

**MINUTES OF THE REGULAR MEETING OF
THE INFRASTRUCTURE ADVISORY BOARD
August 6, 2020**

The regular meeting of the Infrastructure Advisory Board (IAB) was held on Thursday, August 6, 2020, via video and teleconference due to health and safety concerns and in compliance with the Governor's Proclamation 33 JBE 2020.

The following members were present:

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

REGULAR ORDER OF BUSINESS

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

Public Comment

The Chair presented the draft agenda and opened a 30-minute period for public comment by email or by telephone. No public comment was received.

Presentations

Chris Saucier, City of New Orleans, updated the IAB on Fair Share Agreement funding. As of August 6, 2020, \$35.6 million in one-time funding had been transferred to the Sewerage & Water Board (S&WB); the outstanding \$16 million of Hazard Mitigation Grant Program funding was approved and was awaiting disbursement. All recurring revenues collected thus far have come from the 1% "Lost Penny" Hotel Tax, which generated \$8.3 million during its first twelve months of collection. The Mayor signed the Infrastructure Maintenance Fund (IMF) cooperative endeavor agreement on July 7, 2020, clearing the way for IMF proceeds to be distributed 75/25 between S&WB and the City, respectively. With the City Council's approval of a short-term rental tax levy ordinance on August 6, 2020, collections of the 6.75% short-term rental equalization tax can commence on September 1, 2020. The Downtown Development District and the City continue to negotiate towards a cooperative endeavor agreement for the provision of \$2.5 million per year for drainage infrastructure projects.

Ghassan Korban, Executive Director, S&WB, updated the IAB on the needs of the utility as well as ongoing challenges. Upon a favorable finding in the automated metering infrastructure (AMI) bid dispute, S&WB is prepared to move forward with its selected vendor for Phase 1 of the AMI project. Work continues on the Master Plan, which will establish long-range priorities and objectives for the utility. S&WB has elevated to a top priority performing critical repairs to structural, piping, and filter equipment at the Sycamore Filter Gallery at the Water Treatment Plant. S&WB has provided initial payment for a new federally funded SELA construction project to improve drainage in Algiers and surrounding areas by upgrading underground drainage canals. Due to efforts by the Mayor's Office and the Governor's Office, up to \$12.5 million of Community Development Block Grant (CDBG) funding will be available to support the procurement of a Turbine 7 power solution. Finally, S&WB is supportive of a stormwater fee study as an important first step towards securing a long-term recurring source of revenue for the drainage system.

Agenda

The agenda was unanimously approved.

Minutes

The minutes of the June 4, 2020 regular meeting were presented, and no corrections were offered. The minutes were unanimously approved.

Meeting Schedule

The IAB considered and unanimously approved a meeting schedule for the subsequent year of meetings. The meeting schedule is attached to these minutes as Exhibit A.

Quarterly Report

The IAB considered and unanimously approved its quarterly report for the second quarter of 2020.

Project Recommendations

In accordance with its obligations under Executive Order LC 19-02 issued by Mayor LaToya Cantrell on August 6, 2019, the IAB unanimously recommended IMF revenues be utilized to fund a slate of projects developed in collaboration with S&WB. The projects and recommended IMF expenditures are listed below; the full project matrix with project descriptions is attached to these minutes as Exhibit B.

- Advanced Metering Infrastructure - \$1,500,000
- Master Plan Development - \$500,000
- Water Treatment Plant Improvements, Sycamore Filter Gallery - \$3,000,000
- SELA Algiers Drainage Project - \$1,030,625
- Stormwater Management Fee Study - \$250,000
- Turbine 7 Power Solution - \$4,000,000

There being no further business, the meeting was adjourned at 3:20 p.m.

MEETING SCHEDULE

Meetings of the Infrastructure Advisory Board will be held at 2:00 p.m. on the following dates:

Thursday, October 1, 2020

Thursday, December 3, 2020

Thursday, February 4, 2021

Thursday, April 1, 2021

Thursday, June 3, 2021

Thursday, August 5, 2021

REVISED Infrastructure Maintenance Fund Projects Matrix (Recurring Revenue)

