

**QUARTERLY REPORT OF THE  
INFRASTRUCTURE ADVISORY BOARD**

**First Quarter 2023**

In accordance with its obligations under Executive Order LC 19-02 issued by Mayor LaToya Cantrell on August 6, 2019, and the Cooperative Endeavor Agreement between the City of New Orleans (“City”) and the Sewerage and Water Board of New Orleans (“SWBNO”) dated July 7, 2020, the Infrastructure Advisory Board (“IAB”) respectfully submits this report of actions undertaken to date during the first quarter of 2023 and recommendations offered for the second and third quarters of 2023.

**I. IAB Meetings and Activities**

The IAB met once during the fourth quarter of 2022, convening on December 8, via in-person and videoconference. The material portions of the meeting packet are attached as Exhibits A, B, and C, and a full recording of the meetings is available at:

<https://www.youtube.com/watch?v=WohawGFoNOA>

**II. Status of One-Time Funds**

The status of the Fair Share Agreement one-time funds is delineated in the City’s presentation in connection with the March 16, 2023 IAB meeting attached to this report as Exhibit “B”.

**III. Status of Recurring Revenue Under the Fair Share Agreement**

The status of each revenue stream of the Fair Share Agreement is delineated in the attached Exhibit “B”.

**IV. IAB Project Recommendations for Use of Recurring Fair Share Agreement Funds**

Since its inception, the IAB has worked closely with SWBNO to identify the highest and best uses for recurring Fair Share Agreement funds, attempting to strike a balance between support for acute short-term needs and projects that will contribute to the longer-term sustainability of the system. The projects approved for funding utilizing Fair Share Agreement revenues are set forth in the document attached as Exhibit “C” and below:

- A. *Automated Metering Infrastructure (AMI)* – The IAB recommended utilizing up to \$1,500,000 from the IMF to support AMI implementation, including the short-term engagement of supplemental meter readers, to provide more consistent, timely, and accurate customer billing. Phase 1 of the AMI project was meant to include a survey of the entire existing water meter infrastructure and determination of the proper scope of the eventual AMI solution. Due to limited IMF proceeds, SWBNO downsized the scope of Phase 1, moving some aspects to Phase 2, to make the project more

affordable in the near term. The rescoping resulted from SWBNO's efforts to identify which aspects of Phase 1 will generate the greatest benefits. SWBNO does not expect the rescoping to affect full AMI implementation, which is anticipated to cost approximately \$40 million.

The rescoped meter survey is complete, as is a business process analysis of all related SWBNO functions. The vendor implementation RFP was released in December 2021, and seven vendors responded. The SWBNO selection committee met in April and awarded the contract to Aquametric. SWBNO Board of Directors approved the award in May, and, after overcoming a bid protest, the final contract will be presented to the Board on December 14.

Phase 2 – “Deployment” – is officially underway. The Smart Meter program management team is prioritizing increased staffing for community outreach, installation of a SWBNO-owned network for signal transmission, and ordering meters and equipment to get ahead of anticipated supply chain delays. As of March 2023, network infrastructure is being installed, integration with SWBNO'S billing system has begun, and the customer portal implementation is imminent.

The project team also is exploring strategies for complying with the new EPA lead line regulations, which will require provision of a water pitcher for each customer whose line is “disturbed” during the meter replacement rollout. These new regulations will increase the cost of the project by approximately \$4-5 million and may impact the timeline for residential installations.

B. Master Plan – The IAB recommended utilizing up to \$500,000 from the IMF to support development of a Master Plan. The Master Plan constitutes the blueprint for SWBNO's long-term, comprehensive, integrated, sustainable vision for managing the City's water, sewer, and major drainage systems for years to come.

After a competitive proposal process, a contract for a Utility Strategic Plan—a critical step in the development of a comprehensive Master Plan—was awarded to a team led by Raftelis Financial Consultants, Inc. and approved by SWBNO Board of Directors on May 19, 2021. IAB Member Elisa Speranza served as a volunteer member of the evaluation committee.

Raftelis led an intensive and comprehensive process over the past six months that included SWBNO leadership, workforce, Board members, partner agencies and stakeholders. The strategic plan, which covers priorities, strategies and tasks for implementation over the next five years, was adopted by SWBNO Board of Directors in February. SWBNO leadership is sharing the plan with stakeholders and the community over the next several months.

Implementation of strategic plan tasks began in earnest in Q2, including identification and tracking of goal-related performance metrics. A public-facing dashboard reflecting progress toward goals was unveiled at the SWBNO Strategy Committee meeting last month and will be the primary tool for metric tracking moving forward.

Now that the Strategic Plan is complete, SWBNO will turn toward master planning efforts for each of its three systems (water, wastewater, drainage). The utility will put out an RFP for a water system master plan, focusing on the renovation of the Carrollton and Algiers water purification plants, this year. Based on the results of the RFP, SWBNO may seek the dedication of additional Fair Share funds in this category to support the planning process.

C. Water Treatment Plant – Sycamore Filter Gallery – This high-priority project is part of an effort to upgrade many aspects of the Carrollton and Algiers water treatment plants, for which SWBNO is seeking federal funding from the Infrastructure Investment and Jobs Act as well as the Water Sector Commission. Work on this project is ongoing and should be complete before summer 2023.

D. SELA Algiers Drainage Project – The IAB recommended utilizing \$1,030,625 from the IMF to support the Algiers drainage project. As previously reported, SWBNO is participating in a federally funded SELA construction project improving Algiers drainage canals and increasing stormwater storage during rain events. As part of the agreement with the U.S. Army Corps of Engineers, SWBNO paid 5% of the project costs up-front, amounting to \$1,030,625; this unlocked approximately \$25 million in additional funding from the federal government. As the Corps continues to receive federal funding for this project, SWBNO is obligated to pay the matching 5% up-front cost. The IAB approved an additional \$2,486,836 for that payment in the second quarter of 2021.

