



SEWERAGE AND WATER BOARD OF NEW ORLEANS

QUARTERLY REPORT ON OPERATIONS

QUARTER 3 (JULY, AUGUST, SEPT.) 2024



REPORT CONTENTS

SECTION I. STANDARD INDUSTRY METRICS FOR BEST PRACTICE.....	3
SECTION II. PREVENTION OF WASTE AND FRAUD.....	6
SECTION III. PERFORMANCE METRICS FOR EMPLOYEES & CONTRACTORS.....	7
SECTION IV. COORDINATION WITH DEPT. OF PUBLIC WORKS.....	9
SECTION V. EFFICIENCY AND EFFECTIVENESS OF INFORMATION SYSTEMS.....	11
SECTION VI. TECHNOLOGIES, OPERATION PROGRAMS, & SYSTEM REDUNDANCIES & SERVICE IMPROVEMENTS	12
SECTION VII. OPERATIONAL REFORMS, CAPITAL IMPROVEMENTS & SERVICE ASSURANCE PROGRAMS.....	12
SECTION VIII. IDENTITY & DETAILED INFORMATION ON THE STATUS OF ALL PROJECTS AND IMPROVEMENTS MADE SINCE THE CLOSE OF LAST QUARTER.....	15



SECTION I. STANDARD INDUSTRY METRICS FOR BEST PRACTICE

A. PERCENTAGE WATER LOSS

Background. Utilities typically incur water loss in two ways. “Real loss” occurs when treated water is physically lost through leaks in pipes and other parts of the distribution system. “Apparent loss” occurs when treated water has been “lost” through unauthorized consumption (theft), aging or defective meters, meter reading inaccuracies, or billing and data errors. On average, utilities nationwide lose 16% of treated water.¹

Quarterly Update. As illustrated in Table A, the Sewerage and Water Board of New Orleans (SWBNO) lost 75.1% of its treated water through Q3 2024. SWBNO currently lacks the capability to track the various reasons that can cause “real” and “apparent” water loss. However, the utility is actively pursuing projects that will provide meaningful improvements regarding water data, including the Smart Metering Program and the Water Quality Master Plan (both discussed in detail below). SWBNO has also completed the installation of real-time metering at its Eastbank facility, which will improve the ability to accurately track water production rates and how much treated water is leaving the plant in real-time.

TABLE A: Q3 2024 WATER LOSS DATA

Water Produced 43.2 million gallons	Water Billed (Water Consumed and Billed) 10.8 million gallons (24.9%)	Non-Revenue Water (Water Consumed by Public Entities and not Billed)* (Water Loss) 32.4 million gallons (75.1%)
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* Non-Revenue Water includes authorized consumption by certain public entities that are not billed for water usage in accordance with La. R.S. 33:4096.

B. PERCENTAGE OF WATER PAID

Table B: Percentage of Water Paid for Water System in Q3 2024

Water System	Billed*	Collected**	% Paid
Q3 2024	\$26,303,179	\$26,424,675	100%
Q2 2024	\$27,686,473	\$28,363,959	102%
Q1 2024	\$28,331,692	\$29,803,051	105%

* Estimated Billed

** Cash basis inclusive of payment plan

¹ United States Environmental Protection Agency (EPA), [Water Audits and Water Loss Control for Public Water Systems](#), July 2013.



Table C: Percentage of Water Paid for Sewer System in Q3 2024

Sewer System	Billed*	Collected**	% Paid
Q3 2024	\$34,413,547	\$35,473,452	103%
Q2 2024	\$35,496,484	\$ 35,059,999	99%
Q1 2024	\$36,332,065	\$36,851,711	101%

* Estimated Billed

** Cash basis inclusive of payment plan

C. RECEIVABLES OUTSTANDING & DELINQUENCY SCHEDULE

Table D: Delinquent Customer Accounts as of Q3 2024

Customer Type	Total # of Accounts	Total # of Delinquent Accounts*	Total % of Delinquent Accounts*	Total (\$) Due from Delinquent Accounts*
Residential	122,702	24,233	%19.8	\$43,543,293
Multi-Family	4,548	834	%18.3	\$8,258,475
Commercial	13,036	1,708	%13.1	\$17,855,922
TOTAL	140,286	26,775	%19.1	\$69,657,690

