



LEAD SERVICE LINE REPLACEMENT ADVISORY BOARD

*Report of Recommendations
June 29, 2023*

**Lead Service Line Replacement and Notification Act
State of Illinois
Public Act 102-0613**

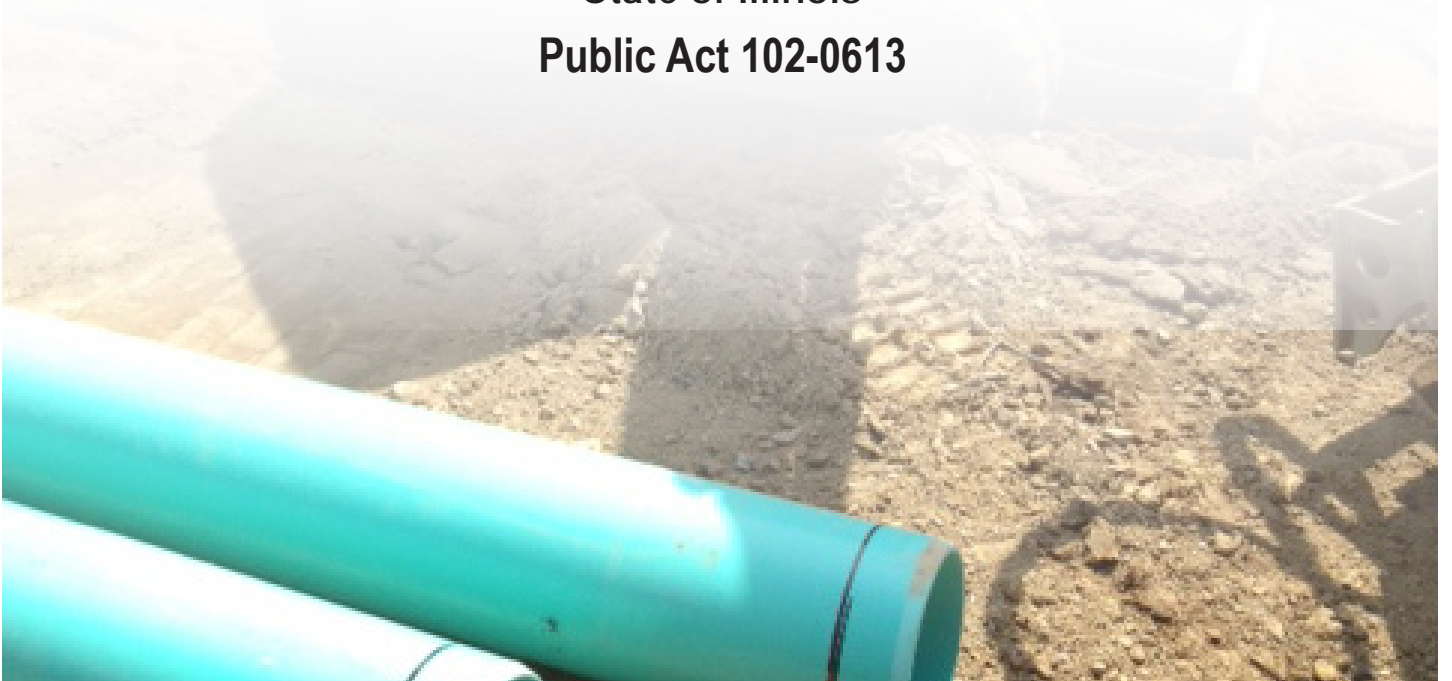


TABLE OF CONTENTS

Introduction.....	1
Technical Work Group	3
Report of the Technical Work Group	3
Financing Work Group.....	17
Report of the Financing Work Group	17
Conclusion	33
Advisory Board Members	35
Illinois EPA Staff	36
Public Act 102-0613.....	37
Meeting Agendas, Minutes and Supplemental Information	73
Advisory Board Agendas and Minutes.....	73
Technical Work Group Agendas and Minutes	95
Financing Work Group Agendas and Minutes.....	109

INTRODUCTION

In 2021, Public Act 102-0613, the Lead Service Line Replacement and Notification Act, was adopted by the Illinois General Assembly and signed into law by Governor JB Pritzker, effective January 1, 2022. The legislation was sponsored in the House of Representatives by Rep. Lamont J. Robinson (D-Chicago) and in the Senate by Sen. Melinda Bush (D-Grayslake).

For decades lead was used as a primary material for water service lines, the pipes that bring drinking water into homes and businesses. The U.S. Congress banned the installation of lead service lines in 1986, but most lines installed before then were never removed. It is estimated that anywhere from 686,000 to 1,040,000 lead service lines remain in Illinois.¹

“We’ve taken important steps towards replacing the toxic lead pipes throughout Illinois, but important work remains,” said Governor JB Pritzker. “It is our most vulnerable communities that are hardest hit by the negative effects of lead service lines, and our job is not done until everyone has equal access to safe water.”

The Lead Service Line Replacement and Notification Act requires the replacement of lead service lines by municipalities and public water suppliers based on an inventory and replacement plan timeline, and also establishes a state grant program and technical assistance to support this work.

“I applaud my fellow Senators for taking action on a common sense measure that will protect Illinois residents, especially expectant parents and children for whom lead exposure is particularly harmful,” said Sen. Bush, who shepherded the bill’s passage in the Senate. “The passage of the bill is long overdue . . .”

“This bill will protect some of Illinois’ most vulnerable, as communities of color have the majority of lead service lines in Illinois and are disproportionately exposed to other sources of lead, such as paint and soil,” said Rep. Robinson. “We must ensure lead service line replacement is accessible to those who need it most.”

As of May 2023, Illinois was one of only three states in the nation to mandate full lead service line replacement. The law contains the following key provisions:

- Mandates full lead service line replacement by all water systems within a required timeframe based on the number of lead service lines in their system;
- Bans partial lead service line replacement: the practice of removing only the section from the water main to the property line;
- Requires water systems to submit an initial service line materials inventory to the state by April 15, 2023, and a final complete inventory by April 15, 2024;

¹ 686,000 is the number of known lead service lines reported to the IEPA from their actual inventory data set. 1,040,000 is the USEPA estimate that is based on the latest needs survey.

- Requires water systems to submit an initial lead service line replacement plan to the state by April 15, 2024, and an updated plan by every April 15 for review by the state until a final comprehensive plan is submitted by April 15, 2027;
- Creates the Lead Service Line Replacement Fund, which is dedicated exclusively to fund water systems' work of identifying and replacing lead service lines;
- Requires water systems to identify and replace lead service lines during the process of water main replacements, beginning January 1, 2022;
- Creates the Lead Service Line Replacement Advisory Board: a multi-sector stakeholder body that will advise the state on best practices in lead service line replacement and implementation and integration of the state's lead service line replacement goals; and,
- Establishes a statewide low-income water assistance policy and program to which all low-income Illinois residents will be eligible to apply for monetary assistance to help ensure access to water.

The Act requires, within 18 months after the effective date, “the Advisory Board shall deliver a report of its recommendations to the Governor and the General Assembly concerning opportunities for dedicated, long-term revenue options for funding lead service line replacement.” Within 10 years thereafter, “the Advisory Board shall prepare and deliver a report to the Governor and General Assembly concerning the status of all lead service line replacement within the State.”

This report fulfills the first portion of the Advisory Board's requirements. It draws from insights of the Board's diverse members, who met seven times between April 2022 and July 2023. Additionally, the Board met in two working groups: the technical working group, focused on community water supply challenges and concerns, met three times; the financing working group, focused on financial and revenue considerations for lead service line replacement, met five times.

This report compiles the knowledge and deliberations of the Board as a whole and the working groups. We hope that it can provide the foundation for further conversations among the Governor and General Assembly, as well as other interested stakeholders, about how to address the needs of Illinois' residents and communities as lead service lines are replaced.

