



MEMORANDUM

To: All Councilmembers
From: CURO
By: Shannon Blanks
CC: Paul Harang and Anita Curran
Date: March 3, 2023
RE: SWBNO Meeting 03.15.2023

EXECUTIVE SUMMARY

The Sewerage and Water Board of New Orleans (SWBNO) Board of Directors (the Board) met Wednesday, March 15, 2023. 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 Report

A. Environmental Protection Agency Lead and Copper Rule Revisions

On January 15, 2021, the EPA issued [Lead and Copper Rule Revisions \(LCRR\)](#). The revisions require a complete system inventory and updated sampling, communication, and replacement protocols. SWBNO received a Google grant and contracted with Blue Conduit to complete the inventory due October 2024. The requirements for the lead service line replacements may be found [here](#). SWBNO is researching ways to manage time constraints and challenges associated with the new regulations. Meanwhile, a public and employee education campaign is underway.

B. Water Meters

[1] [Smart Meter Program](#) - Standard operating procedures, implementation planning, computer system integration, and tower siting are in progress. The smart metering system installations are anticipated to begin in the summer of 2023. Commercial customers will be the first accounts scheduled for installation, and a sequencing schedule is forthcoming.

[2] [Meter Reading](#) - SWBNO is using the updated meter reading strategy. The strategy is designed to collect actual usage data and will be used to calculate future billing estimates. As of February 2023, most customers have a minimum of two actual readings.

C. West Power Complex (WPC) - The WPC continues to progress. SWBNO transferred the second \$15 million investment to Entergy to construct the substation. Entergy is on site and has completed installing piles. Pile driving for the utility rack, frequency changer, and turbines is underway. Major design & construction contracts have been awarded, and neighborhood outreach is ongoing

According to the January 2023 WPC quarterly report (Attachment 1), the schedule of major completion milestones is as follows:

2023 Quarter 4- Utility Rack Complete
2024 Quarter 1- Substation construction complete
2025 Quarter 1- Static Frequency Changers installation complete
2025 Quarter 1- T7 and Generator Step-Up Transformers substantially complete
2025 Quarter 3- Claiborne Water Tie-In complete
2025 Quarter 3- Utility Tie-In outside of WPC footprint complete
2025 Quarter 4- Fuel Oil Tie-In complete
2026 Quarter 2- Operations building complete
2026-Quarter 4- Substation Energized, T7 start-up complete

Adjustments to cost and schedule are expected as the design and construction elements progress.

D. Pavement Repair Plan- SWBNO is increasing internal capacity and issued two supplemental paving contracts in the first quarter to address the service cut repair backlog. Priority will be given to the oldest cuts. Additionally, the Department of Public Works has dedicated \$8.3 million to repair SWBNO service cuts, where 400 repairs are underway, and 800 will go to bid this spring.

E. Financial Stability-

[1] Collections- SWBNO accounts receivables include \$60 million for open accounts and approximately \$31.4 million for closed accounts. To strengthen the collections process, SWBNO intends to:

- Hire collection and account managers
- Prioritize the top 100 delinquent commercial accounts
- Enforce a multi-unit building shut-off policy¹ (Attachment 2) that will shut off water to delinquent multi-unit customers upon proper notification.
- Expedite the “write-off” process for closed accounts with unpaid balances

¹ The SWBNO Billing Advisory Committee met on March 30, 2023, to discuss exploring additional measures to recover outstanding debt from multi-unit accounts.

- Assign an inspector to support water turn on/off for transfer accounts

[2] Funding – SWBNO has applied for \$81.9 million in federal and state funding from the following:

- \$38.9 million from the Louisiana Department of Environmental Quality revolving fund for wastewater plant repairs (commitment letter received March 10, 2023)
- \$3.3 million from the Hazard Mitigation Grant Program for ten portable emergency generators
- \$39 million from Capital Outlay for WPC projects
- \$767 thousand from a Building Resilient Infrastructure & Communities FEMA grant for ten portable emergency sewer pumps

SWBNO is researching the following funding opportunities:

- \$67 Million from the Louisiana Department of Health’s drinking water revolving fund for smart meters
- \$42 Million from Infrastructure Investment & Jobs Act for lead service line replacement
- Energy savings and project credits from the Inflation Reductions Act

F. Stakeholder Engagement - SWBNO continues to meet with stakeholders to discuss challenges, solutions, and ways to maximize resources.

G. Partnerships

- [1] Late Fee Forgiveness Program- SWBNO concluded the late fee forgiveness program on December 30, 2022. SWBNO has forgiven approximately \$32,915 and initiated 3060 new payment arrangements.
- [2] One Stop Shop - Plumbing permit functions are now managed by the City’s One Stop Shop as of January 2023.
- [3] Employee Training - Twenty-three SWBNO employees are enrolled to take the water purification and licensing training provided by Delgado Community College.