* Delinquent accounts include those with bills that are 60 days past due.²

- **Promise Pay.** In Q1 2024, SWBNO launched Promise Pay, a new program that allows customers to enroll in an interest-free plan with flexible payment options, keep their account in good standing, and avoid a water shut-off. As of Q3 2024, customers have enrolled in more than 12,900 payment plans. SWBNO has collected \$6.9 million, and customers have committed to paying more than \$27 million in future payments.³
- **Additional Support to Analyze Delinquent Accounts.** SWBNO is onboarding new staff to enhance its ability to analyze and resolve delinquent accounts. The utility has also retained a consultant (Protiviti Government Services) to analyze delinquent accounts, determine the primary causes of debt, and recommend a course of action. The additional support provided by the consultant has progressed through a discovery phase in Q3 2024 with a proposal being obtained for further assistance through the end of the year.

² SWBNO, [Delinquent Bill Process](#), Updated November 2023.

³ Customers interested in enrolling in Promise Pay can sign up [here](#).



D. CUSTOMER SERVICE IMPROVEMENTS

1. PERFORMANCE DATA

10,701

Walk-in customers served at
Customer Service Centers in
Q3 2024

10,055

Customer emails answered in
Q3 2024

65,749

Customer calls answered in
Q3 2024

Table E: Call Center Performance Data for Q3 2024

Month	Total Calls Received	Total # Calls Answered	Total % Calls Answered	Total # Calls Dropped	Total % Calls Dropped	Average Wait Time	Average Handle Time
July	21,355	19,208	90%	2,144	10%	2:51	3:56
August	23,450	20,332	87%	3,114	13%	2:39	3:52
September	20,944	17,210	82%	3,783	18%	4:43	3:40
TOTAL	65,749	56,750		9,041		3:24	3:49

2. CUSTOMER SERVICE TRAINING

In Q3 2024, the Customer Service Department began training employees for the implementation of a new fixed billing function.⁴ Employees reviewed talking points and prompts to explain the program and guide customers through the opt-in process. Employees also learned how to navigate the new fixed billing software functions. The Customer Service Department also continued to provide refresher training courses to existing employees and develop onboarding training materials for new employees.

3. BILLING DISPUTES

During Q3 2024, SWBNO began the process of enabling an outside, third-party consulting firm, selected by the City Council, to hear and handle customer billing disputes.⁵ The transition process was completed in a timely manner and the firm began receiving and handling billings disputes at the end of the quarter.

⁴ [Act 393](#) of the Louisiana Legislature's 2024 Regular Session allows SWBNO's residential customers to opt-in to a fixed monthly rate for services.

⁵ New Orleans City Council, Ordinance Calendar No. 34,775, adopted September 5, 2024.



SWBNO remains committed to supporting the firm and its efforts to resolve customer billing disputes on the utility's behalf.

In addition, SWBNO continues to work with State and local officials to stand up a new arbitration process as set forth in [Act 393](#) of the Louisiana Legislature's 2024 Regular Session. The new process will provide two arbiters for each council district who will meet regularly at public facilities located within each district and have the authority to review and resolve account disputes.

4. ADMINISTRATIVE HEARINGS

While SWBNO still offered its administrative hearing process prior to the change, it is also advising customers of the new option to have billing disputes handled by the third-party consulting firm. In addition, customers with pending SWBNO administrative hearings can transfer their billing disputes to the firm.

SECTION II. PREVENTION OF WASTE AND FRAUD

Background. As a steward of public funding and resources, SWBNO is committed to maintaining a system of Anti-Fraud, Waste, and Abuse (AFWA) during the regular course of its operations. To this end, SWBNO uses various policies, processes, and procedures to prevent, detect, report, and rectify fraud, waste, or abuse wherever it may exist throughout the utility.

Quarterly Update.

