
INFRASTRUCTURE ADVISORY BOARD

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

March 16, 2023 | 2:00 pm

Woodward Design+Build – 2nd 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 Financial Update – City of New Orleans
 - B. American Rescue Plan Act (ARPA) Update – City of New Orleans
 - C. Infrastructure Update – City of New Orleans, Department of Public Works
 - D. Infrastructure Update - Sewerage & Water Board of New Orleans
 - E. Drainage Consolidation Working Group Update
- VII. Public Comment
- VIII. Other Business
- IX. Adjournment

**MINUTES OF THE REGULAR MEETING OF THE
INFRASTRUCTURE ADVISORY BOARD
December 8, 2022**

The regular meeting of the Infrastructure Advisory Board (IAB) occurred on December 8, 2022 in-person at Woodward Design+Build – 2nd 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. Bill Hammack
4. Chuck Morse
5. Elisa Speranza

The following IAB members were absent:

1. Karen Raymond
2. Casey Tingle, Vice Chair

REGULAR ORDER OF BUSINESS

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

Approval of Agenda. The agenda was presented and unanimously approved.

Approval of Minutes. The minutes of the September 22, 2022 regular meeting were unanimously approved as written.

Approval of Quarterly Report. The Quarterly Report was unanimously approved.

Presentations. In order of appearance:

Eric Smith, Chief Administrative Office Analyst, City of New Orleans, presented a financial update consisting of a slide presentation that summarized the 2020-2022 Recurring Revenue Breakdown for the Fair Share Agreement, as of 11/15/2022. He explained that economic recovery is on pace or exceeding 2019 benchmarks, with collections on pace for the 2022 goal of \$25M in revenue. He explained a system error that resulted in the incorrect distribution of Short Term Rental tax revenue. The City corrected the system error and credited adjustments in August to the New Orleans Sewerage & Water Board (SWBNO)- \$657,682.00, Department of Public Works (DPW) - \$219,227.00, and New Orleans & Co. (NOCO) - \$545,543.00. This adjustment accounts for the significantly higher August STR equalization of approximately \$1.8M. Mr. Smith also reported on the continued expansion of the internal work force for the DPW, with 39 positions requested, 15 filled and 28 vacant. DPW is in the process of recruiting and interviewing for the

remainder of the positions. Sarah Porteous, introduced below and next, added that DPW is working to diversify its labor pool, but hiring remains a challenge consistent with national trends. She added that DPW has the goal of eventually providing a dedicated maintenance group for every council district. IAB members discussed the components of the IMF and requested specificity about the sources and allocation of revenue.

Sarah Porteous, Acting Director for the Department of Public Works, City of New Orleans, provided several updates. On the Downtown Development District's installation of permeable pavement in seven City corridors, a green infrastructure project, the DDD has awarded the design contract and is working on finalizing the contract for execution. They are on track to begin construction in early 2023. Ms. Porteous explained that the project will include pervious pavement with perforated pipe underneath. The IAB inquired about the status and timing of the DDD's expected contribution of \$2.5M annually into the IMF and the allocation of those dollars between DPW and S&WB, and Mr. Smith and Ms. Porteous committed to follow up with additional information.

On capital outlay, Mr. Smith explained that the situation remained unchanged from prior reports: For the Lower 9th Ward Green Infrastructure Project, the State Bond Commission restored full \$250K in Priority 1 funding (previously approved only \$150K in July 2022) and \$2.65M in Priority 5 funding. For the VA Building Rehabilitation, the City has received architecture and engineering proposals for design of life safety upgrades to the VA Building, and is preparing to move onto next steps. The 2022 regular legislative session authorized \$2M in Priority 1 and \$8M in Priority 5 funding for this project.

Gilbert Montaña, Chief Administrative Officer, City of New Orleans, provided updates on one-time funding, the Infrastructure Maintenance Fund and the Drainage Consolidation Working Group.