TECHNICAL WORK GROUP

Jason Bauer
Andrea Cheng
Brad Cole
Brian Cox
Joe Healy
Todd LaFountain
Jones Richmond
Kyle Saunders
Allison Swisher
Eric Weiss

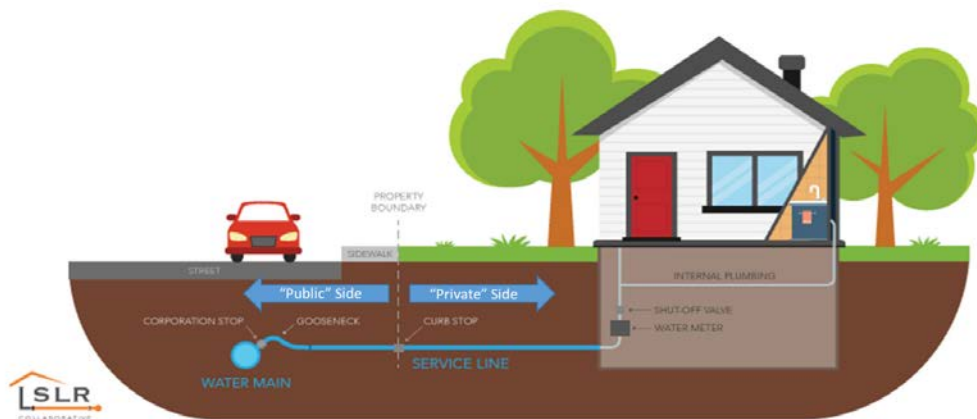
Report of the Technical Work Group

The purpose of this section developed by the Advisory Board is to provide an overview of the technical considerations involved in the coordination of lead service line replacement (LSLR) in Illinois. This includes developing a brief summary of the typical replacement scenarios as well as the types of methods utilized by contractors and community water supply (CWS) staff in facilitating LSLRs. Also considered are the technical and administrative challenges and opportunities associated with implementation of the Lead Service Line Replacement and Notification Act (LSLRNA) as well as workforce capacities and additional development needs.

The LSLRNA defines “service line” as the piping, tubing, and necessary appurtenances acting as a conduit from the water main or source of potable water supply to the building plumbing at the first shut-off valve or 18 inches inside the building, whichever is shorter.

COMPONENTS OF A SERVICE LINE

Simplified illustration of service line components



Source: adapted from the Lead Service Line Collaborative¹

¹ <https://www.lslr-collaborative.org/intro-to-lsl-replacement.html>

SOURCES OF LEAD EXPOSURE IN THE HOME

Lead service lines are one of several potential sources of exposure to lead in homes. Lead-based paint and lead in soil are additional potential exposure sources.² Within the context of lead in drinking water, lead may additionally be leached through lead solder and lead-based plumbing within the home, and additionally in lead based fixtures installed at the sink and other fixtures.

While replacing lead service lines is not guaranteed to eliminate all exposure to lead in the home or lead in drinking water, it will eliminate one significant exposure source. Water testing by the City of Chicago Department of Water Management shows that on average, lead service line replacement produces significant reduction in lead in drinking water (54%-92%).³ However, on average, some lead in drinking water remains owing to internal plumbing and fixtures. The City of Chicago's findings are consistent with other research, which has found that lead service lines can contribute 50%-75% of lead in drinking water.⁴

TYPICAL LEAD SERVICE LINE REPLACEMENT SCENARIOS

Although not exhaustive, the following represents a few common scenarios in which a lead service line (LSL) would be replaced. It is worth noting that there may be sub-scenarios identified within each of the below and the scenario(s) may occur at different intervals and/or frequencies depending on the specific community.

Maintenance-Based Replacement

During a maintenance-based replacement scenario, the CWS is working with a property owner to coordinate an LSLR as a result of a leak, break or any other maintenance activity that results in disturbance to the service line. This could occur on either the public portion of the service line (within the CWS right-of-way) or on the private portion of the service line (from curb-stop to meter). Prior to the enactment of the Lead Service Line Replacement and Notification Act, these failures would often result in repairing rather than replacing the entire service line. However, in these circumstances, unless a waiver is signed by the property owner and reported to the Illinois Department of Public Health (IDPH), a full LSLR from the corporation-stop at the water main to the first shut-off valve or 18 inches inside the building, whichever is shorter, must be completed. In the event of an emergency repair affecting an LSL or suspected LSL, where a full service line replacement cannot be completed due to lack of access or contact with the property owner, a partial replacement or point repair may be made by the CWS. In these scenarios, the property owner must be notified that a partial replacement or point repair has been completed and point-of-use (POU) filters must be provided by the CWS. The remainder of the service line is required to be replaced within 30 days of the emergency repair (or up to 120 days in the event weather or other circumstances beyond reasonable control prohibits construction).⁵

² <https://www.epa.gov/lead/protect-your-family-sources-lead>

³ Data may be available on request from City of Chicago.

⁴ Sandvig, A., Kwan, P., Kirmeyer, G., Maynard, B., Mast, D., & Trussell, R. R. (2008). Contribution of service line and plumbing fixtures to lead and copper rule compliance issues. Denver, CO: Water Research Foundation

⁵ From 415 ILCS 5/17.12 (gg)

Inventory-Based Replacement

This particular replacement scenario occurs under more controlled circumstances and results from the CWS identifying an LSL for replacement. This replacement scenario could include focused programs geared towards addressing lead at high-risk facilities (i.e., parks, playgrounds, clinics, child care facilities, etc.) or other specific geographic areas and/or neighborhoods identified for replacement. For the purpose of this report, voluntary replacement(s) whereby a homeowner initiating the private portion of the service line necessitates the public portion of the LSL to be replaced would be considered an inventory-based replacement.

Capital Replacement

This type of replacement involves the coordination of an LSLR with planned construction activities. Under LSLRNA, a capital replacement requires the CWS to provide affected property owners with at least 45 days notice⁶ before work begins and a full LSLR from the corporation-stop at the water main to the first shut-off valve or 18 inches inside the building, whichever is shorter, must be completed. These types of projects include water main replacement, sewer repair/replacement projects and other capital improvements that result in any disturbance to LSLs.

METHODS OF LEAD SERVICE LINE REPLACEMENT

The goal of this work is to replace the entire service line and re-establish water service in the most efficient means possible while also minimizing both disruptions to the public and restoration requirements. There are several methods that can be utilized to replace LSLs, with site specific constraints typically determining the best approach.

Traditional Open-Cut Excavation

This is a conventional approach that typically requires the saw cutting and/or breaking of surface materials and excavation of soil from the corporation-stop at the water main along the entire length of the service line to be replaced.

Trenchless Methods

A trenchless pipe replacement uses technology whereby the old pipe is left in the ground and a new pipe is installed along a different path using a trenchless method such as pneumatic hammering or directional boring. Two access pits are excavated, one at the point of connection at the water main and the other at the curb-stop. Additional access pits may be required at the building foundation and/or at the water meter.

Pipe Pulling/Pipe Splitting

This approach removes and extracts the existing pipe while simultaneously replacing it with a new pipe. Techniques include pipe pulling, which removes the existing pipe and pipe splitting, which leaves the existing pipe in the ground but enables the new pipe to be installed along the original pipe cavity.

⁶ From 415 ILCS 5/17.12 (ii)

PERFORMANCE OF REPLACEMENT METHODS

Factors affecting performance of replacement technologies

Method	Impediments		Customer Impacts	Space Constraints	General Operational Characteristics
	Site	Pipe Condition			
Traditional Open-Cut Excavation	Yes (surface)	No	High (traffic, noise)	Yes	<ul style="list-style-type: none"> • Simple • Reliable • Time consuming • Costly
Trenchless Methods	Yes (utilities, soil)	No	Moderate (traffic)	Yes	<ul style="list-style-type: none"> • Less disruptive • Easy to use after initial training
Pipe Pulling/Pipe Splitting	Yes (soil)	Yes (bends, structural)	Moderate (traffic)	Yes	<ul style="list-style-type: none"> • Less disruptive • Easy to use, if it works

Source: adapted from the Lead Service Line Collaborative⁷

Members of this Advisory Board provided critical additional information:

- Andrea Cheng, Commissioner of the Department of Water Management in Chicago, reports that initially all LSLRs were replaced using open-cut excavation until the April 2022 IDPH variance.⁸ Subsequently, directional boring and pipe pulling were successfully piloted and equipment is in the process of being procured. Pipe pulling can be challenging in areas with slag surrounding water service lines and where there are large tree roots. To date for the entire program, 30% of LSLRs have used pipe pulling, 17% used directional boring, and the remaining 53% as open-cut excavation. Once all trenchless equipment has been procured, Chicago expects to use trenchless for 70% of LSLRs.
- Todd LaFountain, Water Division Manager for the City of Springfield’s City Water, Light, & Power, reports that 90% of Springfield’s LSLRs are completed utilizing pipe pulling methods.
- Jason Bauer, Assistant Public Works Director/Assistant City Engineer for the City of Aurora, reports directional boring as their preferred replacement method.
- Mike Pubentz, Public Services Director for the City of Elgin, reports lead extraction (or pipe pulling) to be their preferred replacement method. It is worth noting that open-cut excavation in Elgin requires prior approval from the city.

