

# SEWERAGE & WATER BOARD OF NEW ORLEANS

## STRATEGY COMMITTEE MEETING

MONDAY, NOVEMBER 15, 2021

10:00 AM

### NOVEMBER 2021 STRATEGY ATTENDEE LINK

+1 504-224-8698,,619282180# UNITED STATES, NEW ORLEANS  
PHONE CONFERENCE ID: 619 282 180#

PUBLIC COMMENT WILL BE ACCEPTED VIA EMAIL TO  
BOARDRELATIONS@SWBNO.ORG. ALL PUBLIC COMMENTS MUST BE RECEIVED PRIOR TO  
10:30 AM ON NOVEMBER 15, 2021. COMMENTS WILL BE READ VERBATIM INTO THE  
RECORD

Robin Barnes • Lynes Sloss  
Maurice Sholas • Janet Howard • Tamika Duplessis

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## FINAL AGENDA

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### 1. ROLL CALL

### 2. PRESENTATION ITEMS

- a. Strategic Plan Draft –  
Darin Thomas, Raftelis

### 3. DISCUSSION ITEMS

- a. Strategic Plan Implementation  
Tyler Antrup and Ghassan Korban

### 4. PUBLIC COMMENT

Public comments received until 30 minutes after the presentation of the Agenda will be read into the record.

### 5. ADJOURNMENT

*This teleconference meeting is being held pursuant to and in accordance with the provisions of Section 4 of Proclamation Number JBE 2020-30, extended by Proclamation 204 JBE 2020, pursuant to Section 3 of Act 302 of 2020*

## **CERTIFICATION TO HOLD VIDEO CONFERENCE MEETING PURSUANT TO**

### **La. R.S. 42:17.1**

In accordance with R.S. 42:17.1 this Notice shall serve as Certification of the Sewerage & Water Board of New Orleans' inability to otherwise operate in accordance with the Louisiana Open Meetings Law due to such a meeting being detrimental to the health, safety, and/or welfare of the public as a result of the COVID-19 public health emergency, as declared by Governor John Bel Edwards in various proclamations, most recently Proclamation 204 JBE 2021 (signed by Governor Edwards on October 26, 2021).

The Sewerage & Water Board of New Orleans will provide for attendance at its essential government meeting on November 15, 2021 via video conference. It is essential that the Sewerage & Water Board of New Orleans continue to operate to address matters directly related to its response to the disaster or emergency, matters that if delayed will cause a curtailment of vital public services or severe economic dislocation and hardship, matters that are critical to the continuation of its business and that are not able to be postponed due to legal requirements, and/or other matters that undersigned presiding officer has determined are critical or time-sensitive.

Considering the foregoing, and in accordance with R.S. 42:17.1 and Proclamation No 204 JBE 2021, the Sewerage & Water Board of New Orleans' meeting on November 15, 2021, at 10:00am will be held via video conference and in a manner that will allow for observation and input by members of the public, as set forth below:

The meeting may be observed at [November 2021 Strategy Link](#); +1 504-224-8698,,619282180# United States, New Orleans Phone Conference ID: 619 282 180#. Members of the public may submit public comment on an agenda item up to THIRTY (30) MINUTES AFTER THE START OF THE MEETING BY SUBMITTING THEIR PUBLIC COMMENT TO [BOARDRELATIONS@SWBNO.ORG](mailto:BOARDRELATIONS@SWBNO.ORG). All public comments will be properly identified and acknowledged during the meeting.

Certified this 12<sup>th</sup> day of November, 2021.

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**GHASSAN KORBAN**  
**Executive Director**  
**Sewerage & Water Board of New Orleans**

# New Orleans Strategic Plan Outline

- **Introduction**
  - Letter from Ghassan
  - Letter from the Board
  - Plan introduction
- **Environmental Scan**
  - Community Profile
  - Sewerage and Water Board
    - History
    - Spotlight on Hurricane Ida and SWB
    - Operational Overview
  - Environmental and Operating Trends
    - Local operating context
    - Financial considerations
    - Environmental and regulatory impacts
    - Workforce trends
    - Technology modernization
    - Customer expectations
    - Power and energy
    - Increased risk profile
    - One Water
- **Strategic Planning Process**
  - Overview
  - Strategic Framework (Vision, Mission, Values)
  - Focus Areas
    - Financial Stability
    - Technology Modernization
    - Workforce Development and Enrichment
    - Customer Service Excellence and Stakeholder Engagement
    - Infrastructure Resiliency and Reliability
    - Organizational and Operational Improvement
  - Strategic Framework
- **What's Next?**
  - Implementation
  - Plan communication