E. Stormwater Fee Study – The IAB recommended utilizing up to \$250,000 from the IMF to support a Stormwater Fee Study. A stormwater fee study would include a full analysis of the rate structure, assessment methodology, affordability, equity, incentives, and timing of a potential stormwater management fee. This study will allow for the design of an equitable, sufficient, and reliable recurring revenue source to support New Orleans’ drainage infrastructure and the implementation of best management practices, including green infrastructure. At the behest and recommendation of the IAB and SWBNO, a group of dedicated business, civic, and community organizations have begun to work collaboratively on a plan to bring the stormwater management fee to fruition. To aid that effort, SWBNO has requested a substantive update to the 2016 stormwater fee feasibility report prepared by consultant Raftelis. The updated report, slated to be complete in Q2 of 2023, will

reflect current utility and community data and provide recommendations on equitable fee structure and amounts.

F. Turbine 7 (T7) Solution – As part of an ongoing effort to address chronic shortfalls of availability of power generation to support SWBNO operations, the IAB recommended utilizing up to \$4,000,000 from the IMF to support a procurement of a new turbine dubbed “T7.”

T7, along with T6, will become the sources of backup power generation for the utility once the Entergy substation is constructed. In the meantime, T7 will replace the outdated steam turbine generators (T1 and T3) that are no longer reliable. Equipment, site preparation work, and installation of T7 is expected to cost approximately \$18 million to \$20 million. Funding for this project has been approved, and the environmental permitting process is complete. The RFP for equipment and installation was released in December, and the selected vendor was approved by SWBNO’s Board this spring. Design and integration work is underway.

G. West Power Complex Construction – The West Power Complex is comprised of an electric substation connecting SWBNO’s plant directly to Entergy’s transmission line, as well as a modernized backup power generation system powered by Turbines 6 and 7. Construction of the new power campus, which also includes three frequency changers, an operations center, and a “utility rack” to connect the Entergy power to SWBNO’s assets, will cost around \$250 million. Funds from the project will come from numerous sources, including state Capital Outlay funds, federal earmarks, CDBG and HMPG funds, the City of New Orleans, and SWBNO’s own system funds. The IAB has also committed \$20M from its recurring revenue to help fund construction in 2023. Project groundbreaking was on Monday, December 5. The project is on track to be delivered in 2024.

### **Anticipated IAB Actions in the Coming Quarter(s)**

The IAB will continue to closely monitor Fair Share Agreement collections as well as the progress of recommended projects between meetings.

### **Attachments**

Exhibit A - December 8, 2022 IAB packet including its subparts: Exhibit B and Exhibit C

Exhibit B – 12.8.2022 City of New Orleans Presentation to IAB

Exhibit C – 12.8.2022 SWBNO Presentation to IAB: Report of Revenue and Expenditures made pursuant to the CEA (R-079-2020) – Infrastructure Maintenance Fund

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## INFRASTRUCTURE ADVISORY BOARD

Paul Flower, Chair   Neil Abramson, Secretary   Casey Tingle, Vice Chair  
Elisa Speranza   Bill Hammack   Karen Raymond   Chuck Morse

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December 8, 2022 | 2:00 pm

*Woodward Design+Build – 2<sup>nd</sup> Floor*  
*1000 South Norman C. Francis Parkway, New Orleans, LA 70125*

### AGENDA

- I. Call to Order
- II. Approval of Agenda
- III. Approval of Minutes
- IV. Approval of Quarterly Report
- V. Presentation of Agenda
- VI. Presentations:
  - A. Fair Share Agreement Update – City of New Orleans
  - B. American Rescue Plans Act Funding Spending Plan – City of New Orleans
  - C. Sewerage & Water Board of New Orleans Update
  - D. Drainage Consolidation Working Group Update
- VII. Public Comment
- VIII. Approval of 2023 Infrastructure Advisory Board Meeting Schedule

Q1 – March 16, 2023
Q2 – June 8, 2023
Q3 – September 14, 2023
Q4 – December 14, 2023
- IX. Other Business
- X. Adjournment

**MINUTES OF THE REGULAR MEETING OF THE  
INFRASTRUCTURE ADVISORY BOARD  
September 22, 2022**

The regular meeting of the Infrastructure Advisory Board (IAB) occurred on September 22, 2022 virtually via video conference and in-person at Woodward Design+Build – 2<sup>nd</sup> Floor, 1000 South Norman C. Francis Parkway, New Orleans, Louisiana.

The following IAB members were present:

1. Paul Flower, Chair
2. Neil Abramson, Secretary
3. Karen Raymond
4. Elisa Speranza
5. Bill Hammack
6. Chuck Morse

**REGULAR ORDER OF BUSINESS**

The Chair called the meeting to order at 2:00 p.m.

Presentations

Eric Smith, city of New Orleans, was unable to provide an update on Fair Share Agreement (“Fair Share”) revenues as he was informed prior to the meeting the city Department of Revenue had experienced a “glitch” in its system which resulted in significant under-reporting of revenues for Sewerage & Water Board of New Orleans (SWBNO), New Orleans Department of Public Works (DPW), and New Orleans & Co. since 2020. The city expects a correction in the coming week which will apply all the under-reported revenue to the most recent month’s disbursement report. Smith explained the next Short-Term Equalization and Local Privilege tax is expected to exceed \$500K over the monthly average of \$300K.

Notable Fair Share undertakings include: (1) hotel occupancy continues to increase and is keeping pace with or has surpassed 2019 numbers and city revenue has increased to meet exceed 2019 collections, representing a recovery from both COVID-19 and Hurricane Ida; and (2) DPW continued expansion of its Maintenance Division for internal work; it has filled 11 of the 82 positions across multiple divisions and is in the process of recruiting and interviewing for the remainder of the positions.

Smith provided an update on the Downtown Development District’s installation of permeable pavement in seven City corridors, explaining the contract has been awarded and the design contractor is in the process of finalizing the contract for execution and is on track to begin

construction in the first quarter of 2023. Notably, there was change in the state's capital outlay, which was the State Bond Commission restoring full \$250K in Priority 1 funding (previously approved only \$150K in July 2022) and \$2.65M in Priority 5 funding for the Lower 9<sup>th</sup> Ward Green Infrastructure Project.

