



## Sewerage and Water Board of New Orleans

625 St. Joseph Street  
New Orleans, LA 70165

---

January 31, 2026

Clerk of Council  
City Hall, Room 1E09  
1300 Perdido Street  
New Orleans, LA 70112

**Submitted via Electronic Mail**

Re: Sewerage and Water Board of New Orleans  
Quarterly Report on Operations, Q4 2025

Dear Clerk of Council,

Pursuant to La. R.S. 33:4091(C), please find the Quarterly Report on Operations for the Sewerage and Water Board of New Orleans (SWBNO). This report includes information and updates on operations for Q4 (October, November, December) 2025.

We respectfully request that this report be received at the next regularly scheduled meeting of the New Orleans City Council. If you have any questions about this report or request, please do not hesitate to contact me.

Regards,

Randy Hayman, Esq.  
Executive Director, Sewerage and Water Board of New Orleans

cc: Jean Paul "JP" Morrell  
Matthew Willard  
Aimee McCarron  
Lesli Harris  
Freddie King III  
Eugene J. Green  
Jason Hughes  
Erin Spears  
Byron Minor  
Jared Reese

**SEWERAGE AND WATER BOARD  
OF NEW ORLEANS**

**QUARTERLY REPORT ON OPERATIONS**

**QUARTER 4 (OCT., NOV., DEC.) 2025**

## 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.....	10
SECTION V. EFFICIENCY AND EFFECTIVENESS OF INFORMATION SYSTEMS.....	12
SECTION VI. TECHNOLOGIES, OPERATION PROGRAMS, & SYSTEM REDUNDANCIES & SERVICE IMPROVEMENTS .....	13
SECTION VII. OPERATIONAL REFORMS, CAPITAL IMPROVEMENTS & SERVICE ASSURANCE PROGRAMS.....	14
SECTION VIII. IDENTITY & DETAILED INFORMATION ON THE STATUS OF ALL PROJECTS AND IMPROVEMENTS MADE SINCE THE CLOSE OF LAST QUARTER.....	18

# SECTION I. STANDARD INDUSTRY METRICS FOR BEST PRACTICE

## A. PERCENTAGE OF 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.<sup>1</sup>

**Q4 2025.** As illustrated in Table A, the Sewerage and Water Board of New Orleans (SWBNO) lost 72% of its treated water year 2025. 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 below). SWBNO began using real-time metering at its Carrollton Water Plant in Q4 2024, and the Algiers Water Plant is also metered. This has improved the utility’s ability to accurately track water production rates and how much treated water is leaving the plants in real-time.

**Table A: Q4 YTD 2025 WATER LOSS DATA<sup>2</sup>**

<b>Water Produced</b> 54 billion gallons	<b>Water Billed</b> (Water Consumed and Billed) 15.2 billion gallons (28%)	<b>Non-Revenue Water</b> (Water Consumed by Public Entities and not Billed)* (Water Loss) 38.8 billion gallons (72%)
---	--	---

\* 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 Q4 2025**

Water System	Billed, net*	Collected**	% Paid
Q4 2025	\$29,811,143	\$25,958,119	87%
Q3 2025	\$29,463,091	\$25,682,769	87%
Q2 2025	\$29,560,854	\$25,914,974	88%
Q1 2025	\$23,423,520	\$25,164,653	107%

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

<sup>2</sup> Prior quarterly reports incorrectly reflected water, water billed, and non-revenue water in millions of gallons.

\* Billed reduced by customer credits awarded \*\* Cash basis inclusive of payment plans

**Table C: Percentage of Sewer Paid for Sewer System in Q4 2025**

Sewer System	Billed, net*	Collected**	% Paid
Q4 2025	\$38,730,534	\$38,217,172	99%
Q3 2025	\$37,778,369	\$35,149,928	93%
Q2 2025	\$38,833,697	\$38,584,024	99%
Q1 2025	\$33,172,646	\$32,534,586	98%

\* Billed reduced by customer credits awarded \*\* Cash basis inclusive of payment plan