# Sewerage & Water Board

STRATEGY COMMITTEE OF THE BOARD UPDATE

November 15, 2021



# Today's Objectives

- Update the Strategy Committee on work accomplished to date
- Review the draft framework and gather input from the Strategy Committee to ensure the plan is on the right track
- Receive Strategy Committee input on strategic plan implementation planning
- Present and discuss strategic plan outline/contents
- Present and discuss strategic plan design direction

# Agenda

- 1. Welcome/Today's Objectives**
- 2. Project Progress Check-in**
- 3. Strategic Plan Framework**
- 4. Strategic Plan Outline and Design Direction**
- 5. Strategic Plan Implementation Planning**
- 6. Wrap-up**

# Project Progress Check-in



# Strategic Planning Timeline

TIMELINE	June	June - July	July - August	August	September	October	November
<b>BOARD STRATEGY COMMITTEE</b>	<p><b>June 1-2:</b> One-on-One Interviews with Strategy Committee Board Members</p>		<p><b>August 9:</b> Strategy Committee Validation Workshop</p>		<p>Committee Check-In</p>		<p>Committee Check-In</p>
<b>SWBNO STAFF</b> <i>Strategic Planning Focus</i>	<p><b>Major Activities</b></p> <ul style="list-style-type: none"> <li>• <b>June 1:</b> Soft Project Kick-off with Senior Leadership Team</li> <li>• <b>June 30:</b> Kick-off Workshop with Core SWBNO Planning Team</li> </ul> <p><b>Deliverable</b></p> <ul style="list-style-type: none"> <li>• Kick-off Summary</li> </ul>	<p><b>Major Activities</b></p> <ul style="list-style-type: none"> <li>• <b>June 11:</b> Customer Advisory Committee Focus Group</li> <li>• <b>July 1-2:</b> One-on-One Staff Interviews</li> <li>• <b>July 5-16:</b> Online Employee Survey</li> <li>• <b>July 5-16:</b> Online Customer Advisory Committee Survey</li> <li>• <b>July 20-21:</b> Employee Focus Groups</li> </ul> <p><b>Deliverable</b></p> <ul style="list-style-type: none"> <li>• Stakeholder Summary</li> </ul>	<p><b>Major Activities</b></p> <ul style="list-style-type: none"> <li>• <b>July 27<sup>th</sup>:</b> Foundation Workshop – <i>Review Stakeholder Inputs</i></li> <li>• <b>August 9:</b> Validation and Check-In with Board Strategy Committee</li> </ul> <p><b>Deliverable</b></p> <ul style="list-style-type: none"> <li>• High-level Strategic Framework</li> </ul>	<p><b>Major Activities</b></p> <ul style="list-style-type: none"> <li>• <b>August 19:</b> Strategy Workshop</li> <li>• Strategic Plan Development</li> </ul> <p><b>Deliverable</b></p> <ul style="list-style-type: none"> <li>• Strategic Plan</li> </ul>	<p><b>Major Activities</b></p> <ul style="list-style-type: none"> <li>• <b>September 8-9:</b> Implementation Planning</li> </ul>	<p><b>Major Activities</b></p> <ul style="list-style-type: none"> <li>• Implementation Plan Development – Year One</li> </ul> <p><b>Deliverable</b></p> <ul style="list-style-type: none"> <li>• Year One Implementation Plan</li> </ul>	<p><b>Major Activities</b></p> <ul style="list-style-type: none"> <li>• Active Implementation</li> </ul>
<b>PROJECT PHASE</b>	Kick-Off	Stakeholder Engagement	Foundation	Strategy		Implementation	



