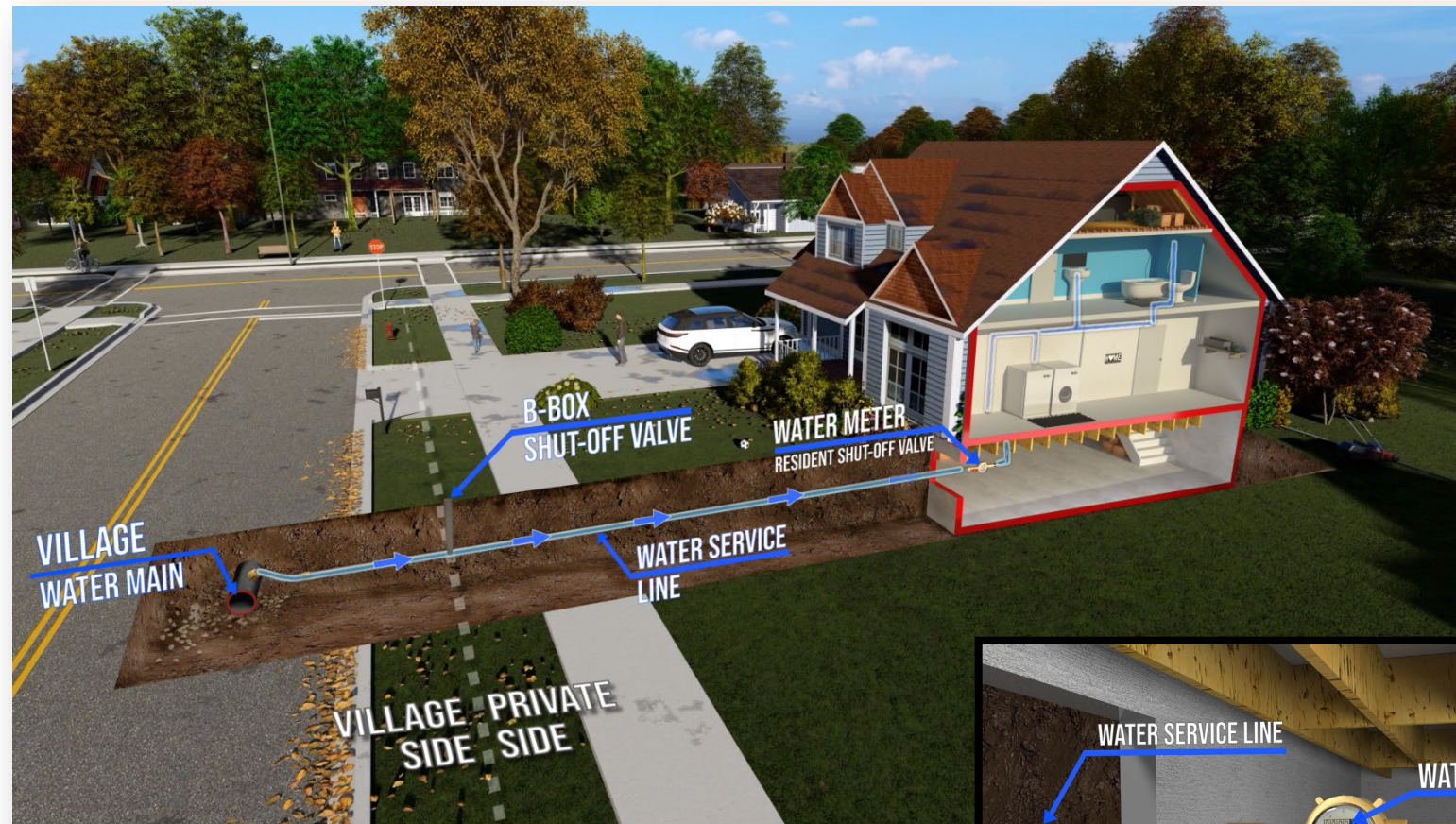


Funding Lead Service Line Replacements **Regulatory Update**

Village of East Dundee, Illinois



Water Service Line Ownership & Key Terms



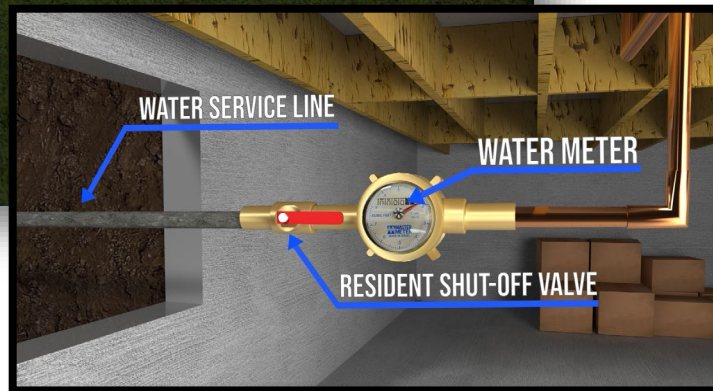
Community Water System (CWS):

Provides water to at least 15 service connections or an average of at least 25 people for at least 60 days a year.