Title	Description	Schedule	Benefits	2020 Amount	2020 REVISED AMOUNT
Advanced Metering Infrastructure (AMI)	To modernize and automate the SWBNO's water meter system	Phase 1— Survey/Project management Selection (2020) Phase 2— AMI Selection RFP (2021) Phase 3 – Project Implementation (2021-2023)	<ul style="list-style-type: none"> • Consistent, timely, and accurate customer billing • Real-time tracking of water usage and revenue • Improved water system management, including leak detection • Customer education • Optimized system operation 	\$2,000,000	<p style="text-align: right;">\$1,500,000</p> <p>Phase 1 – Additional \$3.5M by July 2021 Phase 2 – No Cost Phase 3 - \$40M</p>
Master Plan	To implement SWBNO's first comprehensive, integrated, sustainable plan to managing the city's water, sewer, power, and major drainage systems	Phase 1— Pre-Planning: RFI's and Workshops (2020) Phase 2—Vision & Strategy: Community Outreach and Strategic Plan (2020 – 2021) Phase 3 – Systems Planning: Water, Wastewater & Drainage Master Plan development (2021 – 2022)	<ul style="list-style-type: none"> • Platform for sustainable and resilient utility management • Better-informed decisions on investment in system improvements • Public involvement and buy-in 	\$1,500,000	<p style="text-align: right;">\$500,000</p> <p>Phase 2 – \$2M Phase 3 – \$2.5M</p>
Underground Drainage Canal Inspection Program	To inspect all underground drainage canals on a 5-year maintenance schedule, with the purpose of proactively identifying	5-year plan, beginning in 2020	<ul style="list-style-type: none"> • Establish a baseline for underground canal conditions • Remove obstructions to promote better drainage • Reduce property and environmental damage due to flooding • Establish a 5-year routine maintenance schedule 	TBD	<p style="text-align: right;">\$0 – determining in-house capacity to perform</p> <p>Each year thereafter: TBD</p>

REVISED Infrastructure Maintenance Fund Projects Matrix (Recurring Revenue)

	and addressing blockages or issues				
Water Treatment Plant Improvements: Sycamore Filter Gallery	Repairs to structural, piping, and filter equipment of a critical component of the drinking water plant	Phases 3 & 4 of 5 total phases (2020)	<ul style="list-style-type: none"> Addressing a backlog of capital maintenance by replacing 10 of 24 total filters Better public health protection More effective and efficient operations; technology improvements through SCADA Employee safety concerns 	5,000,000 Phase 3 5,000,000 Phase 4 (2020-2021)	<p>\$3,000,000</p> <p>Critical repairs with no alternative funding source</p>
Cross-Connection Phase 2 Remediation	Correction of a longstanding situation where cooling water is returned to the potable water system	Immediately	<ul style="list-style-type: none"> Enhancing public health protection State regulatory compliance Best alternative to total T4 overhaul 	1,500,000	<p>TBD – Reducing reliance on T4 by implementing T7 solution</p>
New Priorities					
SELA – Algiers Drainage Project	New federal funding and construction on Algiers drainage canals, similar to uptown projects – SWBNO required to pay 5% up-front cost	Payment due August 1; planning and work by Corps underway	<ul style="list-style-type: none"> Provides improved drainage to Algiers and surrounding areas by increasing water storage area Ongoing partnership with Corps and federal stakeholders New project 	N/A	<p>\$1,030,625</p>
T7 Solution	Purchase of a new 60Hz generator to replace T5 and work in conjunction with a new frequency changers to replace 20MW of power for our drainage system	Immediate – working on frequency changer design and implementation now; purchase of generator asap to have on site and functional by August 2021	<ul style="list-style-type: none"> Most reliable and resilient solution for replacing power lost when T5 became unavailable 60Hz equipment consistent with system modernization and power master plan Funding already available for frequency changer 	N/A	<p>\$4,000,000</p> <p>Total cost = \$17M; seeking additional funding sources and may use Fair Share funds in 2021 to supplement</p>
Stormwater Fee Study	We are seeking a detailed stormwater fee study – including	Immediate – currently considering proposals	<ul style="list-style-type: none"> Provides a full analysis on stormwater fee possibilities, including affordability, rate structure, incentives, timing 	N/A	<p>\$250,000</p>

REVISED Infrastructure Maintenance Fund Projects Matrix (Recurring Revenue)

	analysis and fee proposal – in additional to our rate study. This would begin the discussion on development of a stormwater management fee and program.		<ul style="list-style-type: none"> First step toward developing a recurring, reliable revenue source for drainage projects to supplement existing millage 		
				TOTAL:	\$10.25M*

*Conservative estimate for Fair Share funding in 2020, based on collections to date and COVID impact. IMF currently holding \$8.2M.