On one-time funds, explained that the New Orleans has access to an unprecedented amount of one-time funds through ARPA (American Rescue Plan Act). He observed that the Council's budget process had been robust and complemented its professionalism. He summarized that in Tranche 1 the City received \$193.7M, with \$186.6M used as revenue replacement and \$5.1M remaining. He summarized that in Tranche 2, the City received \$193.7 and selected projects with director, community and Council input. The City plans to present the full plan to the Council soon, with the goal of adoption in December. He explained that, from Tranche 2, approximately \$70M remains, which likely will be subject to a new allocation process in 1Q23. He emphasized a mandatory time line that requires allocation and use. Mr. Montaña also addressed the significant Fund Balance, explaining because of vacancy savings and carryover dollars, the Fund Balance at the start of 2023 will be \$200M to \$250M. He then transitioned to a summary of total one-time infrastructure investing: ARPA Tranche 2 funding will provide \$10M to catch basin cleaning, addressing 24,000 catch basins, and \$15M to the SWBNO Substation. From the Fund Balance, the City will spend approximately \$20M on right-of-way improvements, addressing surface cuts, potholes, streetlight repairs, traffic signal repairs, sign replacement/repair, and striping streets and sidewalks, with a project amount for each category forthcoming. He clarified that this spending was not from the Fair Share funding; it supplements shortages to the IMF from lower revenue collections in 2020 and 2021. He also noted workforce challenges in completing these projects and explained that he

is expending these funds similar to a federal grant program to prepare for accountability and audit. He discussed the importance of a 20% benchmark for the reserve Fund Balance to safeguard against emergencies, noting that the prior amount of \$36M was insufficient.

On the Infrastructure Maintenance Fund, specifically the money that remains from the City/DPW's portion, almost \$26M was appropriated 2023 budget, with \$1.2M funding 41 personnel positions and \$24.5M allocated to other operating expenses.

On the Drainage Consolidation Working Group, Mr. Montaña explained the group's mandate and the fact that the working group has met three times to discuss key issues. The effort is ongoing, including the involvement of the City's law department to analyze what is required to move toward consolidation. Financial feasibility is a key issue, with concern by working group members about understanding the public benefit of any fee structure or program. Mr. Montaña will report to the council by January 1, 2023 on the legal mechanisms, efficiencies and funding for consolidation. IAB members raised a series of questions regarding outstanding IMF funding, and expressed disappointment that 20% of the Fair Share funds, \$5M annually, has not come to fruition. All parties agreed that this requires a renewed effort to honor the terms of the original Fair Share agreement. The members of the IAB agreed to follow up with Mr. Montaña and Councilmember Gairusso on this item.

Ghassan Korban, Executive Director, SWBNO, reported \$31M total revenue received from Fair Share/IMF through October 2022, with total expenditures of \$7M on items including Turbine 7 design (\$1.2M), Smart Meter Program (\$1.4M) and SELA Drainage Projects (\$3.5M). He explained the discrepancy between revenue and expenditures as intentional pending the 2023 launch of projects. Mr. Korban shared updates on priority projects: (1) On December 14, 2022, SWBNO Board of Directors is expected to approve final contract with the vendor, Aquameters, for installation of AMI. The deployment phase is underway with the anticipated first round of meter installation beginning mid-2023. (2) SWBNO celebrated the groundbreaking of The West Power Complex in early December, with \$20M in Fair Share funds used in 2023. Mr. Korban expressed his gratitude for the funding and support the project has gotten from every level of government. The total project cost is estimates at \$300M with a delivery date of mid-2024. IAB members examined the breakdown of the funding sources and asked a series of questions about it. The IAB also raised the issue of the SWBNO stormwater management fee study update. Mr. Korban explained that he expects an updated study from Raftelis in three months, and that the Water Collaborative and the Business Council are engaging in public education and outreach. The IAB requested a more developed analysis of the stormwater management fee for its next meeting.

Mr. Korban and Mr. Montaña revisited the earlier discussion of the Drainage Consolidation Working Group. Mr. Korban explained that there is an enhanced awareness of the necessity of a higher level of maintenance of catch basin cleaning. In response to a question about the potential timing of the consolidation, Mr. Montaña explained that timing depends on the ultimate recommendation and the complexity of implementation. He also clarified that, should the City take responsibility, it would only control pipes 36 inches in diameter and below and not the drainage pumps.

