

Rural Water Infrastructure Committee

Rural Water Infrastructure:

Approximately 58% of water systems in Louisiana are over 50 years old, creating potential for more frequent system breakdowns and need for repair and replacement of components. In serious cases, deteriorating systems can result in public health issues. More specifically, rural water systems make up nearly 92% of all community systems in the state, but are often less resilient to natural disasters, have more difficulty adjusting to regulatory changes, and struggle to fund infrastructure maintenance and replacement due to poor economies of scale and lack of staff.

Committee:

In the 2019 Regular Session, ACT 126 codified the 17-member RWIC to advise the Governor on all matters related to rural water systems in Louisiana.

Objective:

The objective is to bring together key federal and state agencies, including all funding agencies, to develop a comprehensive approach to rural water. Members of the committee work collaboratively to advise and provide technical assistance to rural water systems and local governments, to assess and prioritize rural water system deficiencies, and to offer emergency response assessments for rural water systems during public health emergencies.

Activity

- **Preventative Outreach:** rank systems through risk analysis. RWIC reaches out to those systems to determine course of action and necessary resources to fix the problem.
- **Emergency Response:** a team visits communities to assess the situation and determine the required course of action during public health emergencies.
- **Meetings:**
 - Sub-committee conference calls held a minimum of twice a month to discuss ongoing outreach items.
 - RWIC meetings held quarterly to update all stakeholders of water system issue and project progress.

Members

- ²USDA – U.S. Department of Agriculture – Rural Development
- USEDA – U.S. Economic Development Administration
- Governor or designee
- ^{1,2}DRA – Delta Regional Authority
- ²LDH – Louisiana Department of Health
- LDEQ – Louisiana Department of Environmental Quality
- ²OCD – Louisiana Office of Community Development
- GOHSEP – Governor’s Office of Homeland Security and Emergency Preparedness
- ²LRWA – Louisiana Rural Water Association
- PJAL – Police Jury Association of Louisiana
- LMA – Louisiana Municipal Association
- LA Association of Planning and Development Districts
- Senate
- House of Representatives
- Louisiana Rural Caucus
- Commissioner of Agriculture and Forestry
- PSC - Louisiana Public Service Commission

¹serves as chair

²serves on sub-committee

Fact Sheet

RWIC

For a rural water system of between 500-600 connections a monthly minimum rate should be between \$30 - \$ 50 dollars for the first 5,000 gallons. The range of variability is due to factors of: debt service on any existing loans to the water system, and initial source water quality which dictates treatment necessities. Minimum rates of this level will afford a water system to: pay an operator's salary, keep current with a system's day to day upkeep, and save additional revenue for necessary long term developments. Minimum rates below this level will simply be unsustainable in the long term.

Projected Annual Revenues at Proposed Rates

| Number of Connections | Monthly Rate | Monthly Revenue | Annual Revenue |
|-----------------------|--------------|-----------------|----------------|
| 500 | \$30 | \$15,000 | \$180,000 |
| 500 | \$50 | \$25,000 | \$300,000 |
| 600 | \$30 | \$18,000 | \$216,000 |
| 600 | \$50 | \$30,000 | \$360,000 |

Average Operator Salary

| Average Hourly Wage | Weekly Salary | Monthly Salary | Annual Salary |
|---------------------|---------------|----------------|---------------|
| \$17.69 | \$707.60 | \$3,066.27 | \$36,795.20 |

*Source survey of online job listing for water system operators in Louisiana

The average water rate state wide is \$24.50 for 5,000 Gallons according to a survey conducted by the Legislative Auditor's Office. Some systems are as low as \$6.90 for 5,000 gallons and some are as high as \$58.50. Because rural water systems are not able to cut cost by taking advantage of economies of scale their monthly minimum rates will be slightly higher than the state wide average.

Based on a Legislative Auditor survey of water systems in Louisiana, 301 (59.4%) of the responding 507 water systems have infrastructure that is currently between 30 and 50 years old, and 76 (15.0%) systems have infrastructure that is older than 50 years.

According to data from LDH water systems of 500 or fewer customers average 2.18 violation per year compared with a state average of 1.77.

| Water System | Population (per LDH) | Monthly Residential Bill 5,000 Gallons | Monthly Commercial Bill 10,000 Gallons | Years Expenses Exceeded Revenues (FY13 - FY15) | Age of Majority of Infrastructure (Years) | Years Since Last Rate Increase | Number of LDH Deficiencies (FY13-FY15) | Number of LDH Violations (FY13-FY15) |
|-------------------------------------|----------------------|--|--|--|---|--------------------------------|--|--------------------------------------|
| Town of Clayton Water System | 723 | 27.60 | 47.60 | 2 | > 50 | 1 - 3 | 36 | 15 |
| Town of Tullos Water System | 792 | 58.00 | 94.00 | 3 | 11 - 30 | < 1 | 2 | 25 |
| Rogers Community Water System, Inc. | 495 | 17.00 | 32.00 | | | | | |
| Village of Powhatan Water System | 499 | 14.55 | 31.00 | 3 | 11 - 30 | ≥ 10 | | |
| Town of Melville Water System | 1,644 | 18.00 | 40.00 | 1 | > 50 | ≥ 10 | 7 | 1 |
| Hammock Water Supply | 900 | 18.00 | 24.00 | | > 50 | | 2 | 13 |
| City of Tallulah Water System | 9,195 | 40.00 | 61.00 | 2 | 31 - 50 | 4 - 6 | 8 | 1 |
| Village of Clarence Water System | 672 | | | 3 | 11 - 30 | 4 - 6 | 1 | 2 |
| Enterprise Water Works, Inc. | 675 | 34.00 | 74.00 | | 31 - 50 | | 9 | 18 |
| Town of Baldwin Water Supply | 2,500 | 21.00 | 41.00 | 2 | 31 - 50 | 1 - 3 | 10 | 12 |

Rural Water Infrastructure Committee (RWIC)

RECOMMENDATIONS:

- Create a working committee that includes representatives from regulatory entities, Federal and State funding agencies, and key stakeholders:
- The Committee works collaboratively to respond to emergencies and to accurately assess and prioritize systems to prevent failures by providing a full range of resources. (Preventative Outreach)

OBJECTIVES:

Establish criteria for water systems to meet in order to receive funding. Examples include: compliance with regulations (primary contaminant exceedances with a known health effect), assurance of proper maintenance and operations (water loss, infrastructure failures, and water outages), a system to manage customer complaints, and consolidation of failing systems.

- Create a mechanism for providing/or recommending technical assistance to local governments and non-profits to improve their respective infrastructure to bring them into compliance with all State and Federal regulations.
- Establish and provide educational assistance to municipal and non-profit boards in addition to operators.
- Establish a system for holding non-compliant water systems accountable by requiring a legislative audit along with additional management training in combination with multi-agency inspection and enforcement processes.
- Establish a system for holding water systems accountable when water revenue is inappropriately used for purposes not related to drinking water and for ensuring drinking water is prioritized by the community.
- Establish a system for review of engineering proposals for infrastructure upgrades tied to available funding for appropriateness.
- Develop financial incentives for fiscally responsible and compliant water systems to consolidate smaller systems that are struggling with water quality, infrastructure and management issues into their systems.
- Provide recommendations for legislation to help achieve priorities.

PROCESS:

- **Initial Emergency Response:** select team goes to communities to assess the situation and determine the required course of action to be taken.
- **Preventative Outreach:** through risk analysis determine which systems are in the worst shape. RWIC reaches out to those systems to determine course of action and necessary resources to fix the problem.

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