## C. RECEIVABLES OUTSTANDING & DELINQUENCY SCHEDULE

**Table D: Delinquent Customer Accounts as of Q4 2025 (December 31, 2025)**

Customer Type	Total # of Accounts	Total # of Delinquent Accounts*	Total % of Delinquent Accounts*	Total (\$) Due from Delinquent Accounts*
Residential	121,319	21,199	17%	\$39,591,571
Multi-Family	4,438	742	17%	\$5,417,517
Commercial	12,616	1,611	13%	\$14,794,567
<b>TOTAL</b>	<b>138,373</b>	<b>23,552</b>	<b>17%</b>	<b>\$59,803,655</b>

\* Delinquent accounts include those with bills that are 60 days past due.<sup>3</sup>

### 1. PROMISE PAY

In Q1 2024, SWBNO launched Promise Pay, a 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 the end of Q4 2025, customers are enrolled in 15,700 payment plans. SWBNO has collected \$24.9 million since inception of the program, and customers have committed to paying more than \$24.6 million in future payments. In addition, SWBNO launched a special campaign this summer that waived late fees for any customer who enrolled in a new payment plan. The campaign resulted in 6,898 new payment plans, with 707 customers paying their debt in full.<sup>4</sup> The Promise Pay enrollment rate is 67% of customers with a past due balance. SWBNO is continuing to promote Promise Pay with the objective of raising participation to 90% over the next few quarters.

<sup>3</sup> SWBNO, [Delinquent Bill Process](#), Updated November 2023.

<sup>4</sup> Customers interested in enrolling in Promise Pay can sign up [here](#).

## 2. DELIQUENT ACCOUNTS

The Utility continues to work with Protiviti Government Services to analyze delinquent accounts, determine the primary causes of debt, and recommend a course of action. The consultant has developed new desk level procedures and workflow for issuing and completing service orders in the system, with a service interruption as a last resort to nonpayment of any type by the customer. The service interruptions, updated procedures, and workflow were started on a trial basis in December with plans to increase the processing after completion of all required procedures to improve overall collections and limit the need for large payment plans in the future for customers.

### D. CUSTOMER SERVICE IMPROVEMENTS

#### 1. PERFORMANCE DATA

**9,185**

Customer emails answered in Q4 2025

**8,107**

Walk-in customers served at Customer Service Centers in Q4 2025

**47,623**

Customer calls answered in Q4 2025

**Table E: Call Center Performance Data for Q4 2025**

Month	Total Calls Received	Total Calls Answered	Total % Calls Answered	Total # Calls Dropped	Total % Calls Dropped	Average Wait Time
October	19,201	17,284	90%	1,614	8%	2:22
November	16,129	14,176	88%	1,947	12%	3:02
December	17,778	16,163	91%	5,064	28%	4:12
<b>TOTAL</b>	<b>53,108</b>	<b>47,623</b>	<b>90%</b>	<b>8,625</b>	<b>16%</b>	<b>3:12</b>

*Note: In December, the Customer Service Department tested and transitioned the utility's IVR System to NICE and experienced some data errors with the system. The dropped calls were misrouted and skewed the numbers.*

## 2. CUSTOMER SERVICE TRAINING

In Q4 2025, the Customer Service Department continued development of conflict management and de-escalation technique training for the department

The department also continues to build strike teams to improve positive interactions with customers and to promote workplace professionalism.

### 3. BILLING DISPUTES

During Q4 2025, SWBNO continued the process of enabling an outside, third-party consulting firm, selected by the City Council, to hear and handle customer billing disputes.<sup>5</sup> Upon request by customers, State-appointed arbiters have also started hearing appeals when a customer disagrees with the decision of the third-party firm. SWBNO maintains open communications with the City Council's Utilities Regulatory Office and the third-party firm to discuss issues related to customer disputes, including disputes that are awaiting arbitration, pending a SWBNO investigation, or where a billing credit was granted. SWBNO remains committed to supporting the efforts of the firm and arbiters as they work to resolve customer disputes on the utility's behalf.