IMPLEMENTATION CHALLENGES

The LSLRNA requires every community water supplier in Illinois to replace all service lines

⁷ <https://www.lslr-collaborative.org/understanding-replacement-techniques.html>

⁸ <https://dph.illinois.gov/topics-services/environmental-health-protection/lead-in-water/lead-service-lines/lead-service-line-replacements.html>

connected to their system that are fully or partially: (1) confirmed to be lead; (2) suspected to be lead (or determined otherwise with further exploration); or, (3) have portions that are galvanized and are downstream of service sections that are known to have been lead. Under all ownership scenarios, it is ultimately the responsibility of the CWS to eliminate any such service line portion that meets these conditions; although the definition of a CWS may not be what the general public expects and is discussed under Technical Considerations below. Additionally, when any service line meeting these conditions is disturbed or requires maintenance, it must be replaced in its entirety.

Meeting the requirements of this legislation poses many challenges for a CWS, not just from a financial aspect, but from an implementation standpoint as well. This section of the report will work to identify these implementation challenges, including the technical, administrative and workforce difficulties and considerations.

Implementing this initiative requires the CWS to:

- Develop an accurate inventory of every service line within the system;
- Prepare a replacement program that results in compliance by a specific date that is directly related to the number of lead services in the system;
- Obtain access to private property and structures for the purposes of developing an inventory and also achieving compliance by modifying non-CWS property;
- Comply with specific, detailed timelines and notification procedures;
- Comply with all local, state and federal requirements (e.g., Interagency Policy Committees (IPC), etc.);
- Any and all LSLR services shall be installed by a State of Illinois or Chicago licensed plumber from the water main (including tap) to the final hook up within the building, dwelling unit or structure the service serves.
- Each CWS must develop their own processes, forms, procedures and standards for compliance with the legislation; and,
- Monitor the progress of the replacement, meet deadlines, meet workforce composition requirements and compliance reporting.

The following sections provide expanded commentary on the technical, administrative and workforce challenges and considerations that each CWS will face while complying with this legislation.

While the below subsection seeks to catalog the types of challenges that an individual CWS may face, it does not necessarily assess the degree to which any one of them may be an obstacle for a given CWS, or the consistency with which CWSs across Illinois will face these challenges. Thus, our goal in this subsection is to offer the Governor and General Assembly an accounting of possible challenges that CWSs may face. We do so in the hopes that their magnitude may be assessed and solutions developed.

While each of these challenges is real and may potentially pose some difficulty for individual CWSs, the relative magnitude of the challenge in practice is not currently known to this Advisory Board. It may

be that some of these challenges are easily overcome, while others may prove more intractable. More information will become available as the statewide replacement requirement takes effect in 2027. This Advisory Board offers itself as a resource for addressing these challenges into the future.

TECHNICAL CONSIDERATIONS

The legislation requires the replacement of any LSL, which is defined as any service line that is composed of lead in any percentage, or is a galvanized line that is currently or was previously downstream of a service line that contained lead. Before addressing any specific technical challenges, it is important to identify that the ownership of these lines can vary from one system to another. While each CWS owns the distribution system, the individual services can be owned entirely by the CWS, the customer, or the ownership could be split between the two parties. In some cases, intermediate distribution systems could even be owned by a third party. Regardless, the legislation states that it is the responsibility of the CWS to remove all LSLs from the system, regardless of ownership. Under all ownership scenarios, it is ultimately the responsibility of the CWS to eliminate any such service line portion that meets these conditions.

The definition of a CWS is not as simple as one might expect, however. In many municipalities, there exist privately owned sections, such as a townhome community, where everything is owned and, in theory, maintained by the townhome community including water mains, sewer mains, fire hydrants, and water services lines. By current definition, each of these private communities is its own CWS. These communities are often in low-income neighborhoods and the residents are not aware of the fact they are considered a separate CWS and are thus responsible for their own LSL inventory, LSLR, and overall compliance. If responsibility for LSLR compliance is absorbed by the municipality, there is no budget for the enormous cost of repairing the aging water mains that may break during LSLR performed in these communities. A legislative or funding solution is needed to address these situations. In Chicago alone there are thousands of LSLs within these communities.

While each CWS will not be mandated to commence LSLRs until 2027, the current guidelines stipulate that any disturbed LSL must be replaced in its entirety as of January 2022. As such, many of the obstacles that will be experienced by each CWS during their replacement programs are already occurring in communities across the state. The following is a summary of the technical issues that are occurring now, along with commentary on what else is to be expected as this program moves forward.

Inventory

A complete, accurate inventory must be developed to comply with the legislation. Completing the inventory presents a number of challenges. Most CWSs will rely on a combination of records (i.e., construction/historical/maintenance) to develop the inventory. In some cases, these records are handwritten, dating back more than 100 years, and are lacking both uniformity and consistency. Additionally, it can be challenging to integrate these antiquated records into modern mapping systems. This, coupled with a CWS's ability to only (with efficiency) visually inspect small segments of the service line either through potholes dug at specific locations or material exposed at the meter location, results in inventory records in most cases being only a CWS's best educated estimate.

Improving upon that data will require participation of property owners and/or occupants at any particular residence. There are directives in the legislation on how to deal with non-compliant owners, however, the inability to confirm services in question will undoubtedly lead to an inaccurate inventory. Unfortunately, some residents may skirt city ordinances and permitting rules such that construction records do not account for current plumbing configurations. Further, checking things like external vaults in the parkway for material identification may not work if the meter setter and copper replacement pipe reach to the edges of the vault, which is common.

Customer Initiated Replacements

A CWS may face budgeting challenges when accommodating customer-initiated LSLRs. If a customer notifies the CWS that they are replacing the portion on private property, the CWS is mandated to complete the remainder of the replacement within a specified amount of time. The unknown volume of these replacements can be restrictive from a budgeting standpoint when considering that the CWS has thoroughly planned specific efforts and improvements that will comply with the annual replacement goals. This Board sought to better understand the magnitude and costs of such complication. Among members of this Board with extensive LSLR programs, we have anecdotally observed in member communities 10%-15% of customers electing to voluntarily replace the private portion of the service line. Although this translates to a relatively small number on a percentage basis, in one member community, this resulted in a \$500,000 unanticipated expense to the CWS in which 50 customers elected for private replacements in one year. Chicago has a program that waives up to \$5,000 of the permit fee for LSLR replacement if the homeowner performs the entire LSLR themselves and believes that may be a better model than having two different licensed and bonded contractors perform the work at two different times without agreeing on service line alignment. Chicago has already had almost 200 residents perform LSLR this way.

Coordination of Work

On any individual project, there will be significant coordination efforts required between excavators, plumbers and restoration contractors. When service line replacements are incorporated into larger projects, there will always be exposure to missing deadlines due to the detailed coordination that must occur to work concurrently on public and private infrastructure.

Damages

The potential for damage to private property is a major concern for any CWS actively engaged in replacements. To successfully replace a LSL, a CWS (or their contractor) will be required to work on private property; this often results in impacts to exterior landscape and hardscape, foundations and internal concrete slabs, plumbing, flooring, walls and numerous other privately-owned elements. While most of this can be handled administratively through contracts between the CWS and the property owner, or the CWS and the contractor, there will inevitably be issues that result in disputes between the property owner and the CWS. To date, there have already been documented issues of disputes, such as foundation damage, drainage issues, water in basements/crawlspaces, clogged internal pipes/fixtures and numerous other reported issues. Noting that these all precede the commencement of the mandated replacement programs, working on private property and the potential resolution of damage claims will be a significant issue moving forward.

