

Legislative Update

LRWA 2022



Amanda Ames, P.E.
Chief Engineer

Overview

- Bills of 2022
- State Rules
- Federal Bills and Changes
- Funding Opportunities
- Emergency Response
- Around the Industry
- LDH Presentations

Bills of 2022

Fiscal Bills

- Act 199 (HB 1 – Zeringue) – Provides for the ordinary operating expenses of state government for fiscal year 22-23
- Act 167 (HB 406 - Zeringue) – Provides for the transfer, deposit, and use of monies among state funds
 - Among many other fiscal allocations, \$450 million provided to the Water Sector Fund for the Water Sector Program Round 2
- Act 117 (HB 2 – Bishop): Provides for the comprehensive Capital Outlay budget
 - Within Act 117, Section 8, (R) states the following:
 - Notwithstanding anything contained in this Act or any other provision of law, all non-state projects that include water systems in the scope of work shall also be required to include a rate study as part of the project.

Bills of 2022

- Act 660 (SB 48 - Reese): Provides for changes to the Water Sector Program
 - Updated dates and verbiage for round 2
 - Technical revisions
 - Removes storm water from program
 - Allow for Commission to adjust grant awards under certain conditions
 - Duplications of benefits
 - Increase in project costs, not to exceed 5% of the total grant
 - Inability of a grant recipient to complete one or more projects within the scope of the grant award.
 - Technical corrections
 - Allow for the Commission to rescind grant awards if the grant recipient fails to comply with the guidance approved by the commission.
- Changes for Round 2 Guidance:
 - Portal open **JULY 15 – AUGUST 31, 2022**
 - Population breakdown for Commission review
 - < 3,300
 - 3,301 – 10,000
 - >10,000

Bills of 2022

- Act 515 (HB 847 – LaCombe): Exempts certain non-state entity projects from local match requirements
 - Act provides exemption from Capital Outlay 25 % match requirement:
 - Water and sewer projects for systems of 1,250 connections or fewer. (77% of all community water systems)
 - Public (governmental) natural gas utility service projects for systems of 1,250 connections or fewer.

Bills of 2022

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Bills that could have been.....

- HB 390 (Wright): Provides relative to rules adopted under the Administrative Procedure Act
 - Rules adopted would expire June 30 of the following year unless additional legislation is passed otherwise.
- SB 352 (Fields): Requires utility providers to issue a credit to customers who experience an outage of service for more than 24 hours
 - For those utilities under regulation of the Public Service Commission (PSC) providing electric, water, telecommunication, gas, cable, or internet service within this state.

State Rules

Community Water System Accountability Rule “Grade Rule”

- Act 98 of 2021 Legislative Session: R.S. 40:5.9 and 5.9.1 – LAC 51:XII Chapter 4
- Deadlines:
 - January 1, 2023 – preliminary letter grades for all community water systems
 - January 31, 2023 – submit rate study, annual report, annual report, financial report or audit report, flushing plan, complaint log, extra credit, etc.
 - May 1, 2023 – Final grades will be posted
 - July 1, 2023 – Include letter grade and score in the CCR that is posted on a website
- Documents emailed to Water.Grade@la.gov
- Rate Studies must be dated: April 20, 2017 or after. (every 5 years)

After May 1st

The published letter grades and scores **are not subject to change** until the next annual letter grade/score is published.

State Rules

“Grade Rule” Cont.

- Letter Grade Schedule
 - Federal Water Quality Violations (30 points)
 - State Violations (10 points)
 - Financial Sustainability (10 points)
 - Operation and Maintenance Performance (15 points)
 - Infrastructure Violations (20 points)
 - Customer Satisfaction (10 points)
 - Level of Secondary Contaminants (5 points)
 - Extra Points: (10 points)
 - Asset management plan; storage assessment and maintenance program; or well assessment and maintenance program
 - Participation in a capacity development program or management training program

Full Presentation:
Management 7/19 11:00-12:00
Water 7/20 10:00-11:00
Caryn Benjamin, P.E.

From the Feds

Lead and Copper Rule Revisions (LCRR)

- Effective date of Rule 12/16/21; Compliance 2024
- Lead Service Line inventory due October of 2024
- Lead and Copper Rule Improvements (LCRI)
 - Publish before fall of 2023
 - Can still change Action Level (discussion of 10 ppb or even 5 ppb), sampling and lead service line replacement plans
 - Updated Pb/Cu sample plans
 - Exceedances elevated to Tier 1 Public Notice
 - School and daycare sampling

Full Presentation:
Management 7/19 1:00-2:00
W/WW 7/20 10:00-11:00
Jeremy Harris, P.E.