- **Warehousing Controls.** SWBNO's Internal Audit Department completed an audit on the utility's warehouse controls. While the audit found that the utility had multiple controls in place to mitigate associated risks, Internal Audit did identify some opportunities for improvement, which resulted in six findings: (1) Requisition Policies & Procedures; (2) Inventory Reviews; (3) Inventory Reconciliations; (4) Salvage Management; (5) Contractor Salvage; and (6) Inventory Identification.
- **Annual Comprehensive Financial Report (ACFR).** The ACFR for the fiscal year ended December 31, 2023 was approved by the Louisiana Legislative Auditor (LLA), and made public on July 31, 2024. The ACFR was formally presented at the Q3 Audit Committee Meeting by SWBNO's external auditor, EisnerAmper. A copy of the report can be found [here](#).
- **Change Order Modification Review Committee.** This non-voting committee, comprised of representatives from the Finance, General Superintendent, Legal, and Product Delivery Unit departments, meets regularly to discuss change orders introduced by SWBNO project managers. In Q3 2024, the committee reviewed 14 change orders in the amount of \$33.8 million, six contract



amendments in the amount of \$1.1 million, and one contract renewal in the amount of \$730,000, all of which were subsequently approved by the board.

- **Lighthouse Reporting System.** SWBNO continues operating its internal reporting system, which encourages employees to submit complaints regarding waste, fraud, and abuse for investigation.

SECTION III. PERFORMANCE METRICS FOR EMPLOYEES & CONTRACTORS

A. METER READING

Background. According to the American Water Works Association (AWWA), “[m]eters should be read at sufficiently frequent intervals appropriate to support the utility’s understanding of volume of production, rate structure and to provide accurate bills and feedback to its customers.”⁶

Quarterly Update. SWBNO continues to make progress on smart meter installations and seek operational efficiencies in its meter reading department. These ongoing efforts are improving the utility’s ability to perform its meter reading function and positioning it to conduct monthly actual reads on all remaining mechanical meters at the beginning of next year.⁷

B. WATER SYSTEM WORK ORDERS & PERFORMANCE METRICS

In Q3 2024, SWBNO completed more than 3,700 water system work orders. SWBNO’s Networks Department primarily performed this work, with assistance from the utility’s contractors.

Table I: Q3 2024 SWBNO Networks Department Water System Performance Metrics

SWBNO Networks Dept. Work Order Type	Work Orders Created Q3 2024	Work Orders Completed Q3 2024	Average Days to Completion Q3 2024
Hydrant Leak	644	386	37
Service Leak	2,766	2,365	22
Main Break	304	295	24

⁶ American Water Works Association, [AWWA Policy Statement on Metering and Accountability](#), Revised January 2019.

⁷ Beginning January 1, 2025, SWBNO will be prohibited from submitting a bill to customers based on estimated services. See [Act 703](#) of the Louisiana Legislature’s 2024 Regular Session.



Meter Inspection/Repair	773	649	23
TOTAL	4,487	3,695	26.5

Table J: Q3 2024 SWBNO Contractors Water System Performance Metrics

SWBNO Contractor Work Order Type	Work Orders Created Q3 2024	Work Orders Completed Q3 2024	Average Days to Completion Q3 2024
Hydrant Leak	4	2	94
Service Leak	4	2	165
Main Break	10	5	131
Meter Inspection/Repair	0	0	0
TOTAL	18	9	97.5

C. SEWER SYSTEM WORK ORDERS & PERFORMANCE METRICS

In Q3 2024, SWBNO completed more than 1,000 sewer system work orders, with an average completion time of 22 days. SWBNO's Networks Department primarily performs this work, with assistance from the utility's contractors.

Table K: Q3 2024 SWBNO Networks Department Sewer System Performance Metrics

SWBNO Networks Dept. Work Order Type	Work Orders Created Q3 2024	Work Orders Completed Q3 2024	Average Days to Completion Q3 2024
House Connection Backup	614	612	0
House Connection Overflow	86	86	0
Lead Repair	209	207	39
Main Repair	45	39	69
Manhole Overflow	74	74	0
TOTAL	1,028	1,018	21.6

Table L: Q3 2024 SWBNO Contractors Sewer System Performance Metrics

SWBNO Contractor Work Order Type	Work Orders Created Q3 2024	Work Orders Completed Q3 2024	Average Days to Completion Q3 2024
House Connection Backup	0	0	0



House Connection Overflow	0	0	0
Lead Repair	5	38	39
Main Repair	13	35	69
Manhole Overflow	0	0	0
TOTAL	18	73	21.6

D. PAVEMENT REPAIR WORK ORDERS & PERFORMANCE METRICS

In Q3 2024, SWBNO and its contractors completed more than 1,200 paving work orders. SWBNO is nearing its goal of fully eliminating the paving backlog and completing paving repairs within four weeks of creating a work order.

