



JOINT LEGISLATIVE COMMITTEE ON THE BUDGET
STATE CAPITOL
P.O. BOX 44294, CAPITOL STATION
BATON ROUGE, LOUISIANA 70804
(225) 342-2062

SENATOR BODI WHITE
CHAIRMAN

REPRESENTATIVE ZERINGUE
VICE-CHAIRMAN

REVISED
NOTICE OF MEETING

December 1, 2021

9:30 A.M.

Committee Room 5

A G E N D A

I. CALL TO ORDER

II. ROLL CALL

III. BUSINESS

1. Review and approval of Water Sector Commission recommendations.

IV. CONSIDERATION OF ANY OTHER BUSINESS THAT MAY COME BEFORE THE COMMITTEE

V. ADJOURNMENT

Persons who do not feel comfortable giving testimony in person may submit a prepared statement in accordance with Senate Rule 13.79, in lieu of appearing before the committee. Statements may be emailed to gasconr@legis.la.gov and must be received by the committee secretary at least three hours prior to the meeting to be included in the record for this committee meeting.

Audio/visual presentations, such as PowerPoint, must be received by the committee secretary at gasconr@legis.la.gov at least twenty-four hours PRIOR to the scheduled start of the committee meeting for review and prior approval. Thumb drives will NOT be accepted.

Persons desiring to participate in the meeting should utilize appropriate protective health measures and observe the recommended and appropriate social distancing.

THIS NOTICE CONTAINS A TENTATIVE AGENDA AND MAY BE REVISED PRIOR TO THE MEETING.

BODI WHITE, CHAIRMAN

LEGISLATURE OF LOUISIANA

Jerome "Zee" Zeringue
Co-Chairman



Mike Reese
Co-Chairman

Water Sector Commission

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November 30, 2021

The Honorable Mack A. "Bodi" White, Jr., Chairman
Joint Legislative Committee on the Budget
Post Office Box 44294
Baton Rouge, Louisiana 70804

Chairman White,

Pursuant to R.S. 39:100.56, the Water Sector Commission is tasked with reviewing Water Sector Program applications and making recommendations for funding to the Joint Legislative Committee on the Budget (JLCB). Additionally, the Commission is required to review proposed administrative costs for the Water Sector Program and make a recommendation to the committee for funding for administrative costs.

JLCB is required to review the recommendations submitted by the commission and grant final approval of funding for the projects. No monies may be expended from the Water Sector Fund without approval of JLCB.

R.S. 39:100.56(O)(1) states that priority for funding shall be given to community water system projects, community sewer system projects, or projects necessitated by storm water that are contained in Act No. 485 of the 2021 Regular Session of the Legislature (HB 2).

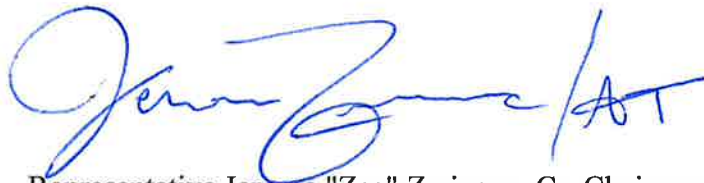
The Water Sector Commission met on Tuesday, November 30, 2021, to consider water and sewer applications for projects originating in HB 2. The Commission voted to make the following recommendations to JLCB:

1. Allocate \$22,983,007 from the Water Sector Fund to the 29 entities contained on the attached list. Of that amount, \$15,076,600 is allocated to fund P2 appropriations and \$7,906,407 is allocated to fund P5 appropriations in the amounts indicated on the list. The cash appropriations in Act No. 485 for these entities are not included in the allocated Water Sector Fund amount.
2. For these funds, the entities shall be subject to the following requirements:

- a. Entities that are exempt from providing a match in the statutes that govern HB 2 are exempt from providing a match for the approved Water Sector Program funds. The remaining entities are required to provide the minimum 25% percent match.
 - b. Funding allocated to the entities will be subject to the entities complying with the requests for additional data from the Office of Community Development and the Division of Administration for audit and compliance purposes.
3. Allocate an initial amount of \$2,000,000 for administrative expenses for the program with the potential of an additional amount being allocated at a later date.

The Water Sector Commission requests JLCB's approval of these recommendations. Thank you for your consideration of this request.