From the Feds

Emerging Contaminants

- Definition
 - Contaminants with a perceived, potential or real health risk
 - Contaminants with lack of published health standards
- Unregulated Contaminant Monitoring Rule (UCMR5)
 - 29 PFAS and Lithium
- Manganese
- Cyanobacterial Harmful Algal Blooms (HABs)
- Per- and polyfluoroalkyl Substances (PFAS)
- Naegleria Fowleri (NF)

Full Presentation:
Water 7/20 1:00-2:00
Sean Nolan, P.E.

Full Presentation:
Water 7/19 10:00-11:00
Vijai Elango, P.E.

From the Feds

Proposed Toxic Substance Control Act (TSCA) Rule

- Proposing to prohibit the manufacturing (including importing), processing, distribution in commerce, and the commercial use of chrysolite asbestos for *chrysolite asbestos membranes* in chlor-alkali industry.
- Potential impacts from this prohibition for the water sector are significant for chlorine production and distribution. Plants would be required to switch from asbestos diaphragm cells to membrane cells.
- Could cost 9 remaining chlorine plants \$1.8 billion to make the switch with a benefit of \$1,200-\$3,100/year

From the Feds

Water Infrastructure Improvements for the Nation Act (WIIN)

- Established grant programs for small and disadvantaged communities, underserved communities and lead reduction activities
- Requires public notice no later than 24 hrs after lead action level exceedance
- Makes information publicly available on lead in drinking water risks steps that can be taken to reduce risks, and availability of additional resources that consumers can use to minimize lead exposure

Funding Opportunities

DWRLF Consolidation Initiative

Full Presentation:
W/WW 7/20 8:00-9:00
Management 7/20 1:00-2:00
Blake Fogleman, P.E.

- Loan Program
 - 2.45% interest rate
 - 20-30 year term
- Disadvantaged Community Loan
 - Community Water System currently under an AO.
 - 30% Principle forgiveness up to \$200,000
 - 2.45% interest Rate
 - 20-30 Year Term
- Consolidation Initiative
 - Water system under an AO merges with neighboring system
 - Full consolidation – Management, operations, financial, etc.
 - **100%** Loan Forgiveness
 - 2019-2021: \$17 million
 - 2022: \$5.1 million
 - 2023: est. \$4 million

Funding Opportunities

Water Sector Program (WSP)

Full Presentation:
W/WW 7/20 8:00-9:00
Management 7/20 1:00-2:00
Blake Fogleman, P.E.

- January 2022:
 - 60 Water projects awarded totaling ~\$179M
 - 45 projects with 40 severity – 64% funded
 - 54 projects with AOs – 43% funded
 - 27 consolidation projects – 85% funded
- 2022 Legislative Session - \$450M appropriated for round 2
- July 15 – August 31, 2022 – Round 2 portal period
- November 2022 – WSC/JLCB approval
- December 31, 2024 – Funds must be obligated
- December 31, 2026 – Funds must be expended

Water Sector Program Online Application Portal

<https://wwwcfprd.doa.la.gov/WaterSector>

Water Sector Program questions

WSPinfo@la.gov

Funding Opportunities

Full Presentation:
Management 7/20 2:00-3:00
Joel McKenzie

Bipartisan Infrastructure Law (BIL)

- Includes \$50 billion to EPA for drinking water and wastewater systems.
- Three pots of supplemental DWRLF Funds for 5 years
 - General Supplemental (\$26,874,000)
 - 49% of funds for communities through grants or principal forgiveness (up to \$3M/loan)
 - 51% of funds available to communities for low-interest loans
 - Emerging Contaminants (\$11,286,000)
 - 100% Principal Forgiveness
 - Emerging contaminants funding geared toward PFAs, but can go to anything on the Contaminant Candidate List 5 (CCL5) from EPA (Louisiana => Manganese, Naegleria Fowleri)
 - Lead Service Line (\$42,321,000)
 - 49% of funds will be provided to communities as grants or principal forgiveness
 - 51% of funds will be available to communities for low-interest loans