## SECTION II. PROCESSES & INDICATORS FOR PREVENTION OF WASTE OR 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. Updates for Q4 2025 include:

- **Service Connections & Inspections.** Internal Audit (IA) conducted a review of SWBNO's internal controls surrounding customers' connections to the municipal system and the utility's inspections thereof. The Audit Report was issued during Q4 but was not presented at the Q4 Audit Committee Meeting because management's response had not yet been received and the Committee Meeting took place during the Management Response Period. All findings will be presented along with Management's Response at the Q1 2026 Audit Committee Meeting.
- **Act 393.** IA is conducting a review of SWBNO's compliance with Act 393 (2023). Act 393 of the 2023 Louisiana Legislative Session updated the state's Open Meetings Law to allow eligible public bodies to hold meetings via electronic means and requires all public bodies to provide ADA-compliant remote participation options for people with disabilities. The review began in Q3 and is in the testing phase.
- **Vehicle Rentals / Leasing.** IA is conducting a review of SWBNO's use of leased and/or rented vehicles (particularly in lieu of fleet) and any risks that may be associated. The review began in Q4 and is currently in the planning phase.

---

<sup>5</sup> New Orleans City Council, Ordinance Calendar No. 34,775, adopted September 5, 2024.

- **Change Order Modification Review Committee.** This non-voting committee, comprised of representatives from the Finance, General Superintendent, Legal, and Project Delivery Unit departments, meets regularly to discuss change orders introduced by SWBNO project managers. In Q4 2025, the committee reviewed 21 change orders in the amount of \$24 million, one contract amendment in the amount of \$225,000 thousand, and six contract renewals in the amount of \$8 million, 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.”<sup>6</sup>

**Q4 2025.** 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. As of January 1, 2025, SWBNO does not send bills to customers for consumption unless an actual read has been conducted.<sup>7</sup>

### B. WATER SYSTEM WORK ORDERS & PERFORMANCE METRICS

In Q4 2025, SWBNO completed more than 4,300 water system work orders. SWBNO’s Networks Department primarily performed this work, with assistance from the utility’s contractors.

---

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

<sup>7</sup> 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.

**Table F: Q4 2025 SWBNO Networks Department Water System Performance Metrics**

SWBNO Networks Dept. Work Order Type	Work Orders Created Q4 2025	Work Orders Completed Q4 2025	Average Days to Completion Q4 2025
Hydrant Leak	123	103	130
Service Leak	3,401	3,377	15
Main Break	376	375	22
Meter Inspection/Repair	565	520	20
<b>TOTAL</b>	<b>4,465</b>	<b>4,375</b>	<b>47</b>

**Table G: Q4 2025 SWBNO Contractors Water System Performance Metrics**

SWBNO Contractor Work Order Type	Work Orders Created Q4 2025	Work Orders Completed Q4 2025	Average Days to Completion Q4 2025
Hydrant Leak	1	1	26
Service Leak	1	1	7
Main Break	7	4	213
Meter Inspection/Repair	123	103	4
<b>TOTAL</b>	<b>132</b>	<b>109</b>	<b>63</b>

### C. SEWER SYSTEM WORK ORDERS & PERFORMANCE METRICS

In Q4 2025, SWBNO completed more than 1,000 sewer system work orders. SWBNO’s Networks Department primarily performs this work, with assistance from the utility’s contractors.

**Table H: Q4 2025 SWBNO Networks Department Sewer System Performance Metrics**

SWBNO Networks Dept. Work Order Type	Work Orders Created Q4 2025	Work Orders Completed Q4 2025	Average Days to Completion Q4 2025
House Connection Backup	702	699	0
House Connection Overflow	128	128	0
Lead Repair	187	160	28
Main Repair	18	22	207
Manhole Overflow	49	49	0
<b>TOTAL</b>	<b>1,084</b>	<b>1,058</b>	<b>47</b>

**Table I: Q4 2025 SWBNO Contractors Sewer System Performance Metrics**

<b>SWBNO Contractor Work Order Type</b>	<b>Work Orders Created Q4 2025</b>	<b>Work Orders Completed Q4 2025</b>	<b>Average Days to Completion Q4 2025</b>
House Connection Backup	0	0	0
House Connection Overflow	0	0	0
Lead Repair	40	67	45
Main Repair	12	21	45
Manhole Overflow	0	0	0
<b>TOTAL</b>	<b>52</b>	<b>37</b>	<b>18</b>

### **D. PAVEMENT REPAIR WORK ORDERS & PERFORMANCE METRICS**

In Q4 2025, SWBNO and its contractors completed more than 1,100 paving work orders. SWBNO continues to work toward its goal of completing paving repairs within four weeks of creating a work order.