Lead Service Line (LSL): A water service line that has some portion of the service line made of lead pipe or galvanized steel pipe that is or was in contact with lead pipe.

Full Replacement:

Replacement of a water service line from the water main to within the building plumbing at the first shut-off valve or 18-inches inside the building, whichever is shorter



Navigating Multiple Regulatory Agencies



Lead And Copper Rule Revisions

Compliance Date:
October 16, 2024

Lead And Copper Rule Improvements*



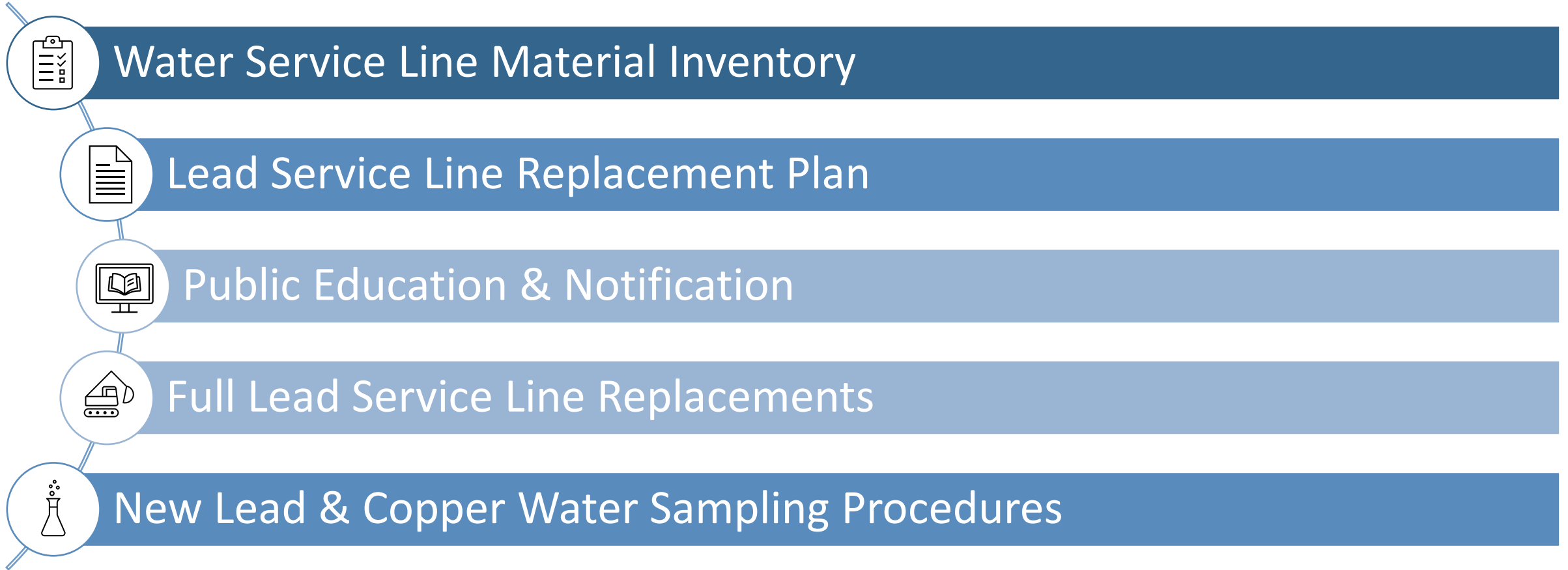
LSL Replacement & Notification Act

Effective Date:
January 1, 2022

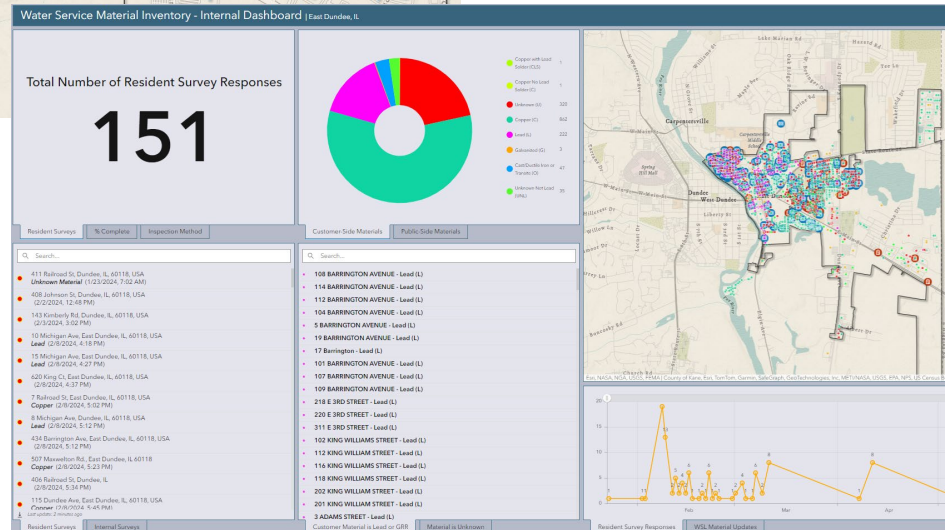
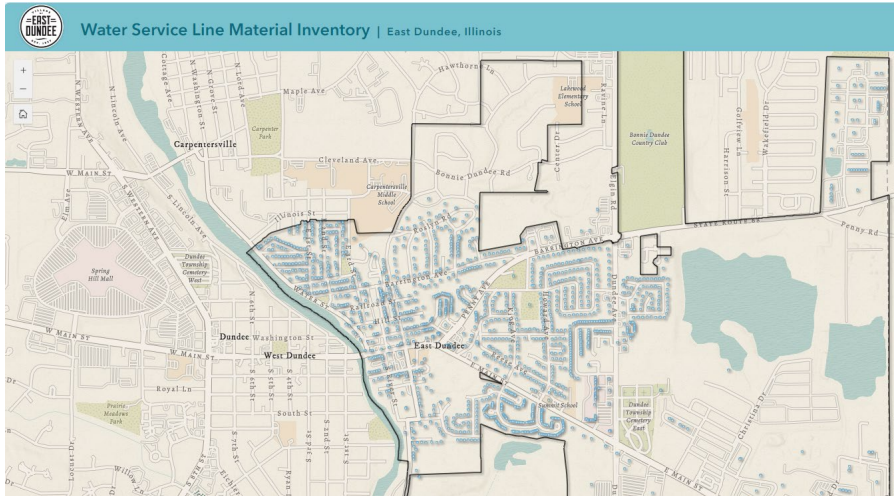


Illinois Plumbing Code

Key Components of State & Federal Regulations



Water Service Line Material Inventory



IEPA INVENTORY REQUIREMENTS

- 1,491 Service Connections
 - 936 Non-Lead
 - 222 Lead or Galvanized Iron
 - 332 Unknowns
 - Inventory is ongoing

DEADLINES

- Updated Inventory Submission: April 2024
- East Dundee is in full compliance

PUBLIC ACCESSIBILITY

- [Inventory Map Link](#)
- Consumer Confidence Reports

NOTICE OF LEAD WATER SERVICE

- Sent annually until removed
 - *Even if a Property Owner signs IDPH Waiver*

Lead Service Line Replacement Plan



All Water Systems with known LSL, GRR, or unknowns had to submit an LSL Replacement Plan by April 15, 2024

- 222 LSLs identified to date; 300 estimated



Lead Service Line Replacement Schedule at Designated Rate

- 7% for 15 years
- Proposed LCRI could reduce timeline to 10 years



Analysis of costs and Financing Options for Replacement



“Good Faith” Measures to encourage Diversity in hiring workforce



Full replacement required for Disturbance, Planned Construction, Emergency Repair, or Private Replacement