# What's Happened thus far...

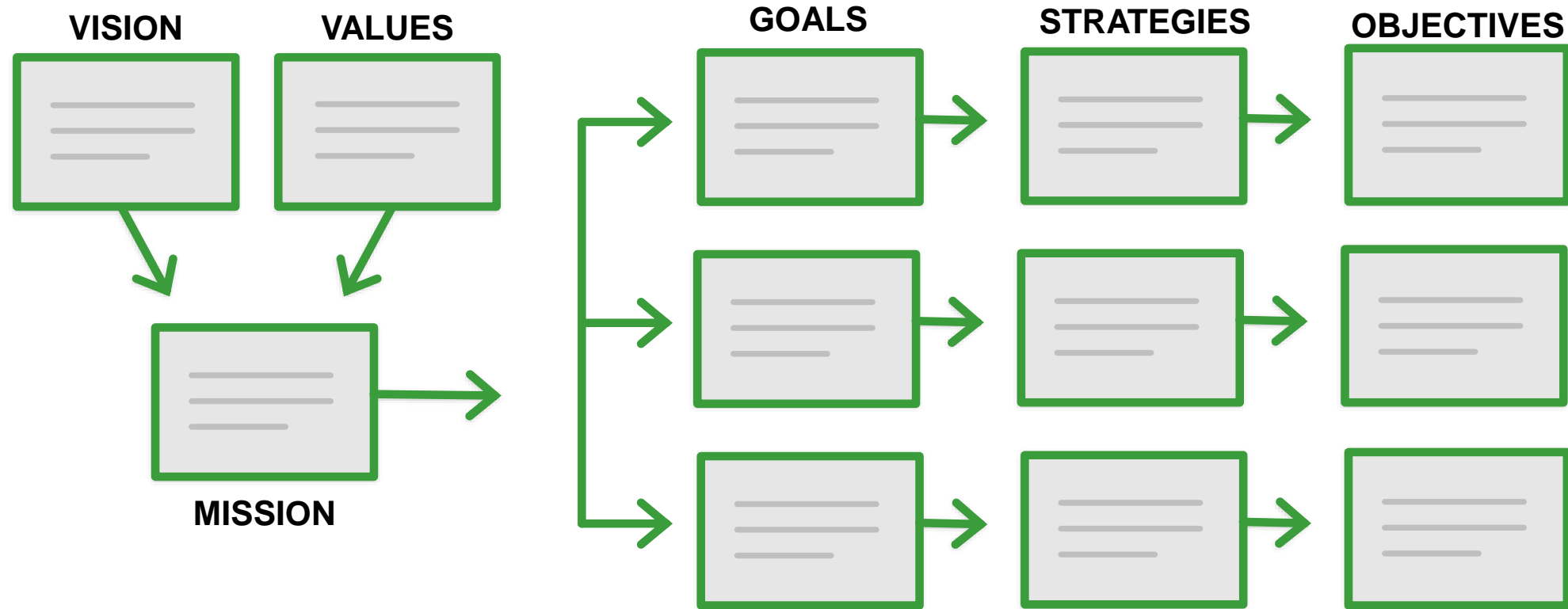
- Project Kick-off with the SWBNO Core Team
- Stakeholder engagement
  - › Strategy Committee interviews
  - › Leadership interviews
  - › Employee focus groups
  - › Employee survey
  - › External stakeholder engagement
- Workshops with the Core Team
- Strategy Committee Validation
- Implementation planning sessions