**Table J: Q4 2025 Pavement Repair Performance Metrics**

<b>Work Order Responsibility</b>	<b>Total Open Work Orders Q4 2025</b>	<b>Work Orders Created Q4 2025</b>	<b>Work Orders Completed Q4 2025</b>	<b>Average Days to Completion Q4 2025</b>
<b>SWBNO</b>	613	1,208	1,122	45
<b>SWBNO Contractors</b>	136	130	34	46
<b>TOTAL</b>	<b>749</b>	<b>1,338</b>	<b>1,156</b>	<b>46</b>

*\* 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

In January 2025, SWBNO and the City executed an agreement, consolidating drainage operations and transferring responsibility for the “minor” drainage system to the utility.<sup>8</sup> For 2025, the City identified \$18.9 million, as shown in Table K, to support operations of the minor drainage system. This funding will help SWBNO begin assessing and cleaning some of the system. However, to reach the utility’s goal of assessing and cleaning 20% of the minor drainage system each year and completing a full assessment and cleaning of the system every five years, which aligns with best practices, a total of \$25 million to \$40 million will be needed annually.

**Table K: Identified Funding for the Minor Drainage System**

Proposed Revenue Source	Original Estimate	Actuals for 2025
American Rescue Plan Act (ARPA) (one-time)	\$3.7M	\$3.7M
Electronic Traffic Enforcement Devices from 2024 (one-time)	\$1.8M	TBD
Special Fair Share Allocation (recurring)	\$5M	\$0M *
DPW Share (25%) of Infrastructure Maintenance Fund (recurring)	\$5M	\$4.9M (Through Oct 2025)
Electronic Traffic Enforcement Devices (recurring)	\$3.4M	TBD
<b>Total</b>	<b>\$18.9M</b>	<b>\$8.6M</b>

*\*City of New Orleans has indicated since the source of this special funding historically came from the former 25% DPW share now allocated to SWBNO, no additional City Funding could be made available for Minor Drainage*

<sup>8</sup> Agreement between the City of New Orleans and Sewerage and Water Board of New Orleans for Transfer and Consolidation of Drainage Operations Pursuant to Acts 783 and 103 of 2024, January 14, 2025.

## B. JOINT INFRASTRUCTURE RECOVERY ROADS PROGRAM (JIRR)

### JIRR Quarterly Summary – Q4 2025

The Department of Public Works for the City of New Orleans together with the Sewerage & Water Board of New Orleans is pleased to present the progress report for the JIRR Program, End of Quarter 4, 2025.

Program Data as of December 31, 2025:

- 26 Projects in the Planning Phase
- 82 Projects in Design
  - Preliminary Design – 7
  - Final Design – 75
- 29 Projects in the Bid & Award Phase
- 21 Projects under Construction
- 7 Projects Completed
  - Construction Substantial Completion
- 118 Projects in Contract Close-Out

PHASE	PROJECTS	PHASE %	PROGRAM BUDGET	% BUDGET	EXPENDITURES
Planning	26	9.2%	\$ 110,883,812	6.7%	\$ -
Preliminary Design	7	2%	\$ 2,108,205	0.1%	\$ 1,294,742
Final Design	75	27%	\$ 28,313,580	1.7%	\$ 19,825,980
Bid & Award	29	10.2%	\$ 73,841,851	4.5%	\$ 6,499,374
Construction	21	7%	\$ 298,895,653	18.0%	\$ 90,129,891
Complete	7	2%	\$ 100,016,640	6.0%	\$ 83,270,204
Contract Closeout	118	42%	\$ 1,046,478,019	63.0%	\$ 1,030,659,465
<b>PROGRAM TOTALS</b>	<b>283</b>		<b>\$ 1,660,537,759</b>		<b>\$ 1,231,679,656</b>

The Department of Public Works and the Sewerage & Water Board of New Orleans have been working diligently to execute the Joint Infrastructure Recovery Request Program. We appreciate the assistance and support of FEMA and GOHSEP as we continue to execute this program for the benefit of all citizens of the City of New Orleans and Orleans Parish.



