



## MEMORANDUM

**To:** All Councilmembers  
**From:** CURO  
**By:** Shannon Oldfield  
**CC:** David Gavlinski, Eric Granderson, and Theresa Becher  
**Date:** July 2, 2019  
**RE:** SWBNO Meeting 6.19.19

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### EXECUTIVE SUMMARY

The Sewerage and Water Board of New Orleans (SWBNO) Board of Directors (the Board) met Wednesday, June 19, 2019. The full packet for the meeting can be found [here](#). The Board received updates on the general standing of the Sewerage and Water Board.

#### I. New Orleans Infrastructure / Fair Share Bills

Three bills were signed by the governor on June 7, 2019 to purportedly provide \$26 million in recurring funding annually for the City of New Orleans to address its infrastructure needs.

The bills include:

- **HB 43** (Harris) - Levies a 6.75 percent tax on short-term rentals, assuming voter passage.
- **HB 522** (Abramson) - Implements a 1 percent tax on hotels.
- **HB 617** (Leger) - Authorizes the construction of a new hotel and parking garage at the Ernest N. Morial Convention Center.

SWBNO will receive \$20 million of the total recurring funds. SWBNO intends to use the funding to begin paying off the Army Corp of Engineers South Eastern Louisiana (SELA) projects, increase bond capacity, and begin the Master Plan process to identify capital projects.

A request for proposals (RFP) for Phase I of the automated metering infrastructure (AMI) is scheduled to be advertised this year. Phase I will consist of data collection efforts to assess the current state of the meters and develop a project baseline. Data collection and evaluation will allow SWBNO to reassess the cost for the needed improvements and budget the phased installation accordingly.

The remaining \$6 million of the recurring funds will be received by the City of New Orleans. Mr. Ramsey Green, deputy chief administrative officer, stated that some of this money will be used to finish the catch basin and pipe cleaning effort that was started in 2017, and to continue maintenance work on a 2 to 2.5 year cycle thereafter. The City expects to nearly double the maintenance department and purchase new equipment to achieve this effort. New technology has been employed where a phone application is used to track cleaning activities allowing for a new systematic approach to cleaning operations.

The Mayor plans to establish an advisory committee to ensure the disbursements of the new funding are in accordance with the agreements made with the State. The advisory committee will consist of seven (7) members, the Mayor will select four (4) members and the Governor's team will have three (3) members.

## **II. Environmental Protection Agency (EPA) Loan**

SWBNO intends to move forward with applying for an EPA Loan in accordance with the Water Infrastructure Finance and Infrastructure Act (WIFIA). The WIFIA program letter of interest is due by July 5, 2019. The details of this program may be found [here](#).

## **III. The Executive Director's Report**

### **A. Potable Water Pumps**

One of the 2 larger and significant potable water pumps (Pump A) has successfully completed the installation and testing procedures of a temporary motor. Pump A has been put back into service. This is a step in eliminating the cross connection concern.

### **B. Drainage Pump Stations (DPS)**

118 of 120 pumps are available at the surrounding DPS. The remaining pumps are expected to return to service August 2019.

### **C. Power**

SWBNO is able to self-generate enough power to meet and exceed peak demands. The additional power generation capacity provides redundancy in system in the event of an unscheduled outage. SWBNO is evaluating solutions to limit reliance on two of the outdated steam turbines (T1 and T3).

### **D. Payment Collections**

SWBNO continues to execute their shut off policy, as well as notify customers with delinquent accounts that their accounts will be turned over to a collection agency. Customers have been responsive to this notification and collection process. SWBNO has calculated approximately 40% increase in their weekly collections since August 2018 with the greatest increase in collection occurring after January 2019.

### **E. Organizational Structure**

SWBNO is working with the Civil Service Commission to create new executive management positions within the organization. SWBNO and the Civil Service Commission continue to negotiate terms for the Chief Auditor position. The following five (5) positions have been approved:

1. Chief Customer Service Officer
2. Chief Administrative Officer
3. Director of Human Resources (HR)
4. Director of Strategic Planning
5. Director of Continuous Improvement.

Councilman Banks inquired about the status of the additional vacancies that are not executive management. Executive Director Korban reports that some crucial vacancies are being filled however the lack of an HR director is negatively impacting the hiring process for the existing vacancies. Mr. Korban reported that 180 positions remain vacant which is down from 250 reported the previous year.

Mrs. Patty Wallace was introduced as the Director of Procurement. Her duties in this position will include refining project controls protocols, spending protocols, and project management.

#### **IV. Hurricane Preparedness Report**

SWBNO reports that several preparedness exercises have been performed throughout the year. The exercises conducted include:

- 1) emergency dam deployment,
- 2) hurricane full scale,
- 3) communication,
- 4) fleet evacuation,
- 5) environmental, and
- 6) back office support.

SWBNO is currently updating the essential employees list, business continuity plan contacts, and departmental hurricane plans. SWBNO has emergency supplies such as food, water and cots to house essential employees. These supplies are strategically located throughout the city.

#### **V. Green Infrastructure (GI) Update**

SWBNO is considering an installation of GI in the Bayou Saint John area. This project is located on SWBNO owned property located near the intersection of Orleans and N. Jefferson Davis Parkway. A public meeting was conducted on June 13 to discuss green infrastructure options and community preferences. 127 community members signed the attendance log at the meeting and 118 comments were received. The open comment period for this project ended June 21. A conceptual plan is being developed and will be presented at a future meeting. The final RFP will be advertised after a plan is approved by the board.