Separation Requirements

Currently, water or sewer service separation requirements are waived when addressing the replacement of LSLs if the new service line is in a similar location to the existing conditions, Type K copper is used, and field conditions prevent proper separation requirements from being met. However, it is unclear how the waiver of separation requirements applies when the service is moved to accommodate a new meter location within the building. It is worth noting that in many communities, upwards of 75%-80% of water service lines and sewer laterals shared the same trench when originally installed.

Understanding that field conditions, installation methods, and internal plumbing constraints create a variety of challenges in completing LSLR, it is important that CWSs have as many tools in their replacement “toolbox” as possible. Limiting the material to only Type K copper for the separation requirement waiver can expose CWSs completing service line replacements to the pressures of supply chain shortages, material availability, and costs. The Advisory Board recommends that the Plumbing Code Council evaluate the addition of other approved service line materials under the Illinois Plumbing Code.

Electrical Grounding, Meters and Service Locations

In most cases, LSLs exist in older areas throughout the state, dating as far back as the late 1800’s, through the late 1900’s until lead was either banned locally or federally as an approved plumbing material for water services. As a result, not only have the plumbing codes changed significantly since many of the initial installations, but so have the electrical codes. Further complicating matters, many of these residences not only have outdated electrical and/or plumbing systems by today’s codes, but many have also been updated with and without permits and inspections. This results in a potentially unsafe situation for workers, as it relates to grounding issues, while also resulting in extra cost for electrical improvements that are outside the scope of water service replacements. Thus, CWSs may face additional liability concerns for pre-existing conditions while attempting to replace lead service lines.

Damage by Others

The CWS is required by legislation to replace all LSLs within a specified amount of time based on the total number within the system. Complications may arise when other excavators and construction activities (e.g., electric, gas, and fiber utilities) pursue work that may disrupt the LSL, resulting in an unexpected replacement of LSLs. Unexpected replacements can complicate the CWS’s budgeting and logistics management.

Not every CWS is operated by the same authority that is responsible for other underground infrastructure within a particular region. Therefore, there may be planned improvements by a specific authority that impact a CWS, requiring a significant number of replacements that may not have been prioritized or scheduled. Any unexpected replacements can complicate the budgeting and replacement scheduling process.

This is further exacerbated when considering the number of other franchisees or privately-owned utilities that have the potential to impact LSLs during the installation and/or maintenance of those other

utilities. The legislation neither prohibits nor explicitly authorizes CWSs to require any such party to fund full replacement of an impacted line, and CWSs would benefit from further direction from the General Assembly.

Variations in Ability to Address Challenges

Compared to the service replacements that will be underway in 2027, the obstacles presented above are based on a relatively small sample size. The majority of any proactive replacements to date are the result of attempting compliance with the legislation while also continuing ongoing maintenance activities and capital improvements. In 2027, when each CWS begins full scale replacement, additional technical challenges may be identified that will also need to be addressed. It is additionally worth noting, that not every CWS has the same ability to address the technical considerations identified herein, as they all do not have the same authority, budget or ability to adapt to conditions outside their control quickly enough to achieve compliance with the legislation. Such variations may complicate some CWSs' ability to comply with inventory, planning, and replacement timelines set in the legislation. Such ability to comply with external changes should be considered by Illinois EPA as it contemplates extensions that it may grant under sections (f), (t), and (w) of the LSLR Act.

ADMINISTRATIVE CONSIDERATIONS

As experienced by communities proactively addressing LSLRs, in most cases, the administrative hurdles can be more complex than the challenges faced during field construction activities. Some of these challenges include:

Construction Access Agreements

In order to coordinate full LSLRs (from water main to water meter), a CWS (and/or their contractors) must be authorized to complete work on private property. This authorization comes in the form of a construction access agreement that, in many communities, requires a (notarized) signature by the property owner. Coordinating this signature can be challenging, especially in communities with areas of high rental rates or shared service lines. In these circumstances, tenants or downstream properties do not feel empowered to opt-in to replacement programs and unresponsive landlords or property owners can delay and/or deny LSLR. When this occurs, efforts necessary to prevent the tenant from being exposed to high lead levels of lead in their drinking water, due to a partial LSLR, require a significant expenditure of limited CWS resources.

Gaining Access/Scheduling Coordination

Once the construction easement is secured, coordination challenges with replacing the private side of the service line remain. Understanding that LSLR requires access to basements, slabs, and utility rooms, aligning the schedules of excavators, plumbers, electricians, inspectors, and residents is a significant task. In most cases, the most efficient way to replace large numbers of LSLs is to target replacement efforts in a focused geographic area. Even when doing so, the likelihood of all residents being available at similar times presents a challenge. Restricted access and scheduling challenges drives up LSLR project costs and slows down replacement schedules.

Timing is especially challenging for daycare LSLR. Daycares usually need several weeks to notify parents of daycare shut-downs for the day of construction. There can be significant time between the pre-construction meeting where service line alignment is determined and actual LSLR. Such challenges in gaining access result in inconsistent workloads for the contractor and ultimately drives the total cost of LSLR up.

Hidden Costs

In addition to the costs realized by communities during LSLR construction activities, costs involved with the integration of software systems, mapping, data tracking/analysis, communication with customers, coordination of contractors/plumbers/internal staff, mailing and printing, legal documentation, and regulatory reporting (i.e., waivers, annual reports, replacement schedules, etc.) are often overlooked. For many communities, these costs as well as the need for additional staff members and/or consultants necessary to manage service line replacement programs places additional upward pressures on water rates; requiring additional salaries, benefits, supplies, and contractual services costs. These hidden costs compete for funding necessary to proactively coordinate the replacement of lead in communities.

Disadvantaged Business Enterprise (DBE) Requirements

Under LSLRNA, a CWS is required to demonstrate a good faith effort in using contractors and vendors owned by minority persons, women, and persons with a disability for not less than 20% of the total contracts awarded. Although this is an important effort in removing barriers to the full participation of DBEs in the award of such contracts, its explicit requirement does add an administrative burden for those communities who may not have DBE procurement policies and/or certification databases already in place. Additionally, certain regions of the state may not have enough DBEs that fit the specified categories as identified in the Act, and the preparation of good faith effort documentation can be both time and resource intense. The development of standard bid language, Business Enterprise Program (BEP) utilization plan templates, and good faith effort documentation would assist those communities potentially struggling with this requirement.

Furthermore, the Advisory Board identified current challenges with DBE participation associated with SRF loans. Specifically, SRF funded projects from across the state are struggling to satisfy much lower DBE percentage goals on loan funded sewer and water projects. In some cases, DBE goals as low as 5% are unable to be reached by general contractors. These challenges can vary based on the type of work and region of the state the work is being performed. The Advisory Board recommends review of the 20% DBE requirement, and potentially revising to scale with workforce availability.

Need for Resource Clearinghouse

As identified throughout this report, the volume of coordination, reporting, and notifications mandated by LSLRNA can be overwhelming for most CWSs endeavoring to proactively address LSLs in their communities. This increased workload may result in the addition of both staff and technical resources in order to successfully meet the replacement schedules required under the Act. To this end, the

development of a central clearinghouse for notification, waiver, and reporting documents could assist in a more efficacious replacement effort statewide and prevent every CWS from reinventing their own documents and processes.

Challenges for Contractors and CWSs

In some communities and/or regions of the state it has been observed that LSLR request for proposals (RFPs) draw very few bidders. In discussions with the Underground Contractors Association of Illinois (UCA), several reasons were mentioned. First, some RFPs do not explicitly identify what work the contractor is responsible for completing. It is recommended that CWSs work to ensure their RFPs clearly delineate whether and to what extent restoration to private property is required, and whether a contractor will be reimbursed for time and materials used in restoration.

Further, some bids have included pictures of the interior of each house needing an LSLR. While this level of detail is not always possible, it gives the bidder a clear picture of what work needs to be done. It will also reduce disparities between bids, where a low bidder may not have accounted for all of the variables and therefore be unable to perform the work for the amount stated in the bid.