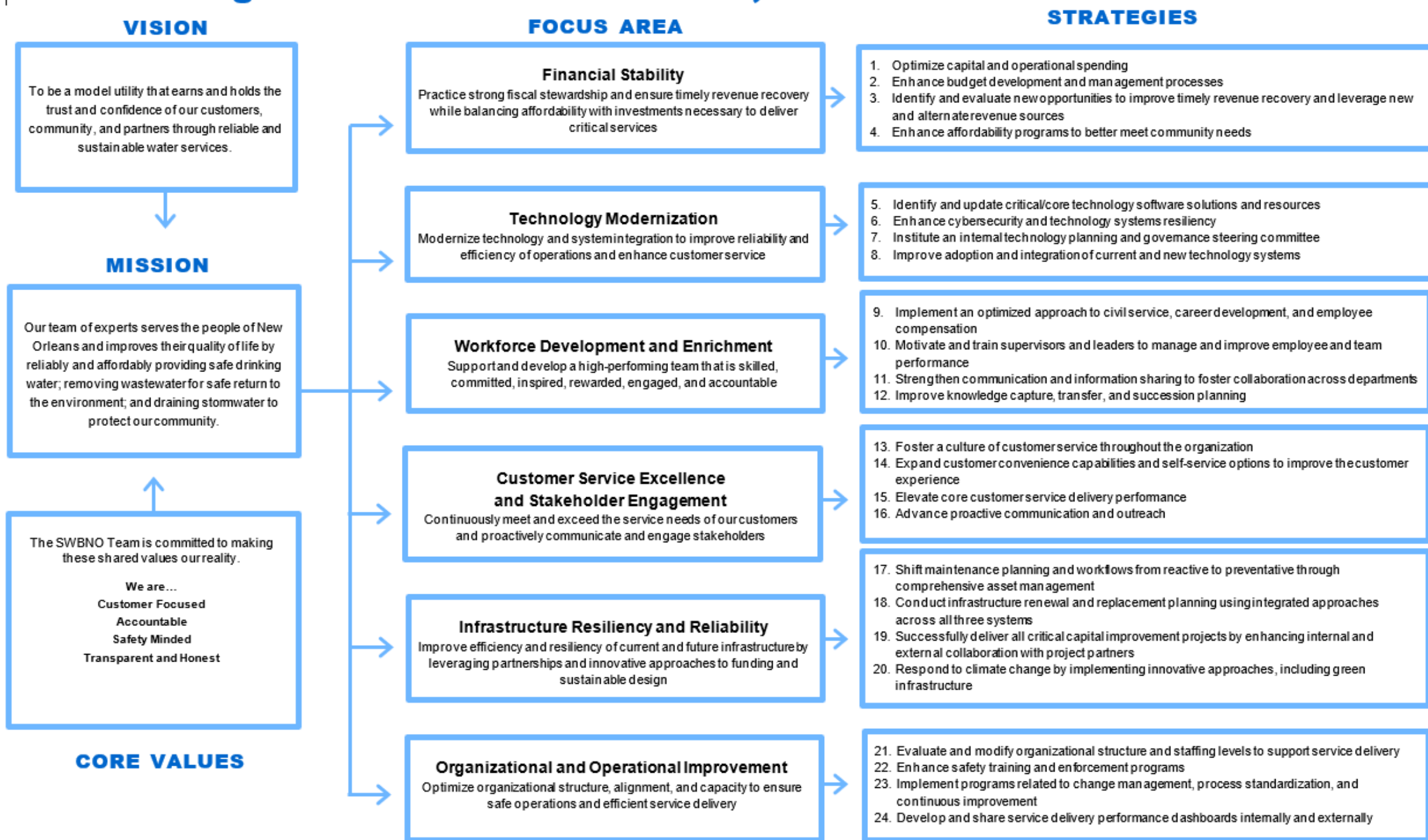
# Strategic Plan Framework



# Strategic Framework



# Draft Strategic Plan Framework Oct 11, 2021



## FOCUS AREA

### **Financial Stability**

Practice strong fiscal stewardship and ensure timely revenue recovery while balancing affordability with investments necessary to deliver critical services

## STRATEGIES

1. Optimize capital and operational spending
2. Enhance budget development and management processes
3. Identify and evaluate new opportunities to improve timely revenue recovery and leverage new and alternate revenue sources
4. Enhance affordability programs to better meet community needs

## KEY OUTCOMES & KPIs

- Lower dollar value of accounts receivables
- Increased access to assistance programs
- Improved capital budget management
- Reduce amount of unbilled water

1. \$ of AR over 90 days
2. Low-income billing assistance rate
3. Volume of unbilled water
4. % of planned CIP spending achieved
5. Ave. residential w/ww/drainage bill

## FOCUS AREA

### **Technology Modernization**

Modernize technology and system integration to improve reliability and efficiency of operations and enhance customer service

## STRATEGIES

5. Identify and update critical/core technology software solutions and resources
6. Enhance cybersecurity and technology systems resiliency
7. Institute an internal technology planning and governance steering committee
8. Improve adoption and integration of current and new technology systems

## KEY OUTCOMES & KPIs

- Increased accuracy of customer service delivery
- Improve CMMS system
- Increase customer self-service

1. Billing errors/10,000 bills
2. % of work orders generated and completed in CMMS
3. % of customers using self-service systems

## FOCUS AREA

### **Workforce Development and Enrichment**

Support and develop a high-performing team that is skilled, committed, inspired, rewarded, engaged, and accountable

