

Water Committee Meeting

October 11th, 2017

CARYN BENJAMIN: Roll call. Dirk Barrios (absent), Vern Breland (absent), Ben Bridges, Robert Brou, Jeffrey Duplantis (absent), Greg Gordon, Jimmy Guidry, Jimmy Hagan, Randy Hollis, Patrick Kerr (absent), Amanda Laughlin, Rick Nowlin, Rusty Reeves (absent), Chris Richard, Keith Shackelford, Cheryl Slavant (absent), Joe Young (absent), David Constant. We have a quorum.

JIMMY GUIDRY: We have quite a few things we wanted to cover today so let's start by seeing if we have a motion to approve the minutes from our September 11th meeting.

CHRIS RICHARD: I make a motion.

JIMMY HAGAN: Second.

JIMMY GUIDRY: Anybody oppose? Those minutes are approved as written. Old business.

CARYN BENJAMIN: All the rule making documents have been completed and submitted to the legislative fiscal office. However, we didn't make the deadline for them to review it in time for publication in the October 20th Louisiana registrar so it's being

postponed by one month publication. So the new rule making schedule, the notice of intent will be published in November 20th, 2017 Louisiana registrar. The public hearing is now set for December 29th, 2017. So the final rule, that means with no issues and legislative oversight, not calling a hearing on the rule itself, so the final rule would be published at the earliest would be February 20th 2018. So the question is do we want to keep the effective date for the rule at July 1st 2018 or do we want to move it back another month. Just because the publication date is going to be one month later.

RANDY HOLLIS: A question. Having a public hearing on December the 29th, which is right before New Years, that's a long weekend. We have tried to be very transparent and open that entire process and that date just seems very suspicious. Why are you trying to do it on a weekend that's New Years Eve?

CARYN BENJAMIN: You have to have it between the 35th and 40th date. So we had to choose between December 25th and 30th. So Christmas is the 25th and normally we're off on the 26th. Sometimes the state will call that another holiday. So that gives us Wednesday, Thursday and Friday to do the public hearing

cause Saturday is the 30th. I just picked the 29th because the room is open. But if necessary, we could try to find another room if you think it's better to be on the 27th or the 28th.

RANDY HOLLIS: I would be shocked if you got any comments, but I just feel like what are you trying to pull here. And that's just a perception on my part. I would rather see it on the 26th Wednesday in the middle of the week or the 27th. I didn't know if these were hard numbers.

CARYN BENJAMIN: No. It has to be within that week. Unfortunately that's Christmas week. Christmas and New Years.

RANDY HOLLIS: Do we have to be here for that public hearing?

CARYN BENJAMIN: No. It's only to receive oral comments. Because they can submit written comments anytime after the notice of intent. The comment period is until the 30th.

AMANDA LAUGHLIN: Ninety-nine percent of the time during rule making all of your comments come in written. Most of the time no one comes to the public hearing. It is a venue for people to come and give comment.

RANDY HOLLIS: We attempted that in this committee, did the webinars, and very little response. I doubt you will get any response. That just jumps up at me. Don't mean to speak out of turn. Just seems kind of odd.

CARYN BENJAMIN: Is it the committee's wish for me to move it to the 27th if I can find a room?

{collective yes}

RANDY HOLLIS: Or the 28th.

BEN BRIDGES: If Mr. Hollis is in our stead we don't have to be here.

RANDY HOLLIS: So be it.

AMANDA LAUGHLIN: Just to let you know, we do have to check on where it has to be held. And if it has to be held in this building we're limited.

BEN BRIDGES: The 292 documents states it has to be here.

AMANDA LAUGHLIN: 292 has to be here. But general rule making.

RANDY HOLLIS: If you have to have it on the 29th, okay. We're trying to be transparent.

JIMMY GUIDRY: Go onto new business. Before we do that, do you have a problem July verses August? No response. Do y'all really care? Our job is tough

because we have less than a month to educate people and get them on board. When we turn this on we're all going to get some kind of grief. I don't know how bad. The question is do we give us an extra month so everybody is aware verses July when a lot of people start their fiscal year. Kind of like when new things go into place.

ROBERT BROU: Almost six months from the rule to enforcement date. Make it August 1st.

JIMMY GUIDRY: Anybody oppose? Okay, we'll make it August. All right, we'll look at enforcing August. New business. Which is the intent of today's meeting. Do we have any public comments on previous discussion? Okay. Got to remember to cross all your Ts and dot all your Is. New business, today we're going to discuss act 263. There was a resolution, a house resolution 156, the two read very much alike. During the last session we had a discussion where Representative Hunter wanted to get us to give a report to the legislature about water systems, especially those that are having problems. So part of that requirement was to have a committee meeting and come up with the report. And so everybody was in agreement that we could use this committee format to have the meetings. So I took it

upon the department and the fact that we had this resolution in this act to invite Representative Hunter to this meeting. To which he couldn't make it. And actually he has a different opinion of how this should be done. And that is he would prefer to have the committee come to the capitol, to his turf, and report before a combined committee. So he sent an email to both committees, health committees, to the chair asking to have a committee hearing where we would come and have these discussions in front of committee. He's gotten no response. Nobody has agreed to do it yet. And he also made the statement, and I share this with you cause I think it's going to impact the way we do business going forward, that he wants to be able to subpoena 200 water systems to come and testify. Representative Hunter is a lawyer so that would explain why he's thinking this needs to be a court hearing. The law doesn't say what he says it says and he's the one that brought the law forward. The law doesn't state we have to meet at the capitol. The law doesn't say where we have to meet and it doesn't say we have to meet in front of the committee other than our reports. So I don't know if the chair and the committees are going to actually honor his request. That's still

open. I still think our work is critical. I think when you look at what the legislature signed off on is what we have to deliver. We have to look at our reports on water systems in Louisiana, look at the ones that are failing, look at the ones that are getting in trouble and come back with recommendation on legislation that would help change the future of water systems in Louisiana for the better of the citizens. So when we look at these we're going to go through and see exactly what we're required to do. By law we have a law we have to meet and we'll go through and highlight some of those and then we'll talk about some of the information we plan to provide for you. We've actually been researching what other states have done and what other water systems have done around the country. While all of this is happening we're still in the midst of different water systems that are having problems and being brought to the attention of the governor's office by activists. We had St. Joseph's and we have some other water systems now in poor communities, small communities that the activists are saying they are finding lead. And I share with you what they did. They actually went test for bacteria in homes and found bacteria and took those samples in the