Table M: Q3 2024 Pavement Repair Performance Metrics

Work Order Responsibility	Total Open Work Orders Q3 2024	Work Orders Created Q3 2024	Work Orders Completed Q3 2024	Average Days to Completion Q3 2024
SWBNO	52	793	868	34
SWBNO Contractors	206	257	378	238*
TOTAL	258	1,050	1,246	

* Project delays involving the Joint Infrastructure Recovery Roads Program (JIRR) and Sewer System Evaluation & Rehabilitation Program (SSERP) have extended the completion timeframe for some work orders managed by SWBNO's contractors.

SECTION IV. COORDINATION WITH DEPT. OF PUBLIC WORKS

A. DRAINAGE SYSTEM CONSOLIDATION

[Act 763](#) of the Louisiana Legislature's 2024 Regular Session gives SWBNO responsibility for all drainage operations in the City of New Orleans. This change will require SWBNO to assume responsibility for the "minor" drainage system currently managed by the Department of Public Works (DPW), which includes catch basins and other aspects of subsurface drainage. SWBNO is currently working with the administration and the City Council to identify funding sources that will enable the utility to maintain the minor drainage system in a manner that provides an acceptable level of service. SWBNO continues to collaborate with local officials with the goal of securing the needed funding and will be prepared to assume the additional drainage responsibility in early 2025.



B. JOINT INFRASTRUCTURE RECOVERY ROADS PROGRAM (JIRR)

SWBNO continues to coordinate with DPW under the Joint Infrastructure Recovery Roads Program (JIRR). Key Q3 2024 updates include:⁸

PHASE	PROJECTS	PHASE %	PROGRAM FUNDING	% FUNDS	TOTAL EXPENDITURES
Planning	26	9.5%	\$ 421,337,412	23.5%	\$ -
Preliminary Design	8	3%	\$ 3,974,188	0.2%	\$ 1,237,277
Final Design	53	19%	\$ 18,840,881	1%	\$ 10,649,937
Merged	49	18%	\$ 22,708,893	1.3%	\$ 14,206,391
Bid & Award	15	5.5%	\$ 12,683,293	0.7%	\$ 3,010,882
Construction	21	8%	\$ 485,198,702	27%	\$ 221,608,468
Complete	11	4%	\$ 224,794,701	12.5%	\$ 180,628,620
Contract Closeout	91	33%	\$ 606,824,018	33.8%	\$ 577,753,128
PROGRAM TOTALS	274		\$ 1,796,362,089		\$ 1,009,094,704

C. DRINKING WATER TRANSMISSION MAINS

SWBNO continues progress on replacing aging transmission mains within its water distribution system. These federally funded projects are managed by SWBNO in cooperation with the City of New Orleans as part of the Joint Infrastructure Recovery Roads Program (JIRR).

Table N: Transmission Main Projects (Locations)

Completed Projects	In Progress
South Claiborne Completed April 2024	South Claiborne & Third St. Anticipated Completion December 2024

⁸ See City of New Orleans, *Joint Infrastructure Recovery Request (JIRR) Program Quarterly Progress Report*, Q3 2024.