## STRATEGIES

9. Implement an optimized approach to civil service, career development, and employee compensation
10. Motivate and train supervisors and leaders to manage and improve employee and team performance
11. Strengthen communication and information sharing to foster collaboration across departments
12. Improve knowledge capture, transfer, and succession planning

## KEY OUTCOMES & KPIs

- Increase workforce productivity
- Reduce vacancies
- Improve employee morale

1. Avg. time to fill open positions
2. # of open positions
3. Employee satisfaction rating via a survey

## FOCUS AREA

### **Customer Service Excellence and Stakeholder Engagement**

Continuously meet and exceed the service needs of our customers and proactively communicate and engage stakeholders

## STRATEGIES

13. Foster a culture of customer service throughout the organization
14. Expand customer convenience capabilities and self-service options to improve the customer experience
15. Elevate core customer service delivery performance
16. Advance proactive communication and outreach

## KEY OUTCOMES & KPIs

- Informed customers and stakeholders
- Increased customer service accountability
- Improve media sentiment

1. # Customer service complaints/1,000 accounts
2. Voluntary contact subscriptions
3. Call center call volume
4. Call handling rate
5. % of bills based on actual meter reads
6. # of positive & accurate media mentions



## FOCUS AREA

### **Infrastructure Resiliency and Reliability**

Improve efficiency and resiliency of current and future infrastructure by leveraging partnerships and innovative approaches to funding and sustainable design

## STRATEGIES

17. Shift maintenance planning and workflows from reactive to preventative through comprehensive asset management
18. Conduct infrastructure renewal and replacement planning using integrated approaches across all three systems
19. Successfully deliver all critical capital improvement projects by enhancing internal and external collaboration with project partners
20. Respond to climate change by implementing innovative approaches, including green infrastructure

## KEY OUTCOMES & KPIs

- Reduce system failures
- Increase aged infrastructure renewal
- Increase preventative maintenance efforts
- Increase CIP delivery capacity

1. Watermain Breaks/100 miles of pipe
2. Sewer Overflows/100 miles of pipe
3. Miles of pipe (w/ww) replaced or renewed
4. \$ of capital project spending
5. Preventative maintenance ratio
6. \$ of green infrastructure spending

## FOCUS AREA

### Organizational and Operational Improvement

Optimize organizational structure, alignment, and capacity to ensure safe operations and efficient service delivery



## STRATEGIES

21. Evaluate and modify organizational structure and staffing levels to support service delivery
22. Enhance safety training and enforcement programs
23. Implement programs related to change management, process standardization, and continuous improvement
24. Develop and share service delivery performance dashboards internally and externally



## KEY OUTCOMES & KPIs

- Optimize labor utilization
- Increase workplace safety
- Increase number of discrete process improvement initiatives

1. \$ O&M/Account
2. Customer accounts/employee
3. Operating ratio
4. DART rate
5. # process improvement projects completed

# Strategic Plan Deliverable



# Detailed Outline: Introduction



Letter from Ghassan



Letter from the Board



Introduction to the Plan

# Detailed Outline: Environmental Scan

## Community Profile

## Sewerage and Water Board

- History
- Spotlight on Hurricane Ida and SWB
- Operational Overview

## Environmental and Operating Trends

- Local operating context
- Financial considerations
- Environmental and regulatory impacts
- Workforce trends
- Technology modernization
- Customer expectations
- Power and energy
- Increased risk profile
- One Water

# Detailed Outline: Strategic Planning Process

Overview

Strategic Framework (Vision, Mission, Values)

Focus Areas

- Financial Stability
- Technology Modernization
- Workforce Development and Enrichment
- Customer Service Excellence and Stakeholder Engagement
- Infrastructure Resiliency and Reliability
- Organizational and Operational Improvement

Strategic Framework

Implementation

Communications

# Sewerage and Water Board

The history of New Orleans has been shaped by water, and the Sewerage and Water Board has played an integral role since its founding. When New Orleans was initially settled by the French in 1718, the settlement was located on high ground adjacent to the Mississippi River, just 14 feet above sea level. The topography meant the city was subject to periodic flooding from the Mississippi River, Lake Pontchartrain, and the high intensity rainfall in the region. Residents were often forced to wade through streets or be rowed in small boats to take care of daily business. Added to the unique flooding challenges were the typical challenges of a growing 19th century city: the need for clean drinking water, access to water for fire protection, and safe sewage collection and disposal. City leaders recognized that further growth would depend on addressing these issues and began planning for the drainage, water, and sewerage systems in 1893.