The IAB noted the importance of understanding SWBNO progress to date, and specifically pointed to the progress report prepared by the IAB. The attendees also agreed to a follow-up meeting on budget matters among the IAB, the City and the City Council.

Public Comment There was no public comment.

Approval of 2023 IAB Meeting Schedule. The IAB unanimously approved the proposed 2023 meeting schedule after adjustment from the original proposal: Q1 – March 16, 2023; Q2 - June 8, 2023; Q3 – September 14, 2023; Q4 – December 14, 2023.

Other Business. There was no new or other business raised by the attendees.

Adjournment. The IAB adjourned the meeting at 3:23 PM.

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**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

INFRASTRUCTURE ADVISORY BOARD

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

December 8, 2022 | 2:00 pm

Woodward Design+Build – 2nd 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 – 2nd 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 9th 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>

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 December 8, 2022 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, aka Smart Meter, 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, final contract negotiations are nearly complete.

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. The first round of installation is scheduled to begin in March 2023.

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.

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.

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.

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.

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

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						
Total	\$5,888,394	\$4,915,190	\$4,005,443	\$2,019,921	\$1,530,834	\$1,998,238	\$14,427,213	\$6,314,957	\$6,860,330	\$2,104,985	\$2,286,776	\$3,262,980	\$20,830,030

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
2020 TOTAL		(771.41)	(1,524.08)	(1,016.13)	(1,768.70)	3,810.22
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
2021 TOTAL		(203,020.57)	(401,089.40)	(267,392.93)	(465,461.80)	1,002,723.54
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
2022-AUG YTD TOTAL		(127,574.97)	(252,038.34)	(168,025.58)	(292,488.97)	630,095.89
GRAND TOTAL		(331,366.95)	(654,651.82)	(436,434.64)	(759,719.47)	1,636,629.65
						545,543.23