(IL0890250) Village of East Dundee

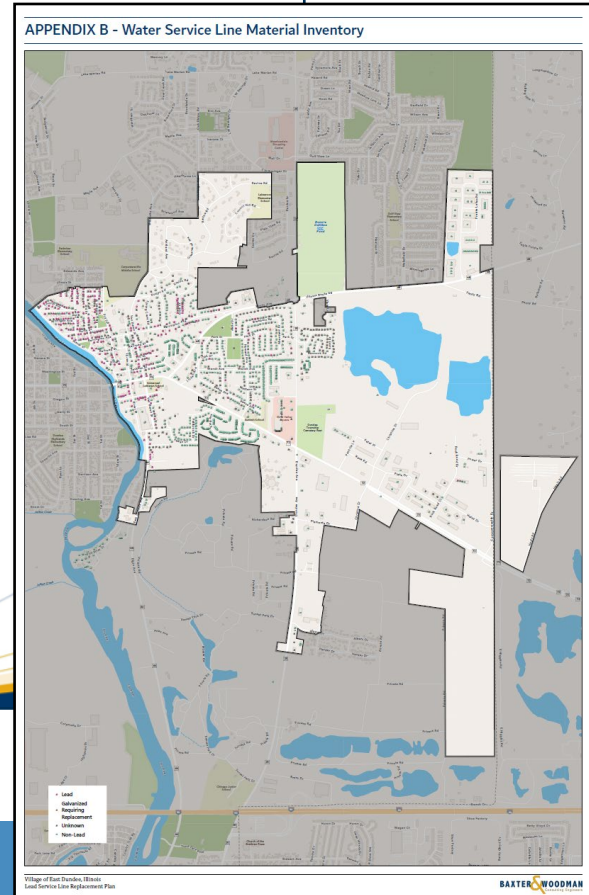
Draft Lead Service Line Replacement Plan

Prepared by:

BAXTER & WOODMAN
Consulting Engineers

www.baxterwoodman.com

April 2024



Future Planned Replacement Costs

❑ FULL REPLACEMENT CONSTRUCTION COST

- Public & Private Side
- \$12,000 - \$15,000 Each
(As of 2024)

Full Water Service Line Replacements	Cost Estimate
21 Lead Service Lines Per Year	\$ 315,000
Engineering & Contingency	\$ <u>45,000</u>
Estimated Annual Cost At Mandated Replacement Rate	\$ 360,000
Estimated Total Program Cost over 15 Years*	\$ 8,400,000
<i>*Expect costs to increase with 3% inflation, materials and contractor availability</i>	

❑ FINANCING CONSIDERATIONS

- Current regulations do not require the Village to finance the entire replacement.
- If using state funding, IEPA expects the entire lead service line be replaced.
- IEPA has issued temporary operating permits for watermain construction projects when utilizing a cost-share program and CWS does not receive 100% participation.

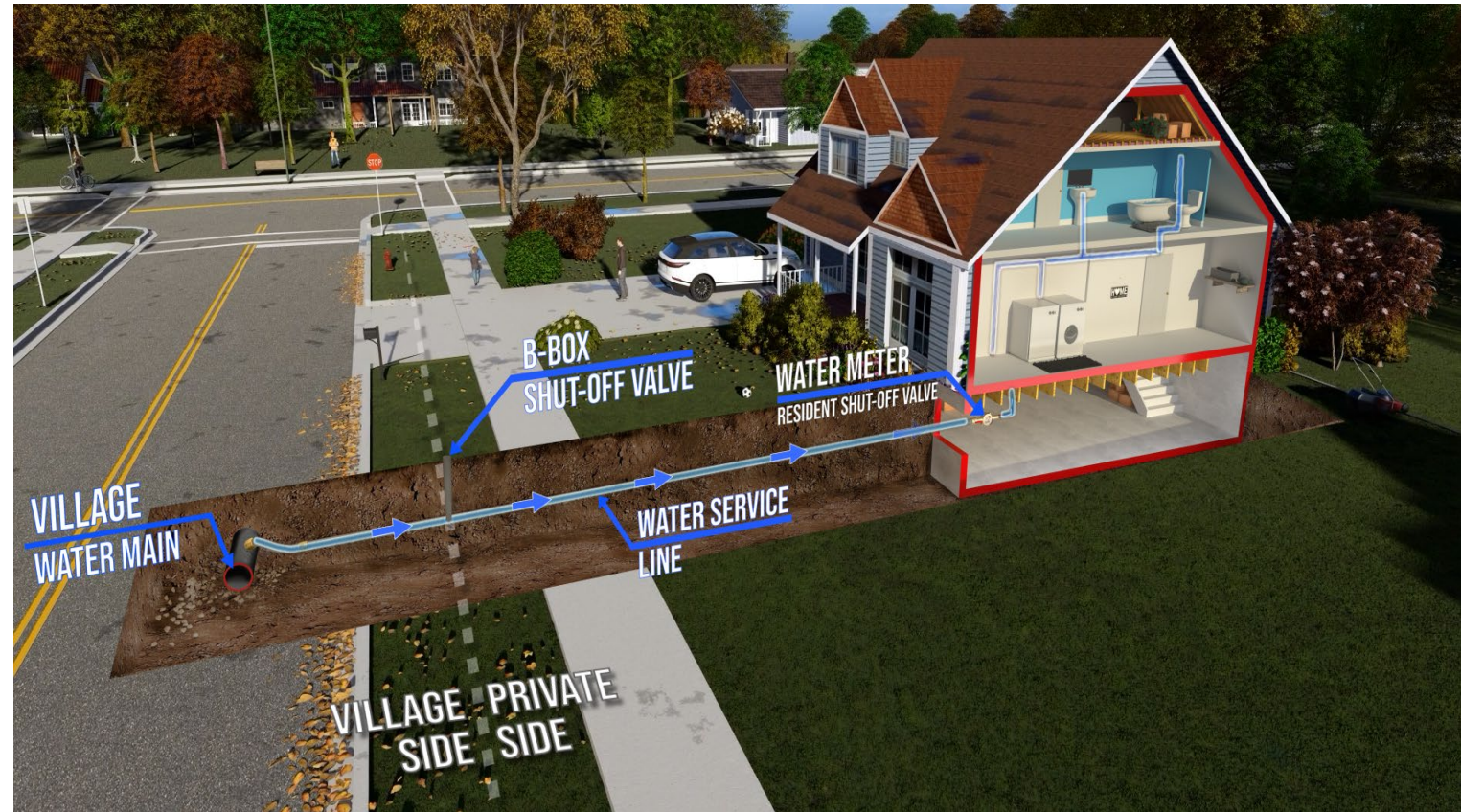
Past Lead Service Line Replacements in the Village

