



625 St. Joseph Street
New Orleans, LA 70165
504.529.2837 or 52.WATER

November 12, 2025

The Finance and Administration Committee met on Wednesday, November 12, 2025, in the Executive Boardroom. The meeting convened at approximately 9:00 a.m.

Present:

Director Janet Howard
Director Joseph Peychaud
Director Chadrick Kennedy
Director Courtney Scrubbs

Non-Members Present:

Director Tyler Antrup

FINANCIAL OVERVIEW

Grey Lewis, Chief Financial Officer, shared that the utility's implementation of a new financial management system is nearing completion. The system is scheduled to go live in Q1 2026.

Financial Results

Mr. Lewis presented a summary of September 2025 financial results. He noted that water and sewer revenues (\$25.1M) were 1% above the year-to-date budget. Drainage tax revenues were \$0.3M, with a total of \$69.1M received year-to-date. Other revenues received (\$4.9M) were attributable to "Fair Share" funding.

Total operating expenses (\$29.8M) and other expenses are being closely monitored to ensure compliance with the utility's bond covenants. Revenue less adjusted expenses left the utility with \$5.5M for debt service and limited capital improvement projects.

Mr. Lewis also noted that a significant expense (\$1M) will be reflected in the October financials regarding mold remediation at SWBNO facilities.

Billing & Collections

In October, \$22.1M was collected, representing an improvement from September, while Q3 collections totaled \$60.8M. Data trends over the last 12 months show that roughly 6% of billed revenue for water and sewer are not collected. Mr. Lewis noted that the utility continues to focus on collections and collection practices.



625 St. Joseph Street
New Orleans, LA 70165
504.529.2837 or 52.WATER

In September, 98% of bills issued reflected an actual meter reading, which shows continued improvement in this area. Approximately 3,600 bills lacked an actual read mainly due to access issues or inability to read a mechanical meter. Staff explained that when a meter is inaccessible, the customer is only billed “ready to serve” charges in accordance with legislation that prohibits estimated bills. The Committee noted that the utility may need to explore a legislative exception if a meter is not accessible based on circumstances outside the utility’s control. Staff also noted that a process has been developed to address these types of meters.

Billing Disputes

Susannah Kirby, Chief of Customer Service, provided an update on collections and the impact of credits given by HGI, a third-party firm managing billing disputes as required by the City Council’s Utilities Regulatory Office. In September, \$1.8M was awarded in credits for approximately 2,600 customer cases. The total number of disputed bills and the credits awarded continue to trend downward. The Committee and staff discussed that there is currently no determined end date for HGI’s involvement in SWBNO’s billing processes.

New Payment Arrangements & Service Disconnects

Ms. Kirby shared an update on new payment plans via the Promise Pay program. The enrollment rate for Promise Pay at the end of September included 64% of past due customers, with a goal to raise participation to 90% over the next several quarters. She also advised that the team recently started a new disconnect policy. The team will continue to emphasize communications with customers and the option of a payment plan to avoid a disconnection, which will be used as a last resort.

Cash on Hand

As of September 30, 2025, Cash on Hand was 95 days for the water system and 112 days for the sewer system. The requirement for both systems is a minimum of 90 days. Action plans are being developed in preparation for year-end and additional information is being evaluated to determine the potential deferral of expenses. Both the Water and Sewer funds have outstanding loan draw requests from state revolving funds, which operate on a reimbursement basis to replenish cash on hand.

Debt Obligations

Mr. Lewis noted that the utility does not have debt capacity to issue new bonds. The water and sewer system have not seen rate increases since 2020, despite escalating expenses.

Customer Service Experience

Keith James, Manager of Customer Service, provided an update on September metrics. This included serving 44,649 customers by in-person visits, phone, email, and interactive phone response encounters. Staff provided updates on a project with the software vendor aimed at gathering further information on



625 St. Joseph Street
New Orleans, LA 70165
504.529.2837 or 52.WATER

dropped calls, including wait times in the overall averages, to address exceptional cases and enhance the overall customer experience.

Joint Infrastructure Projects – City Receivables

Mr. Lewis presented information on joint infrastructure projects between the Department of Public Works (DPW) and SWBNO related to a demand letter from the City dated October 22, 2025. The letter outlines receivables from three joint projects: Max Pave 2018, various Bond Projects, and the Joint Infrastructure Recovery Roads (JIRR) Program. The processes and timing of reimbursements from SWBNO to the City are governed by various Cooperative Endeavor Agreements and funding memos. In addition, updates on the projects and related invoices are discussed in quarterly meetings.

Regarding Max Pave 2018, Mr. Lewis proposed a repayment plan for \$2.8 million, which is set to be repaid in 8 installments over the next 4 years. Reimbursements related to the various Bond Projects are in the process of being reconciled, with the goal of completion by the end of the year. JIRR is a FEMA-funded grant program where the utility reimburses the City on a recurring basis as reimbursement requests are processed at the State level and remitted to SWBNO. Costs associated with JIRR need to be reconciled and cost-sharing elements of the program should also be evaluated, particularly regarding City paving expenses that have been funded by SWBNO (to meet consent decree deadlines).

