

MEMORANDUM

To: All Councilmembers

From: CURO By: Jared Reese

CC: Justyn Hawkins and Anita Curran

Date: October 23, 2024

RE: The Sewerage and Water Board of New Orleans Meeting 10/23/2024

EXECUTIVE SUMMARY

The Sewerage and Water Board of New Orleans (SWBNO) Board of Directors (the Board) met on Wednesday, October 23, 2024. In addition, the Board received updates on the general standing of the SWBNO. The complete packet for the meeting may be found [here](#).

A. Power Complex

SWBNO anticipated that the Power Complex would come online in the summer of 2025. Static frequency changer 2 arrived the week before the October meeting, and the manufacturers planned to deliver Turbine 7 during the week of 10/28, with installation scheduled to continue through November. SWBNO expected the Utility Rack cabling to arrive in November. SWBNO secured a DOE Grant through DNR. SWBNO finalized the grant, which represented 49% of the funds. The organization would pay off the other 51% through a no-interest loan over the next 20 years.

B. Lead Service Line Replacement Program

SWBNO launched the lead line inventory on October 11th, 2024. The company received \$86M from the state revolving fund. SWBNO was finalizing the grant, which represented 49% of the funds. The organization would pay off the other 51% through a no-interest loan over the next 20 years. SWBNO intended to apply for an additional \$66M from the same source to cover more of the program. Additionally, SWBNO issued an RFP for a program manager.

SWBNO stated that it prioritized schools and daycares for the LSL Replacement Program.

C. Installation Progress

SWBNO reported that the organization had installed 51,000 meters, representing 36.4% of the population, and SWBNO remained on track to meet its target goal by the end of the year.

The company sent 15,000 continuous usage letters informing customers of potential leaks, saving over 38 million gallons of water and over \$596,000 on bills.

D. People Plan

SWBNO conducted an assessment of current workforce policies. The organization examined employees' understanding and application of these policies and procedures, along with identifying challenges and areas for improvement during that quarter. SWBNO planned to examine similar utilities' policies during Q3 of 2024 and host employee focus groups in Q4 2024.

E. Wastewater

Sewer Pump Station D remained offline after an electrical malfunction during Hurricane Francine. SWBNO deployed temporary pumps while repairs to drainage controls continued and replacement grid construction proceeded. The company did not mention a restoration date.

SWBNO also introduced a new automated system in the Veolia Hubgrade Center. The system used real-time data analytics to operate more efficiently by reducing chemical and electrical consumption. The center was the first of its kind in the United States.

F. Billing Laws

City Council implemented an ordinance on 9/6/2024 that appointed third-party administrators. HGI, the third-party administrator, recommended 602 adjustments; SWBNO made only 70 adjustments. SWBNO had to write off \$2 million. The administrators submitted their first monthly report to the council on 10/4/24.

SWBNO also reported the start of fixed rate billing based on usage until the organization installed a smart meter.

SWBNO was still awaiting the state arbiter program. The Louisiana Legislative Auditor and the CEA would administer the program. CEA was receiving \$500k in funding from the State Appropriations. The company anticipated no movement until then.

G. Pavement Progress

SWBNO reduced the backlog of work orders to around 440 compared to 3,000+ in 2023. The restoration timeline was 42 days compared to 100 days in 2023. SWBNO's goal was to reduce completion of a repair to 2-4 weeks.