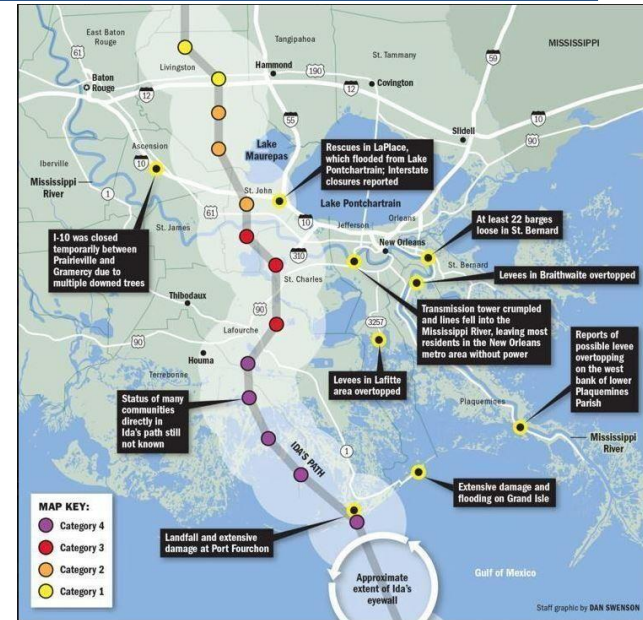
Funding Opportunities

Water Infrastructure Improvements for the Nation Act (WIIN)

- Lead in Schools
- Disadvantaged community
- NEW – Emerging Contaminants

Emergency Response

- Since last LRWA conference:
- Hurricane Ida – August 29, 2021 ~ 11:55 am
 - Cat 4 (peak winds 172 mph Port Fourchon)
 - Tied for strongest storm to hit LA
 - 2 consecutive seasons with 150+ mph storm
- LDH Storm Information
 - ~321 systems impacted
 - At peak:
 - 228 systems INOP
 - 231 system BWAs
 - 104 field assessments performed by LDH/LRWA