Management is collaborating with the City to address and document these issues in a new reimbursement CEA, which will support the continued operation of JIRR, now proposed for a three-year extension.

ACTION ITEMS

GENERAL SUPERINTENDENT'S REPORT

CONTRACT AWARD/RENEWAL

- Resolution (R-152-2025) Third Renewal of Contract 2022-SWB-37 Furnishing Anhydrous Ammonia to the Algiers and Carrollton Water Plants between The Sewerage and Water Board of New Orleans and Tanner Industries, Inc.
- Resolution (R-153-2025) First Renewal of Contract 2024-SWB-67 Furnishing Liquid Polyelectrolyte to the Carrollton and Algiers Water Plants between The Sewerage and Water Board of New Orleans and Polydyne, Inc.
- Resolution (R-154-2025) Second Renewal of Contract 2023-SWB-35 Furnishing Gasoline and Diesel Fuel between The Sewerage and Water Board of New Orleans and Lard Oil Company.
- Resolution (R-155-2025) Award of Contract 1461 for Spud Barges at New and Old River Intake Facilities between The Sewerage and Water Board of New Orleans and Durward Dunn, Inc.

Board of Directors: Hon. LaToya Cantrell, President, Chadrick Kennedy, President Pro Tempore, Hon. Freddie King III, Tyler Antrup, Janet Howard, Joseph Peychaud, Tamika Duplessis, PhD., H. Davis Cole, PE, Kimberly A. Thomas, JD, Courtney B. Scrubbs, Esq.



625 St. Joseph Street
New Orleans, LA 70165
504.529.2837 or 52.WATER

- **Director Scrubbs moved to accept Contract Award/Renewal. Director Peychaud seconded. The motion carried.**

CONTRACT CHANGE ORDER BY RATIFICATION

- Resolution (R-138-2025) Ratification of Change Order No. 1 for Contract 30267 – Restoration of Gravity Flow Sanitary Sewers by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole, CIPP Lining of Service Laterals and Point Repairs at Various Sites throughout the City of New Orleans between The Sewerage and Water Board and Wallace C. Drennan, Inc
- Resolution (R-145-2025) Ratification of Change Order No. 4 for Contract 30254 – Carrollton Basin No. 13 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.
- Resolution (R-157-2025) Ratification of Change Order No. 4 for Contract 30235 – Carrollton Basin No. 5 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.
- Resolution (R-158-2025) Ratification of Change Order No. 5 for Contract 30252 – Carrollton Basin No. 11 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.
- Resolution (R-159-2025) Ratification of Change Order No. 5 for Contract 30255 – Carrollton Basin No. 14 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Fleming Construction Co., LLC.
- Resolution (R-160-2025) Ratification of Change Order No. 2 for Contract 30257 – Carrollton Basin No. 16 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Wallace C. Drennan, Inc.
- Resolution (R-161-2025) Ratification of Change Order No. 4 for Contract 30258 – Carrollton Basin No. 17 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Wallace C. Drennan, Inc.
- Resolution (R-162-2025) Ratification of Change Order No. 6 for Contract 30260 – Carrollton Basin No. 19 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Hard Rock Construction, LLC.
- Resolution (R-163-2025) Ratification of Change Order No. 2 for Contract 30261 – Carrollton Basin No. 20 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Hard Rock Construction, LLC.

Board of Directors: Hon. LaToya Cantrell, President, Chadrick Kennedy, President Pro Tempore, Hon. Freddie King III, Tyler Antrup, Janet Howard, Joseph Peychaud, Tamika Duplessis, PhD., H. Davis Cole, PE, Kimberly A. Thomas, JD, Courtney B. Scrubbs, Esq.



625 St. Joseph Street
New Orleans, LA 70165
504.529.2837 or 52.WATER

- Resolution (R-164-2025) Ratification of Change Order No. 6 for Contract 1420 – West Power Complex Phase 1 Equipment Installation and Commissioning between The Sewerage and Water Board of New Orleans and Frischhertz-Barnes a Joint Venture.
 - o **Director Kennedy moved to accept Contract Change Order by Ratification. Director Scrubbs seconded. The motion carried.**

FINAL ACCEPTANCE

- Resolution (R-156-2025) Authorization of Final Acceptance for Contract 30244-Cleaning and CCTV Inspection of Sanitary Sewer Mains at Various Sites within Orleans Parish between The Sewerage and Water Board of New Orleans and Compliance EnviroSystems, LLC.
 - o **Director Scrubbs moved to accept Final Acceptance. Director Peychaud seconded. The motion carried.**

INFORMATION ITEMS

The information items were received.

PUBLIC COMMENT

None.

ADJOURNMENT

There being no further business to come before the Finance and Administration Committee, Director Howard made a motion to adjourn. Director Scrubbs moved. Director Peychaud seconded. The motion carried. The meeting was adjourned at approximately 10:01 a.m.