Sincerely,



Representative Jerome "Zee" Zeringue, Co-Chairman



Senator Mike Reese, Co-Chairman

WATER SECTOR COMMISSION CAPITAL OUTLAY PROJECTS (APPROVED 11/30/2021)

All Are New Projects in Act 485

Project Number	Entity ID	Entity	Type	P2 in Act 485	P5 in Act 485	Total Bond Funding (P2 + P5)	Cash in Act 485*
1	50-M42	Chatham	W	\$288,000		\$288,000	
2	50-M64	Dequincy	S	\$500,000		\$500,000	
3	50-M65	Deridder	W	\$630,000		\$630,000	
4	50-M78	Elton	W	\$225,000		\$225,000	
5	50-M82	Estherwood	W	\$1,235,000		\$1,235,000	
6	50-MC1	Harahan	S	\$200,000		\$200,000	\$205,000
7	50-MD5	Independence	S	\$220,000		\$220,000	
8	50-ME2	Jeanerette	W	\$300,000	\$1,090,293	\$1,390,293	\$500,000
9	50-ME4	Jennings	S	\$700,000		\$700,000	\$300,000
10	50-ME5	Jonesboro	W	\$261,600		\$261,600	
11	50-MF5	Kinder	S	\$100,000	\$2,412,500	\$2,512,500	
12	50-MF8	Lake Arthur	W	\$275,000		\$275,000	
13	50-MG1	Lake Providence	W	\$225,000		\$225,000	
14	50-MG8	Livonia	W	\$510,000		\$510,000	
15	50-MJ4	Merryville	W	\$560,000		\$560,000	
16	50-MK8	Natchez	S	\$450,000	\$450,000	\$900,000	
17	50-MO3	Port Barre	W	\$375,000		\$375,000	
18	50-MR6	Simpson	W	\$100,000		\$100,000	
19	50-MT8	Turkey Creek	W	\$2,125,000		\$2,125,000	
20	50-MV2	West Monroe	S	\$600,000	\$1,213,614	\$1,813,614	\$200,000
21	50-MV3	Westlake	W	\$500,000		\$500,000	
22	50-MV3	Westlake	S	\$500,000	\$2,000,000	\$2,500,000	
23	50-NCJ	Calcasieu Parish Water Works District 14	W	\$1,000,000		\$1,000,000	
24	50-NCN	South Toledo Bend Waterworks District	W	\$720,000		\$720,000	
25	50-NMB	Calcasieu Parish Water District No. 1	W	\$517,000		\$517,000	
26	50-NPO	Prairie Road Water District, Inc.	W	\$270,000		\$270,000	
27	50-NQO	Ebenezer Community Water System, Inc.	W	\$900,000		\$900,000	
28	50-NRZ	West Allen Waterworks District	W	\$540,000		\$540,000	
29	50-NV1	Pollock Area Water System, Inc.	W	\$250,000	\$740,000	\$990,000	\$125,000
TOTAL				\$15,076,600	\$7,906,407	\$22,983,007	\$1,330,000

* Remains Cash In Act 485

RS 39:100.56**§100.56. Water Sector Program**

A. As used in this Section, the following terms shall have the following meanings:

- (1) "Commission" shall mean the Water Sector Commission.
- (2) "Committee" shall mean the Joint Legislative Committee on the Budget.
- (3) "Division" shall mean the division of administration.
- (4) "Fund" shall mean the Water Sector Fund.

B.(1) The Water Sector Commission is hereby established to review applications submitted pursuant to the Water Sector Program and make recommendations for funding to the Joint Legislative Committee on the Budget.

(2) The commission shall be comprised of the following members:

(a) Five members of the House of Representatives appointed by the speaker of the House of Representatives.

(b) Five members of the Senate appointed by the president of the Senate.

(3) A Senate member of the commission and a House member of the commission shall serve as co-chairmen of the commission.

(4) A quorum of the commission shall be six members. Any recommendations made by the commission shall require a quorum for approval.

(5) The staffs of the Senate, House of Representatives, and legislative fiscal office shall provide staff support and otherwise assist the commission as requested by the commission.

C. The Water Sector Program is hereby established to provide grant funding for repairs, improvements, and consolidation of community water and sewer systems, and repairs and improvements necessitated by storm water. The division of administration, office of facility planning and control, and the office of community development shall administer the program in consultation with the Louisiana Department of Health and the Department of Environmental Quality. The division shall establish a working panel comprised of employees of the office of facility planning and control and the office of community development, within the division of administration, the office of public health within the Louisiana Department of Health, and the Department of Environmental Quality. The working panel shall review and rate applications submitted by community water systems, community sewer systems, and local governing authorities and submit recommendations for funding to the commission.

