



625 St. Joseph Street
New Orleans, LA 70165

504.529.2837 or 52.WATER

December 15, 2025

The Finance and Administration Committee met on Monday, December 15, 2025, in the Executive Boardroom. The meeting convened at approximately 9:00 a.m.

Present:

Director Janet Howard
Director Joseph Peychaud
Director Courtney Scrubbs

Members Absent

Director Chadrick Kennedy

FINANCIAL OVERVIEW

Grey Lewis, Chief Financial Officer, presented the October 2025 financial results and liquidity position. He reported that the October month-to-date water and sewer revenues (\$24.2M) were 2% more than budget year to date. Drainage tax revenues were slightly below budget (\$0.3M), with other revenues totaling \$12.8M. Operating Expenses were \$28.1M for the month and continue to be less than budgeted overall for the year to date.

Billing & Collections

Mr. Lewis reported that 98% of bills issued in October included meter reading of customer consumption. This left roughly 3,300 bills without a reading due primarily to access or equipment issues. The meter reading accuracy continues to trend favorably each month with the smart metering program improving the overall billing experience for customers.

Collections for November (shortened month due to holiday week) were \$19.3M for the month, which is lower than average. Mr. Lewis reported the October uncollected ratio was up relative to a year ago at 8% while the same period last year was 2%. The decline is attributed to fluctuation in consumer payment behavior. Service disconnections due to nonpayment were up in November after being lower in each of the earlier months since July. Management indicated this relates to a rehaul of the standard procedures for issuing service disconnects as a last resort for eligible accounts.

New Payment Arrangements & Service Disconnects

The October Promise Pay enrollment was flat at approximately 64% of past due customers enrolled, while the goal remains increasing participation to 90% over the next several quarters. Enrollment in an interest-free payment plan is the most common path to avoid service interruption for delinquent customers. Improving internal collections processes remain an ongoing focus area.



625 St. Joseph Street
New Orleans, LA 70165

504.529.2837 or 52.WATER

Billing Disputes

Mr. Lewis also reported on HGI customer credits awarded through the City Council's bill dispute resolution firm, which were approximately \$873k for the months of October and November. The customer service team is continuing to work with HGI daily to proactively address billing concerns.

Cash on Hand

Mr. Lewis reported days cash on hand for Water and Sewer which were 95 and 178, respectively. Through projected cash flows in November/December, Mr. Lewis reported the systems are forecasted to remain above the required level of at least 90 days cash on hand at year end.

City Receivables

Mr. Lewis reported that the utility has formally responded to the City's letter requiring payment. As of October 31, it has been determined that a total of \$84.5M is owed to the City, the largest amounts associated with the Joint Infrastructure Recovery Roads (JIRR) program. Mr. Lewis noted that the utility continues to reimburse the City's Department of Public Works for JIRR work via grant funding under the terms of the CEAs between SWBNO and the City.

The Committee asked whether the utility's JIRR projects would be impacted if the City's pending request to extend the program is not granted by FEMA. Management acknowledged that is a possibility and advised that this is an issue the utility is closely following.

Minor Drainage Funding

Mr. Lewis reported that the utility has received \$7.9M through August as part of Fair Share funding, with payments in process from the City for the months of September and October. This amount, however, is less than the City's original \$18.9M estimate, which SWBNO anticipated receiving during the first year of drainage consolidation. Management explained that a lower level of funding limits the level of small diameter pipe cleaning that was planned.

FY 2026 Operating and Capital Budget Presentation

A detailed presentation was provided on the draft 2026 budget, which includes \$280M for operations and maintenance, \$52.6M for debt service, and \$32M for pay-go capital. The 2026 recommended budget reflects an overall 3.7% increase from 2025 budgeted amounts. The budget presentation also included information on personnel, debt service coverage requirements, and the utility's capital program. In addition, Mr. Lewis discussed the utility's limited bonding capacity considering stagnant sewer and water rates, as well as the pending expiration of a drainage tax. An executive summary of the recommended 2026 budget will be provided to the full Board of Directors at its December meeting.



