



MEMORANDUM

To: All Councilmembers
From: CURO
By: Shannon Oldfield
CC: David Gavlinski, Eric Granderson, and Theresa Becher
Date: October 24, 2019
RE: SWBNO Meeting 9.18.19

EXECUTIVE SUMMARY

The Sewerage and Water Board of New Orleans (SWBNO) Board of Directors (the Board) met Wednesday, September 18, 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.

The Executive Director's Report

A. Drainage Pump Station (DPS)

21 of 21 dry weather pumps and 98 of the 99 drainage pumps are operational. The offline pump is located at DPS 14 in New Orleans East. SWBNO is in the process of procuring a replacement part.

SWBNO performed an emergency repair to an electrical feeder that supplies DPS 5 in the Lower 9th Ward. This repair increases the power reliability of the DPS during hurricane season.

B. Power

SWBNO can self-generate enough power to meet and exceed peak demands at this time. SWBNO is moving forward with a feasibility study to determine the path forward with Entergy supplied power.

C. Elevated Water Towers

The second elevated water tower at SWBNO water plant located on Claiborne Ave. is complete. The tower is operational and passed all required evaluations and testing procedures. SWBNO is planning to hold a ribbon cutting in October.

D. Subsurface Drainage Canals

Lafitte/Orleans Canal assessment revealed significant amounts of debris, including but not limited to a vehicle. Since this discovery, approximately 950 tons of debris has been removed. Approximately 22 thousand cubic yards of debris remain in the canal. The remaining debris is approximately 2 feet deep at the base of the canal. Executive Director Korban would like to perform routine canal assessments approximately every five years.

St. Louis, Loyola, Julia, and Canal Street Canals are still being assessed. The preliminary report did not reveal any significant findings.

E. Fair Share

Korban stated that the SWBNO had received one funding transfer for approximately \$7.5 million, which has been used to pay capital debt toward projects.

SWBNO has received \$20 million of the \$28 million commitment from the Convention Center. The SWBNO and Convention Center are negotiating a cooperative endeavor agreement for the remaining \$8 million for the transfer of property or right-of-way.

F. Funding Target Updates

SWBNO expects to receive \$7.3 million in capital outlay funds from the state. This funding will fund project design and site preparation work for the Entergy substation at the Carrollton Water Plant.

SWBNO applied for a \$10 million grant from the Department of Environmental Quality. This initiative was granted final approval by the State Bond Commission on September 19, 2019.

A Water Infrastructure Financing Innovation Act (WIFIA) letter of intent has been submitted requesting \$206 Million in funding to support the sewer consent decree. An update on this letter is expected by October 31, 2019.

G. Billing

SWBNO is changing its method of bill estimation. The press release may be found [here](#). SWBNO is allocating additional resources to the bill review process to minimize variations in bill amounts and allow the customer to budget accordingly.

Billing estimates will be based on individual historical account average.

- a. Four previous readings will be used when available. A minimum of 2 actual readings are required; or
- b. If actual historical readings are not available, the default estimation will be 170 gallons per day (GPD) for residential accounts.

Before the change in methodology, bill estimates were based on the consumption rate of 100 GPD per residence. According to the recent UtiliWorks study performed in 2018/2019, that consumption estimate was too low. Therefore, customers received estimated bills that were too low, followed by high bills when meter readings were obtained.

Additional changes to the billing process that have been implemented include staff training, updated billing review processes, sequenced meter reading routes, and standardized meter data. These updates have reduced the number of open investigations and faster processing of accounts for customers that are moving in/moving out.