In 1896, the New Orleans Drainage Commission was organized to implement the master drainage plan for the city. Three years later, at the request of voters, the Sewerage and Water Board was authorized by the Louisiana Legislature to construct, operate, and maintain a water treatment and distribution system and a sanitary sewerage system for the city. Then, in 1903, the Drainage Commission merged with the Sewerage and Water Board, consolidating the drainage, water, and sewerage programs under one agency for more efficient operations. This combined organization maintained all drainage, water, and sewerage responsibility until 1991, when management of the local drainage system, including 1,600 miles of smaller drainage pipes and more than 85,000 catch basins, was transferred to the city's Department of Public Works.

Today, the Sewerage and Water Board is governed by an 11-member Board, consisting of the Mayor, the chair of the Public Works, Sanitation and Environment Committee of the New Orleans City Council or their designee, two members of the Board of Liquidation, and seven citizen members who meet various expertise and area-distribution requirements. This governing body is responsible for overseeing the utility's operations and management, setting policy, and proposing rates and bond issuances to the Board of Liquidation and City Council.

## "QUOTE TBD"

**Ghassan Korban**  
Executive Director of the  
Sewerage and Water Board

On August 29, 2021, Hurricane Ida became the second-most damaging and intense hurricane to make landfall in the State of Louisiana, behind only Hurricane Katrina in 2005. While New Orleans' levees survived, nearly all of the city and more than a million people in Louisiana lost power, due to major damage to transmission lines. Power was not fully restored for more than a week after the storm.

With generators serving as New Orleans' only power source, there were significant concerns for SWB's pumping system, which relies on electricity to power drainage. Prior to the storm, Turbines 4, 5, and 6, as well as additional back-up generators, were in place to support 96 drainage pumps around the city. When all Entergy power was lost, SWB teams shifted quickly to self-generated power sources, which allowed the utility to continuously drain stormwater and provide uninterrupted drinking water to the city. As in Hurricane Katrina, SWB employees continued to staff the emergency operations center and triage emerging situations throughout the storm and after. While SWB's preparation and resiliency efforts for water and drainage services were successful, the power loss brought several wastewater pumping stations offline, which caused back-ups. As soon as the city was safe to traverse, teams brought mobile, rotating generators to the pump stations to relieve the pressure and prevent overflows.