VILLAGE INITIATED PROJECTS:

- 4th Street Improvement Project:
 - (5) Village paid for the public portion of the full lead service line cost (approx. 80% of cost)

HOMEOWNER INITIATED PROJECTS:

- Replacement of Lead Service Line with same size service:
 - (2) Village paid for the public portion (approx. 40% of cost)
- Replacement of Lead Service Line due to upsizing water service:
 - (1) Property owner paid for entire replacement



— Chicagoland Regional Efforts & Current Trends

Lead Service Line Replacement Program Comparison (Fall 2023)

Communize Size	Less than 20,000 population	20,001 – 50,000 population	Greater than 50,000 population
Community Paying 100%	3	4	8
Cost-Share	7	7	3

Chicagoland Regional Efforts & Current Trends

Local Programs

- Community pays for public side and a set percentage of the private portion up to a designated capped amount.
 - Pays for 66% up to \$10,000 (Palatine)
 - Pays for 50% up to \$6,000 (Deerfield)
- Community pays for the entire replacement
 - Carpentersville
 - Elgin
 - Barrington
 - Algonquin
 - Mount Prospect

Property Owner Payback Considerations

- Request property owner to pay at or before replacement
- Rebate property owner after replacement
- Payback period through water billing
- Deferred loan until refinance or property is sold

— Funding Sources for Consideration

IEPA Public Water Supply Loan Program

- ✓ For LSLR, 0% loan for 30 years
- ✓ Can request up to 5 years of funding
- ✓ Other water projects may be included (with different interest rate)
- ✓ Principal forgiveness only available to disadvantaged communities
- ✓ Requires a Project Plan (in progress – funds tentatively available in 2027)
- ✓ Competitive

Future Planned Replacement Costs - PWSLP

PUBLIC WATER SUPPLY LOAN PROGRAM

- Staff are currently pursuing funds through the PWSLP and developing a Project Plan
- Capped Annual Loan Amount of \$3 – 4 Million each year for LSLR (per IEPA)
 - *Will vary each on available funding and demand*
- Assuming a 5 Year replacement program: 60 Lead Service Lines each Year

Full Water Service Line Replacements	Cost Estimate
60 Lead Service Lines Per Year	\$ 900,000
Engineering & Contingency	<u>\$ 180,000</u>
Estimated Annual Cost At Updated Rate	\$ 1,080,000
Estimated Total Program Cost over 5 Years*	\$ 5,800,000
<i>*Expect costs to increase with 3% inflation, materials and contractor availability</i>	
Estimated Total Program Cost over 15 Years*	\$ 8,400,000

Proposed East Dundee Plan

❑ VILLAGE IS SOLE PAYER AND PAYS 100% OF COST.

- No cost for residents creates best chance to meet mandated replacement schedule

❑ COORDINATE REPLACEMENTS WITH OTHER INFRASTRUCTURE IMPROVEMENT NEEDS

- 2nd Street Road Improvements (2025)
 - Known Lead: 4
 - Unknowns: 10
- Barrington Avenue Resurfacing (2027)
 - Known Lead: 35
 - Unknown: 27