Ghassan Korban, executive director, SWBNO, reported a total revenue of \$26.8M collected through July 2022. Expenditures related to Meter Reading Initiatives, SELA Algiers Drainage Project, SWBNO Strategic Plan development, Turbine 7 design, and Smart Metering Program (AMI) total approximately \$6.9M, with increased spending on Turbine 7 design and AMI. Korban shared updates on priority projects: (1) SWBNO Board of Directors selected and approved a vendor for installation of AMI, deployment phase is underway, and anticipated first round of meter installation in March 2023; (2) Turbine 7 design, delivery and installation are all on schedule; (3) the Asset Management Program is moving forward and SWBNO anticipates RFP and vendor selections in Q4 of 2022; (4) contractors have begun work on the Sycamore Filter Gallery. The project is expected to be completed in 6 months; and (5) SWBNO performance metric dashboard has launched; implementation of the Strategic Plan continues.

Korban updated the IAB on the work of the Drainage Consolidation Working Group (Working Group), stating the group met three times to date far and reached a consensus SWBNO should have full ownership of the city's drainage system. There are no legal impediments to consolidation. The Working Group also agreed the level of service is subpar and are developing a plan of how to improve the provision of this service. SWBNO and DPW have jointly submitted a proposal of what a new level of service would look like and included a plan for catch basin maintenance. Finally, the Working Group discussed the importance of a stormwater management fee, acknowledging the city needs to take calculated measures to implement an equitable fee locally.

Korban explained that SWBNO is seeking formal approval from IAB to use \$20M from the Fair Share to cover an anticipated gap in funding to complete the West Power Complex project by 2023. The expectation is SWBNO will require approximately \$5M per quarter which will enable teams to encumber contracts for project elements where funding gaps exist after applying other sources i.e., Capital Outlay (\$72M), HUD earmark (\$6M), city of New Orleans (\$52M), Bonds (\$40M) etc. The Chair clarified the SWBNO was requesting the IAB to set aside \$20M in future Fair Share revenue for the completion of the West Power Complex, subject to IAB approval of specific projects and Korban agreed. The Chair entertained a motion to approve reserving the requested \$20M of income from Fair Share in 2023 to be used on projects related to completing the West Power Complex. Abramson moved, and it was seconded by Morse. The motion passed unanimously.

#### Public Comment

There was no public comment.

There being no further business, the meeting was adjourned 3:05 PM.



**QUARTERLY REPORT OF THE  
INFRASTRUCTURE ADVISORY BOARD**

**Fourth Quarter 2022**

In accordance with its obligations under Executive Order LC 19-02 issued by Mayor LaToya Cantrell on August 6, 2019, and the Cooperative Endeavor Agreement between the City of New Orleans (“City”) and the Sewerage and Water Board of New Orleans (“SWBNO”) dated July 7, 2020, the Infrastructure Advisory Board (“IAB”) respectfully submits this report of actions undertaken during the second quarter of 2022 and recommendations offered for the first and second quarters of 2023.

**I. IAB Meetings and Activities**

The IAB met once during the third quarter of 2022, convening on September 22, via in-person and videoconference. The complete meeting packet for the meeting is attached as Exhibit A, and a full recording of the meetings is available at:

<https://www.swbno.org/BoardMeetings/MeetingVideo?link=https%3A%2F%2Fwww2.swbno.org%2Fmedia%2FInfrastructure+092222.mp4&name=Infrastructure+Advisory+Board&date=9%2F22%2F2022+2%3A00%3A00+PM>

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of the proper scope of the eventual AMI solution. Due to limited IMF proceeds, SWBNO downsized the scope of Phase 1, moving some aspects to Phase 2, to make the project more affordable in the near term. The rescoping resulted from SWBNO's efforts to identify which aspects of Phase 1 will generate the greatest benefits. SWBNO does not expect the rescoping to affect full AMI implementation, which is anticipated to cost approximately \$40 million.

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C. *Water Treatment Plant – Sycamore Filter Gallery* – This high-priority project is part of an effort to upgrade many aspects of the Carrollton and Algiers water treatment plants, for which SWBNO is seeking federal funding from the Infrastructure Investment and Jobs Act as well as the Water Sector Commission. The notice to proceed on this contract was issued in late May and work is ongoing, despite some supply steel industry supply chain delays. The project is scheduled to be completed by the end of the year.

D. *SELA Algiers Drainage Project* – The IAB recommended utilizing \$1,030,625 from the IMF to support the Algiers drainage project. As previously reported, SWBNO is participating in a federally funded SELA construction project improving Algiers drainage canals and increasing stormwater storage during rain events. As part of the agreement with the U.S. Army Corps of Engineers, SWBNO paid 5% of the project costs up-front, amounting to \$1,030,625; this unlocked approximately \$25 million in additional funding from the federal government. As the Corps continues to receive federal funding for this project, SWBNO is obligated to pay the matching 5% up-front cost. The IAB approved an additional \$2,486,836 for that payment in the second quarter of 2021.

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was released in December, and the selected vendor was approved by SWBNO's Board this spring. Design and integration work is underway.

**Anticipated IAB Actions in the Coming Quarter(s)**

The IAB will continue to closely monitor Fair Share Agreement collections as well as the progress of recommended projects between meetings.