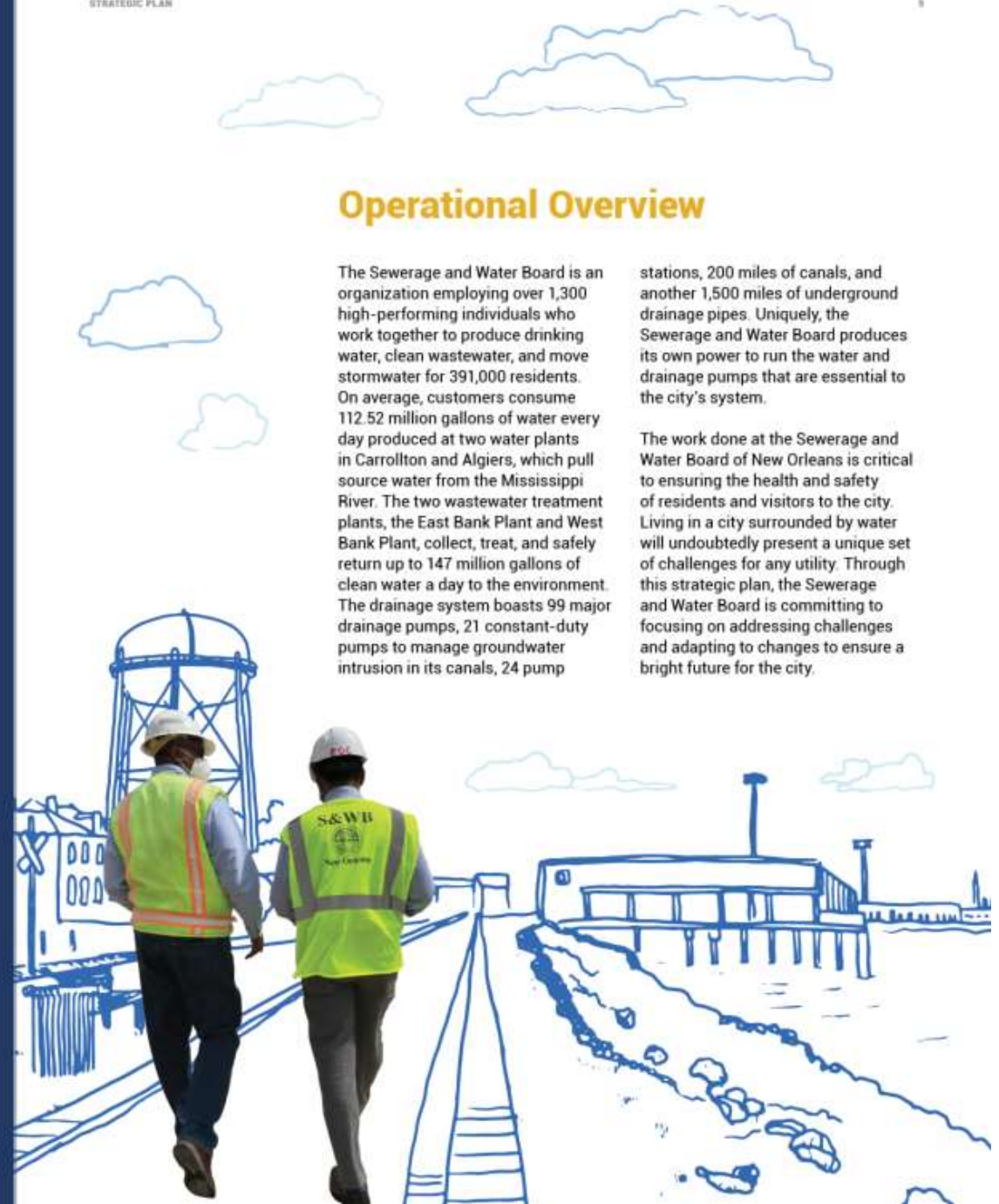
SWB's response to Hurricane Ida and its ability to provide uninterrupted service through severe power outages demonstrates the progress that the organization has made over the last several years.

## Operational Overview

The Sewerage and Water Board is an organization employing over 1,300 high-performing individuals who work together to produce drinking water, clean wastewater, and move stormwater for 391,000 residents. On average, customers consume 112.52 million gallons of water every day produced at two water plants in Carrollton and Algiers, which pull source water from the Mississippi River. The two wastewater treatment plants, the East Bank Plant and West Bank Plant, collect, treat, and safely return up to 147 million gallons of clean water a day to the environment. The drainage system boasts 99 major drainage pumps, 21 constant-duty pumps to manage groundwater intrusion in its canals, 24 pump

stations, 200 miles of canals, and another 1,500 miles of underground drainage pipes. Uniquely, the Sewerage and Water Board produces its own power to run the water and drainage pumps that are essential to the city's system.

The work done at the Sewerage and Water Board of New Orleans is critical to ensuring the health and safety of residents and visitors to the city. Living in a city surrounded by water will undoubtedly present a unique set of challenges for any utility. Through this strategic plan, the Sewerage and Water Board is committing to focusing on addressing challenges and adapting to changes to ensure a bright future for the city.



# Industry Trends and Local Context

**The services provided by SWB are essential to the growth and vitality of the community, as well as the economy of its service area.**

To achieve continued success, the organization must recognize its operating context and the external forces that shape future action. As it initiated development of its strategic plan, SWB's Leadership Team reviewed a series of regional and industry-specific trends to consider how each may impact the utility into the future.

## Local Operating Context

SWB operates in a large metropolitan area, which includes a diverse mix of industries ranging from tourism to health sciences to supply chain and logistics. The population of New Orleans is 383,997 according to the 2020 Census, which is a 13.5% increase from the population in 2010 (343,829).

The median household income in the City of New Orleans is \$41,604, as compared to \$49,469 for the State of Louisiana and \$62,843 for the United States, with almost 25% of residents falling below the federal poverty line. With a relatively low-income service area, balancing service affordability with recovering sufficient revenues to maintain and improve SWB's systems is a challenge. When the coronavirus pandemic hit in March 2020 and brought further economic uncertainty for residents, utilities around the country, including SWB, stopped turning water service off for payment delinquency. The associated loss of revenue for the utility led to negative operational impacts, but the utility continues to focus on increasing its efficiency by maintaining its aging infrastructure, implementing capital projects, and identifying and addressing water loss within its system. Decreased revenues limit SWB's ability to invest in capital improvement projects and continued financial challenges could ultimately result in decreased customer satisfaction and confidence in SWB.