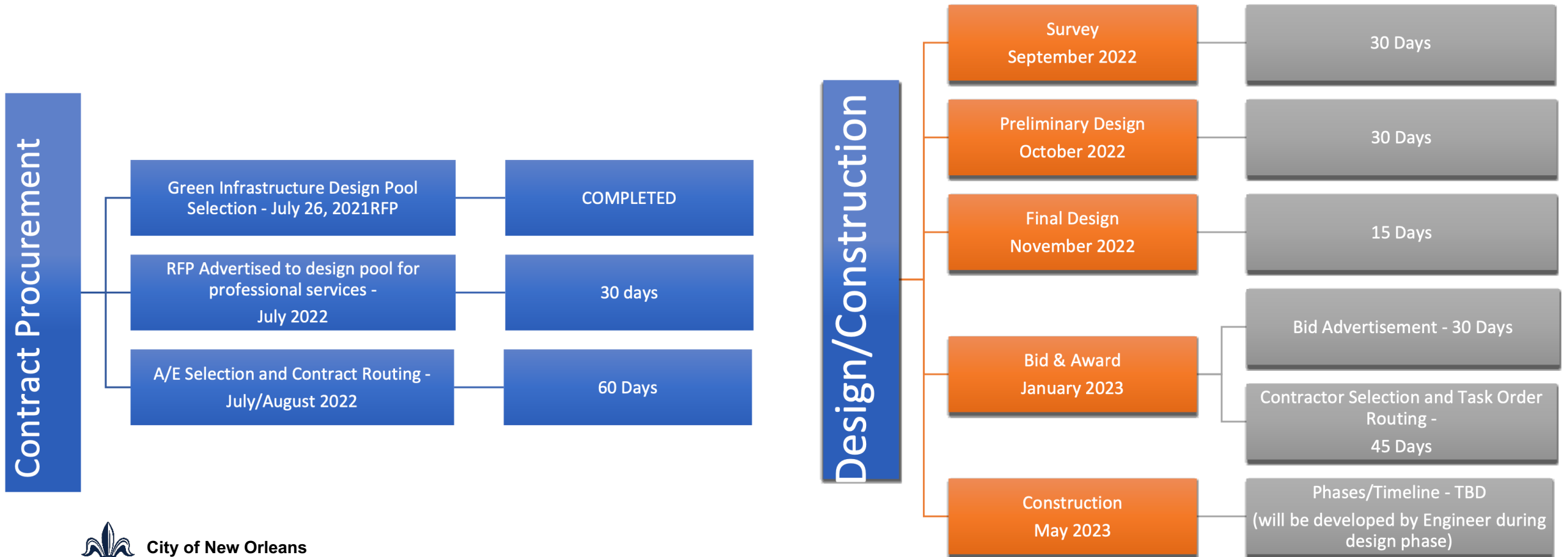
Fair Share Agreement

Outstanding/New Events

- 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
DIRECTORS'S OFFICE								
	Management Development Analyst I	1	7/11/22	0				
	Senior Office Support Specialist	1		1				
		2	1	1				
ENGINEERING & PLANNING								
	Principal Engineer (promotional)	1	7-19-22 (resigned)	1				
		1	1	1				
MAINTENANCE								
	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				
TRAFFIC ENGINEERING								
	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				
TOTAL POSITIONS		39	15	28				

DDD Infrastructure Update



Capital Outlay

Update on sequence of events

- Lower 9th 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

December 8, 2022

Agenda

- 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

- 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 Montañó
 - 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

- 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?