bathroom and at the refrigerator. Scientifically I don't think any home wouldn't have those bacteria at both those locations. When I wouldn't make it a public health emergency they sent samples to Virginia Tech, where they did the tests for Flint Michigan, and found lead in a few homes. They are still looking for a public health emergency. What they are looking for is for small systems that can't afford to do what they need to do. If they have brown water they want to get the taxpayer and the state, someone, to put up money to make the water clear. So when you look at small systems and affordability and how they're going to do these things it's going to become all of our issues going forward. In the twenty-first century and people are still dealing with brown water and so all these questions about secondary standards, source, what's the source of the water. And we're going to talk about what other states have done and what they have done to address this. But politically and in the press water is becoming very important. Very stressful because at the same time we're struggling to figure out how to take care of water systems. They're trying to deal with highways and bridges and sewage. Infrastructure has become this huge mountain of requests and

requirements. So I'm using it instead of taking it as we're not doing a good job, because we work real hard to do a good job, I'm using it as our aging infrastructure is catching up with us and will it continue to give us problems. And we have to figure out going forward how we're going to address it. It's not going to get answered unless our experts agree on how we're going forward. But I think Representative Hunter is going to make it an issue at the capitol and I want to be prepared to deliver what the law requires. Also prepared to hear recommendations on what are some things we can put in place at the legislature that would address our needs and what are some things we need to do to start educating the public. The public doesn't understand this issue. They really don't. And a lot of people out there confusing the issues.

RICK NOWLIN: May I offer an opinion as a former legislator and former house health and welfare committee. I think the best results would come about from a working group that's working like we have been working. It takes some of the politics out. The committee meetings sometimes turn into forums for public sound bites and not so much working on your mission what you are there for. I think the

legislators will attend it. But I think our best position let's do our work, invite them to work with us, and then we'll report the work to that whole joint committee. Having been down that road I think it's a clear difference.

JIMMY GUIDRY: I appreciate your wisdom and I do think you're correct. That if we just think it will go away, it won't. But if we show we're working and have gathered experts in the room, which was actually mandated by the legislature, that the experts who sat on that committee I think I have what I need to make a case that we're doing what we need to do and that other people might have ideas how it should be done. But it's hard to argue with the experts that do this for a living.

RICK NOWLIN: Sometimes the discussion and actual testimony in the committee is less than it would be otherwise. People may not want to say things when all the reporters and cameras are there. Even though anybody can come to this meeting also, it's just a little different environment.

JIMMY GUIDRY: I'm not sure he's going to get what he's asking for. If he does, we want to be prepared to bring what we have done instead of waiting for

something to happen. Did you want to add to the legislature or?

AMANDA LAUGHLIN: Well I wanted to go over like the general processes that we have with the health department. I know some of you are familiar with the regulatory requirements that we have. I also wanted to discuss our enforcement actions, how people get administrative orders, and some general kind of statistics for the agency. So there's one handout about monitoring requirements for systems. And as you know this year we started to collect, we pretty much collect all the samples for the systems now except for those that still collect some bac T samples in the system, bacteriologicals. But what we call phase 2.5, the majority of the chemical containments, those are done every three years at ground water systems and every year at surface water systems. The agency has a policy where if you have a contaminant that is half of the MCL or greater than we put you on increased monitoring and then we start monitoring at the point of entry instead of just the source. So we are more conservative than most other states in that we actually test the source water. Nitrates, nitrites we take those every year for public water systems and we do the

collection and the analysis for that. The bacteriological samples are done monthly and right now collecting about 30 percent of those for water systems. And then we do the analysis for probably 90 percent. Some of the large water systems do have their own labs so they do their own collection and analysis. Chlorine is daily and monthly. We do those occasionally, but most of that is operational and done by the water system. The lead and copper sampling it depends on whether or not the system has ever had a lead or copper exceedance. They may be on increased monitoring every six months or may be on routine or decreased monitoring. Most of the systems in our state are on every three year cycle. We provide all the bottles and the information for the water systems to go to the homeowners. They take the sample et cetera. And we also do the analysis at our state lab for those. The difference that is one significant difference for lead and copper that's different from all the other rules in that the sample is taken from the homeowners' plumbing. It's hard for water systems to get compliance. It's hard for them to get people to actually take the sample. So we get a lot of feedback from systems saying I'm trying, I'm trying to get the samples back

to you, but they may not have a lot of people that want to participate. They also have to know which systems in their distribution meet tier criteria. So if you have homes with lead service lines or built within a certain timeframe in the 80s those would be tier one sites and you need to use those first. And then there are tier two and tier three sites. So it is very complicated and we have to rely on the water system to tell us that they're meeting the site requirements. And then they turn in their samples to us and we analyze and look for the 90th percentile. Lead and copper is an action level exceedance, not an MCL violation and a lot of people don't necessarily understand that. So if you have a 90th percentile exceedance, not necessarily getting a violation from the state. But you do have to start looking at corrosion control at that point. In Louisiana we have what we call the two strike rule. If you have two action level exceedances then we will require you to (inaudible) control at that point.

JIMMY GUIDRY: The activists don't like the EPA rule. They don't think it's tested often enough, they don't think it's tested correctly, they don't think the level is acceptable. They want zero. They are not

realist. Zero lead in requirements is impossible. But that's what they're pushing for. And when they measure it they're really measuring particulars. Particulars means they're measuring the lead and combination whatever the lead is with. When I asked the toxicologist about that she says, well you're going to get higher levels if you measure particulars. That's not the form that gets digested in the body. So maybe making this huge thing about Flint Michigan and that gap which is oh, if you find lead it's above 15 people are being exposed or being poisoned and God lead causes all this brain damage in children's development, all this. Making all these claims. The science behind what they're claiming in reality is not matching up. It's real hard after they go into communities and tell them you have lead and your children are being brain damaged, hard for us to come and educate that public. They just finished giving information I think is missing. I'm sharing this with the group because this is what's stirring politically around the state and it's the result of a handful of people that are going around and working with small communities. But there is an agreement that perhaps the lead and copper rule, as complex as it is, perhaps needs to be changed and

EPA is looking at that. They say they're years away from where they're going to get from changing something. We're trying to educate and work with people, but it's not very easy when the information you can put out there is terrifying. It's really tiring. For the most part the lead that's in water never really shown in this state that it led to lead in children's blood. Looked at children's blood, looked at lead in children's blood not been able to show the connection. Obviously if it's going into your body there is potential it will end up in the blood. It's always been viewed to high levels of lead in paint, to those resources, not water. The argument is wherever it's coming from it's additive. If you're getting it from water it's accumulating in our body. After you become six years old the lead doesn't really cross into the brain. Really the risk is the children, not really the adults for the most part. None of that is being shared. All about there's lead in your water and by golly it shouldn't be there at all. I'm sharing this with you so you will know some of the arguments, some of the difficulties in trying to educate the public when there are people going out there and giving different interpretations if you will.

