



MEMORANDUM

To: All Councilmembers
From: CURO
By: Shannon Blanks
CC: Paul Harang and Anita Curran
Date: March 21, 2022
RE: SWBNO Meeting 03.16.2022

EXECUTIVE SUMMARY

The Sewerage and Water Board of New Orleans (SWBNO) Board of Directors (the Board) met Wednesday, March 16, 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](#).

Mayor Cantrell opened the meeting to allow Monika Gerhart, director of state intergovernmental relations for the City of New Orleans, to provide an update on the 2022 Legislative Session and the bills that may affect SWBNO. The list of bill summaries is attached as **Appendix 1**.

Executive Director's Report

A. Strategic Plan

On February 16, SWBNO adopted a 5-year strategic plan for the utility. Director Korban reports that employee education and awareness of the strategic plan are in progress. An online dashboard is under construction, and the dashboard will provide a tool to track the implementation and progress of the plan. Additionally, implementation working groups have been formed and will begin conducting regular progress meetings.

B. Customer Service

SWBNO is experiencing a surge in demand for customer service. In January, the call center received over forty-four thousand interactions and set up nearly five thousand new payment plans. Director Korban reports that the surge was expected due to the reinstatement of the standard collection and disconnection policies.

C. Staffing

SWBNO is also experiencing staffing shortages in both meter reading and call center. The call center has 14 of 30 positions filled, and the meter reading department has 36 of 60 positions filled. Korban reports that seven additional customer service representatives are in training and ten additional meter readers are in the training/hiring process. SWBNO will continue to advertise for these positions.

D. Stakeholder Engagement

- [1] Army Corps of Engineers (USACE)- On March 11th, the USACE New Orleans District hosted a National Defense University delegation. In coordination with the Sewerage and Water Board of New Orleans, the students received a tour of critical flood risk reduction and water management infrastructure in New Orleans, including SWBNO's, drainage pumping station 6 located near the Carrollton/Lakeview area.
- [2] Infrastructure Advisory Board (IAB)- The IAB, the Board that oversees the Fairshare monies, held its first quarterly meeting on March 10th. The IAB receives updates on current projects, proposed projects, and spending. SWBNO's presentation may be found in **Attachment 1**.

E. Financial Stability

- [1] Accounts receivables- Aged receivables have decreased by \$14.3 million since November 2022.
- [2] Project Delivery Unity (PDU)- SWBNO is preparing to hire a full-time employee within the PDU to focus on grant writing and assistance in pursuing revenue resources.

F. Technology Modernization

- [1] Software Replacement- SWBNO is focusing on replacing two software systems, (1) Financial information and (2) Work Order and Asset Management.
- [2] Smart Metering Program- Seven responses were received from vendors for the procurement, installation, and implementation of the automated water meters. SWBNO is evaluating the proposals, and implementation is expected to begin in the fourth quarter of 2022.

G. Infrastructure Resilience and Reliability

- [1] Infrastructure- Approximately 4000 feet of sewer force main pipe is scheduled for rehabilitation in the Lakeview area. Additionally, eleven water transmission main projects are forthcoming.
- [2] Green Infrastructure- A new green infrastructure project at Bayou St. John and Orleans Ave. is scheduled to break ground this summer. Additional information regarding this project may be found [here](#).

H. Drainage

97 of 99 drainage pumps are available for use. Offline pumps include:

- [1] DPS 6 (Carrollton/Lakeview) - I pump is offline and undergoing repairs. The return to service date is to be determined.
- [2] DPS 11 (Algiers) - E pump is offline; assessments are underway. The return to service date is to be determined.
- [3] DPS 14 (NO East) - Number 4 pump has been returned to service.