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

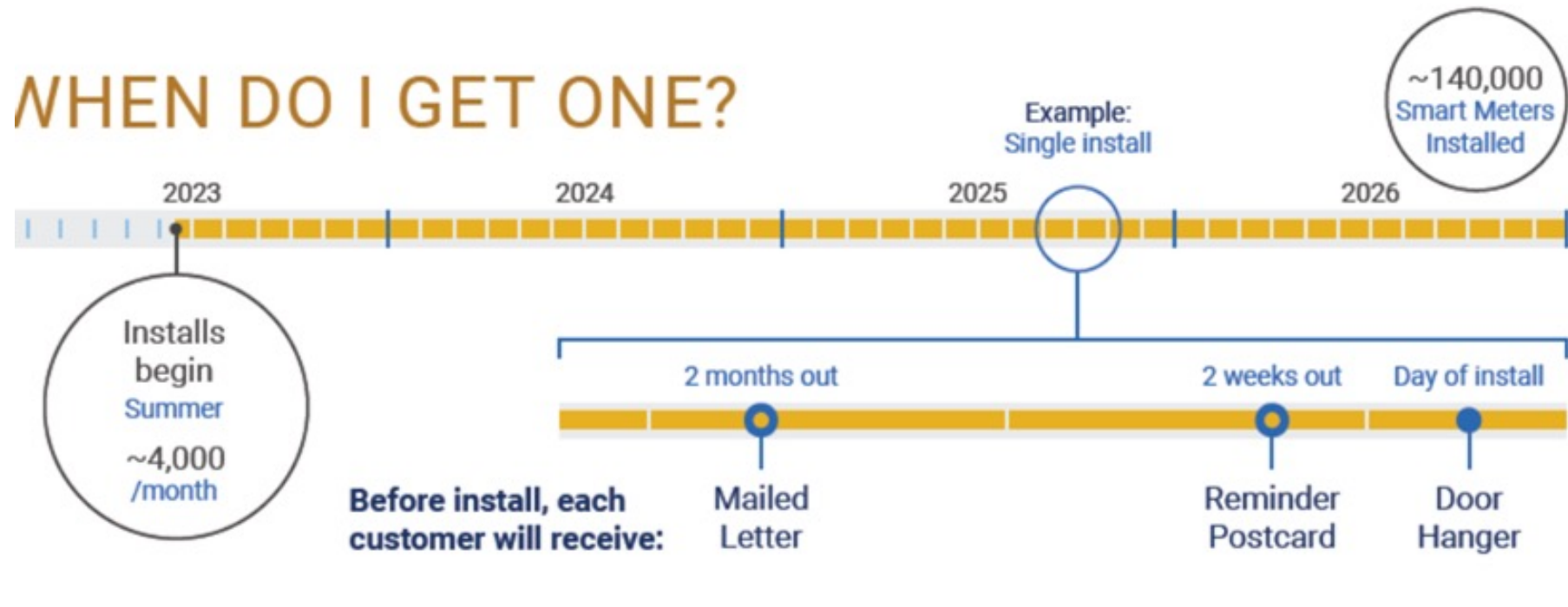
SELA Drainage Projects - \$3.5M

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



Priority Project Updates: Smart Meters

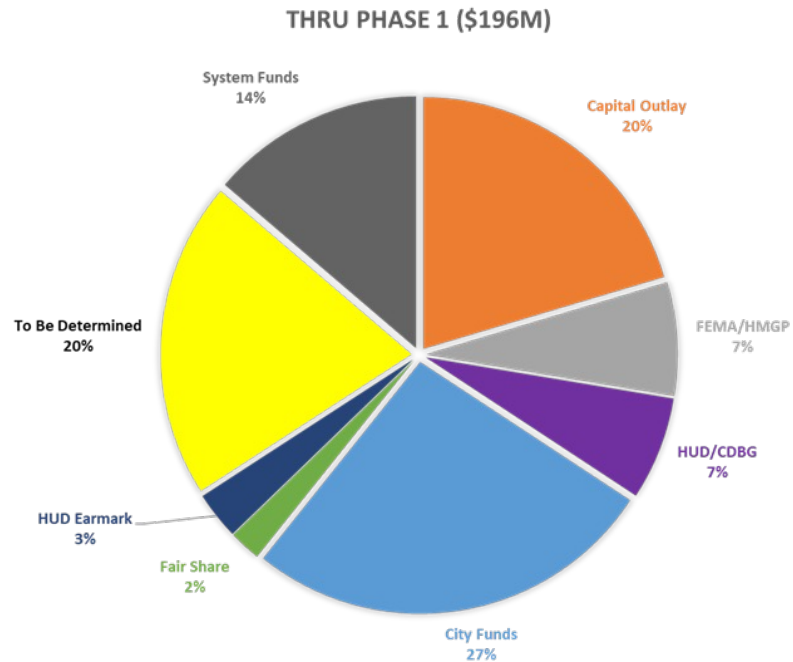
- Final contract approval at Dec. 14 Board meeting; NTP before end of year
- Employee outreach underway with series of info sessions





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			Total Projected Revenues			
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	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	Project List:	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)				(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 ¹	(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 ¹	(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	Potential Projects:													
21	Lead Service Line Task Force Unit	(B)			TBD									
22	Total				49,900,000									

Projected Fund Balance 17,814,995

¹ 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)



Infrastructure Advisory Board CNO Update

March 16, 2023

Agenda

- 1) Infrastructure Maintenance Fund (IMF)
 - a) IMF Revenue and Allocations through January
 - b) Outstanding IMF funding
- 2) ARPA Spending and Allocations
- 3) Capital Outlay and Project Status
- 4) Drainage Consolidation Working Group

1

Infrastructure Maintenance Fund

Revenue and Allocations through January

February reconciliation has not yet been completed by Finance

Revenue Source	SWBNO Amount	CNO Amount
Lost Penny	\$859,557.15	\$279,742.32
STR	\$612,323.44	\$199,280.27
TOTAL	\$1,471,900.59	\$479,029.10

- SWBNO has been paid through December 2022
- January invoice processed today 3/16

Outstanding IMF Funding

Status

- Two ordinances providing **\$9,049,700** to the Department of Public Works within the Infrastructure Maintenance Fund to remit payments to the Sewerage and Water Board for the time period of July 2022 through December 2022 was passed by City Council on January 19, 2023.
- There was some confusion on if the additional IMF funding was included in this appropriation but it appears it was not.
- Working with City Council and CAO for resolution.

2

ARPA Allocations

ARPA Allocations and Spending

- City of New Orleans Dashboard
 - <https://nola.gov/next/finance/topics/american-rescue-plan-financial-reports/>
- Updated Dashboard in the works – launch by April
- ARPA appropriations follow normal budget procedures

ARPA Tranche 2 – Remaining

Tranche 2 Total Revenue Remaining: \$53,626,524

- Finalizing package for remaining Tranche 2 funds now, with the goal of going to City Council for appropriation at end of March/early April.
- The prior appropriations focused on traditional public safety and infrastructure/equipment upgrades
- This final package will focus on violence reduction and human services programs.