RICK NOWLIN: I never want to impede anybody's motives. You're talking about science, using it as a basis for any decision of policy that you adopt. When people are basically, some people may be looking for money. And in order to get money you have to motivate and become an activist and we have to stir people up. That's one of the problems you have with these huge public official committee meetings. That's one way to do that is to get the word out there. None of us want to cover a problem up. Two different approaches to solve the problem.

JIMMY GUIDRY: I'm sharing that with you it's becoming almost a daily issue. Literally seeing stirring up the sewage and water board in New Orleans. Not just a pump issue. They are going to be spending 2 billion-dollars replacing a lot of their sewer and drinking water pipes. There's a huge push on that's going to release some lead as they do this. That's going to create a lot more lead in the environment. What are you going to do for that. So this issue not a week goes by that it's not being brought up in the media. But you're right. We want to share the facts. We're not trying to cover up. But at the same time it needs to be very factual and not around the sky is

falling and we need all kinds of money to fix the sky.

RANDY HOLLIS: One of my pet peeves on the very first one is arsenic. We do have a lot of arsenic in a lot of our wells. The state will come down and routinely check raw water wells. The federal registrar reads, and I'm not an attorney, but it reads that you will check the point of entry. Only then if you wanted to do you check the wells. But it flat says you will check the point of entry and only then go back to wells. There has been many cases the state came in and only checked the wells. What happened to us in a recent litigation case, and the attorneys love to jump on this, if you look at the data collected all you see is the raw water data got arsenic at 17 parts per billion and the limit is 10. There was no correspondence of an entry point to go along with that. The attorney jumped on that. How can you prove that nobody in this system got arsenic because the data says it was 17. Every data point taken going into the point of entry has never been above two. You can say the sample taken two months later was two. But attorneys love to find that and get in there. It kills us from the standpoint of trying to defend the water system and treatment when we don't have samples taken on the same

day. So if you're going to take the wells, please take the point of entry at the same day. Now the second point is the CCR and the state prepares the CCR and gives them to these systems. If you look at the CCR you will see a range under the CCR 2 to 17 under arsenic and then you get into the explanation cause all this damage to livers, kidney. It goes on and on the effects of it. Nowhere does it clarify in the CCR that the point of entry was two. So people are under the misconception when they read that they could have gotten arsenic up to 17. And let me tell you something, the class was certified because of that. Because it could have affected everybody in the system. I ask that you look at the CCRs very carefully that y'all are preparing because it can be a death nail to a system when in fact no one ever got that.

AMANDA LAUGHLIN: Why don't you add the language to your CCR because we don't have to provide the CCR at all.

RANDY HOLLIS: We do. This is a system we don't own. I was consulting with them after the fact and they never thought to add it in. The state gave us this, it must be good, so let's put it out there.

AMANDA LAUGHLIN: We also sent a letter saying you

need to review it and you're allowed to add language.

RANDY HOLLIS: I understand. And that's the education to the public. Send it out to these systems and say guys look at this. But you need the proof. You need that point of entry the same day as the other samples so that someone can't get in there and say wait a minute, we don't know that's true. We need those samples. I've told my guys in New Iberia whenever you come to take samples of the raw water wells you cannot take them unless you take a point of entry. And they're like wait a minute, you're telling the state what to do. Absolutely. You cannot take a sample of raw water wells unless you take point of entry. That's federal registry.

AMANDA LAUGHLIN: That's compliance.

RANDY HOLLIS: The registry says point of entry and then. I'm just asking please work with us.

AMANDA LAUGHLIN: I think we do that for known exceedances.

RANDY HOLLIS: I have raw water wells that are way above ten. You have been taking raw water only without a point of entry on the same day. And I tell my guys don't let you. And that's not being arrogant. That's just saying I'm looking out for our system down the

road in case we ever get sued. We need a point of entry whenever you take raw water.

CARYN BENJAMIN: That may occur on a system that doesn't have arsenic normally in the well. But for systems that normally have arsenic we always collect the point of entry. The ones that are above half the MCL are on quarterly schedule for arsenic and it's point of entry.

RANDY HOLLIS: I hear what you're saying. But only two months ago were we notified they wanted to take four wells and we have a lot more than that.

CARYN BENJAMIN: And this is for New Iberia?

RANDY HOLLIS: Yes. And no point of entry. And I said you can't do it.

CARYN BENJAMIN: Is that a system normally monitored?

RANDY HOLLIS: Yea.

CARYN BENJAMIN: They should have done point of entry.

RANDY HOLLIS: But they told us exactly which one.

JIMMY GUIDRY: It sounds like something we ought to look at and address. I appreciate you pointing it out and I think we need to look at it. It sounds like we thought we had something in place to avoid that. I

don't know how simple that is, whenever you test source water we test point of entry no matter what it is.

AMANDA LAUGHLIN: I think it's a matter we already pull point of entry ever quarter. That's where we determine compliance. They must have done phase two which is the source so we'll just make sure the staff is aware if they have a quarterly system they need to pull phase two at the same time they pull quarterly.

RANDY HOLLIS: If they pull them at the same time we don't have a problem.

CARYN BENJAMIN: I think that's what we did once you brought it to our attention.

RANDY HOLLIS: It's hard to defend that when you get into litigation.

JIMMY GUIDRY: I know that feeling quite often. Good discussion. Anything else before we move on?

RANDY HOLLIS: I will get with Rusty because he deals with some of these systems. I can tell you a number of systems don't feel like they can change anything in there. There is language you can't change, but they can add to it.