**Attachments**

Exhibit A – September 22, 2022 IAB Meeting Packet

Exhibit B – City of New Orleans Presentation to IAB

Exhibit C – Report of Revenue and Expenditures made pursuant to the CEA (R-079-2020) – Infrastructure Maintenance Fund



# Infrastructure Advisory Board Meeting

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City of New Orleans  
December 8, 2022

# Fair Share Agreement

*2020 - 2022 Recurring Revenue Breakdown (as of 11/15/2022)*

	2020 Total	2021					2021 Total	2022					2022 Total
		SWB Lost Penny	SWB STR Equalization	DPW Lost Penny	DPW STR Equalization	NOCO STR Occupancy		SWB Lost Penny	SWB STR Equalization	DPW Lost Penny	DPW STR Equalization	NOCO STR Occupancy	
Jan	1,486,294	146,557	192,525	48,852	64,175	-	452,109	634,143	558,389	211,381	186,129	243,209	1,833,251
Feb	1,077,744	128,909	338,755	42,969	112,918	-	623,551	410,199	752,611	136,733	250,870	327,803	1,878,218
Mar	1,003,376	157,809	331,256	52,603	110,418	454,197	1,106,284	743,289	830,235	247,763	276,745	361,613	2,459,646
Apr	366,814	272,291	559,649	90,763	186,549	243,758	1,353,012	955,949	847,846	318,649	282,615	369,284	2,774,345
May	302,088	324,270	543,228	108,090	181,076	236,606	1,393,271	1,107,310	690,605	369,103	230,201	300,797	2,698,018
Jun	107,636	591,472	268,022	197,157	89,340	116,738	1,262,731	930,443	600,763	310,147	200,254	261,666	2,303,275
Jul	89,956	425,648	612,350	141,882	204,116	266,712	1,650,710	1,022,838	96,452	340,946	96,452	32,150	1,534,397
Aug	165,654	482,730	593,496	160,910	197,832	258,500	1,693,469	62,901	1,868,090	20,967	622,696	813,657	3,388,313
Sept	151,422	308,495	59,260	102,831	19,753	25,811	516,152	447,882	615,335	149,294	205,111	268,010	1,685,635
Oct	257,901	581,374	230,209	193,791	76,736	100,268	1,182,379						
Nov	378,478	830,770	75,640	276,923	25,213	32,945	1,241,492						
Dec	501,028	663,861	603,145	221,287	201,048	262,703	1,952,045						
<b>Total</b>	<b>\$5,888,394</b>	<b>\$4,915,190</b>	<b>\$4,005,443</b>	<b>\$2,019,921</b>	<b>\$1,530,834</b>	<b>\$1,998,238</b>	<b>\$14,427,213</b>	<b>\$6,314,957</b>	<b>\$6,860,330</b>	<b>\$2,104,985</b>	<b>\$2,286,776</b>	<b>\$3,262,980</b>	<b>\$20,830,030</b>

# Fair Share Agreement

*2020 - 2022 Revenue Adjustment Breakdown (as of 11/15/2022)*

Month-Year	City	School Board	RTA	IMF Lost Penny	STR - Occupancy Tax - IMF	STR Occupancy Tax - NO and Co
Oct		(367.33)	(725.80)	(483.93)	(842.30)	1,814.51
Nov		(358.98)	(709.18)	(472.80)	(823.00)	1,772.96
Dec		(45.10)	(89.10)	(59.40)	(103.40)	222.75
<b>2020 TOTAL</b>		<b>(771.41)</b>	<b>(1,524.08)</b>	<b>(1,016.13)</b>	<b>(1,768.70)</b>	<b>3,810.22</b>
Feb		(10.29)	(20.34)	(13.56)	(23.60)	50.84
Mar		(217.02)	(428.78)	(285.86)	(497.60)	1,071.95
Jun		(80,288.83)	(158,619.36)	(105,746.24)	(184,076.80)	396,548.42
Jul		(2.18)	(4.31)	(2.87)	(5.00)	10.77
Aug		(534.77)	(1,056.44)	(704.28)	(1,226.00)	2,641.12
Sep		(4,027.05)	(7,955.91)	(5,303.96)	(9,232.80)	19,889.80
Nov		(117,940.43)	(233,004.26)	(155,336.16)	(270,400.00)	582,510.64
<b>2021 TOTAL</b>		<b>(203,020.57)</b>	<b>(401,089.40)</b>	<b>(267,392.93)</b>	<b>(465,461.80)</b>	<b>1,002,723.54</b>
Jan		(136.44)	(269.54)	(179.69)	(312.80)	673.85
Feb		(101.57)	(200.75)	(133.82)	(232.96)	501.83
Mar		(30.53)	(60.32)	(40.22)	(70.00)	150.80
Apr		(56.95)	(112.54)	(75.03)	(130.60)	281.34
May		(119.72)	(236.44)	(157.66)	(274.42)	591.18
Jun		(4,018.66)	(7,939.20)	(5,292.80)	(9,213.40)	19,848.03
Jul		(122,885.20)	(242,773.20)	(161,848.80)	(281,736.80)	606,933.00
Aug		(225.90)	(446.35)	(297.56)	(517.99)	1,115.86
<b>2022-AUG YTD TOTAL</b>		<b>(127,574.97)</b>	<b>(252,038.34)</b>	<b>(168,025.58)</b>	<b>(292,488.97)</b>	<b>630,095.89</b>
<b>GRAND TOTAL</b>		<b>(331,366.95)</b>	<b>(654,651.82)</b>	<b>(436,434.64)</b>	<b>(759,719.47)</b>	<b>1,636,629.65</b>
						<b>545,543.23</b>