3

Capital Outlay and Project Status Update

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
 - 18 hired
 - 23 vacancies (*18 requisitions in process*)
- New Principal Engineer (Maintenance)
- New Laborers in Traffic Signal Shop and Maintenance

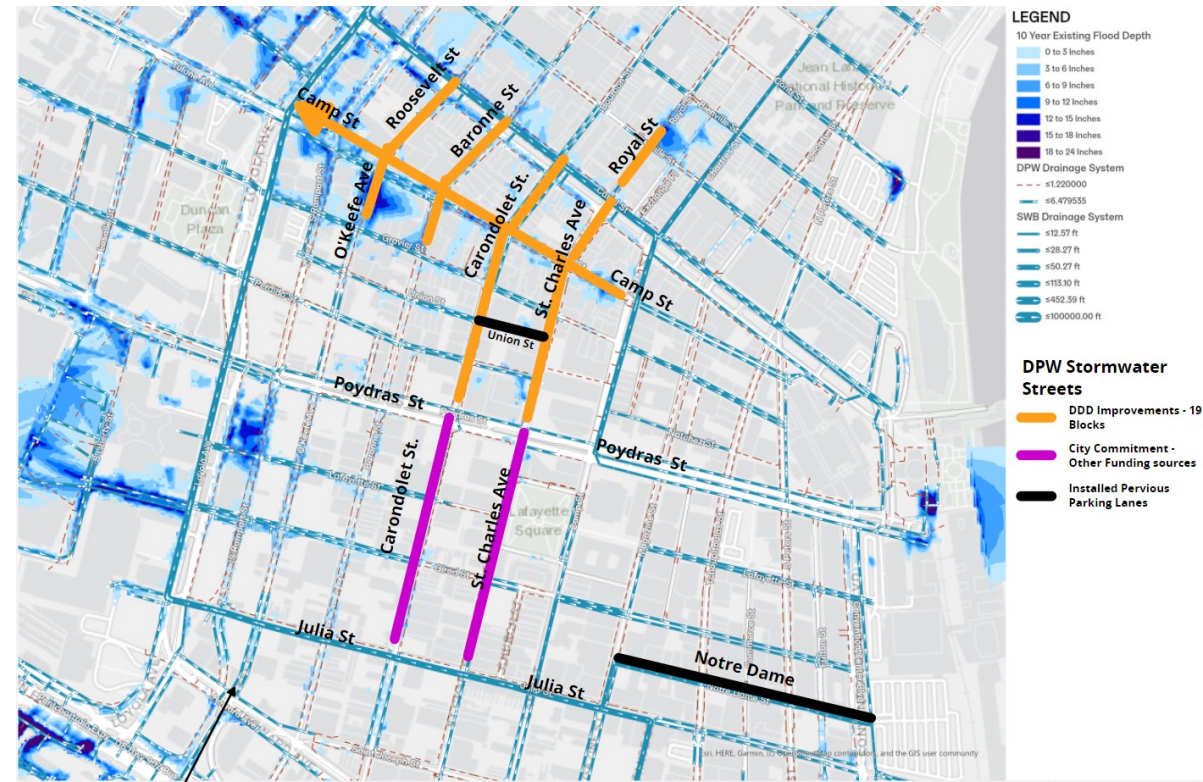
Other Operating - \$24.5M

- SWBNO Payments (\$18M)
- Right of Way Repair Contracts (\$5M)
 - District A - \$871K
 - District B- \$1.2M
 - District C (EB) - \$1.8M
 - District C (WB) - \$1.3M
- Traffic Management – Streetlight Repairs (1.4M)

DDD Drainage Improvements

Drainage Improvements (drain line upgrades where necessary), permeable parking lanes, roadway resurfacing

- **Current Status:** Survey is complete, DPW to review Survey and H&H Model with Engineer on 3/24 during Bi-weekly meeting
- **Next Steps:** Engineering (Wingate) will begin Preliminary design on first 6 blocks (Common St from Roosevelt Way to Camp St)
- **Duration:** 75 days