	Decatur & St. Peter Anticipated Construction March 2025
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SECTION V. EFFICIENCY AND EFFECTIVENESS OF INFORMATION SYSTEMS

SWBNO has started a multi-year undertaking to replace critical information and management systems. These new systems will modernize SWBNO's operations in key areas, including financial management, human resources, customer billing, and asset management. The need to update and modernize technology has been prioritized by SWBNO, as outlined in the utility's five-year [strategic plan](#). Updates for Q3 2024 include:

- **New Financial Management System.** SWBNO remains on track to implement a new, industry-leading financial management system in early 2026. In Q3 2024, SWBNO continued the implementation phase to ensure the new system meets the needs of the utility, which include increasing data availability, improving administrative efficiencies, and strengthening transaction transparency.
- **New Human Resources Management System.** In Q3 2024, SWBNO continued conducting a needs assessment for a new human resources management system and began preparing a request for proposals. A new system will improve the utility's ability to manage workforce data, which impacts retention, recruitment, and workforce development. The utility plans to implement a new human resources management system by early 2028.
- **New Billing Software System.** In Q3 2024, SWBNO completed its needs assessment for a new billing software system and began drafting a request for proposals. The new billing system will, among other things, improve administrative functions and efficiency, as well as enhance data accuracy and revenue collection. The utility's goal is to implement a new billing system by early 2028.
- **New Asset Management System.** In Q3 2024, SWBNO began conducting a needs assessment for a new asset management system. The new system will enable SWBNO to track the maintenance needs of existing buildings, infrastructure, and equipment, as well as plan for future capital needs. The utility's goal is to implement a new asset management system by early 2028.



SECTION VI. TECHNOLOGIES, OPERATION PROGRAMS, & SYSTEM REDUNDANCIES & SERVICE IMPROVEMENTS

A. PUMPING AND POWER DASHBOARD

SWBNO maintains a [Pumping and Power Dashboard](#) on its website that provides the public with regular updates on pumps, pump maintenance, and power.⁹ The utility created the dashboard to serve as a resource of information and improve transparency around the utility's operations.

B. SMART METER INSTALLATION DASHBOARD

SWBNO has developed a [Smart Metering Dashboard](#) that depicts where smart meters have already been installed, enabling customers to see installation progress citywide. The dashboard also illustrates pending installations, indicating locations that are scheduled to receive a smart meter within the next three months.¹⁰

C. NEW CUSTOMER PORTAL (PENDING)

SWBNO customers will soon have access to a new, user-friendly customer portal. The portal will include details about water usage (including hourly, daily, and monthly meter readings), enable customers to receive alerts and notifications regarding account and usage activity, and illustrate key data points in easy-to-understand graphs and charts. In addition, the portal aims to empower customers to learn more about their water usage based on smart meter data and, if desired, make conservation choices.

SECTION VII. OPERATIONAL REFORMS, CAPITAL IMPROVEMENTS & SERVICE ASSURANCE PROGRAMS

A. POWER COMPLEX

Progress on the new Power Complex remains on track for completion by summer 2025. Major initiatives that have already been constructed include the Entergy substation and the Utility Rack, which were the first major construction projects of the program. Ongoing work includes installing equipment foundations and testing purchased equipment that is in manufacturing. In Q3 2024, SWBNO began the last major contract, which utilized current available funding, for the installation, testing, and commissioning of the

⁹ The Pumping and Power Dashboard can be accessed here: <https://www.swbno.org/Projects/PumpingandPower>.

¹⁰ The Smart Metering Dashboard can be accessed here: <https://www.swbno.org/Projects/SmartMetering>.



new frequency changers and turbine. A major milestone was reached when the first of three static frequency changers was delivered to the site.

An additional funding source for future contracts was secured as part of a grant awarded to the State of Louisiana from the Department of Energy for the Louisiana Hubs for Energy Resilient Operations (HERO) program, which will allow SWBNO to connect drinking water pumps to the new substation.

B. SMART METER PROGRAM

SWBNO continues its progress on installing smart meters, with a goal of installing 70,000 meters (representing half of all customer accounts) by the end of the year. Key updates in Q3 2024 include:

- **Installation Progress.** In Q3 2024, more than 20,000 smart meters were installed. To date, more than 51,000 smart meters have been installed citywide.
- **New Smart Meter Bills.** The first bill containing smart meter data has an instruction sheet explaining to customers what to expect. That bill is capped at 120% of the customer's 12-month average. As of Q3 2024, SWBNO has issued more than 132,227 smart meter bills.
- **Improved Leak Detection.** By utilizing new smart meter data, SWBNO has sent more than 15,000 notifications of potential leaks. Almost 46% of those customers repaired the leaks, which saved over 3 million gallons of lost water and more than \$596,000 on customer bills.