Next, in some instances homes have LSLs extending all the way to the second floor of the structure. RFPs should clearly notify potential bidders whether they will be responsible for replacing the entire LSL or only to a specific end (e.g., 18 inches inside the foundation wall or meter stop).

Contractors are also facing challenges from insurance companies, some of whom refuse to cover any work involving lead or others who raise their rates for work involving lead tied to the overall complexities of the work.

Currently, there is an abundance of water and sewer work attributed to infrastructure funding through both state and federal programs. Removing the unknowns from LSLR bids will encourage more contractors to bid on this type of work. Lastly, CWSs in need of more qualified bidders should look to utilize industry associations to assist in notifying contractors of bidding opportunities for LSLR work and ensure qualified contractors bid on the work.

WORKFORCE CAPACITY AND ADDITIONAL DEVELOPMENT NEEDS

Understanding the importance of DBE participation in LSLR across the state, the Advisory Board sought to better understand the current number of certified MBE, WBE, WMBE and PBE (see below) firms in the state's BEP Diversity Management System⁹. Managed by the State of Illinois Commission on Equity and Inclusion, this centralized vendor database can be utilized to identify DBE firms for CWSs to target in meeting the BEP goals outlined in the Act. A search through the database for MBE, WBE and PBE firms under NIGP 91060, NIGP 91468 and NIGP 93464 commodity codes for plumbing services yielded the following results:

- 23 certified Minority Business Enterprises (MBE)
- 20 certified Women Business Enterprises (WBE)

⁹ <https://ceibep.diversitysoftware.com/>

- 2 certified Women/Minority Business Enterprises (WMBE)
- 0 certified Persons with Disabilities Business Enterprises (PBE)
- **45 Total DBE Firms**

For communities struggling to develop their own DBE procurement and certification processes, the state’s BEP directory should be a starting place. For this to occur, additional outreach and DBE vendor recruitment/certification needs to be developed. It is worth noting that IDPH does not currently collect DBE information during contractor registration. Understanding the importance of connecting DBE contractors with CWSs performing LSLR across the state, the Advisory Board recommends that DBE vendor information be collected during the contractor registration process and additional BEP outreach be incorporated so that more contractors can be added to the state’s BEP vendor database.

Service lines are a part of the plumbing system as defined by the Illinois Plumbing License Law (IPLL) (225 ILCS 320/2). Therefore, repairs, replacements, installations, and inspections of service lines, must be done in accordance with the requirements of IPLL. Under IPLL, only the following persons may perform such work on service lines:

- Licensed plumbers and apprentice plumbers. Persons who are licensed as plumbers or apprentice plumbers by IDPH or the City of Chicago may install service lines so long as the person is registered with IDPH as a plumbing contractor; the person is employed by an IDPH registered plumbing contractor; or the person performs plumbing solely for their employer, i.e., CWS, unit of government, building maintenance staff, etc.
- Employees of a governmental unit or privately owned municipal water supplier who customarily installed, repaired or maintained water service lines from water mains in the street, alley or curb line to private property lines prior to September 26, 1983, of such Act by employees of such governmental unit or privately owned municipal water supplier who were not licensed plumbers. Any such work which was customarily performed prior to September 26, 1983, by persons who were licensed plumbers or subcontracted to persons who were licensed plumbers must continue to be performed by persons who are licensed plumbers or subcontracted to persons who are licensed plumbers. When necessary, IDPH shall make the determination whether or not persons who are licensed plumbers customarily performed such work.
- The owner occupant or lessee occupant of a single family residence, or the owner of a single family residence under construction for their occupancy. For purposes of this subsection, a person shall be considered an “occupant” if and only if they have taken possession of and is living in the premises as their bona fide sole and exclusive residence, or, in the case of an owner of a single family residence under construction for their occupancy, they expect to take possession of and live in the premises as their bona fide sole and exclusive residence, and they have a current intention to live in such premises as their bona fide sole and exclusive residence for a period of not less than six months after the completion of the plumbing work performed pursuant to the authorization of this subsection, or, in the case of an owner of a single family residence under construction for their occupancy, for a period of not less than six months after the completion of construction of the residence. Failure to possess and live in the premises

as a sole and exclusive residence for a period of six months or more shall create a rebuttable presumption of a lack of such intention.

In addition, according to Illinois plumbing statistics provided by IDPH, as of April 11, 2023, there were:

- 2,578 Registered Plumbing Contractors
- 10,950 Licensed Plumbers currently with active licenses issued by IDPH and the City of Chicago
- 3,298 Licensed Apprentice Plumbers with active licenses issued by IDPH and the City of Chicago
- 14,248 Total Licensed Plumbers and Apprentice Plumbers

Building upon IDPH data, the most recent Occupational Employment and Wage Statistics (OEWS) data from the Bureau of Labor Statistics (BLS) listed an employment estimate of 15,790 for plumbers, pipefitters, and steamfitters in Illinois. Using this number as a baseline to compare against the U.S. Environmental Protection Agency’s most current projection of LSLs by state, identified in their Drinking Water Needs Survey and Assessment released in April 2023, Illinois has the lowest employment to LSL ratio of any state in the top 10 having the most LSLs.

State	Employment	Number of Projected LSLs ¹⁰	Employment/LSL Ratio
Texas	36,920	647,640	0.057
New York	25,800	494,007	0.052
North Carolina	13,550	369,715	0.037
New Jersey	9,740	349,357	0.028
Wisconsin	8,920	341,023	0.026
Florida	23,800	1,159,300	0.021
Tennessee	7,750	381,342	0.020
Pennsylvania	12,840	688,697	0.019
Ohio	12,430	745,061	0.017
Illinois	15,790	1,043,294	0.015

This gap in the capacity of the current skilled labor market in Illinois will need to be addressed in order for CWSs to meet the replacement schedule demands set forth in the Act.

¹⁰ https://www.epa.gov/system/files/documents/2023-04/Final_DWINSAs%20Public%20Factsheet%204.4.23.pdf

This page intentionally blank.

FINANCING WORK GROUP

Africa
Jason Bauer
Anna-Lisa Castle
Brad Cole
Paul Hinterlong
Darrell A. King
Todd LaFountain
Briana Parker
Brenda Santoyo
Kyle Saunders
Iyana Simba
Justin Williams

Report of the Financing Work Group

INTRODUCTION TO FINANCING WORK GROUP REPORT

The Lead Service Line Replacement and Notification Act requires the replacement of all lead service lines (LSL) in Illinois. The purpose of this section is to assess the costs associated with, and the opportunities to finance, this work.

This section begins with a discussion of the cost of replacing Illinois' LSL, which Illinois Environmental Protection Agency (IEPA) estimates will range between \$5.8 billion and \$10 billion. The section then proceeds with a general discussion of variation in financial resources within CWS service areas.

With this grounding, the bulk of this section will address potential revenue sources to finance lead service line replacement (LSLR). Pursuant to the Lead Service Line Replacement and Notification Act¹, we assess potential financing and revenue sources based on the following criteria:

- Sufficiency of various revenue sources to adequately fund replacement of all LSLs in Illinois.
- The financial burden, if any, on households falling below 150% of the federal poverty level (FPL).
- Revenue options that guarantee low-income households are protected from rate increases.²
- Assessment of the ability of community water supplies to assess and collect revenue.
- Variations in financial resources among individual households within a service area.

In some instances, members of this Advisory Board do not have sufficient information to assess each of these criteria for a given revenue option. In those circumstances, such alternatives may simply be omitted or identified as needing further research and consideration.

¹ From 415 ILCS 5/17.12(z)1-6

² A sixth item, (z)6, is assessed in (z)3. This is because (z)6 assesses "the protection of low-income households from rate increases." We interpret this as a restatement of (z)3 and incorporate it therein.

COST OF REPLACING LEAD SERVICE LINES

Cost estimates for LSLR in Illinois depend on two variables: the number of LSLs in Illinois and the per-unit cost of replacement.

As of April 2023, community water supplies (CWS) in Illinois reported more than 667,275 LSLs across the state; when taking into account service lines of an unknown material composition, Illinois could have up to 1.49 million LSLs statewide³. A 2016 industry survey by the American Water Works Association estimates that Illinois has approximately 750,000 LSLs⁴. Recent U.S. Environmental Protection Agency (USEPA) analysis estimates that Illinois contains approximately 1.04 million LSLs.⁵ The USEPA LSL estimate is significantly higher than the State of Illinois estimates because the USEPA LSL estimate is based on the last needs survey, which extrapolates some portion of the number of service lines reported as unknowns as lead.

