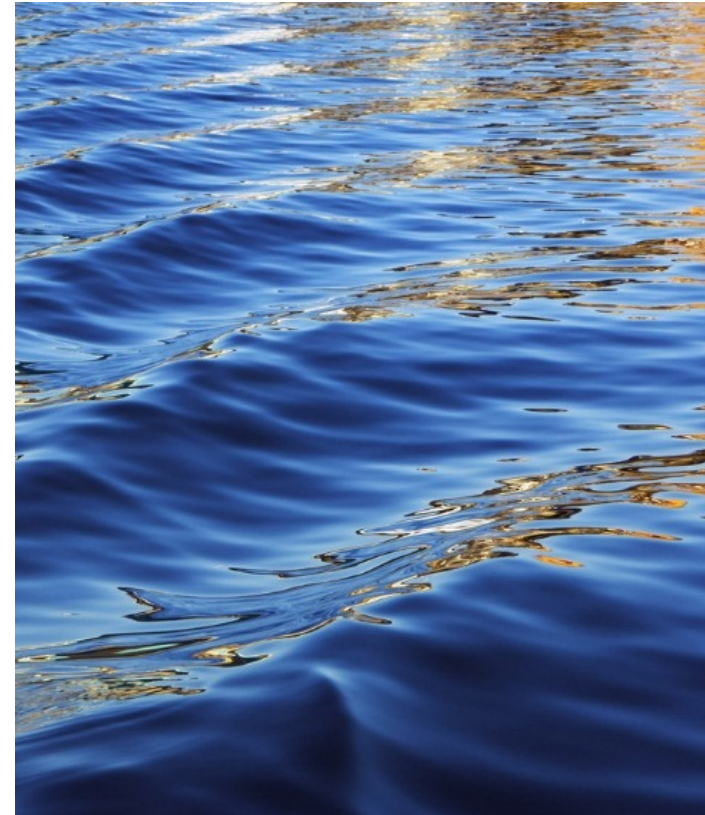




# Illinois EPA Lead Service Line Replacement

2022 CIFA Workshop  
November 8, 2022

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# Illinois Lead Service Line Replacement Funding Cap Grant/WIFTA Principal Forgiveness

- 2017 – Galesburg \$2M Cap Grant PF replaced 504 LSL's
- 2018 - Galesburg \$2M Cap Grant PF replaced 560 LSL's
- 2019 - Galesburg \$2M Cap Grant PF replaced 559 LSL's
- 2019 – Rockford \$2M Cap Grant PF replaced 195 LSL's
  
- 2020 - \$7.9M Cap Grant PF (7 communities) replaced 1,349 LSL's
- 2020 - \$3.2M WIFTA PF (3 communities) replaced 442 LSL's
  
- 2021 - \$24.4M WIFTA PF (12 communities) estimating 4,664 LSL's
- 2022 - \$27.5M WIFTA PF (9 communities) estimating 3,600 LSL's

# Illinois Lead Service Line Background

## 2016-2017 Illinois Started “Investigating”

- 1,758 Community Water Supplies in Illinois
- Illinois Population – 12+ Million
- Number of lead service lines????
- Initial estimates from 500,000 to 1,000,000????
- State Law Passed January 2017 (modifies Section 17.11 of the Illinois Environmental Protection Act) requiring service line inventory information be submitted by all community water systems annually.

# Illinois Service Line Material Inventory Started in 2019

- Illinois Summary Data - 2020 Reporting Year
- 1,756 of 1,758 CWS's reported inventory information
  - 667,275 Lead (Chicago 387,095)
  - 815,586 Unknown
  - 367,756 Copper w/ lead solder
  - 62,958 Galvanized
  - 242,767 Unknown but not lead
  - 1,378,454 Copper w/out lead solder
  - 38,223 Cast/Ductile Iron or Transite
  - 275,490 Plastic

# Illinois Service Line Material Inventory Info

- <https://www2.illinois.gov/epa/topics/drinking-water/public-water-users/Pages/lead-service-line-information.aspx>
- Search or Sort inventory by Facility Name, County, Reporting Year, etc.

# PWSLP Lead Service Line Replacement (LSRL) WIFTA Principal Forgiveness

- Illinois EPA took advantage of the Water Infrastructure Fund Transfer Act (WIFTA) – Transferring \$107,892,848 from the wastewater to drinking water SRF loan program solely dedicated to LSLR principal forgiveness.
  - FY2021/22/23 – Maximum of \$4M per recipient
- As of November 1, 2022 - \$63.5M of WIFTA funds committed.
- Projecting to commit remaining WIFTA funds by end of FY2023.