AMANDA LAUGHLIN: Sure. If you're a surface water system you're required to add to it because you have to add turbidities and everything else. It does say

they're supposed to review for accuracy, et cetera. Cause all it is is pulling information out of our database. It's all sample data. Disinfection byproducts, we have a lot of systems that are on quarterly monitoring for that. Those samples are pulled in the distribution system. We probably have between 80 and 90 systems that exceed every quarter. We currently collect all the disinfection byproduct samples for all water systems. We started that this year. Most systems pull two samples unless you're a larger water system then you have to pull more. Turbidity, TOC these are all done by surface water systems in house. And chlorite would be for a system that uses chlorine dioxide and the public water system collects and analyzes at the point of entry. Same thing with bromate. Crypto right now it's surface water only. And the public water systems collect, but we do the analysis for them. That's a summary of the monitoring requirements. So that's like the water quality type requirements. And then we have sanitary survey requirements which are the infrastructure requirements. Every three years we do a survey at community systems and every five years at non-community systems like a restaurant or school, et cetera. Every

three years we'll do a sanitary survey. We look at everything from the administration, the operation and maintenance, to the actual physical components of the system. Pumps, if you have filters, wells, all that stuff. We look at everything. And then we look for the significant deficiencies which you're familiar with because we looked at those last year and put them in rule, which ones were considered significant, those would be basically anything that could have the potential to cause contamination in the system. We also would write up recommendations. So if we see that somebody's tank, let's say elevated tank, it's on the verge of needing paint we would write that as a recommendation in the next couple of years we are probably going to have to repaint this tank. A lot of times we go back three years later it's no longer a recommendation, it's a requirement that they fix it. We do try to at that time discuss the infrastructure problems they may have in the future with them. We also look for cross connection control program. We talk about water loss, how much water you're using verses how much you're selling. Leaks and valves and all of those issues. Try to talk to the system about all those things at that time. And include any of that

information in our report. If a system fails to correct significant deficiencies it has its own enforcement path. If your ground water system under the ground water rule you can get a treatment technique violation and have to do a public notice that states we failed to correct all these infrastructure problems. And of course then if you don't correct it after that point then you would you go through the administrative order process. So there's a couple of ways that systems get into the administrative order. One is through the sanitary survey process, one is sometimes we have emergency situations that come up and we can actually draft an emergency order to have a very short timeframe in which they need to fix things. Then EPA also keeps track of all the violations that systems receive and there's a point based system. So if you have MCL violations accruing there's a large set of points that goes with that. It's called their ETT list which is enforcement tracking tool. Every quarter we get a new list. Basically calculate all the violations that we're writing every quarter. They assign the system points and then it goes on a list for target enforcement action. So when we get the systems list we go look through it sometimes we can close out

violations which would take people off the list and other times we go out and do an enforcement survey and do the sanitary survey. If we have to draft an order it's the full circle. So they may have water quality issues. We're also going to be looking at infrastructure issues as well. Include everything in one quarter. There's a slide on enforcement that we prepared kind of gives you an idea. Very interesting, we have about 200 administrative orders open right now. A lot of them are due to infrastructure problems. And 78 percent of those are for water systems that serve less than 500 people. So we do, you can tell just from the administrative orders we do have issues with infrastructure in the small systems, usually rural areas. The largest system has 10,000 people. So we don't have a lot of very large water systems that have issues. But they typically have the financial means and the customer base to be able to make corrections when they need to. The last ETT list that we had in July we had about 30 systems that were targeted for an administrative order and I attached those. Now some of these the way that EPA reports to us we get some of the data late so some of the people that are currently on the list may not be on the next list. We spend a lot

of time going through each system closing out violations that need to be closed, making sure they are not on the next list.

BEN BRIDGES: How often is that updated?

AMANDA LAUGHLIN: Every quarter. This is about six months probably behind cause it takes them 30 days to record and they're reporting, sorry 60 days to report, and usually report on data that's 60 days old. We try to stay ahead of it so we're not going back, they shouldn't be on the list. We try to keep it real-time. But a lot of people on here are probably on here because of disinfection by-products. We do have a lot of systems, especially in North Louisiana, that don't meet the disinfection by-product rule consider putting in treatment which is expensive and they are small systems. And they need to put in some kind of filtration or some way to remove the organics from their water. We do have a lot of administrative orders up in the Union Parish areas. A lot of violations up there.

JIMMY GUIDRY: If you look at the law it says the Louisiana Department of Health shall lead a collaborative effort to evaluate conditions of drinking water treatment and distribution in communities

throughout Louisiana by performing a thorough evaluation of sanitary survey. The question that keeps coming up if you have a water system that gets to the point where it's using 80, 85 percent of its water that it's treating and not keeping up with the water losses or the system's not doing the treatment it needs to do. It's deteriorating. How do we prevent these systems from getting to that point. The thought is the cost of maintaining is cheaper than replacing. Not always true. Because sometimes the only answer is to replace cause you don't have a choice. And sometimes the cost of maintaining something that's not maintainable is not affordable either. But it's important that we understand how we do our business so when we bring this information to surveys and looking at the condition of water systems and the ones that are getting in trouble we try to figure out already you can already see a trend of small systems and poor communities they don't have enough customers to pay the cost of doing business. It's already a glaring point when you look at the systems. The other issues we find to be true some small communities collect water fees, but then turn around and use it to run the business of some small community. And it doesn't go back into water.

And that's a real issue that you're never going to maintain a system if you don't spend some money you collect on maintaining the system. I just want to point out in legislation it wants us to gather this information and bring it back. It's just odd that he wants to, Representative wants to ask 200 water companies to come and testify. He wants to subpoena them and it happens to be 200 companies that actually have compliance orders. I don't think that's a coincidence. I think that's what they're looking at trying to figure out what gives you an idea when a water system is getting in trouble. How do we figure out how to address that before it gets worse and worse and worse.

