

OFFICE OF THE MAYOR

EXECUTIVE ORDER HM 26-04A

PUBLIC UTILITY MODERNIZATION PROCESS SUBGROUP

WHEREAS, Executive Order HM 26-04, as amended, establishes a mayoral advisory committee known as the Infrastructure Coordinating Council (“ICC”) to make recommendations to the Mayor for aligning and coordinating planning, operations, and project delivery among the Department of Public Works (“DPW”), the Sewerage and Water Board of New Orleans (“SWBNO”), the City’s capital projects and capital delivery functions, and relevant other public utilities and infrastructure partners to deliver coordinated, efficient, and high-quality infrastructure service year-round;

WHEREAS, House Bill 1243 of the 2026 Regular Session of the Louisiana Legislature proposes to provide the New Orleans City Council with broader local authority over SWBNO governance, operations, oversight, regulation, and accountability;

WHEREAS, the proposed reform package contemplates expanded City Council oversight authority, potential local authority concerning rates, fees, charges, annual operating budgets, capital plans, board policies, major contracts, executive leadership, hiring, investigations, and other matters affecting SWBNO governance and performance;

WHEREAS, the transition to greater local control over SWBNO should be guided by a transparent, technically informed, and fiscally responsible process that considers governance structure, operational accountability, financial stability, ratepayer impacts, and public confidence;

WHEREAS, the forthcoming local regulation of SWBNO falls logically within the purview of the ICC, as reliable water, sewerage, and drainage infrastructure, implemented and managed in coordination with other infrastructure providers, is indispensable to public health, public safety, economic development, environmental protection, storm preparedness, and the long-term resilience of the City of New Orleans; and

WHEREAS, Executive Order HM 26-04 contemplates the establishment of standing working groups of the ICC to advise the Mayor and to coordinate the operational activities of the ICC;

WHEREAS, coordination between the Administration and legislative leadership is critical to ensuring thoughtful and effective review of proposed reforms affecting essential public infrastructure and services;

NOW, THEREFORE, I, HELENA MORENO, MAYOR OF THE CITY OF NEW ORLEANS, by the authority vested in me by the Constitution and laws of the State of Louisiana and the Home Rule Charter of the City of New Orleans, including Section 4-104 thereof, do hereby order as follows:

1. **Establishment.** There is hereby established a standing working group of the ICC to be known as the Public Utility Modernization Process Subgroup (“PUMPS”). PUMPS shall assist the

ICC, the Mayor, and the City Council in matters related to the evaluation and immediate implementation of HB 1243 and, over a longer-term, transition to a local-control governance model for SWBNO.

2. Purpose and Policy.

A. PUMPS shall help ensure that any transition to greater local control over SWBNO is supported by a clear, public, and actionable plan. PUMPS shall produce practical recommendations and proposed policy frameworks capable of being acted upon by the Mayor, City Council, SWBNO, and other relevant entities.

B. PUMPS shall be guided by the following policy objectives:

i. *Local Accountability.* SWBNO governance should be accountable to the people of New Orleans through locally responsible institutions.

ii. *Operational Competence.* Any new governance model should improve performance, reliability, transparency, and responsiveness in the delivery of water, sewerage, and drainage services.

iii. *Financial Stability.* Any transition plan should protect the fiscal stability of a water, sewerage and drainage system, preserving access to capital markets and avoiding impairment of existing bond obligations or other contractual commitments.

iv. *Ratepayer Protection.* Any governance model should include meaningful protections for ratepayers, including transparency in billing, rates, service quality, customer service, and capital planning.

v. *Clear Lines of Authority.* Governance reform should reduce ambiguity and fragmentation by clearly defining the respective roles of the Mayor, City Council, SWBNO board, SWBNO executive leadership, the Board of Liquidation, City Debt, and relevant state entities.

vi. *Public Trust.* The process should include public engagement and should result in recommendations that are understandable, transparent, and capable of implementation.

3. Membership.

A. PUMPS shall consist of members appointed by the Mayor, which shall include representation from the City Council, including the Council President and Chair of the Council Public Works Committee (or their designees), and may include, as needed, subject-matter experts with relevant legal, public policy, municipal finance, engineering, utility regulation, labor, and/or project management expertise.