### JIRR Project Activity by Period – Q4 2025

Project Activity	Prior To Q1 2022	Q1 2022	Q2 2022	Q3 2022	Q4 2022	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024	Q2 2024	Q3 2024	Q4 2024	Q1 2025	Q2 2025	Q3 2025	Q4 2025	Program Totals
Moved to Design	196	4	11	4	2	1	2	3	3	4	2	2	0	17	6	0	0	257
FEMA Submitted	171	8	2	1	0	2	0	0	1	1	1	0	0	0	0	0	1	188
FEMA Approved	160	10	6	3	0	0	0	0	2	1	1	1	0	0	0	0	0	184
Bid Opening	87	0	6	3	0	3	1	6	2	1	2	2	2	1	3	3	1	122
NTP Construction	89	2	2	3	8	5	0	1	5	0	2	5	2	2	1	2	1	129
Substantial Completion	37	6	6	5	6	4	6	3	8	1	6	5	2	2	3	2	6	108



## 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 L: Transmission Main Projects (Locations)**

Completed Projects	In Progress
South Claiborne Completed April 2024	Decatur & St. Peter Notice to Proceed issued May 2025
South Claiborne & Third St. Completed February 2025	

## SECTION V. EFFICIENCY AND EFFECTIVENESS OF INFORMATION SYSTEMS

SWBNO is engaged in a multi-year initiative to replace aging information management systems. The modernization and replacement of major enterprise systems address outdated technology in financial management, human resources, customer billing, and asset management. Technology modernization is a core priority in the five-year [strategic plan](#) and is essential to operational reliability, regulatory compliance, and administrative efficiency.

Key progress in Q4 2025 includes:

- **New Financial Management System.** Oracle Cloud Financials is in final testing and go-live preparation. The new system will improve data availability, streamline financial reporting, and support grant compliance requirements. Staff training has been completed throughout Q4 2025. The system is on track for go-live in February 2026. A three-month support period will follow to ensure stability and address transition issues. Phase II has begun with implementation of budget planning and forecasting capabilities. Following go-live, historical data will be preserved and migrated to complete the transition from the legacy mainframe.
- **New Human Capital Management System.** SWBNO has selected Dayforce as the new platform for payroll, benefits, time tracking, and workforce analytics. Contract negotiations are in final stages, with all substantive terms agreed and final approvals in progress. Implementation activities are expected to begin in Q1 2026. The system will consolidate HR processes that

currently span multiple applications and enable improved reporting on workforce management. Full deployment is planned for 2027.

- **New Billing Software System.** In Q4 2025, the solicitation was advertised and responses were received. The selection committee is conducting its first round of evaluation. The new system will replace software that relies on an aging platform and will improve billing accuracy, customer account management, and revenue processing. Implementation is expected to extend through 2028.
- **New Asset Management System.** The selection committee completed its evaluation of ten qualified proposals and recommended 1898 & Co. for implementation of Trimble Unity (Cityworks), a cloud-hosted enterprise asset management platform. A resolution to accept the recommendation was approved by the Board in January 2026. This system will replace the current work order application, which operates on legacy technology and lacks integration capabilities. The new platform will support maintenance planning for facilities, underground infrastructure, and equipment. Implementation is planned over a 27-month period.