# Fair Share Agreement

## *Outstanding/New Events*

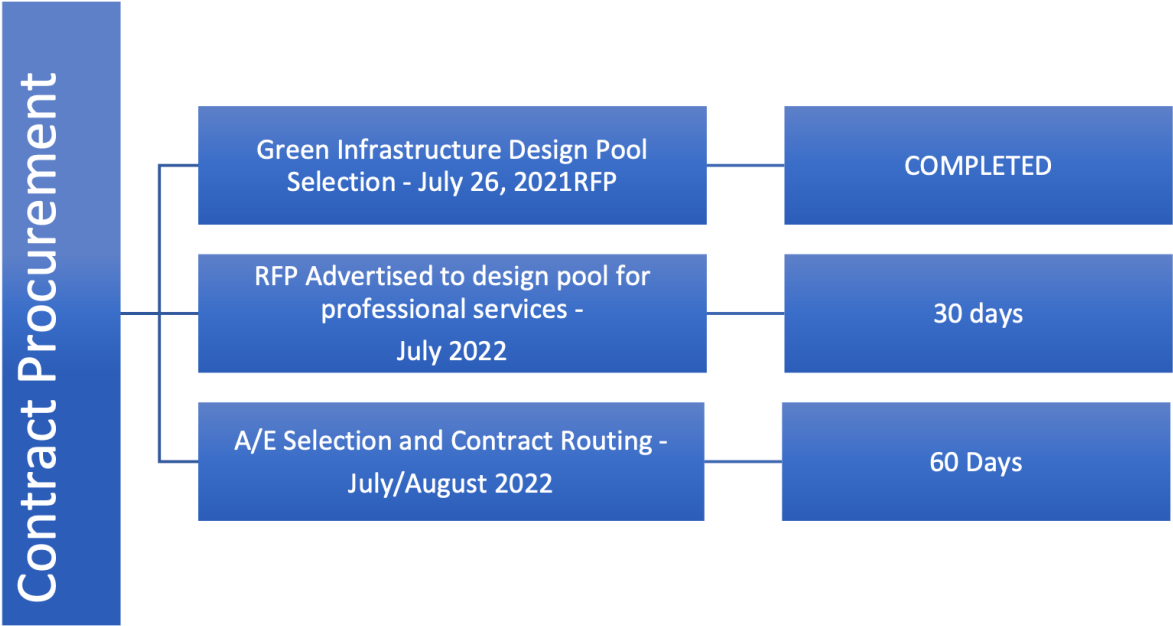
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- Due to RCS application glitch, some Short Term Rental Tax forms were distributed incorrectly at 5% Hotel/Motel tax rate and should have been distributed at 11.75% tax rate for STR accounts (5% Hotel Sales Tax and 6.75% occupancy tax)
- Adjustments were credited to S&WB and New Orleans & Co. in August 2022 distributions
  - \$657,682.63 to S&WB
  - \$219,227.55
  - 545,543.23 to New Orleans & Co.
- Continued Expansion of DPW Maintenance Division for internal work force. Requisitions for a total of 39 positions, 15 filled (some still processing), 28 vacancies.



DEPARTMENT/UNIT	POSITION	# of IMF FAIR SHARE POSITIONS	HIRE DATE	# REMAINING VACANCIES	Interviews Pending	Orientation	Pre-Screen	Promotions
<b>DIRECTORS'S OFFICE</b>								
	Management Development Analyst I	1	7/11/22	0				
	Senior Office Support Specialist	1		1				
		2	1	1				
<b>ENGINEERING &amp; PLANNING</b>								
	Principal Engineer (promotional)	1	7-19-22 (resigned)	1				
		1	1	1				
<b>MAINTENANCE</b>								
	IMF FAIR SHARE							
	Maintenance Road Administrator	1		1				
	Equipment Operator I	5		5				
	Equipment Operator II	5	11/27/22	4				1
	Management Development Specialist, I	1		1				
	Laborer	10	8/29/22	9	10	(2) 12-12-22	3	
	Storekeeper	1	5/16/22	0				
		23	3	20				
<b>TRAFFIC ENGINEERING</b>								
	Traffic Management							
	Engineer	1	4/11/22	0				
	Engineer Intern I	1	10/31/22	0				
	Engineer Intern I	1	11/14/22	0				
	Engineer Intern I	1	11/14/22	0				
	Engineering Technician	1	5/2/22	0				
	Management Dev Supervisor I	1	11/29/22	0				
	Management Dev Specialist II	1		1				
		7	6	1				
	Sign							
	Traffic Sign Technician	2	10/3/22	1				
	Laborer	2	3/7/2022 resigned	2			1	
		2	2	3				
	Signal							
	Traffic Signal Technician	2	8/22/22	1	1 testing			
	Laborer	2	8/29/22	1				
		4	2	2				
<b>TOTAL POSITIONS</b>		<b>39</b>	<b>15</b>	<b>28</b>				

# DDD Infrastructure Update



# Capital Outlay

## *Update on sequence of events*

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- Lower 9<sup>th</sup> Ward Green Infrastructure Project
  - Bond commission restored full \$250,000 in Priority 1 (had previously approved \$150,000 in July) and \$2,650,000 in Priority 5 funding for this project
  
- VA Building Rehabilitation
  - City has received architecture and engineering proposals for design of life safety upgrades to the building, preparing to move on to next steps.
  - 2022 regular session authorized \$2,000,000 in Priority 1 and \$8,000,000 in Priority 5 funding for this project



# **Infrastructure Advisory Board CAO Update**

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December 8, 2022

# Agenda

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- 1) One-Time Funding (ARPA and Fund Balance)
- 2) Infrastructure Maintenance Fund
- 3) Drainage Consolidation Working Group

**1**

# **One-Time Funding**

# Availability of One-Time Funds

*The City of New Orleans has access to an unprecedented amount of one-time funds through ARPA and unassigned fund balance. This does not include any additional one-time funding available from the IIJA program.*

## American Rescue Plan Act (ARPA)

- **Tranche 1 - \$193.7M received**
  - \$188.6M spent
  - \$5.1M remaining
- **Tranche 2 - \$193.7M received**
  - Projects were selected based on Director, Community, and Council input
  - Plan to present full plan to Council in the coming weeks, with the goal of adoption in December

## Fund Balance

- **Increase Emergency/Disaster Fund from \$36M to ~\$140M**
  - Protects the City's financial position - follows recommendations from Rating Agencies
  - Addresses the significant cash flow needs required by the City related to grant dollars (FEMA, HUD, etc)
- **Prioritize critical one-time projects**
  - The goal of these projects is to "reset" various departments, so departments can focus on maintaining operations
- **All fund balance project numbers are estimates only and will be finalized once the 2021 audit is completed in December**

