



MEMORANDUM

To: All Councilmembers
From: CURO
By: Shannon Oldfield-Blanks
CC: Paul Harang, Eric Granderson, and Theresa Becher
Date: June 8, 2020
RE: SWBNO Meeting 05.20.2020

EXECUTIVE SUMMARY

The Sewerage and Water Board of New Orleans (SWBNO) Board of Directors (the Board) met Wednesday, May 20, 2020, using Microsoft Teams. The full packet for the meeting may be found [here](#). The Board received updates on the general standing of the Sewerage and Water Board.

The agenda was read aloud by SWBNO Counsel Yolanda Grinstead.

Executive Director Report

A. Chief Financial Officer

SWBNO selected Mr. Mac Underwood as the Interim Chief Financial Officer (CFO). A national search for a permanent CFO is underway. The position is expected to be filled by the end of 2020.

B. Advanced Metering Infrastructure (AMI)

SWBNO has received six proposals to manage the AMI project. Each respondent was interviewed, and as of June 5, 2020, Jacobs was the selected firm.

C. Resuming Work

Work on the water mains will resume in a limited capacity. Any work that requires water main closures to shut the water off to customers will be limited to 4 hours.

SWBNO's Director of Special Projects D. Callahan is developing a reopening plan. The plan will emphasize safety procedures such as physical distancing, face mask requirements, and routine disinfection. SWBNO is evaluating other utility providers, including Entergy, to implement the best reopening strategy.

D. Billing

SWBNO reports 13,000 new delinquent active accounts in March and April. Of these accounts, the maximum amount owed is approximately \$500. Before the COVID-19 pandemic, 30,000

accounts were delinquent, approximately 80% of those accounts have a balance of roughly \$3,600.

A collection agency is used to recover payment from inactive delinquent accounts. However, the collections may subside because of the pandemic. SWBNO will re-evaluate the cost and benefits of this service.

Beginning in June, SWBNO will utilize repayment plans (referred to as “Customer Care Pay Plans”) for customers with delinquent accounts. Customers will be automatically enrolled, and, based on the amount due and period in arrears, a payment plan will be created. SWBNO intends to have some flexibility in the Customer Care Plan, and customers may call to negotiate arrangements for debt resolution. The details of the plan may be found [here](#).

SWBNO continues to monitor federal and state “no-shut-off” policies and research opportunities for financial support as they are related to pandemic recovery. To date, no state or federal funds are available to assist the utility. All shutoffs remain suspended until further notice.

E. Meter Reading

SWBNO reports that the department has been set back significantly by COVID-19. Due to the pandemic, the number of estimated bills rose from 20% to % 40. Therefore, SWBNO plans to increase the staff of this department. The details of the expansion may be found [here](#).

F. [May 14, 2020, Rain Event](#)

Approximately 2.5 inches fell within an hour shortly after midnight in the Uptown area. Drainage Pump Station, 1 in Broadmoor, lost power around 12:45 AM. The significant amount of rain accompanied by a possible lightning strike caused Entergy supplied power to go out and diminished pumping capacity. SWBNO changed the power source, and pumping resumed approximately 45 minutes later. SWBNO believes that the new subsurface drainage SELA project minimized the impact of street flooding in the area.

G. Power

1. SWBNO continues to advocate for a power substation. The overhead electrical feeders are susceptible to inclement weather; whereas, subsurface transmission lines from a dedicated substation will minimize the impact of such storm-related outages. Phase 1 includes site preparations for the project and will utilize capital overlay funds to begin the construction of the substation.
2. The failure of Turbine 5 remains under investigation. SWBNO is researching options that will be beneficial and in-line with the Power Master Plan submitted in March 2020 (**ATTACHMENT 1**). According to Korban, the replacement power supply is approximately \$20 million, with a delivery time between 6 and 9 months. No funding source exists for this project at this time. Therefore, SWBNO is working with Entergy to research funding opportunities and alternatives.