D.(1) The commission shall hold its first meeting no later than June 30, 2021. At its first meeting, the commission shall issue directives to the division to utilize in the development of the guidance required in Paragraph (2) of this Subsection.

(2) The division shall promulgate guidance for the administration of the program. The guidance shall include application requirements, deadlines for application submissions and approval, criteria for ratings, and a process for prioritizing critical infrastructure needs. The Administrative Procedure Act, R.S. 49:950 et seq., shall not apply to guidance promulgated pursuant to this Section. No later than July 15, 2021, the division shall submit the proposed guidance to the commission for review and approval. Any changes to the guidance shall require approval by the commission.

E. In addition to the guidance provided for in Subsection D of this Section, the division shall submit a proposal outlining administrative costs for the program to the commission for review and approval prior to implementing the program no later than July 15, 2021. The commission shall review the proposed administrative costs and make a recommendation to the Joint Legislative Committee on the Budget for funding for administrative costs. The committee shall review the recommendations submitted by the commission and approve administrative costs for the program.

F. Notwithstanding any provision of law to the contrary, the division may enter into consulting services, professional services, and information and technology services contracts for the purpose of the procurement of any goods or services necessary to implement and expedite the distribution of funds as

emergency procurements exempt from the provisions of the Louisiana Procurement Code and corresponding rules and regulations. The cost of such contracts shall be considered administrative costs.

G. Each grant recipient shall be required to provide matching funds unless the commission recommends waiving the match requirement.

H. The division shall begin accepting applications no later than August 1, 2021. The applications shall include the following, at a minimum:

- (1) The amount of grant funding requested.
- (2) The amount and proposed source of funding for the proposed match.
- (3) Proposals for repairs, improvements, or consolidation with neighboring systems.
- (4) Assurance the entity will comply with the rate determination of the rate study completed by a third party chosen by the division prior to release of funds for construction and permission to bid.
- (5) A certification from the local governing authority that operates the system or the water system operator that funding from the Coronavirus Fiscal Recovery Fund of the American Rescue Plan Act of 2021 is being used as a source of funding for the required match or explanation of legitimate cause that precluded the use of those funds for the match.

I. Within forty-five days of the end of the application period, the division shall submit the working panel's ratings of proposed projects and recommendations for funding for the projects to the commission. The working panel's recommendations to the commission shall include recommendations for utilization of existing funding sources including the Drinking Water Revolving Loan Fund, Clean Water State Revolving Fund, and Community Water Enrichment and Other Improvements Fund.

J. The commission shall review the ratings and recommendations submitted by the working panel. The commission shall submit its recommendations for projects to receive monies from the fund and funding amounts to the Joint Legislative Committee on the Budget. The recommendations shall include proposed matching funds unless the commission recommends a waiver of matching funds or decreased match for any project based on the determination that the local governing authority or water system is unable to provide the match.

K. The committee shall review the recommendations submitted by the commission and have final approval of funding for projects. No monies shall be expended from the fund without approval of the Joint Legislative Committee on the Budget.

L. Beginning January 1, 2022, the division shall submit a quarterly construction progress report for projects that received funding approval to the Joint Legislative Committee on the Budget.

M. Each grant recipient that receives funding pursuant to this Section shall comply with the provisions of R.S. 24:513.

N. The provisions of R.S. 39:72.1(A) shall not apply to monies appropriated pursuant to this Section.

O.(1) Priority for funding shall be given to community water system projects, community sewer system projects, or projects necessitated by storm water that are contained in Act No. 485 of the 2021 Regular Session of the Legislature.

(2) Projects eligible pursuant to this Subsection shall not be required to submit an application pursuant to the provisions of this Section. The division may request supplemental information for the project as directed by the commission.

P. If an appropriation for a community water system project, community sewer system project, or a project necessitated by storm water has received a line of credit or is recommended for a line of credit pursuant to Act No. 485 of the 2021 Regular Session of the Legislature and the project is eligible for funding through the Water Sector Program, the commission may recommend to the commissioner of administration that the project not be recommended for a line of credit in lieu of funding from the Water Sector Program.

Acts 2021, No. 410, §1, eff. June 17, 2021.