Laplace – I-10/Hwy 51 Interchange



Grand Isle – Transmission pipe wrapped around oil production pipeline

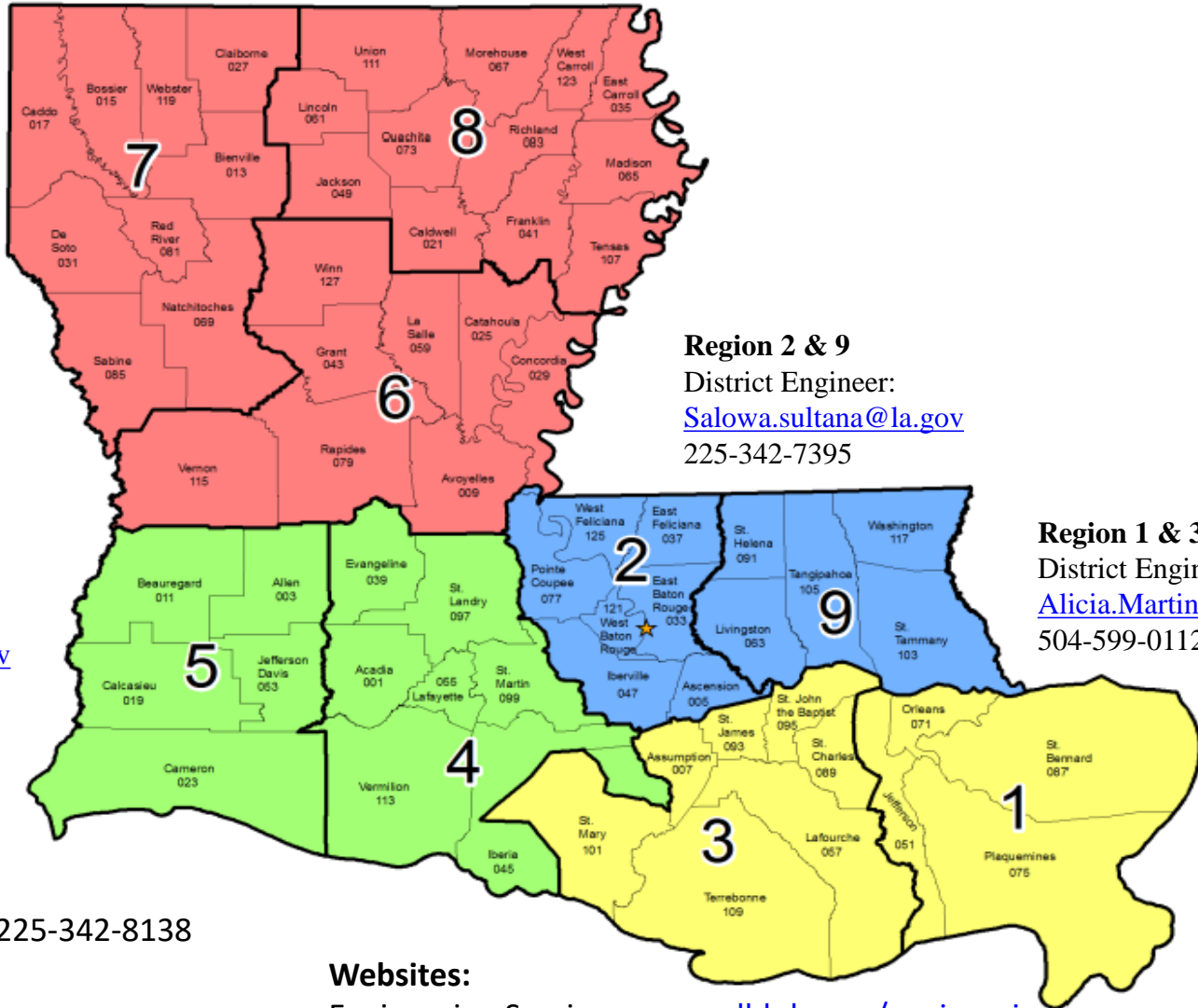


Houma Area WS – Lower Terrebonne (Dulac) Elev Tower collapse

Around the Industry

- Supply chain / contractor workforce / inflation
- Build America, Buy America Act (BABAA)
- Cybersecurity

Staffing



Region 6, 7 & 8

District Engineer:

Barbara.Featherston@la.gov

318-676-7470

Region 2 & 9

District Engineer:

Salowa.sultana@la.gov

225-342-7395

Region 4 & 5

District Engineer:

Steven.Joubert@la.gov

337-475-3214

Region 1 & 3

District Engineer:

Alicia.Martinez@la.gov

504-599-0112



State Office

Chief Engineer:

Amanda.Ames@la.gov 225-342-8138

Deputy Chief Engineers:

Caryn.Benjamin@la.gov 225-342-6157

Jennifer.Kilhken@la.gov 337-475-3231

John.Williams@la.gov 504-599-0112

Websites:

Engineering Services : www.dhh.la.gov/engineering

Safe Drinking Water Program : www.dhh.la.gov/SafeDrinkingWater

Drinking Water Watch: www.dhh.la.gov/drinkingwaterwatch

LDH Presentations

7/19/22

- | | | | |
|-----------------|------------|----------------------------------|----------------------|
| • 10:00 – 11:00 | Management | LDH Update | Amanda Ames, P.E. |
| • 10:00 – 11:00 | Water | UCMR5 | Vijai Elango, P.E. |
| • 11:00 – 12:00 | Management | Water System Grade Rule | Caryn Benjamin, P.E. |
| • 11:00 – 12:00 | Water | Chloramination and Nitrification | Steven Joubert, P.E. |
| • 1:00 – 2:00 | Management | Lead & Copper Rule Revision | Jeremy Harris, P.E. |
| • 1:00 – 2:00 | Water | LDH Update | Amanda Ames, P.E. |

7/20/22

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|-----------------|------------------|------------------------------------|------------------------|
| • 8:00 – 9:00 | Water/Wastewater | Consolidation Initiative (Funding) | Blake Fogleman, P.E. |
| • 10:00 – 11:00 | Water/Wastewater | Lead & Copper Rule Revision | Jeremy Harris, P.E. |
| • 10:00 – 11:00 | Water | Water System Grade Rule | Caryn Benjamin, P.E. |
| • 1:00 – 2:00 | Management | Consolidation Initiative (Funding) | Blake Fogleman, P.E. |
| • 2:00 – 3:00 | Management | Bipartisan Infrastructure Law | Joel McKenzie |
| • 3:00 – 4:00 | Water/Wastewater | Emergency Response | Jennifer Kihlken, P.E. |
| • 1:00 – 2:00 | Water | Emerging Contaminants | Sean Nolan, P.E. |

7/21/22

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|---------------|-------|------------------------------|------------|
| • 8:00 – 9:00 | Water | Community Water Fluoridation | T. Jay Ray |
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Questions?