## SECTION VI. ASSESSMENT & STATUS OF TECHNOLOGIES & OPERATION PROGRAMS & STRATEGIES FOR SYSTEM REDUNDANCY & SERVICE IMPROVEMENTS

### A. WORK ORDER DASHBOARD

SWBNO maintains a [Work Order Dashboard](#). While the dashboard is in the beta version, it can be used by customers to view open work orders citywide. The dashboard, which is updated weekly, provides the type of work order, the date the work order was opened, and the average days for repair. A search tool enables customers to find work orders by street address. The goal is to provide the public with more information and transparency regarding issues that have been reported to the utility and the status of repairs.

### B. PUMPING AND POWER DASHBOARD

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

---

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

## C. SMART METER INSTALLATION DASHBOARD

SWBNO's [Smart Metering Dashboard](#) 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.<sup>10</sup>

## D. NEW CUSTOMER PORTAL

SWBNO maintains a [user-friendly online customer account portal](#). The new account format provides details about water usage (including hourly, daily, and monthly meter readings), enables customers to receive alerts and notifications regarding account and usage activity, and illustrates key data points in easy-to-understand graphs and charts. The account also empowers customers to learn more about their water usage based on smart meter data and, if desired, make conservation choices.

# SECTION VII. OPERATIONAL REFORMS, CAPITAL IMPROVEMENT PROGRAMS, & SERVICE ASSURANCE PROGRAMS

## A. POWER COMPLEX

SWBNO officially broke ground on the Power Complex in December 2025, following the completion of the 30-day reliability tests for new Static Frequency Changer (SFC) 1 and SFC 3.

The contract for final installation and commissioning remains on-going to complete final required testing for SFC 1 and SFC 3, begin and complete the 30-day reliability test for SFC 2, and complete tasks related to the equipment controls system integration. The installation and commissioning of Turbine 7 has been delayed due to contractor issues, but it is expected to be available before the start of hurricane season 2026.

When SFC 1 and SFC 3 are not undergoing testing, the units have been used for daily power needs, as well as stormwater pumping. 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. The sub-recipient application process was announced by the Louisiana Department of Natural Resources (LDNR) in early April. SWBNO submitted the required application on time and remains in contact with the LDNR office throughout the review process. Additionally, \$8M in capital outlay funds were allocated to the Power Complex during the 2025 legislative session. Projects utilizing this funding

---

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

are being prepared for bid, including a permanent fuel delivery system for Turbine 7, as well as a new blackstart generator for the entire complex.

## B. SMART METER PROGRAM

- **Installation Progress.** At the end of Q4 2025, more than 135,000 smart meters have been installed. More than 92% of all customer accounts now have a new smart meter.
- **New Smart Meter Bills.** At the end of Q4 2025, more than 130,000 customers are receiving smart meter bills. SWBNO is continuing targeted communications with customers to assure them that smart meter data and smart bills are accurate.
- **Improved Leak Detection.** By utilizing new smart meter data, SWBNO's customer portal has notified on average 9,000 customers of potential leaks each month. Approximately 43% of those customers repaired the leaks. The Customer Portal has an 'Investigate a Leak Module' allowing customers to proactively check their property for leaks before calling a plumber. Approximately 76% of customers open their leak alerts and 41% click through for additional information to investigate further.

## 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 Q4 2025 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. Each year notifications to customers with lead, galvanized steel, and unknown service lines will be mailed with information about the program and their service line material.
- **Right-of-Entry.** [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 Act, 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 was released in Q4 2024. Proposals were received in Q1 2025, with initial evaluation selection committee meetings in March. In Q2 2025, the utility selected a firm to manage the program. A formal protest was filed regarding this selection. The final decision by the Executive Director was released in December of 2025. The utility is proceeding with evaluating all options to most expeditiously contract for program management services.
- **Public Education and Communication.** SWBNO continues to develop a strategic communications plan and key messaging materials about the program.

## 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. This effort was substantially complete in December 2025, with a final report being compiled in Q1 2026. The next steps in this effort include the following:

- Implement corrosion control optimization pilot test at the Algiers Water Treatment Plant, which will help protect against impacts from future saltwater intrusion events in the Mississippi River.
- Implement coagulant chemical pilot test at Carrollton Water Plant, to improve efficiency and eventually reduce chemical costs.
- Begin a request for proposals for preliminary design for the first phase of rehabilitation of treatment facilities at the Carrollton Water Plant, which is part of a 30-year capital improvement plan (CIP).
- Obtain funding for a 5-year CIP through state capital outlay program, to fund critical repairs that are needed to maintain level of service while the larger replacement program is being developed.