E. Power Assets

- [1] Turbine 1 "T1" - Offline due to vacuum issues. A repair is underway.
- [2] Turbine 4 "T4" - Online and available for use.
- [3] Turbine 5 "T5" - Online and available for use.
- [4] Turbine 6 "T6" - Offline for final testing of switchgear. The unit is scheduled to return to service by March 27th.
- [5] Frequency Changers - Online and available for use
- [6] EMDs - Online and available for use

APPENDIX 1

2022 Legislative Session Bill Summaries:

- [1] [HB 581](#)- Modifies the Louisiana Underground Utilities and Facilities Damage Prevention Law to provide for unplanned utility outages, state holidays, emergency excavation notices and response times. The proposed law changes the time frame from 4 hours from the beginning of the emergency excavation to 2 hours from discovering the need for an emergency excavation. It changes the gubernatorially declared state of emergency from a storm or hurricane event to a weather or homeland security related event. Otherwise, it retains present law.
- [2] [HB 602](#)- Revises and reorganizes provisions of Title 37 of the La. Revised Statutes of 1950 relative to the La. State Licensing Board for Contractors (LSLBC). The proposed law reorganizes and consolidates present law provisions related to contracting, home improvement contracting, and mold remediation and incorporates them into the general provisions regarding contracting and the duties and responsibilities of the LSLBC in Chapter 24 of the present law. This is a technical clean-up bill.
- [3] [HB 652](#)- Provides that the Sewerage and Water Board is recognized as a public utility subject to regulation by the New Orleans City Council. The proposed law retains the present law and additionally provides that the SWBNO is recognized as a public utility and is subject to regulation as a public utility by the New Orleans City Council (city council). The proposed law grants the city council the power to:
- Compile financial statements and examine, audit, or review the books and accounts of the Board
 - Authorizes the city council to examine all papers, books, accounts, records, files, instruments, documents, films, tapes, and any other forms of recordation, including but not limited to computers and recording devices.
 - Authorizes the city council, in lieu of examinations of the records and accounts of the Board, to accept an audit or review report prepared by a licensed, certified public accountant.
 - Requires the audit or review to be performed in accordance with generally accepted government auditing standards and the La. Governmental Audit Guide.
 - Requires that audits be complete within six months of the close of the Board's fiscal year.
 - Authorizes the city council to issue subpoenas to the Board to compel the production of public and private books, documents, records, papers, films, tapes, and electronic data processing media.
 - If the Board refuses to obey a subpoena, a judicial district court may issue an order requiring a board representative to appear before the court.
 - Provides that failure to obey a subpoena may be punished as a contempt of court.

NOTE: Mayor Cantrell provided closing remarks to the Board to present the resolution (R-058-2022), which opposes the legislation. The resolution was adopted.

- [4] [HB 506](#)- Provides an increase in the minimum amount for the weekly unemployment compensation benefit. The proposed law increases the minimum weekly benefit amount from \$10 to \$50, otherwise retains the present law.
- [5] [HB 713](#)- Provides relative to stormwater utility systems. The proposed law authorizes any political subdivision to create one or more stormwater utility systems and adopt stormwater utility fees sufficient to plan, construct, acquire, extend, improve, operate, and maintain stormwater management systems, either within or without its boundaries. Further, any such system created pursuant to the proposed law is a revenue-producing public utility pursuant to present law and shall have all the rights, powers, and privileges granted to such utilities by present law. (The Bill was authored in support of stormwater management in Baton Rouge)
- [6] [SB 48](#)- Creates the Water Sector Program to provide grants for repairs, improvements, and consolidation of community water and sewer systems. Establishes the Water Sector Commission to review and approve applications submitted pursuant to the program and make recommendations to Joint Legislative Committee on the Budget (JLCB) for funding approval.
- [7] [SB 352](#) Proposed law provides that all utility service providers, who provide, gas, electric, water, telecommunication, gas, cable, or internet service in this state shall issue a credit to all customers who experience an outage of utility service for longer than 24 hours. Utility providers to issue credits for outages longer than 24 hours. (SWBNO's position is that lack of consumption will produce lower bills)