



MEMORANDUM

To: All Councilmembers
From: CURO
By: Shannon Oldfield
CC: David Gavlinski, Eric Granderson, and Theresa Becher
Date: January 28, 2018
RE: SWBNO Meeting 1.16.19

EXECUTIVE SUMMARY

The Sewerage and Water Board of New Orleans (SWBNO) Board of Directors (the Board) met Wednesday, January 16, 2019. The full agenda for the meeting can be found [here](#). In addition to appointing Mr. Bob Turner as the new general superintendent, the Board received updates on pumping capacity, collaborations with Entergy, and billing.

I. Pumps & Power

a. Pumps

112 of 120 pumps are available at the surrounding drainage pump stations (DPS). Of the 8 that are out of service, 3 of these pumps are down for scheduled maintenance and are “constant duty”. Constant duty pumps are not the pumps primarily responsible for moving water off the streets during heavy rain events. One pump is located in New Orleans East at DPS 20 and has reduced that station’s drainage capacity. However, the service area for this pumping station contains a large amount of green space which can retain a significant volume of water naturally and offset the reduced drainage capacity.

The estimated completion date for all pumps to be back on-line is April 19, 2019. SWBNO intends to have all the pumps available by the beginning of hurricane season. However, SWBNO’s financial problems have compromised its ability to pay vendors; as a result, some of these deadlines may be challenged.

b. Entergy

SWBNO is establishing a purposeful relationship with Entergy. The utilities have engaged in site visits to develop clearer understandings of how Entergy can better support SWBNO. SWBNO and Entergy meet monthly to continue communication and refine ways they may support each other’s needs. Entergy and SWBNO have identified the power feeds that energize SWBNO and have placed signs instructing Entergy personnel to contact SWBNO in the event these feeds must be de-energized.

The operation and maintenance cost of SWBNO generating its own power is estimated to be four times more expensive than using power supplied by Entergy. The plan is to fund

the installation of the frequency changers with the savings. Transitioning from SWBNO generated power and strategic replacement of equipment is presently being assessed.

As SWBNO and Entergy develop their relationship the representatives will present more details to the Board of Directors.

II. Billing

Utiliworks, a consulting firm hired by SWBNO to investigate issues surrounding billing including those resulting from errors associated with meter reading. A full report on Utiliworks findings is expected at the next Board of Director's meeting on February 20, 2019. This report will include recommendations for implementation and expected timelines.

SWBNO reported significant progress on resolving disputes. Upon the appointment of the new Chief Financial Officer, there were reported to be 7000 to 8000 back logged disputes pre-dating June 22, 2018. Of those backlogged disputes approximately 5 are still outstanding. Because SWBNO is continuously managing calls requesting account investigations, SWBNO is actively working through roughly 5000 disputes at any given time.

SWBNO also reported that a substantial backlog of transfer accounts (customers moving in and out) have been resolved. As of September 30, 2018, the backlog included 12,432 accounts. At the time of the board meeting, there were approximately 2,253 remaining. SWBNO anticipates that all of the transfer accounts will be resolved in February 2019. Currently, the average time for a new customer to receive a bill is 17 days from the date the account was opened.

In response to concerns about inflated bills, SWBNO reports that there was an issue in November and December where customers could go online and view high bills. This bill was reported to be a pending bill and in the subsequent days would be finalized and then reflecting the accurate bill. The ability for customers to view a pending bill was said to be a flaw in one of the interfaces that has since been plugged and customers should no longer be seeing inaccurate account balances.

SWBNO has generated new letter templates related to specific inquiries to communicate with customers. Customers with true delinquent accounts are also provided settlements and reasonable payment plans. Corporate entities that have delinquent accounts vary and are said not to be the majority of the back log. SWBNO intends to evaluate institutions that historically have not been billed and discuss billing moving forward in addition to retroactive billing.