## E. SEWER (WASTEWATER) IMPROVEMENTS

SWBNO has concluded the design phase of major improvements for both the East Bank and West Bank Sewer Treatment Plants. SWBNO is working to bid the Phase I Improvements for the East Bank in Q1 2026 and bid the West Bank improvements in Q2 2026. New equipment is needed at both facilities, which would increase operational efficiency through more automation and provide better water quality returned to the environment. SWBNO will use \$38 million in state loans to pay for these upgrades and

improvements. The utility has also applied for a federal earmark for fiscal year 2026 to help fund the needed improvements.

Additional projects will need to be completed prior to Phase 1 construction at the East Bank, to maintain compliance during the construction period. SWBNO will be soliciting bids for this additional equipment in Q1 2026, as well as make repairs needed to ensure that the existing equipment provides the redundancy and capacity needed during this time

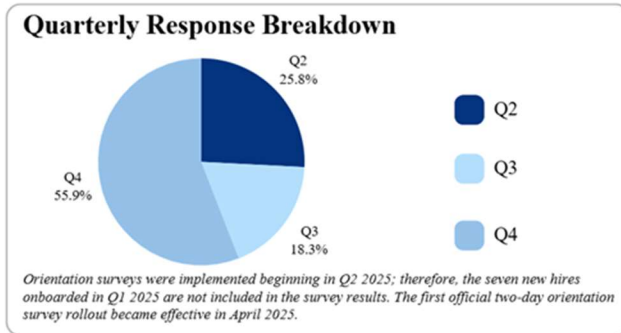
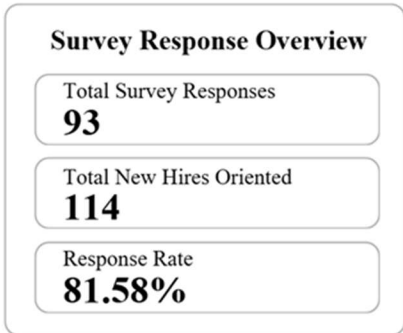
Lastly, Veolia North America hired a new project manager to oversee wastewater operations for the East Bank and West Bank Sewer Treatment Plants. This individual is a certified wastewater collection/treatment Class IV operator with local experience, as well as a state-certified trainer.

## **F. SELA DRAINAGE PROJECTS**

The U.S. Army Corps of Engineers (USACE) recently awarded the second contract, SELA 72.2, 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. SELA 26 Florida Ave Phase IV is in closeout and USACE plans to award the second part of the contract in Q4 2025.

## **G. SWBNO WORKFORCE**

Throughout 2025, the Human Resources Department prioritized strengthening the onboarding experience to support employee engagement, retention, and long-term workforce stability. The enhanced two-day New Hire Orientation produced strong, sustained results, achieving an 81.58% post-orientation survey response rate with 100% of respondents reporting the content was helpful and relevant, indicating high levels of engagement and satisfaction. An effective onboarding program that introduces new employees to the company culture and work environment within their first week can make a world of difference. A new employee's experience on their first day can stick with them for the duration of their whole career. A great first day can help our new employees feel confident and excited about their decision to join our SWBNO team.



Building on this foundation, HR expanded recruitment efforts through increased community engagement and job fair participation, in collaboration with activities such as National Night Out on Crime, the Gentilly Festival, the Urban League Job Fair, Job1 Job Fair, Goodwill Industries Job Fair, and the LA Green Corps Job Fair.

**Table M: Q4 2025 Workforce Data**

	Vacant Positions	New Hires	Resignations	Terminations	Retired
<b>Q4 2025</b>	76	57	17	9	3
<b>Q3 2025</b>	99	27	9	15	1
<b>Q2 2025</b>	387	29	15	21	4
<b>Q1 2025</b>	298	7	20	7	11

## **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).