AMANDA LAUGHLIN: And so something else that the department spends a lot of time on is responding to complaints. And we have a lot of water systems in the state that have iron and manganese, but because they're secondary contaminants they are not required, well we don't regulate it. And they are not required to necessarily treat for it, but there has been a lot of push in the legislature lately, a few bills that have gone through that did not pass, the focus was on regulating secondary containments. We have a sheet on

secondary containments. I would like to share with you the number of systems that have secondary containment exceedances and also the cost associated with removing those. So the main would be iron and manganese. We have 411 systems and it probably includes the 335 below it. Let's just say about 400 systems that exceed the iron secondary MCL. So it's not quite half, but we have 1,350 water systems. So it's roughly probably half of our community systems. But you can look at the bottom table regarding treatment cost just for iron and manganese enforcement. So there are people that fall in between the MCL and then three times the MCL. And they may be able to sequester iron and manganese successfully. But anybody that's greater than three times is going to have to put in a physical removal treatment. We have 301 systems that are over three times the MCL for iron and manganese and 102 of those currently have treatment and 126 do not. So the cost estimates scenario it's estimated to remove it for those water systems that do not have treatment it could cost up to 1.04 billion dollars. For those water systems to put in removal systems. And that could be statewide. Sequestering costs are minimum compared to like the removal systems 185,000. As you can tell most

of the water systems in the state they really don't meet the sequestering criteria. They have to put in full treatment. I wanted to share that with you because it comes up often and we do have a lot of water systems that are not treating for iron and manganese and we get a lot of water complaints. If people want clear water they are probably going to end up with a higher water rate for water systems that need to put in removal treatment.

RANDY HOLLIS: One of the concerns about the mindset here, especially with the legislature, treatment is not 100 percent. Nothing is 100 percent. So we can put in treatment and you can get it below .05. And you may put out .01 or .02. You're going to get an accumulation of precipitated manganese or iron in the system. And over time it's like putting a couple of grains of salt in a glass of water. It doesn't affect you the first month, but after a year it's going to build up. And so even if we spend all the money to put in treatment there will still be some complaints. Not as bad as they are without it, still be some complaints. Just the accumulation within the pipes of the system. So those systems I think flushing has a lot to do with this. Systems need to implement a

unit directional flushing program so they can properly clean out pipelines. Otherwise even if we spend 1.1 billion dollars we're still going to have complaints. It's not an end all silver bullet just to say treatment. I wish the legislature would understand that.

AMANDA LAUGHLIN: Yeah. Those are just the infrastructure costs.

JIMMY GUIDRY: Bills started out requiring us to work on secondary characteristics. Of course changed what it is now. The interesting thing is, and it's understandable, it's human nature, when people see brown color, discoloration, whatever as what drives water, the water is safe to drink or not. And we've had folks call us every day and we work with the water system and they address it and the very same people call us their rates are too high after they get their clear water. To me what we're trying to find is some solution to how to make it affordable and address those issues you're talking about. Even if you spend all this money you still have complaints what have we done. I think a lot of these little water systems can't afford it, but I also think social work it's part of the issue. We have all this iron and manganese costs

you have to remove it. We're not going to change the source. We have to figure out how to treat it. Or get combined water systems to afford to do what needs to be done.

RANDY HOLLIS: Under the exclusions at the bottom it states that they've accepted the secondary standards except for corrosivity. Does that mean pH is not being considered? Because the higher the pH the less corrosive the water is. And so water down in this area as soft as they are we need a pH of 10, 10.5 or 11 to make them noncorrosive. Is EPA's mind set on this to go ahead and hold us between 6.5 and 8.5 and if we go over that we have to lower the pH. Once you lower the pH you're now creating corrosive water. You could be. Now you're going to have to address the corrosiveness of it if you force that pH down to 8.5 maximum.

AMANDA LAUGHLIN: I'm not sure why those states excluding corrosivity. I don't know.

BEN BRIDGES: It's not just the fact the pH. Corrosativity has to do with alkalinity, temperature and other minerals. Just because it's a 7 doesn't mean it's magic. It could be just as corrosive as 8.2 as it is 6.1. That pH is a misconception if you're above 7 you're perfect. We've seen water just as corrosive 8

and above as we are 6 and below. Maybe that's why they're taking it out.

RANDY HOLLIS: Just because below this limit. I hate to see that now we're adding chemicals to a very pure water just to get the pH down.

BEN BRIDGES: But you get your pH back up to a 9 start taking out manganese. Danged if you do, danged if you don't.

GREG GORDON: Back on the brown water. I deal with brown water complaints all the time. On the list that's not a system that I manage.

SPEAKER: (Inaudible)

GREG GORDON: That's a political subdivision. We own that system, but I don't get any paperwork on that. It goes to a homeowner's association. And that's a big water system. And we probably should take it over, but they got real bad brown water problems. One thing if we're doing this report and going to issue things what Randy was saying we have some where, and I saw (inaudible) on the news last night. We have Bedico Creek Subdivision on the other side in Tangipahoa Parish thankfully. But that whole area, Madisonville has a lot of brown water and we flush quarterly out there. And we have an SOP and I've been updating it. I

use my favorite friend Google. And a lot of states have their own SOPs like your water system needs to turn into us your SOP how you're going to operate. What are you doing based upon our infection results of what you've done. One may be if we're developing this report is that some of these systems, not saying the state has to do it, maybe the regions helped all those water systems in those areas develop some kind of SOP based upon the complaints they're receiving on brown water. Because it does happen. We started flushing this week. Two weeks before I was on the phone almost every day with about four or five customers constantly about brown water. And you're right, it is like am I going to get my kids in this bath, something bad is going to happen. And we give them credits. We give them a thousand gallon credit and get your bill down and everything. It would also be good if part of it if the state starts to do something with iron and manganese, I would hate to say make, you do know that's going to be heavily regulated is hey you know systems you need to invest in this, you need to invest in a filter. Like Randy was saying, you can have all the filters you want, it's going to build up in the system. Another one just from our purposes some of the systems

that we acquired when it gets in the design at the local level we should have noticed this we have two or three subdivisions where they put a subsurface drainage, put the water lines under the subsurface drainage. So there are these big bellies. Some of these go on for four or five houses in front of it. Those people get it all the time. We're developing that report. Some things to consider. As we do this report we present to the committee or whatever is it going to be something like along those lines the state or this committee feels proper operation should look like this and this and this or. That's what I'm trying to wonder about.