625 St. Joseph Street
New Orleans, LA 70165

504.529.2837 or 52.WATER

ACTION ITEMS

GENERAL SUPERINTENDENT'S REPORT

CONTRACT AWARD/RENEWAL

- Resolution (R-151-2025) Second Renewal of Contract 30247-Restoration of Gravity Flow Sanitary Sewers by Excavation and Replacement from Manhole to Manhole, CIPP Lining from Manhole to Manhole, CIPP Lining of the Service Laterals and Point Repairs at Various Sites Throughout the City of New Orleans between the Sewerage and Water Board of New Orleans and CMG Pipelines, Inc.
- B. Resolution (R-166-2025) Third Renewal of Contract 2022-SWB-46 Furnishing Liquid Fluorosilicic Acid to the Carrollton and Algiers Water Plants between The Sewerage and Water Board of New Orleans and Univar Solutions USA Inc.
- C. Resolution (R-167-2025) Renewal of Contract 8164 For Skilled and Unskilled Labor for Board of Directors: Hon. LaToya Cantrell, Chadrick Kennedy, President Pro Tempore, Hon. Freddie King III, Tyler Antrup, Courtney B. Scrubbs, Esq., H. Davis Cole, PE, Janet Howard, Joseph Peychaud, Tamika Duplessis, Ph.D., Kimberly A. Thomas, JD,
 - **Director Peychaud moved to accept Contract Award/Renewal. Director Scrubbs seconded. The motion carried.**

CONTRACT AMENDMENT

- Resolution (R-168-2025) Authorization of Amendment No. 11 to the Agreement between the Sewerage and Water Board of New Orleans and G.E.C. Inc. for Design and Engineering Services for the Water Line Replacement Program
 - **Director Peychaud moved to approve Contract Amendment. Director Scrubbs seconded. The motion carried.**

CONTRACT CHANGE ORDERS BY RATIFICATION

- Resolution (R-169-2025) Ratification of Change Order No. 10 for Contract 1376 – Water Hammer Hazard Mitigation Program- High Lift Pumping Station and Panola Pumping Station between The Sewerage and Water Board and M.R. Pittman Group, LLC.
- Resolution (R-170-2025) Ratification of Change Order No. 4 for Contract 30233 – Carrollton Basin No. 4 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Hard Rock Construction, LLC.
- Resolution (R-175-2025) Ratification of Change Order No. 3 for Contract 30253 –

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

Carrollton Basin No. 12 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and BLD Services, LLC.

- Resolution (R-176-2025) Ratification of Change Order No. 5 for Contract 30256 – Carrollton Basin No. 15 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Hard Rock Construction, LLC.
- Resolution (R-177-2025) Ratification of Change Order No. 3 for Contract 30257 – Carrollton Basin No. 16 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Wallace Drennan, LLC.
- Resolution (R-178-2025) Ratification of Change Order No. 7 for Contract 30260 – Carrollton Basin No. 19 Sewer Rehabilitation between The Sewerage and Water Board of New Orleans and Hard Rock Construction, LLC.

- **Director Scrubs moved to accept Contract Change Order by Ratification. Director Peychaud seconded. The motion carried.**

MISCELLANEOUS ITEM

- Resolution (R-149-2025) Authorization of the Execution of the Cooperative Endeavor Agreement between the City of New Orleans and The Sewerage and Water Board of New Orleans for Improvements to the Monticello Canal.
 - **Director Peychaud moved to approve Miscellaneous Item. Director Scrubbs seconded. The motion carried.**

INFORMATION ITEMS

- A. Report – HGI (November 2025)
- B. Report – CFO (October 2025)
- C. Report – FEMA (November 2025)
- D. Report – EDBP (November 2025)

PUBLIC COMMENT

- (1) Sage Michel, a resident of New Orleans East, requested additional information regarding sewer discharge at Dwyer/Canal and air pollution within the New Orleans East area. Questions that were raised included consent decree notifications and compliance, repair quality, and Environmental Protection Agency (EPA) communication. General Superintendent Stephen Nelson confirmed that repairs were made at the identified location and communication is ongoing with external agencies and the public.



625 St. Joseph Street
New Orleans, LA 70165

504.529.2837 or 52.WATER

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 10:34 a.m.