4. Duties and Responsibilities.

A. In the immediate term, PUMPS shall study and make concrete recommendations to the ICC, the Mayor, and the City Council concerning governance, oversight, and transition issues associated with the implementation of HB 1243 and any other applicable law. Without limiting the generality of the foregoing, PUMPS shall:

- i. Review and evaluate proposed ordinances and policy initiatives concerning Council oversight of SWBNO;
- ii. Assess fiscal, legal, operational, infrastructure, and governance impacts of proposed reforms;
- iii. Develop recommendations and policy guidance for the Administration and City Council;
- iv. Coordinate analysis and information sharing among relevant stakeholders;
- v. Engage with agencies, technical experts, and community stakeholders as appropriate;
- vi. Identify best practices and potential governance improvements;
- vii. Provide reports, memoranda, draft legislation, and/or recommendations to the ICC, Mayor, or City Council, as requested by the Mayor.

B. Over the longer term, PUMPS shall evaluate and develop recommendations concerning a governance and operational model under which the functions, assets, responsibilities, and operations of SWBNO may be transferred to, consolidated with, or become more fully integrated into the City of New Orleans. In connection with that longer-term review, the PUMPS shall:

- i. Assess the legal, fiscal, operational, personnel, infrastructure, governance, and bond-related implications of transferring or consolidating SWBNO functions within City government;
- ii. Identify any Charter amendments, ordinances, state-law changes, intergovernmental agreements, transition instruments, or other legal actions necessary or advisable to effectuate such a transfer or consolidation;
- iii. Assess the treatment of SWBNO assets, liabilities, revenues, rates, grants, contracts, bond covenants, consent decrees, regulatory obligations, and ongoing capital projects in connection with any proposed transfer or consolidation;
- iv. Recommend accountability, oversight, reporting, and performance-management structures appropriate for any municipal oversight of water, sewerage, drainage, or related infrastructure functions; and
- v. Provide reports, memoranda, draft Charter or ordinance language, proposed transition plans, and other recommendations to the ICC, the Mayor, or the City Council, as requested by the Mayor.

5. Administrative Support.

Notwithstanding the provisions of HM 26-04(8), administrative support for PUMPS shall be provided by the Mayor's Office and, as needed, at the direction of the Deputy CAO for Infrastructure.

6. Nature and Limitations of PUMPS Activities.

Because it is established as an operational unit of the ICC to coordinate the activities of City government, PUMPS shall not be deemed a mayoral advisory committee pursuant to Section 4-104 of the Home Rule Charter or otherwise operate as a public body whose meetings are governed by the Louisiana Open Meetings Law, but may prepare staff work product and implementation recommendations for consideration by the Mayor and, where applicable, the ICC, City Council, and other bodies.

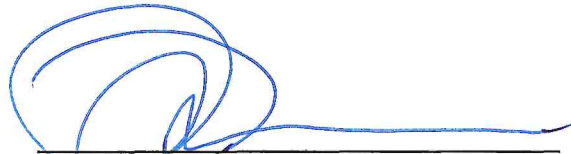
Nothing in this Order shall be construed to:

- delegate legislative authority, executive authority, regulatory authority, appointing authority, or operational control over SWBNO;
- Alter the legal status, powers, duties, or responsibilities of SWBNO;
- Transfer any asset, liability, employee, function, contract, debt, obligation, or revenue of SWBNO;
- Impair any existing contract, bond obligation, covenant, or other legal obligation of SWBNO or the City;
- Limit the authority of the Louisiana Legislature;
- Limit the legislative authority of the New Orleans City Council;
- Limit the authority of the SWBNO Board of Directors under existing law;
- Create any private right of action; or
- Require disclosure of privileged, confidential, security-sensitive, or legally protected information.

7. Effective Date. This Executive Order shall become effective upon execution.

8. Duration. This Order shall remain in effect so long as HM 26-04 remains in effect.

WITNESS MY HAND AND SEAL THIS 1st DAY OF JUNE, 2026 AT NEW ORLEANS, LOUISIANA.



Helena Moreno
Mayor
City of New Orleans