# Infrastructure

Total One-Time Investment: **\$45M**

## ARPA Tranche 2

- **Catch Basin Cleaning (\$10M)**
  - Will address 24,000 catch basins
- **SWBNO Substation (\$15M)**

## Fund Balance

- **Right of Way Improvements (~\$20M)**
  - Surface cuts
  - Filling potholes
  - Streetlight repairs
  - Traffic signal repair
  - Sign replacement/repair
  - Striping streets and sidewalks



**2**

# **Infrastructure Maintenance Fund**

# Infrastructure Maintenance Fund – 2023

*Almost \$26M was appropriated from the Infrastructure Maintenance Fund in the 2023 adopted budget*

## Personnel - \$1.2M

- 41 total positions funded
  - 13 hired
  - 28 vacancies

Position	Hired	Vacant
Engineer	1	0
Engineer Intern I	3	0
Engineering Technician	1	0
Equipment Operator I & II	10	9
Laborer	14	12
Maintenance Road Administrator	1	1
Management Development Supervisor I	1	0
Management Development Analyst I & II	2	1
Management Development Specialist	1	1
Principal Engineer (promotional)	1	1
Senior Office Support Specialist	1	1
Storekeeper	1	0
Traffic Sign or Signal Technician	4	2

## Other Operating - \$24.5M

- SWBNO Payments (\$18M)
- Emergency Catch Basin Cleaning Contract (\$3.8M)
  - Cleaning 6,000 catch basins
- Purchase 56 Vehicles/Equipment (\$2.7M)
  - Passenger Vehicles (39)
  - Bucket Truck (1)
  - Wheel Loader (1)
  - Dump Trucks (4)
  - Utility Trailer (2)
  - Grass Tractor (1)
  - Tow Trucks (8)

**3**

# **Drainage Consolidation Working Group**

# Drainage Consolidation Working Group

## *Overview*

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- Motion M-22-148 charged the Drainage Consolidation Working Group with determining operational, financial, and legislative changes necessary to merge oversight and repairs of our City's drainage system under a single entity identified by the Working Group
- After consulting and coordinating with Councilmember Moreno and other stakeholders, the membership of the Working Group was established in May 2022 as follows:
  - CAO Montaña
  - Cm. Moreno (Council President)
  - Cm. Thomas (Public Works Committee Chair)
  - City Attorney Turner (Law Department)
  - Ghassan Korban (Sewerage and Water Board (S&WB) Executive Director)
  - Josh Hartley, now Sarah Porteous (Acting Director, Department of Public Works)
  - Joe Threat (Deputy CAO for Infrastructure)
  - Bruce Thompson (Designee of the Business Council of New Orleans and the River Region)

# Drainage Consolidation Working Group

## *Update*

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- The working group has met 3 times, with a fourth meeting being rescheduled for early 2023
  - Additionally, smaller group meetings have occurred with the City and SWBNO to discuss operational details of drainage system maintenance and logistical challenges of merging oversight and repairs of our City's drainage system under a single entity.
- No initial findings have been agreed upon officially by the Working Group, but financial challenges of maintenance and repairs of our City's drainage system have been identified and legal complications have been identified regarding any transfer of City-owned property to the Sewerage and Water Board



**Questions?**

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# Infrastructure Advisory Board Meeting December 8, 2022

Sewerage & Water Board Updates  
Ghassan Korban, Executive Director



# Infrastructure Maintenance Fund Status

Total Revenues through October 31, 2022:  
\$31,036,754

Total Expenditures: \$7,117,036

➤ Major expenditures to date:

Turbine 7 Design Contract - \$1.2M

Smart Meter Program - \$1.4M

SELA Drainage Projects - \$3.5M

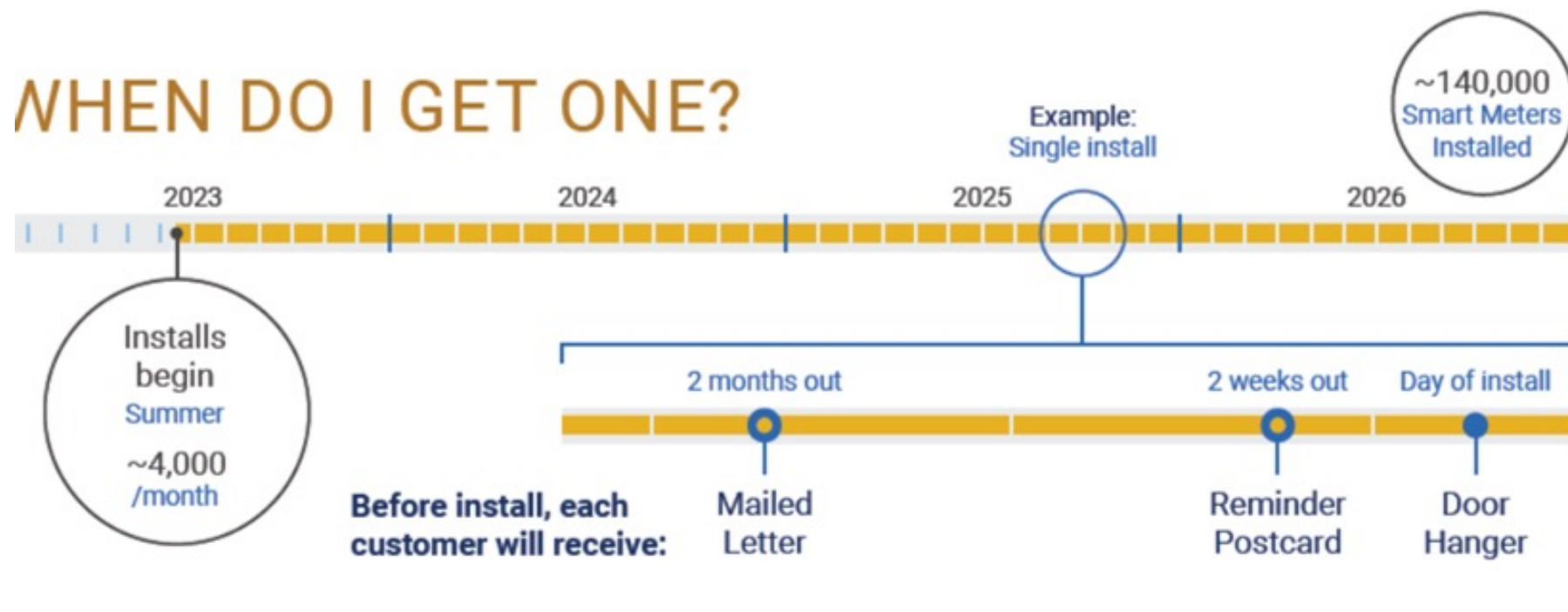
Month	Revenue
August 2022	\$1,930,992
September 2022	\$1,063,217
October 2022	\$1,222,930





