

City Council – Action Request Form

Date: April 11, 2022

To: Mayor, Mayor Pro Tempore, and Members of the City Council

From: Aaron King, Assistant City Manager
Lisa M. Saunders, Chief Financial Officer
Kelly Latham, Deputy Financial Officer

Council Action Requested:

Resolution Approving an Application for North Carolina Division of Water Infrastructure Grant Funding Available through the American Rescue Plan Act of 2021 for Phase 1 of the Lead and Copper Rule Revisions Compliance Program

Strategic Focus Area: Service Excellence

Strategic Objective: Maintain City’s Financial Strength

Strategic Plan Action Item: No

Key Work Item: No



Summary of Information:

The American Rescue Plan Act of 2021 has authorized the distribution of grants to aid eligible units of government in financing necessary investments in water and wastewater infrastructure. The North Carolina Department of Environmental Quality (DEQ) Division of Water Infrastructure (DWI) will administer these funds through the State Fiscal Recovery Fund appropriated in the state budget for drinking water, wastewater, and stormwater projects.

The Lead and Copper Rule Revisions (LCRR), effective December 16, 2021, require water utilities to be compliant with the new EPA regulations by October 16, 2024. The LCRR program includes corrosion control treatment evaluations, distribution system materials assessment and replacement, testing for lead at eligible school and childcare facilities, developing a service line inventory, and making public the locations of known lead service lines. Phase 1 of the program began in November 2021 and is planned to last through December 2023.

Committee Action:

Committee	<u>Finance 4/11/22</u>	Action	<u>Approval</u>
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For	<u>Unanimous</u>	Against	<u></u>
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Remarks:

Tasks specific to Phase 1 include evaluating and modifying information technology systems to facilitate LCRR compliance, developing a plan to replace potentially hazardous service lines (lead and galvanized requiring replacement), and testing at all schools and licensed childcare facilities with plumbing systems installed before January 1, 2014 (the date on which the Reduction of Lead in Drinking Water Act went into effect, which prohibited the installation of lead service lines or fixtures). On October 11, 2021, the Winston-Salem/Forsyth County Utility Commission awarded a contract to Black & Veatch, Inc. in the amount of \$2,516,355 to provide services needed for Phase 1 of the Lead and Copper Rule Compliance Program. The budget for this project is included in the City of Winston-Salem Capital Improvements Program (CIP) budget.

Potential stimulus funds have been made available from the DWI for this program. To assist in financing the cost of this program, the City of Winston-Salem is requesting to submit a grant application in the spring 2022 application cycle to receive a maximum of \$400,000 in potential funding for this program. The attached resolution approves an application for a grant amount of \$400,000, which will assist in financing the efforts of this program.