# Lead Service Line Replacement What Does It Cost?

- “Urban” vs. “Rural” costs vary greatly  
(Design, Construction & Construction Oversight)

Galesburg (RURAL - avg cost per home – 2,649 homes)	\$3,734
Assumption (RURAL - avg cost per home – 69 homes)	\$7,318
Merrionette Park (URBAN – avg cost per home – 115 homes)	\$8,091
Montgomery (URBAN – avg cost per home – 106 homes)	\$9,524
Springfield (population over 100,000) Doing all planning and design engineering in house AND replacing “public” portion of service line with city workers – bidding/contracting out private portion.	\$3,319

# Chicago – 387,095 Lead Service Lines

- Chicago is estimating a complete service line replacement will cost between \$20,000 - \$26,000
- Replacing all lead service lines
- \$7.7 - 10.1 Billion



# Lead Service Line Replacement and Notification Act

State Law Signed August 2021 (PA 102-613 HB3739)

- Creates the Lead Service Line Replacement Fund to be used to finance and administer programs and activities (**no revenue source in legislation**). Requires the Illinois EPA to:
  - establish procedures for the administration of the Fund.
  - **establish procedures for the collection of a specified (to be developed by rule) lead in drinking water protection fee to be collected by all community water supplies.**
  - NO MONEY PROVIDED IN THE FUND
- Creates the Lead Service Line Replacement Advisory Board within the Agency.
  - 28 Voting members
    - 3 State Agency Directors
    - 16 representing water utilities
    - **9 representing non water sector perspectives**

# Lead Service Line Replacement and Notification Act

State Law Signed August 2021 (PA 102-613 HB3739)

- Expands Requirements of Current Service Line Material Inventory
  - No longer report material as “Unknown” – Unknown considered Lead
  - Initial inventory due April 15, 2023
  - Final complete inventory due April 15, 2024
  - Must identify number of connections in water supply
  - Must identify material of construction – both public and private sides
  - Prioritize inspections in high-risk areas (day cares, hospitals, playgrounds, etc.)
  - Many, many more requirements

# Lead Service Line Replacement and Notification Act

State Law Signed August 2021 (PA 102-613 HB3739)

- **Prohibits Partial Lead Service Line Replacement** when replacing watermain
  - Provisions for “emergency replacements” – if the entire service line can’t be replaced
    - Provide filter for at least one fixture until entire line replaced (30 days)
  - Routine watermain replacement
    - Requires customer notification prior to construction or repair

# Lead Service Line Replacement and Notification Act

State Law Signed August 2021 (PA 102-613 HB3739)

- Requires Comprehensive LSL Replacement Plans to be developed
  - Initial Plan due April 25, 2024
  - Updated Plan required annually through April 2027
  - Final Plan due April 2027 – Schedule for replacement begins
- Comprehensive LSL Replacement Schedule

• < 1,200 LSL's	7%/Yr	15 Years
• 1,200- 4,999 LSL's	6%/Yr	17 Years
• 5,000- 9,999 LSL's	5%/Yr	20 Years
• 10,00- 99,999 LSL's	3%/Yr	34 Years
• > 100,000 LSL's	2%/Yr	50 Years

# Bipartisan Infrastructure Law (BIL)

## Illinois Lead Service Line Replacement Funding

- Illinois will be getting \$106.9M per year for 5 years (\$533.7M)
- 49% of funds can be provided as Principal Forgiveness to “disadvantaged communities”. 51% of funds will be loan and therefore must be repaid
- State working on unique “disadvantaged community” definition which will only be for LSLR funding.
- Will require new Administrative Rule to be adopted.
  - Contemplating 0% fixed interest rate
  - 30-year term – 40-year term for disadvantaged communities

# Bipartisan Infrastructure Law (BIL)

## Illinois Lead Service Line Replacement Funding

- Tentative Plan - “disadvantaged community” loans will receive 100% principal forgiveness until PF is exhausted
- All other funding will be 100% loan at 0%
- Project location by census tract will determine the metrics used to determine if project qualifies as a disadvantaged community and to score and rank/prioritize projects
- Census Metrics being considered - MHI, Poverty, Unemployment, Houses built pre-1990, Children Under 6, Social Security, Supplemental Social Security, Minority, Limited English

# Lead Service Line Inventory Grant Program Just Announced

- Initial Round of Funding - \$2M from DWSRF Fees
- Application deadline December 2, 2022
- Grants will range from \$20,000 to \$50,000 depending on the number of service connections within the applicant's community water supply system.
  - 5,000+ Service Connections \$50,000
  - 1,000-4,999 Service Connections \$40,000
  - 100-999 Service Connections \$30,000
  - Less than 100 Service Connections \$20,000
- Future rounds of funding possible depending on demand in first round



# Questions?

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Illinois EPA – Bureau of Water

Infrastructure Financial Assistance Section