Per-unit costs for replacing LSLs vary considerably. According to estimates developed by USEPA in its 2019 Economic Analysis for the Proposed Lead and Copper Rule Revisions, per-unit cost for full replacement varies from \$1,852 on the low end to \$7,056 per line on the high end (in 2016 dollars). Costs vary depending on CWS size, whether the replacement is part of a planned replacement, and a host of other factors.⁶

Members of this Advisory Board provided critical additional information to inform this report:

- IEPA, using data available from replacement programs in Illinois, cites costs ranging from \$4,275 on the low end to \$13,324 on the high end outside Chicago.⁷
- Andrea Cheng, Commissioner of the Department of Water Management in Chicago, reports a per-unit replacement cost of \$20,000-\$26,000 for Phase 1 construction.⁸
- Todd LaFountain, Water Division Manager for City of Springfield's City Water, Light & Power, reports per-unit replacement costs of approximately \$7,000 during Springfield's Phase 1 replacement, and \$10,250 during their Phase 2 construction.⁹

Given the above variability in per-unit replacement cost, and the high number of service lines of unknown material, IEPA estimates cost of replacement to range between \$5.8 billion and \$10 billion for full replacement statewide.¹⁰ That total cost averages out to approximately \$232 million to \$400

³ <https://epa.illinois.gov/topics/drinking-water/public-water-users/lead-service-line-information.html>

⁴ Cornwell, Brown and Via (2016). National Survey of Lead Service Line Occurrence. *Journal of the American Water Works Association* 108:4. <http://dx.doi.org/10.5942/jawwa.2016.108.0086>.

⁵ https://www.epa.gov/system/files/documents/2023-04/Final_DWINSAs%20Public%20Factsheet%204.4.23.pdf

⁶ <https://www.regulations.gov/document/EPA-HQ-OW-2017-0300-0003>, Exhibit 5-11.

⁷ <https://epa.illinois.gov/content/dam/soi/en/web/epa/topics/drinking-water/public-water-users/documents/lead-service-line-replacement-advisory-board/presentation-2.pdf>

⁸ <https://epa.illinois.gov/content/dam/soi/en/web/epa/topics/drinking-water/public-water-users/documents/lead-service-line-replacement-advisory-board/city-of-chicago-presentation-lslrab-topic-5-7.27.pdf>

⁹ <https://epa.illinois.gov/content/dam/soi/en/web/epa/topics/drinking-water/public-water-users/documents/lead-service-line-replacement-advisory-board/city-of-springfield-lead-service-line-replacement-program-rev-5.pdf>

¹⁰ <https://epa.illinois.gov/content/dam/soi/en/web/epa/topics/drinking-water/public-water-users/documents/lead-service-line-replacement-advisory-board/presentation-2.pdf>, slide 6.

million annually over 25 years. Additionally, the cost to replace LSLs has risen significantly around the nation and we expect this cost to continue to rise in the future. External market factors (inflation, labor shortages, etc.) are the major contributors to the rising cost for replacing LSLs. Until the market starts to see relief from these challenges, we expect communities in Illinois to continue to be impacted by the rising costs.

GENERAL CONSIDERATIONS ON VARIATIONS IN FINANCIAL RESOURCES AMONG HOUSEHOLDS WITHIN A SERVICE AREA

CWSs throughout Illinois vary substantially in the diversity of incomes within their service areas. There are CWSs serving overwhelmingly low-income populations with little income variance; CWSs serving high-income populations with little variance; and CWSs servicing populations with diverse incomes. Each of these CWSs will require and enable different strategies for LSLR.

Consider three hypothetical communities, corresponding to the variables above, each with a low LSL burden. What would the effect of water rate increases to pay for LSLR be on each of these communities? The table below offers a simplified way of understanding the relationship between variation in financial resources and financing LSLR:

	Community A	Community B	Community C
Income base	High, with little variation	Diverse, with high and low income earners	Low, with little variation
LSL burden	Low	Low	Low
Ability for residents to bear water rate increases	High	Med-High	Low-Med

As seen from this table, variation in income has an important relationship to resident ability to bear LSLR cost through water rate increases. All else being equal, on average, CWSs serving substantially higher-income residents will be able to more easily bear increases in costs to finance LSLR.

It is important to note that low-income residents within each of these scenarios may still find any rate increases to pay for LSLR unaffordable, regardless of the average wealth within that CWS service area. Even if the median household income within a community is well above \$100,000, a family earning less than \$20,000 may still struggle to bear water rate increases to pay for LSLR across the CWS. So within a service area, it is important to consider how the CWS distributes any additional costs or charges to customers.

A progressive charge – in which lower-income residents pay less – will clearly be preferable for protecting low-income residents. On average, Community A and Community B above may be better able to protect low-income residents, because they can distribute the cost of replacement among their larger share of higher- and moderate-income residents. Community C, on the other hand, will primarily have to distribute those costs onto a largely low-income customer base. Income-based billing and assistance programs such as the federal Low-Income Household Water Assistance Program pilot may also be implemented to protect low-income households from cost burdens associated with LSLR and other community water infrastructure projects.

It is important to note that the picture above is complicated as we consider the LSL burden and the proportion of LSLs any given community needs to replace. Reconsider Community B, with a diverse income base, under different assumptions about LSL burdens. When Community B must replace a large proportion of their LSLs, the overall cost is greater, and thus the potential rate increase will be higher:

Community B Under Different LSL Burdens			
Income base	Diverse - high and low income earners	Diverse - high and low income earners	Diverse - high and low income earners
LSL burden	Low	Med	High
Ability for residents to bear cost increases	High	Med-High	Low-Med

Therefore, when comparing communities with similar levels of income variation, LSL burden is still an important factor in determining residents’ abilities to bear cost increases.

REVENUE SOURCES TO ADEQUATELY FUND LSLR

This Advisory Board knows of no existing dedicated sources of revenue – either alone or in combination – sufficient to finance replacement of all Illinois’ LSLs. That is, there are no sources of revenue available exclusively for LSLR that would generate the \$5.8 billion to \$10 billion needed to replace LSLs statewide.

There are, however, many opportunities to either leverage existing sources of revenue or generate new sources of revenue for this purpose at the federal, state, and local levels. We have assessed these options below. It is important to note at the outset that the below revenue sources do not suit all community water supplies equally. CWS size, the number of LSLs, and income variation are a few of the variables that affect the suitability of these mechanisms.

Federal Funding Opportunities

The Drinking Water State Revolving Fund (DWSRF) is the largest federal drinking water infrastructure investment program in the United States. In 2021, Congress injected nearly \$50 billion into the drinking water and clean water state revolving funds, with dedicated funding for programs to address LSLR for the first time, funded at \$15 billion over the five years. Administered at the state level, the state revolving fund programs are designed to offer community water systems low-interest loans and other favorable terms, including principal forgiveness where eligible, to finance water infrastructure projects. Water systems and other eligible entities may also access federal funding through programs such as the Community Development Block Grant (CDBG) program and others.

LSLR Supplemental Funding Under the Bipartisan Infrastructure Law Funding: \$1.03 billion

To this Advisory Board’s knowledge, there is only one source of dedicated federal funding available for LSLR: the 2021 Bipartisan Infrastructure Law (BIL), also known as the Infrastructure Investment and Jobs Act. This law appropriated \$15 billion for LSLR nationwide, as well as \$11.7 billion in General Supplemental funding to DWSRF, which can be used for LSLR as well as other eligible projects,

through Fiscal Year (FY) 2026. These supplemental funds are appropriated on top of the base funding that Congress appropriates to DWSRF annually. The funds are allocated and distributed by USEPA to states according to assessed needs (see further explanation of this program below). Congress required 49% of both DWSRF general supplemental funding and the LSLR funding to be provided as grants and forgivable loans to communities that meet a state’s disadvantaged community definition, consistent with the Safe Drinking Water Act (SDWA).