4

Drainage Consolidation Working Group

Drainage Consolidation Working Group

Overview and History

- Following the adoption of Motion M-22-148 in April 2022, the Drainage Consolidation Working Group was established to discuss the operational, financial, and legislative changes necessary to merge oversight and repairs of our City's drainage system under a single entity.
- The membership of the Working Group was established in May 2022 as follows:
 - CAO Montañó
 - Cm. Moreno (Council President)
 - Cm. Thomas (Public Works Committee Chair)
 - City Attorney Turner (Law Department)
 - Ghassan Korban (Sewerage and Water Board (SWBNO) 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)
- The Drainage Consolidation Working Group met three times in 2022, and the City and SWBNO conducted two additional smaller group meetings dedicated to discussing more detailed operational and logistical issues presented by consolidation.

Drainage Consolidation Working Group

Update

- The Chief Administrative Office provided a preliminary Working Group report to the City Council on January 31, 2023, and the Working Group has met once so far in 2023.
- The preliminary report to the City Council discussed the following:
 - The actions taken by the Working Group and its members thus far
 - The historical background of drainage system management by the City and SWBNO
 - Potential opportunities that consolidation would provide
 - Challenges presented by consolidation under SWBNO
 - Changes required to implement consolidation under SWBNO.
- The Working Group consensus is that a sustainable drainage system that is capable of operating as designed requires a strategic and proactive approach to cleaning and repairing the system and carries an enormous price tag for capital improvements and recurring maintenance.
- The Working Group intends to continue to explore options for sustainable funding going forward while simultaneously working through the operational and legislative challenges identified.



Questions?

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	Total Phase 1	100%	256,105,626	8,270,000	3%	40,000,000	15,080,000	16,000,000	52,000,000	24,643,398	6,000,000	45,037,700	33,750,000	-	27,864,528
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	Total Phase 2		46,320,000			-	-	-	-	-	-	-	5,250,000	41,070,000	-
17															
18	Grand Total		302,425,626	8,270,000		40,000,000	15,080,000	16,000,000	52,000,000	24,643,398	6,000,000	45,037,700	39,000,000	41,070,000	27,864,528



Infrastructure Advisory Board Meeting

March 16, 2023

Sewerage & Water Board Updates
Ghassan Korban, Executive Director



Infrastructure Maintenance Fund Status

Total Revenues: \$35,633,074

Total Expenditures: \$8,837,555

➤ Major expenditures to date:

Sycamore Filter Gallery Rehabilitation \$1.4M

Turbine 7 Design Contract - \$1.5M

Smart Meter Program - \$1.6M

SELA Drainage Projects - \$3.5M

➤ Additional Project Funding Requests: Increase of \$2.5m to Smart Meter implementation consultant contract (existing \$1.5M to \$4M)

Month	Revenue
November 2022	\$1.6M
December 2022	\$1.4M
January 2023	\$1.4M



SWBNO Power Complex:

ENO Substation on Track

- Second \$15M payment transferred
- Pile driving complete
- On time for 2024 delivery

SWBNO Connections and Backup Plant

- \$250M – majority funded
- Pile driving for frequency changer/turbine foundations underway
- Major design and construction contracts awarded
- Neighborhood outreach ongoing
- On track for utilization in 2024





Smart Metering Update



Network Citing for Tower Location

- Timeline adaptations and updates
 - Exploring Lead and Copper Rule revision strategies
 - Commercial-first approach
 - Network infrastructure siting continues
 - Cogsdale integration has begun
 - VX Smart Integration kick-off next week



Lead and Copper Rule Changes



New Regulations: LSL Replacements

- **EPA updated federal standards** requiring system inventories, sampling changes, more robust communication, and a replacement plan
- **Rule protects community** while utilities plan for and implement lead line replacement programs
- **Oct. 2024 deadline** for complete inventory



Smart Meter Impact

- **Smart meter rollout** – impact based on EPA “meter disturbance” rule
- **Increased cost** to utility (e.g., water pitcher purchases, line replacements, etc.)
- **Additional complexity** in daily operations for meter swaps and repairs