# Priority Project Updates: Smart Meters

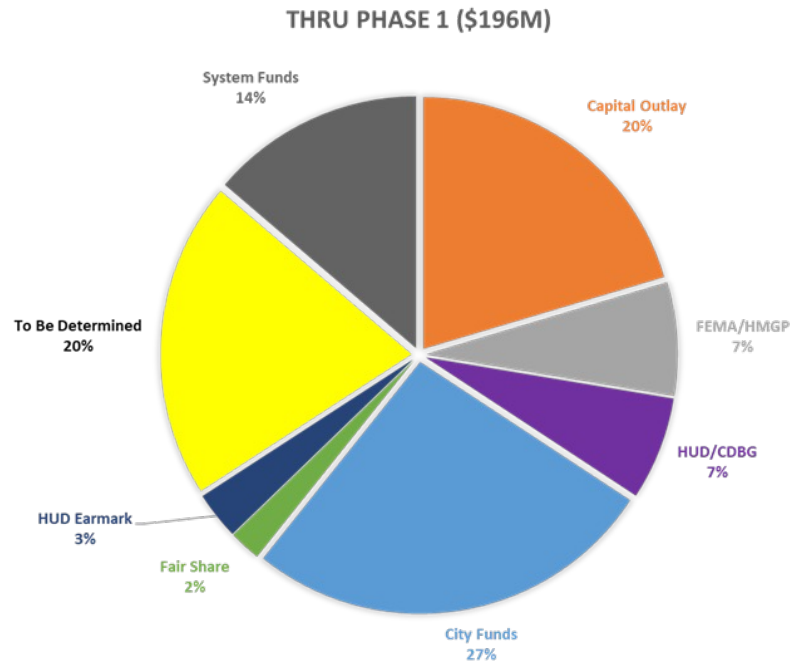
- Final contract approval at Dec. 14 Board meeting; NTP before end of year
- Employee outreach underway with series of info sessions





# Priority Project Updates: West Power Complex

- \$20M Fair Share funds for use on West Power Complex in 2023
  - Total project cost approx. \$300M
  - Project delivery mid-2024
- Funding source breakdown:



**Report of Revenue and Expenditures made pursuant to the CEA (R-079-2020)  
Infrastructure Maintenance Fund  
December 2022**

**REVENUES:**

Notification Date	Period of Collection		Amount
9/16/2020	Inception to July	2020	\$6,225,937
10/30/2020	August	2020	124,241
11/18/2020	September	2020	113,567
12/11/2020	October	2020	193,427
1/21/2021	November	2020	283,861
2/3/2021	December	2020	375,772
3/12/2021	January	2021	339,083
4/9/2021	February	2021	467,665
5/7/2021	March	2021	489,066
7/30/2021	April	2021	831,941
7/30/2021	May	2021	867,499
9/29/2021	June	2021	859,495
9/29/2021	July	2021	1,037,999
11/23/2021	August	2021	1,076,227
11/23/2021	September	2021	367,756
2/4/2022	October	2021	811,584
2/4/2022	November	2021	906,411
2/22/2022	December	2021	1,267,007
2/16/2022	January	2022	1,192,533
4/14/2022	February	2022	1,162,811
4/14/2022	March	2022	1,573,525
6/1/2022	April	2022	1,803,796
6/13/2022	May	2022	1,797,916
7/15/2022	June	2022	1,531,207
8/24/2022	July	2022	1,119,291
10/20/2022	August	2022	1,930,992
10/24/2022	September	2022	1,063,217
11/28/2022	October	2022	1,222,930

**TOTAL REVENUES** **\$31,036,754**

**EXPENDITURES:**

Date	Description	Amount
7/24/2020	5% cash payment required to match current year federal funding for the SELA Program, due 8/1/2020	\$1,030,625
12/30/2020	Olameter Corporation Contract for Meter Reading Services for Contract Readers. August Thru December 2020	410,788
2/22/2021	Olameter Corporation Contract for Meter Reading Services for Contract Readers. Revised September 2020 Invoice	13,801
2/22/2021	Olameter Corporation Contract for Meter Reading Services for Contract Readers. January 2021	70,263
8/13/2021	Raftelis Financial Consultants Contract for Consulting Services for Utility Strategic Planning. Invoices for July and August 2021	102,526
6/30/2021	5% cash payment required to match current year federal funding for the SELA Program	2,486,836
Cumulative thru November 2022	Design costs related to the acquisition of Turbine 7	1,246,195
Cumulative thru November 2022	Smart metering design and RFP	1,461,673
Cumulative thru November 2022	Asset Management assessment project for establishing a strategy for procurement and needs assessment	48,060
Cumulative thru November 2022	Raftelis Financial Consultants Contract for Consulting Services for Utility Strategic Planning.	246,269

**TOTAL EXPENDITURES** **\$7,117,036**

Amounts Available for IAB Projects **\$23,919,718**

SWBNO - Fair Share Funding Proforma  
Jan 23 - Dec 24 - (Next 8 Qtrs.)