Each state administers state revolving fund programs through its own agencies. Illinois’ DWSRF program is called the Public Water Supply Loan Program. IEPA received \$107 million for LSLR in FY 2022,¹¹ and is anticipated to receive \$230.2 million in FY 2023,¹² for an anticipated total of approximately \$1.03 billion in supplemental LSLR funding over five years. Again, this is in addition to DWSRF base funding and BIL general supplemental DWSRF funding.

- **Sufficiency.** BIL LSLR funding is presently anticipated to account for less than 20% of the more than \$5.8 billion needed for LSLR statewide. The effectiveness of this funding is further limited by the stipulations within BIL, which require that only 49% of this funding (\$503.6 million) be provided as grants and forgivable loans to communities that meet the state’s “disadvantaged communities” definition; the remainder will be available for technical assistance or as traditional loans. Forgivable loans operate much like grants, and do not require a CWS to generate revenue for repayment. Traditional loans, on the other hand, still require CWS to raise revenue to repay principal and accrued interest.
- **Financial burden on households less than 150% of the poverty level.** BIL does not prohibit SRF loan recipients from charging their customers for costs related to LSLRs, nor does it prohibit SRF loan recipients from charging their customers to recoup costs related to LSLRs paid for with SRF LSLR BIL funding. If CWSs are receiving assistance from traditional SRF loans, they will have to generate funding for repayment. In this case, it is possible that borrowing may place an unknown burden on households below 150% of the poverty level.
- **Protection from rate increases.** Given the limited nature of this funding, careful distribution to the communities most in need will be required to protect low-income residents from rate increases. Thus, it is of vital importance that predominantly low-income communities with large LSL burdens receive priority access to this funding. This question becomes especially important in determining distribution of the limited pool of forgivable loans. Those community water supplies receiving principal forgiveness will require no revenue generation (and thus no potential rate increases). However, for CWSs receiving traditional loans that must be repaid to the state revolving fund program, there is a risk that rates will be raised to generate repayment revenue.
- **Feasibility for CWSs to assess and collect.** This source of federal funding does not require CWSs to collect or assess fees or charges from households. However, many low-income, low-capacity CWSs struggle to access funding available through the state revolving fund programs. The reasons for this are complex: staffing shortages within CWSs, lack of funding

¹¹ <https://www.epa.gov/system/files/documents/2021-12/fy-2022-bil-srfs-allotment-summary-508.pdf>

¹² https://www.epa.gov/system/files/documents/2023-04/Final_FY23%20DWSRF%20Allotment%20Memo%20and%20Attachments_April%202023.pdf

to hire consulting engineers, federal capital planning requirements that exceed CWS capacity, and complex application and reporting requirements are among them. Technical assistance may be required to overcome these barriers, and could be made available by the state, through national Environmental Finance Centers (EFC), non-governmental organizations (NGO), or other sources.

ADDITIONAL FEDERAL FUNDING OPPORTUNITIES

About the Drinking Water State Revolving Fund

The Drinking Water State Revolving Fund is one of the largest federal funding programs for drinking water infrastructure projects, such as LSLRs, improving drinking water treatment, maintaining and improving pipes and storage facilities to ensure continuous access to clean and safe drinking water. Under BIL, DWSRF will receive \$11.7 billion in supplemental funding (in addition to annual base- and dedicated LSLR-funding) over the next five years to address infrastructure needs across the country, of which 49% must be provided to state-defined disadvantaged communities (DAC).

Each state determines its own timeline to review applications, scoring criteria, definitions of “disadvantaged communities” (a key determinant of which communities receive subsidization), and the amount provided as grants or loans with some principal forgiveness. As a result, state revolving fund policies and administration can amplify or reduce barriers in accessing funds for communities lacking the technical capacity to prepare application materials, communities with a declining user base (ability to repay loans), and those communities that have need for additional subsidization but do not meet eligibility definitions. States prepare annual Intended Use Plans that outline these program features and policies, and are available for public comment before submission to USEPA. Typically, to access DSWRF capitalization funds from USEPA, states must provide a 20 percent match. However, BIL reduced that requirement to 10% through fiscal year 2023 while eliminating the requirement for LSLR dedicated funds.

Other grant or loan programs suitable for LSLR

Community Development Block Grant: The U.S. Department of Housing and Urban Development (HUD) administers the CDBG program, which allocates billions of dollars every year to state and local governments in support of neighborhood revitalization, housing rehabilitation, and community and development efforts including the construction and improvements to water and sewer facilities. While recipients have broad discretion and flexibility in the activities for which they seek funding, they must:

- principally benefit low- or moderate-income persons;
- aid in preventing or eliminating slums or blight; or,
- address an imminent threat to the health and safety of residents.

Communities may experience difficulty accessing resources because states are not allowed to spend more than 3% of its allocation on administrative and technical assistance expenses. However, no less than 70% of CDBG funds must be used for activities that benefit low- and moderate-income persons. To access funds, states and local jurisdictions prepare annual Consolidate Plans that outline community needs at local levels and proposed activities to address them.

Indian Community Development Block Grants (ICDBG): The HUD Office of Native American Programs, within the department of Housing and Urban Development, is able to award up to 95% of its allocation of funds on a competitive basis for single purpose grants. Such grants may be used to finance housing, public works, community facilities, and economic development activities.¹³

Regardless of the source of the increased federal funding, the impacts directly to ratepayers in Illinois would be minimal compared to state and local revenue sources. Specifically, as related to the key considerations that statute requires this report to address, the impacts are summarized below:

- 1. Sufficiency of various revenue sources to adequately fund replacement of all LSLs in Illinois** – Current federal funding for LSLR is insufficient. Not only is more funding needed to replace the nation’s LSLs, but the distribution formula and allotment to states must effectively direct LSLR funding where it is most needed. Most states have insufficient inventories of service line materials, so Congress should ensure that EPA’s annual distribution of DWSRF and supplemental LSLR funds is able to keep up with the most recent and complete datasets.¹⁴
- 2. The financial burden, if any, on households falling below 150% of the federal poverty level** – Federal funding and financing options would have a negligible impact on low-income households. While federal programs are less likely to impact low- and middle-income households compared to other possible revenue sources, insufficient federal funding at the national and state levels suggests that a mix of state and local options will also need to be considered, which may in turn impact low-income households.
- 3. Revenue options that guarantee low-income households are protected from rate increases** – Federal funding sources provided as grants, forgiveable loans, or other subsidy would not directly require local water rate increases. The repayment of federal loans, even with favorable terms and below-market interest rates, may influence local water rates. In this case, additional protections may need to be put in place to protect low-income households.
- 4. Assessment of the ability of community water supplies to assess and collect revenue** – Community water systems may require technical assistance or expend internal capacity and resources to secure federal funds. However, federal funding and financing options would not directly cause community water supplies to assess or collect revenue

STATE FUNDING OPPORTUNITIES

Currently, there is no specific state-collected revenue that is provided to community water supplies for the replacement of LSLs. The state shares some common revenue and funding options with the federal government including reallocation of existing revenue, distribution of existing and future infrastructure funds, additional taxes on specific products and environmental taxes or fines. The State of Illinois can also acquire revenue through other means, such as general obligation bonds, property tax increases, statewide sales tax increases and fuel tax increases. Similar to the discussion of federal funding

¹³ <https://crsreports.congress.gov/product/pdf/R/R43520>, page 12

¹⁴ The federal Lead and Copper Rule Revisions (LCRR) requires water systems to submit an initial inventory of service line materials by October 16, 2024. In August 2022, EPA released the [Guidance for Developing and Maintaining a Service Line Inventory](#) to support water systems with their efforts to develop inventories and to provide states with information for oversight and reporting to EPA.

allocation above, the distribution formula should be developed in a manner such that each community water supply receives a proportional amount of revenue either based on the revenue collected from that community or based on its share of LSLs. Further complications are introduced when determining how to account for communities without LSLs, those that have already funded their replacements, and communities without community water suppliers.

Each of the funding alternatives listed below do not have the same impacts; therefore the assessment required by the enabling legislation is divided into sub-categories.