JIMMY GUIDRY: (Inaudible) It's not enforcing secondary characteristics. We can't afford to enforce. It's more around trying to figure out how systems can meet all the requirements. And to me there's not one size fits all, not one answer to all of this. What we're seeing in our compliance orders is systems that are getting in trouble the larger the system the more customers the better you can run a system. The state is very rural so you can't really say it works everywhere to be able to combine two or three systems that's going to be the answer. I want to educate. I

don't want to go over there and think they're going to figure out how to fix it. If they do that we're all in trouble. We need to try to help them figure it out. But I don't think there is an easy answer. Some of this stuff there is not an easy answer. I have had some water systems, small water systems that they are within a few feet of each other and they refuse to connect to each other, refuse to combine their two systems. One they have people that are employed and they don't want to disrupt that employment. Don't want to change the politics of who owns the system. But they can't meet it, they can't meet the requirements. We have got to figure out, Amanda will share with you we called some states to see how they got it done. You have to change the way people think to be able to do this. If they fight you tooth and nail you'll never get it done.

GREG GORDON: I have a situation I talked to Amanda and Mr. Williams about that where the City of Slidell we're 100 feet away. Double backflow preventer, you guys are on chloramines, we're going to switch to chloramines anyway. Hey, feed us the raw water. We'll pay you. But just to have a backup system. We have one well and we just want people to be

able to flush the toilets and take a shower. Not even necessarily drink it. Just so they can survive. And the basic thing was well what's in it for us. I was like well, we're a government, we're supposed to be helping people I thought. It may be the state has to get involved relative to compelling things to happen that way. To say because y'all's people on the ground know exactly St. Tammany they got water systems here it's such a hodgepodge disaster. Hey if you're 100 feet here we think all y'all need to meet, you guys need to interconnect, you need to come up with some agreement, you have a certain timeframe to do it in. The idea behind this is again, with this report is people aren't getting good quality water. Or they're getting stuck with a small system that has one well and can't get in a system. Cause when I went to that meeting with the City of Slidell, why don't you drill another well. I thought that's a good thing, public money. Just waste even more money verses 3,000 dollars to go 100 feet.

JIMMY GUIDRY: That's why I don't think it's one size fits all. If you look at what's in it for systems, more customers, you almost have to convince the people on the system it would be more affordable to

meet all the requirements if they all join together. But they have to want it. If they fight you tooth and nail and they don't want it. I'll share this in a public meeting, I think there's some communities in North Louisiana that their water system doesn't want another water system connected because they know the customers won't pay their bills. And so it's all about poverty. And it has nothing to do does it make sense to have more customers, yes. Does it make sense to have customers that don't pay their bills, not to them it doesn't. I think we have to change a culture. It's going to take culture because our culture in Louisiana if we have something broken the state has to come fix it. The state can help you find solutions, but I don't think we're going to fix it. I haven't fixed a whole lot.

KEITH SHACKELFORD: A question when it comes to enforcement. It appears that an administrative order through DHH can go to the courts and you can get a judgment that is backed by court of law. Is that equivalent to the compliance orders that are issued by the Department of Justice on the wastewater side, or is that a different level up.

AMANDA LAUGHLIN: Our stuff goes through

administrative law courts. And I'm pretty sure like DEQ does as well. If the Department of Justice is getting involved that's usually if you're not meeting a federal is my understanding. Like if we have a case with EPA or EPA wants to be the lead or even if we are a co-plaintiff in something than it would go to the Department of Justice. So yeah, it can. That's generally not where.

KEITH SHACKELFORD: My point is there is one higher level of enforcement often available on the wastewater side that you take advantage of on the water side.

AMANDA LAUGHLIN: We can elevate it.

JIMMY GUIDRY: It's hard to do that because what happens, and it probably happens in wastewater too now that I think of it, if the court systems gets involved and the folks are not meeting the requirements somebody else would be put in charge of that system and there are not many people out there that want to administer these little water systems. So even if you said whoever is running your system with this other group of people we don't know who that is. Some states have used associations to do that. So there are some things we could look into. How do you force some of this to

happen when people have no solutions and so difficult to work with. Finding somebody to take over a system that's not performing is really difficult at best. Same thing with sewage. Really hard to find people you can appoint.

AMANDA LAUGHLIN: There's been some cases I'm aware of where if it's like an imminent health threat type situation a judge, a local judge can actually force someone to take over. Like it happened in Lafayette probably 15 years ago, 20 years ago where they had.

KEITH SHACKELFORD: Kelly Johnson.

AMANDA LAUGHLIN: That was one. I don't remember the subdivision. Between Lafayette and Broussard. But the judge there forced LUS to take on a privately owned system.

CHRIS RICHARD: Holiday Gardens.

AMANDA LAUGHLIN: There are different ways things can get pushed. That's rare. And like we only have five systems or so under receivership right now. And it's extremely difficult to find anybody to do it because my understanding they have to take the existing revenue and try to run the system. And so if they're not generating any revenue the receiver is basically

working for free. Most people don't want to do that.

KEITH SHACKELFORD: In the case of large municipalities the original consent decree for Baton Rouge 20 something odd years ago the city said well, we just won't make the improvements and pay the fines. And the Justice Department came back and said no you don't understand, if you don't do this we'll send in an administrator. We'll operate the system off the top of your budget and you can run the city on what's left. And of course you had a much larger pot of money to operate it from. I see where it's a problem with a small individual water or sewer system.

AMANDA LAUGHLIN: One other issue I was thinking about we see a lot of in the state, along the same lines, we have a lack of certified operators. Not necessarily in your municipality areas where there is a larger workforce, the pay is better, et cetera. But in the rural communities they really don't have a lot of people that can run the system. And so in the few cases that we have where people are proposing these brand new plants and getting funding to do it when you ask the question who is going to run it for you they can't answer it because they don't really have anyone. So you're putting in this advanced treatment with 400

customers and now you don't have a certified operator to run it. So that's a big issue in the state as well. I did look at some other states' consolidation, or regionalization is what a lot of them call it, how they went about doing it and I had a lengthy discussion with Kentucky. I think they're probably the most known for their regionalization. Very interesting how they went about it. But it started with their governor. So Governor Patton at the time was very interested in all the people in Kentucky to be served by a community water system. So he had what he called the 20/20 plan. And he had someone that worked with him to kind of draft the plan, but he basically went to all the locals, all the mayors, all these local jurisdictions and convinced them to take their, there was a large coal and tobacco settlement in Kentucky at that time. A lot of locals were getting all this additional revenue and he convinced them to take that money and invest it with him in the state. And he got these local, I guess regional authorities set up and he went around himself and got local buy in. They had these regional water companies set up and they consisted of judges, mayors and different water systems. And it forced people who would normally be saying I'm not

connecting to you to actually sit at the table and talk about all the positive things that would happen if they invested with each other and how they could regionalize the area. I forget how many original water systems, probably in the thousand range, and now they have 325.