C. LEAD SERVICE LINE REPLACEMENT PROGRAM

A major water system infrastructure project on the horizon is SWBNO's Lead Service Line Replacement Program. The purpose of the program is to improve public health by locating, removing, and replacing all lead service lines (learn more about lead awareness [here](#)). Key steps to carry out this project are already underway. Major Q3 2024 updates include:

- **Lead Service Line Inventory.** SWBNO has completed its citywide inventory, which requires locating and documenting the composition of all service lines (e.g., lead, other materials, unknown materials). The interactive online map can be accessed through the [Lead Awareness](#) webpage. Notifications to customers with lead, galvanized steel, and unknown service lines will be mailed in November 2024 with information about the program and their service line material.
- **New Law.** [Act 527](#) of the Louisiana Legislature's 2024 Regular Session addresses right-of-entry hurdles associated with the replacement of lead service lines. Pursuant to the new law, a municipality can adopt an ordinance granting a water utility right-of-entry on private property for



the replacement of lead service lines as long as certain notice requirements to property owners and residents are met. While the new law applies to municipalities statewide, efforts to introduce the legislation were spearheaded by SWBNO and the New Orleans legislative delegation.

- **Program Management.** SWBNO is hiring a program management firm to manage the lead service line replacements, inventory, mitigation, and communications required by the Environmental Protection Agency (EPA). A request for proposals for program management services will be released in Q4 2024.
- **Public Education and Communication.** SWBNO continues to develop a strategic communications plan and key messaging materials about the program. The utility anticipates ramping up public education and communication efforts for the program in Q4 2024.

D. WATER QUALITY IMPROVEMENTS

The water quality master plan will identify the next level of investments and upgrades needed at the Carrollton and Algiers water treatment plants. It will consider new technology, the current and changing regulatory landscape, and the potential impacts of climate change. During Q3 2024, master planning efforts continued moving forward. SWBNO anticipates the completion of the water quality master plan by Q4 2025.

E. SEWER (WASTEWATER) IMPROVEMENTS

In Q3 2024, Veolia North America unveiled a new digital control center at the Eastbank sewer treatment plant. SWBNO will be updating some of its automation functions and systems, which will enable the new control center to use advanced data collection and analysis to streamline sewer treatment processes, improve environmental quality, and strengthen performance.

In addition, SWBNO is concluding the design phase of major improvements at both the Eastbank and Westbank sewer treatment plants. Improvements will include a new Eastbank facility to receive, store, and treat sludge, which will improve operations and provide for more odor control, and new operational equipment needed at both facilities. SWBNO will use \$38 million in state loans to pay for these upgrades and improvements.

F. SELA DRAINAGE PROJECTS

The U.S. Army Corps of Engineers recently awarded the second contract for the General De Gaulle Drive Drainage Canal Improvement Project. This project will include drainage improvements in Algiers, as well as earthen levee improvements near the Algiers Outfall Canal.



G. SWBNO WORKFORCE

SWBNO continues moving forward with its workforce model study, the People Plan. The study includes three phases: 1) an assessment of SWBNO's current workforce model, policies, and practices; 2) an evaluation of other utilities and whether their policies and practices could lead to improvement at SWBNO; and 3) the development of policies and practices that are supported by employees and tailored to meet the needs of SWBNO and its workforce. The first two phases of the study are complete. The third phase of the study is underway and projected to be completed by Q4 2024.

Table O: Q3 2024 Workforce Data

	Vacant Positions	New Hires	Resignations	Terminations	Retired
Q3 2024	117	71	28	12	4
Q2 2024	134	79	43	25	1
Q1 2024	128	29	0	12	1

SECTION VIII. IDENTITY & DETAILED INFORMATION ON THE STATUS OF ALL PROJECTS AND IMPROVEMENTS MADE SINCE THE CLOSE OF LAST QUARTER

See information and updates included in Section VII (Operational Reforms, Capital Improvements, and Service Assurance Programs).