided to the Administration. ENO is working closely with the Administration to leverage any available funding.

E. Strategic Plan

The strategy committee met on January 11, 2022. The final plan is forthcoming.

F. Rate Study

A rate study is nearing completion, and submission for board approval is forthcoming.

G. Power Assets

- [1] Turbine 1 "T1" - Offline due to vacuum issues. The repair is underway.
- [2] Turbine 4 "T4" - Online and available for use.
- [3] Turbine 5 "T5" - Offline due to various mechanical and warranty issues.
- [4] Turbine 6 "T6" - Online and available for use. The anti-icing equipment is undergoing additional testing for cold-weather use.

H. Drainage

Three drainage pumps are offline for repairs:

- [1] DPS 6 (Carrollton/Lakeview)
 - "I" pump (1100 CFS) - Offline and undergoing repairs. The return to service date is to be determined.
 - "F" pump (1100 CFS) - Offline, rotor repairs are complete; however, the unit is undergoing additional maintenance. The return to service date is to be determined.
- [2] DPS 14 (NO East) - Number 4 pump (300 CFS) is under repair. The return to service date is to be determined.