RANDY HOLLIS: 3,000 to 300.

AMANDA LAUGHLIN: Now they have 94 percent of their population is on a community water system. But their legislature got really involved as well and they had some bills passed. They invested a lot of general funds and that tobacco coal money into their infrastructure and then they leveraged bonds. So they grew funds people could barrow from. I asked if it was a lot of grants. He's like no, it's almost all loans. And he said they interconnected it two ways. Either the operation and management of the infrastructure, meaning that people shared infrastructure or they ran lines. And he sent me a presentation. If you look at their state, distribution lines everywhere. Now one of the problems with that they have DBP because such long runs of pipe. But he said generally speaking they have very good compliance, everything is well run. And those people that have DBPs actually have the money to be able to start treating it now. And their water

rates have remained pretty good. They don't pay a lot for water because they have so many customers. It was very interesting. And he gave me a few different bills and legislation that I haven't had the time to read thoroughly. But I can share that with you. I kept saying how did you change, they had the same issues that we do. How did you change that cultural thinking. And he said we made small and the governor himself really got involved and the legislature got involved. It was an incentive program. You could keep your water rates low, everybody gets good water and just selling that to the public, to the water systems. And they had local buy in. It was a pretty interesting conversation. He did say, I asked him if they had anything on the books that would require people to use their water revenue on their water infrastructure and they said they are actually proposing something this year to try to do that because they also have the same issues across their state where people are not reinvesting in infrastructure with water revenues. Another state was California and I know Greg had sent some information to me and I reviewed that. California actually has the ability to force consolidation. There is only a few states that we found that can actually

force consolidation. Most people don't. And even in Kentucky he said we don't have to quote unquote force it because everyone voluntarily pretty much went this route. But there are Maryland, Virginia, California. Pennsylvania has incentives and Alabama has incentives to do it. But Maryland, Virginia and California they all have code in place. Their safe drinking water can force consolidation or they fail to be able to meet the requirements to run the system either management, operation, or water quality violations. If you guys want I can put a summary together, more detailed summary with actual legislation that other states have done if you would want it. It's a lot of research and I haven't, I only have general, not the specifics yet. I know Randy you dealt with Kentucky.

RANDY HOLLIS: We listened to the webinar. And it was a sales pitch at first from the consultant.

AMANDA LAUGHLIN: Yeah, I called their drinking water administrator. Just a one on one conversation. How, he was like we did this. The question is always how did you do it. So he gave me some code language that I need to pull up.

RANDY HOLLIS: One on DBPs the guys comment when I asked the question about that his exact quote, it's an

unshirted nightmare because of the long distances between systems and the formations. Tennessee where they have consecutive systems they limit, if you're a wholesaler, they limit your DBP at that individual system to 60 percent for MCL. So if it's 80 you can't put out more than 48 to that consecutive system. That gives that secondary system they can form some.

AMANDA LAUGHLIN: We have that. We have that here where people are buying water so the parent company may not be violating. Once they purchase it then they are violating DBPs. That's actually an interesting.

RANDY HOLLIS: That's what Tennessee does. My concern is once you start going long distances the cost of transporting water gets very expensive unlike electricity. And then the formation we're having fits in one of our systems we buy water from another system and it's killing us because we knock it down 60 percent and it reforms. From that one system it's killing us.

AMANDA LAUGHLIN: In Alabama they have consolidated significantly as well. They have less than 500 water systems in their state and they don't allow chloramines. They have DBP issues there as well. Again, their water rates they actually have a website it's an interactive website on any county and you can

get the average water rate. I went through and looked. They are very cheap compared to some other areas because they have so many people. He said the Alabama administrator even though they do have DBPs people are actively working to remedy it and they have the funds to do it.

RANDY HOLLIS: Working with a lot of these small systems unfortunately it's a mindset they have the power sitting on these boards. They don't understand the liability they face. And so consolidation from the standpoint from administration, absolutely I think some of these small systems could benefit from consolidation. Not so much the physical connecting of the pipes, but sharing certified operators. Certified operators are getting very hard to find. If you can consolidate certification of operators and administrator, absolutely.

BEN BRIDGES: We've always said administrators of water systems if we can keep the money we make in our system we wouldn't have problems. But when you put it back into the general fund you never get your portion back. To change the mindset of a mayor or council to keep your money when they have parts and services and all these services that are an expense that don't have

revenue coming in. They're never going to buy into that. They'll never let you keep your money in the water department because you make money, you subsidize the rest of the city. I don't know how you are going to break that cycle.

GREG GORDON: The report or something has to say it's a recommendation to become an enterprise fund. We run everything on an enterprise fund basis now. Not saying there ain't a lot taken off the top for admin fees.

BEN BRIDGES: You may get a portion back where most of them got nothing back. It was an act of congress to get anything much less to keep some revenues for your change out of your meter, whatever that was. They didn't allow it. They took the money and spent it where they wanted to.

GREG GORDON: And if you think there was a requirement at the state level to provide a five year capital plan or something like that where you say you're going to spend so much or you have capital that you have to do in a certain amount of years.

BEN BRIDGES: That would be much better than what we have now which is nothing.

JIMMY GUIDRY: I think some of the education needs

to occur. When somebody comes to that public meeting and asks for money or asks for some of that money back they have all these competing priorities. I think through regulation and through requirements and people being upset with water quality I think we make it an issue. One of those things comes up to the top people want their drinking water, but if it's quiet they usually don't listen to that operator or the system folks. But when they're complaining it gets their attention. We've gotten some attention through fines, some attention with them not meeting requirements, but they're still protecting that autonomy. If you're sitting on some board and not getting any kind of funds from it, just a power trip, that power is next to nothing when you become responsible and the liability of it. I want nothing to do with this. I think we got to get very creative. I think it's part of educating. The requirements are only going to increase, the costs are going to increase and if they don't start addressing it they're going to be dealing, like we are, fire after fire after fire. That's not a future I'm interested in having.