SWB works closely with the City of New Orleans to address financial and political issues that arise. SWB's eleven-member Board is appointed by the Mayor of New Orleans to four-year terms, with members serving a maximum of two consecutive terms of office. While SWB is responsible for its management and operations, the utility must obtain the approval of both the City Council and the Board of Liquidation prior to issuing debt or increasing water or sewer rates and can only override these bodies if the rate increase is necessary to pay for existing debt. Public desire to keep rates low has created challenges for the utility as it works to provide high-quality, reliable service.



# Strategic Plan Implementation Process



## STRATEGY WORKPLAN

<b>Focus Area:</b>
Focus Area Champion:
<b>Strategy:</b>
Strategy Lead:

### Strategy Impacts

What is the expected outcome of this strategy?
Please describe cost or time savings that will result from implementing this strategy:
What major barriers or challenges would impact the organization's ability to implement this strategy? Please describe:
What is the consequence of failing to implement this strategy? Please describe:
Identify any areas of potential overlap within the Strategic Plan:

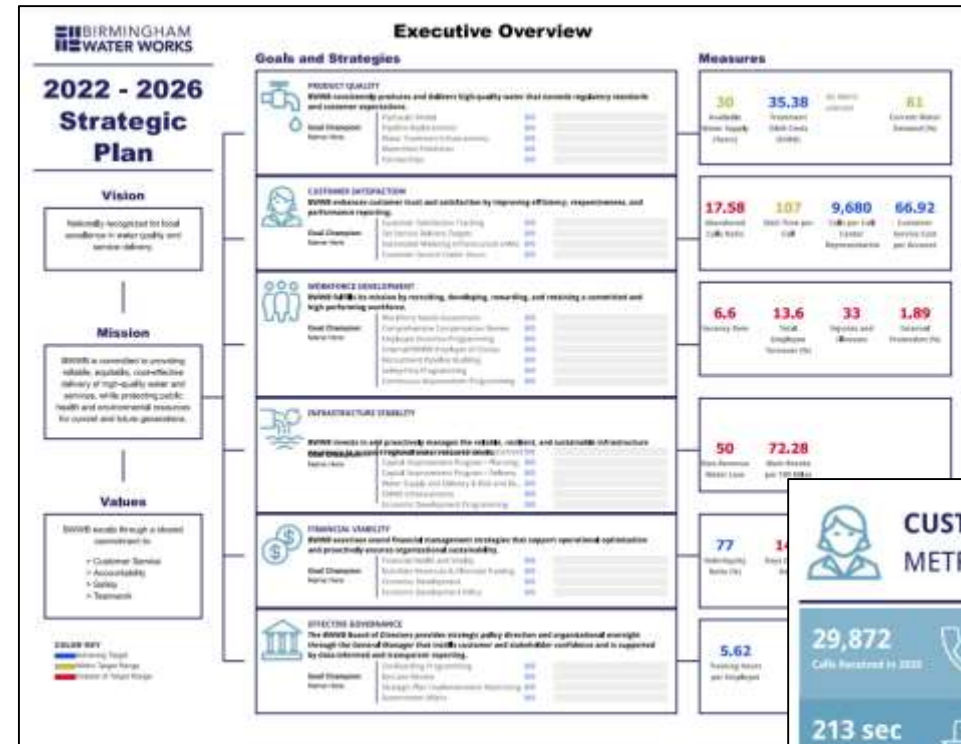
### Tactic Planning

Tactics (12 to 18 months)	Activity New (N) or Underway (U)?	Who and When			Necessary Resources (time, money, etc.)
		Tactic Owner	Start Date (xx/xx/xxxx)	Duration (days)	

# Workplan & Implementation Progress Tracking

Strategic Plan

Implementation Annual Workplan



# Wrap-Up



# Next Steps

- Incorporate feedback from today
- Draft (designed deliverable) to Strategy Committee for consideration by end of Nov 2021
- Complete implementation planning and workplan deliverable (Dec 2021)
- Begin active implementation (Jan 2022)