2022 External Funding

**\$462M
RECEIVED**

\$275M WIFIA loan

*EPA funds for sewer
system upgrades*

\$42.6M LDEQ

Revolving Fund

*for sewer system rehabilitation
(supplemented by IIJA dollars)*

**\$16M HUD Federal
Earmarks**

for Power Complex

\$1.5M LIHWAP

*Federal Covid relief for
customer assistance*

\$52M City Funds

*for Power Complex
substation construction
and frequency changers*

**\$40M Capital
Outlay**

*for Power Complex site
preparation and utility
rack*

\$35M Fair Share

*to date for asset
management, smart metering,
Power Complex, and master
planning*



Federal & State Funding Efforts

\$81.9M
APPLIED FOR

\$38.9M LDEQ*
Revolving Fund
*for additional wastewater
plant repairs*

**commitment letter rec'd
March 10*

**\$3.3M Hazard Mitigation
Grant Program**
*for 10 portable/emergency
generators*

\$767K BRIC
*FEMA grant funding for
10 portable emergency
sewer pumps*

\$39M Capital Outlay
*move from P5 to P1 to
complete Power Complex
funding*

RESEARCHING

**LDH Drinking Water
State Revolving Fund***
for Smart Meters (\$67M)

**Lead Service Line
Replacement Program**
\$42M available via IIJA

Inflation Reduction Act
*Potential for energy-saving
project credits/refunds*

Report of Revenue and Expenditures made pursuant to the CEA (R-079-2020)
Infrastructure Maintenance Fund
March 2023

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
1/18/2023	November	2022		1,663,964
1/23/2023	December	2022		1,460,455
2/17/2023	January	2023		1,471,901

TOTAL REVENUES **\$35,633,074**

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 February 2023	Asset Management assessment project for establishing a strategy for procurement and needs assessment	48,060
Cumulative thru February 2023	Raftelis Financial Consultants Contract for Consulting Services for Utility Strategic Planning.	246,269
Cumulative thru February 2023	Design costs related to the acquisition of Turbine 7	1,465,142
Cumulative thru February 2023	Smart metering design and RFP	1,563,244
Cumulative thru February 2023	Sycamore Filter Gallery water purification rehabilitation	1,400,000

TOTAL EXPENDITURES **\$8,837,555**

Amounts Available for IAB Projects **\$26,795,519**

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

Line	2023										2024				Beginning Fund Balance	
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	26,795,519	12,535,000		
1																
2	Total Estimated Revenue to SWBNO														Total Projected Revenues	39,675,000
3	Proposed revenue allocation:															
4	Ongoing Infrastructure Improvements (A)															4,140,000
5	Infrastructure Modernization and Technological Improvements (B)															23,000,000
6	Infrastructure West Power Complex															12,535,000
7																
8																
9	Project List:														Total Projected Expenditures:	
	Type	Project status	IAB Status		Expended inception to date	Proposed Uses:										
10	(A)	ongoing	approved	3,000,000	-	(1,400,000)	(1,000,000)	(100,000)						(2,500,000)		
11	(B)	ongoing	approved	1,500,000	(1,563,244)	-								(1,563,244)		
12	(B)	ongoing	approved	500,000	(348,795)		(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(20,000)	(488,795)		
13	(C)	ongoing	approved	4,000,000	(1,465,142)	(200,000)	(200,000)	(200,000)	(200,000)	(500,000)	(500,000)	(400,000)	(300,000)	(3,965,142)		
14	(A)	final design	approved	4,000,000	-				(1,000,000)	(1,000,000)	(1,000,000)	(1,000,000)		(4,000,000)		
15	(B)	ongoing	approved	250,000	-		(96,000)							(96,000)		
16	(B)	initial planning	approved	1,650,000	(48,060)		(250,000)	(250,000)	(500,000)	(500,000)	(100,000)			(1,648,060)		
20	(C)	ongoing	approved	20,000,000		(2,100,000)	(3,020,000)	(1,000,000)	(2,230,000)	(3,200,000)	(2,600,000)	(3,000,000)	(2,800,000)	(19,950,000)		
19	(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	Potential Projects:															
21	(B)			TBD												
22	Total				49,900,000											

Projected Fund Balance 17,259,278

Additional Funding Allocation Requests (March 2023):
Expansion of Smart Metering phase 2 professional consulting services and implementation \$2.5m (line 11)

¹ 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)