GREG GORDON: One thing maybe also you have your rural areas and you have to look at it cause I live and

operate in a high growth area. Some of those high growth areas people may need, the state may need to say you need to look at development codes, what do you allow, how do you allow well, well. We acquired 26 water wells. And there's a well across the street, a well over here, and another water system over here. And so maybe that's one thing also. One way to reduce systems that don't have enough money that done have enough personnel is at the development. And you should be requiring some kind of regional approach. We're just doing that now on our development code rewrite for water and wastewater that you basically have to prove to us that you can't tie into this new subdivision that you want to drill a new water well. To also sometimes I guess, I don't want to take away opportunity, but dissuade developers who think this may be a good living annuity for my kid to create another water system. Or since I'm the developer I want to drill the water well and put the wastewater treatment plant cause I don't want to pay the capacity fees. Cause I want to keep my cost per lot down.

JIMMY GUIDRY: I'm looking for help from y'all giving me some ideas. This is not going to be easy and not getting any easier. I do think it's timely. I do

think Flint Michigan brought us a lot of attention.

JIMMY HAGAN: Is DHH currently doing anything in the drinking water loan fund to promote like today actively other than maybe through business plans.

AMANDA LAUGHLIN: Only through systems coming through.

JIMMY HAGAN: A system that's unsustainable and unviable even though they may be financially okay right now, without proper operation and certification expertise want to come and barrow money. Would it be suggested to them--

AMANDA LAUGHLIN: Yeah.

JIMMY HAGAN: That they go a different direction.

AMANDA LAUGHLIN: I don't think they would be able to get a loan from us if they're not sustainable.

DAN: The system has to be viable cause it's still a loan up to 20 percent. The system has to be viable enough to be able to pay it back and also managerial and just technically viable what they want to do with treatment system. We are not authorized to fund the creation of new systems. We give extra, extra points for consolidation. We have what we call a priority checklist for all applicants and they get extra points if part of their project is to consolidate with another

water system. That puts them up on our priority list as higher ranking.

AMANDA LAUGHLIN: We have the capacity in the development program if you are under an order then we have our capacity development engineer that visits and does a business plan and goes over all those things with you.

JIMMY HAGAN: That can promote it. If it's already happening it's a good thing.

AMANDA LAUGHLIN: It's mainly for systems either under an order or about to be.

JIMMY GUIDRY: Anything else from anyone else?

GREG GORDON: Public Service Commission, is there going to be any discussion about what they allow people to charge relative for operations and maintenance. Cause that's the one thing many private systems will say, I'm not going to be able to get my money. Can the legislature do anything with the PSC relative like what a 10 percent profit right now.

AMANDA LAUGHLIN: Now they're only regulating rates for for profit entities.

GREG GORDON: That's what I'm saying, some of these small systems that are private.

CHRIS RICHARD: They're doing some of the

nonprofits I thought, PSC.

GREG GORDON: Most are councils.

AMANDA LAUGHLIN: They passed a law 2016.

JIMMY GUIDRY: It's confusing to people because they really don't know where the rate setting comes from. But they removed their authority on anything but the nonprofits. And to answer your question, we can weigh in by giving our expertise and saying it's going to cost this much and it's worth giving the rate. Public Service Commission is a job of getting elected and people are always looking at their rates. But they get the complaint about the poor quality of the water and then they get the complaint about the rate going up too high. And so the only way we can help with our expertise is to say they're not trying to make a fortune off of this. They're actually trying to pay for the cost of doing business. And we've reached out to them and worked with them to say when you have a question about whether it's going to make a difference or not then we want to weigh in. I agree, we have to make that easier because it has to be reasonable. That's where a nonprofit who wants to make a reasonable change has to be where it's palatable to the folks that are paying it.

AMANDA LAUGHLIN: We get questions from PSC do they really have to do this. They want to see normal enforcement as for as like approving a rate. Often times I say well they need to do it, otherwise it's going to in five years, if they don't do it today in five years it's going to cost twice as much. Yes, they do need to do it whether or not it's a formal enforcement action or not. We're not going to say that when a water system is trying to improve infrastructure. It's not necessary.

GREG GORDON: The only thing privates may, I live in a private water system they may say, they make the argument I need some kind of legislation to back my rate case up to say that iron and manganese is going to be heavily regulated hence I need all these capital improvements. I know when utilities in Louisiana, St. Tammany I think it's community utilities, whatever the rest of the state, when (inaudible) came they got a ton of money. He basically said if they already made the improvements I'm bound by like the US constitution or whatever it says. They have to be able to get a return on that. And that's the reason, how he kind of squirreled out of that.

BEN BRIDGES: You had a certain rate of return on

investment if you were private like Peoples and you had to show due diligence that you had spent money, made investments, that you had franchise agreements, all these things that come into play that you may not be in existence in ten years and they don't want you to spend a million dollars a year you won't get back. The rate of return is set at 7 or 8 percent, whatever it was. There had to be some governing body to keep from gouging them. Once you got below that 8 percent you could apply for a rate. PSC controlled every move you made. You ask for 20 cause you knew you were going to get 6. It was a bargaining deal.

CHRIS RICHARD: Put a iron removal plant. PSC wasn't the issue. The town, the city won't sign a franchise agreement that expired 15 years ago now. So the water company is not going to put an investment without a franchise agreement. That's been forever. They actually had the plant design and bid to remove iron and manganese, but they're not going to build it until the town signs.

JIMMY GUIDRY: Gave y'all a lot to chew on. You know when y'all said you wanted to be a part of the department I don't think y'all knew what that meant. I appreciate all of y'all showing up. This is going to

be tough cause we're already trying to move the dial. I think it's important. I also think there are people at the capitol that want to do things differently than what we want. I think it's going to be a battle. But I'm up for the battle if the outcome is better water for citizens and people valuing the water. There are some water systems out there the best they can afford, they can't afford to improve their system so they have to buy bottled water. They're using their water to flush their toilets and to keep water pressure for fire. It ain't for drinking. Some of the folks that can at least afford to buy drinking water. I'm not sure we can provide clear drinking water in a state where we have so much poverty. We can improve it. But I'm not sure we can do it. I can tell you right now St. Joseph for almost a year they're going have a brand new system. God help us if that system is not maintained. A lot of money gone into that system. Lesson learned. Once you have to replace a system it's too expensive. I hear a motion for adjournment?

BEN BRIDGES: Motion.

JIMMY GUIDRY: Thank y'all so much.