Line	2023								2024				Beginning Fund Balance 23,919,718		
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4							
1															
2	Total Estimated Revenue to SWBNO				5,175,000	5,175,000	5,175,000	5,175,000	5,175,000	5,175,000	5,175,000	5,175,000	5,175,000	Total Projected Revenues	41,400,000
3	Proposed revenue allocation:														
4	Ongoing Infrastructure Improvements (A) and Technological Improvements (B)				540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000	540,000		4,320,000
5	Infrastructure West Power Complex (C)				3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000		24,000,000
6					1,635,000	1,635,000	1,635,000	1,635,000	1,635,000	1,635,000	1,635,000	1,635,000		13,080,000	
7															
8					-	-	-	-	-	-	-	-	-		
9	<b>Project List:</b>	Type	Project status as of July 22	IAB Status	Expended inception to date	Proposed Uses:							Total Projected Expenditures:		
10	Water Treatment Plan Improvements: Sycamore Filter Gallery	(A)	ntp issued	approved	3,000,000	-	(500,000)	(500,000)							(1,000,000)
11	Smart Metering -- planning and RFP	(B)	ongoing	approved	1,500,000	(1,461,673)	(50,000)								(1,511,673)
12	Master Plan/Strategic Plan	(B)	ongoing	approved	500,000	(348,795)									(348,795)
13	T7 Solution	(C)	ongoing	approved	4,000,000	(1,246,195)	(500,000)	(500,000)	(500,000)	(500,000)	(500,000)				(3,746,195)
14	Construction of a new Bulk Chemical Feed and Storage Facility	(A)	final design	approved	4,000,000	-	(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)					(4,000,000)
15	Stormwater Fee Study	(B)	initial planning	approved	250,000	-	(250,000)								(250,000)
16	Asset management software system	(B)	initial planning	approved	1,650,000	(48,060)	(250,000)	(250,000)	(500,000)	(500,000)	(100,000)				(1,648,060)
20	West Power Complex integration and auxiliary components <sup>1</sup>	(C)	ongoing	approved	20,000,000		(5,000,000)	(5,000,000)	(5,000,000)	(5,000,000)					(20,000,000)
19	Smart Metering Implementation <sup>1</sup>	(B)	ongoing	approved	15,000,000					(5,000,000)	(5,000,000)	(5,000,000)			(15,000,000)
17	Total Currently approved IAB project list				49,900,000										
18	<b>Potential Projects:</b>														
21	Lead Service Line Task Force Unit	(B)			TBD										
22	<b>Total</b>				<b>49,900,000</b>										

Projected Fund Balance 17,814,995

<sup>1</sup> Portion of estimated costs to supplement overall Project funding needs (Fair Share funding to be utilized after other funding sources required to be spent first are exhausted)

**WPC**

14 Contracts to Interim; 18 Contracts to Final

	Design Completed - # Contracts	Design Completed - \$\$
Interim	8 of 14 (60%)	89%
Final	8 of 18 (50%)	77%

Line	Summary Level	% of Total	Cost Estimate	Contingency for 2023 change orders	% Change Order	Funding Source				Fair Share (proposed)	HUD Earmark	Drainage Tax Bond	Capital Outlay (Future)	Unfunded	Cash Financing
						1	2	3	4						
						Capital Outlay (approved)	FEMA/HMGP	HUD/CDBG	City Funds				TBD	System Funds	
1	Overall Design, T7 Design, Static Frequency Changers (SFC) Design	8%	19,873,775	-	0%	-	3,084,914	-	-	6,193,398	-	-	-	-	10,595,463
2	Site Preparations	5%	12,883,851	-	0%	6,339,786	-	-	-	-	-	-	-	-	6,544,065
3	Large Equipment (T7, SFCs) and installation	32%	82,933,000	2,600,000	3%	-	11,268,000	16,000,000	22,000,000	-	6,000,000	-	29,500,000	-	765,000
4	Small Equipment	5%	13,900,000	670,000	5%	-	-	-	-	10,650,000	-	-	250,000	-	3,670,000
5	Substation	13%	34,000,000	-	0%	-	-	-	30,000,000	-	-	-	-	-	-
6	Foundation and underground package	16%	40,300,000	2,000,000	5%	1,445,214	727,086	-	-	3,800,000	-	33,037,700	-	-	3,290,000
7	Other	2%	4,000,000	-	0%	-	-	-	-	-	-	-	4,000,000	-	-
8	Utility Rack and Cable	19%	48,215,000	3,000,000	6%	32,215,000	-	-	-	4,000,000	-	12,000,000	-	-	3,000,000
9															
10	<b>Total Phase 1</b>	<b>100%</b>	<b>256,105,626</b>	<b>8,270,000</b>	<b>3%</b>	<b>40,000,000</b>	<b>15,080,000</b>	<b>16,000,000</b>	<b>52,000,000</b>	<b>24,643,398</b>	<b>6,000,000</b>	<b>45,037,700</b>	<b>33,750,000</b>	<b>-</b>	<b>27,864,528</b>
11															
12	Operations Center		18,620,000			-	-	-	-	-	-	-	5,250,000	13,370,000	-
13	Switchgear Supply		7,700,000			-	-	-	-	-	-	-	-	7,700,000	-
14	Non-C7 and UG/Utility Tie-In's		10,000,000			-	-	-	-	-	-	-	-	10,000,000	-
15	Final Equipment Install		10,000,000			-	-	-	-	-	-	-	-	10,000,000	-
16	<b>Total Phase 2</b>		<b>46,320,000</b>			<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,250,000</b>	<b>41,070,000</b>	<b>-</b>
17															
18	<b>Grand Total</b>		<b>302,425,626</b>	<b>8,270,000</b>		<b>40,000,000</b>	<b>15,080,000</b>	<b>16,000,000</b>	<b>52,000,000</b>	<b>24,643,398</b>	<b>6,000,000</b>	<b>45,037,700</b>	<b>39,000,000</b>	<b>41,070,000</b>	<b>27,864,528</b>