Allocate Existing Funds For Lead Service Line Replacement

The State of Illinois has access to existing funds that may be allocated to LSLR. These funds may include:

- **Coronavirus State Fiscal Recovery Funds made available through the federal American Rescue Plan Act.** The American Rescue Plan Act (ARPA), passed into law by Congress in 2021, allocated \$8.1 billion to the State of Illinois in flexible funding via the State and Local Fiscal Recovery Funds.¹⁵ These funds are explicitly available for “making necessary investments to improve access to clean drinking water.”¹⁶ Further U.S. Department of the Treasury guidance explicitly notes that funding may be used for LSLR.¹⁷ This Advisory Board does not know what remaining funds are available, and thus the sufficiency of this funding source is not presently known. Because these funds are statutorily required to be spent by the end of 2026, it is vital that they are appropriated and put to work quickly; any unspent funds must be returned to the U.S. Department of the Treasury. A targeted allocation of funding that could be deployed quickly – perhaps to a high-priority, high-vulnerability group – may be an appropriate use of ARPA funding for LSLR.
- **Funds available for reappropriation through the Rebuild IL Capital Program.** Any unspent funds from the Rebuild Illinois Capital program could be used to support LSLR. Unspent Rebuild Illinois funds may arise from projects that cannot be built for any number of reasons – construction problems, contracting issues, lack of feasibility, etc. This Advisory Board does not know whether any funds from Rebuild Illinois are unspent and available for reappropriation, and thus the sufficiency of this funding source is not presently known.
- **Lead Poisoning Screening, Prevention, and Abatement Fund.**¹⁸ This fund specifically allows for “abatement” of lead in childcare facilities. There is no explicit statutory language – either enabling or prohibitory – around LSLR. Thus, we assume this fund could support LSLR in childcare facilities. The Governor’s proposed FY 2024 budget reports a cash balance of \$8.2 million in this fund.¹⁹

¹⁵ <https://home.treasury.gov/system/files/136/fiscalrecoveryfunds-statefunding1-508A.pdf>

¹⁶ <https://home.treasury.gov/policy-issues/coronavirus/assistance-for-state-local-and-tribal-governments/state-and-local-fiscal-recovery-funds>

¹⁷ <https://www.govinfo.gov/content/pkg/FR-2022-01-27/pdf/2022-00292.pdf>, p. 4372

¹⁸ As referenced in (410 ILCS 45/7.2) (from Ch. 111 1/2, par. 1307.2)

¹⁹ <https://budget.illinois.gov/content/dam/soi/en/web/budget/documents/budget-book/fy2024-budget-book/Fiscal-Year-2024-Operating-Budget.pdf>, p. 140

- **General Revenue Funds.** The State of Illinois can use General Revenue Funds to support LSLR. General Revenue Funds could prove sufficient to address LSLR: directing \$200 million per year to LSLR would provide significant headway in addressing this problem.
- **Public Water Supply Loan Fund (state revolving fund).** As discussed above, the Drinking Water State Revolving Fund program, administered by the Illinois EPA, provides low interest and forgivable loans to community water supplies. LSLR is an eligible activity for use of these funds. Revenue for the State Revolving Fund programs is provided in part through a capitalization grant from the federal government, and in part through matching funds provided by the State of Illinois. In FY 2023, IEPA made available approximately \$340 million in low-interest and forgivable loans through this program. It is noteworthy that the Drinking Water State Revolving Fund program finances not just LSLR, but the diversity of drinking water infrastructure needs facing Illinois communities, including water main replacements and water treatment plant upgrades. Thus, it may not be a viable strategy to significantly reallocate state revolving fund dollars to LSLR.

While we discuss the potential sufficiency of each of the above funds, we make some general observations below about their other features:

1. **The financial burden, if any, on households falling below 150% of the federal poverty level.** Reallocation of existing funding would be minimally impactful to these households, as it relates to a redistribution of existing funds that have already been collected and/or are revenues tied to purchases of products.
2. **Revenue options that guarantee low-income households are protected from rate increases.** No rate increases would be required if grant funding is allocated via these measures. However, it is noteworthy that providing low-interest loans from the State Revolving Fund program will require repayment of the loan back into the fund. Depending on how a CWS raises revenue for repayment purposes, low-income residents may be burdened by rate increases.
3. **Assessment of the ability of community water supplies to assess and collect revenue.** Community water supplies would not need to collect revenue if state funding is provided as grants or forgivable loans through these mechanisms.
4. **Variations in financial resources among individual households within a service area.** This would not be a factor if state funding is increased sufficiently to cover the replacement of all LSLs within Illinois.

Increase Existing Revenue Mechanisms

The State of Illinois could generate additional revenue for LSLR by increasing existing taxes or fees already collected by the State of Illinois. This Advisory Board has not performed an analysis of existing revenue sources for potential expansion, thus we do not name any in particular. We do, however, wish to point out some general observations about this strategy:

1. **Sufficiency of revenue sources.** Illinois would need to generate approximately \$232 million to \$400 million annually over 25 years in dedicated revenue to fully fund replacement of LSLs. The ability to increase existing revenue streams to generate sufficient revenue would need to account for an increase of this scale.

2. **The financial burden, if any, on households falling below 150% of the federal poverty level.** Any existing revenue source under consideration will have its own particular burden for households below 150% of the federal poverty level.
3. **Revenue options that guarantee low-income households are protected from rate increases.** Increases in existing state taxes or fees would create no additional water rate burden for residents. It may, however, create other forms of financial burden depending on the particular tax or fee.
4. **Assessment of the ability of community water supplies to assess and collect revenue.** Community water supplies would not need to collect revenue if increasing existing state revenue sources.
5. **Variations in financial resources among individual households within a service area.** The effect on households at various financial strata will depend on the particular fee increased.

New Statewide Revenue Sources

Lastly, the state could develop and collect new revenue sources to fund LSLR. Several specific mechanisms have been discussed by this Advisory Board. It is important to note that there is some disagreement among Advisory Board members about the suitability of the below mechanisms. Inclusion in this report should not be taken as a recommendation by this Board:

Per 1,000 gallon charge on water bills. The State of Illinois could direct CWSs to assess a per 1,000 gallon charge on water bills, to be collected by CWSs, submitted to the state, and then re-distributed to communities for LSLR. The fee would be collected by the CWS and then submitted to the Department of Revenue (IDOR), IEPA or another state agency. Assuming 2 billion gallons of billed water usage per day and an average charge of 27.4 cents per 1,000 gallons, \$200 million could be generated annually. For a family of four, the average increase in water bill would be approximately \$3.28 per month.

- **Sufficiency.** This charge could generate \$200 million or more per year – near the estimated cost of full replacement statewide – with an average charge of 82 cents per person per month.
- **Financial burden on households below 150% of the federal poverty level.** At an average additional cost of 82 cents per person per month, this fee would represent only a small additional burden on many households. However, for the lowest income Illinoisans (some of whom have negative income), this charge may prove unaffordable – this Advisory Board has done no studies or assessments to know with any certainty. Additionally, water loss through leaks or breaks may dramatically increase billed water consumption. Such increases in consumption may lead to significantly higher charges, which may become unaffordable to households below 150% of the federal poverty limit. Progressive rate structures – for instance setting a per 1,000 gallon charge based on income, or an inclining block rate – would limit the effects of this burden. Similarly, water assistance programs administered locally could minimize any burden on low income residents. Use or installation of water meters would be required to bill for this volumetric charge at the household, rather than water system, level; this may involve additional costs, especially in the case of unmetered accounts or technology failures.
- **Low-income resident protection from rate increases.** This fee is not a rate increase. It may, however, be experienced as such by billed water users, because it is a water bill surcharge.

With that caveat in mind, the relationship to a water bill increase would be complex. On the one hand, in communities with high numbers of LSLs, this charge would reduce the burden on low-income residents. This is because low-income residents in lead-heavy CWS areas would be sharing the burden with billed water users statewide. On the other hand, low-income ratepayers in service areas without LSLs would be paying an additional charge. A progressive rate structure or exemption for low-income households would minimize the burden on low-income water users.

- **Feasibility for CWSs to collect.** As an additional charge on water bills, this charge would be feasible to collect but complicated to remit by the CWS to the state. It could appear as a separate charge on a water bill, and then remitted to IDOR.

Several challenges may occur. First, in communities that bill on a less than monthly basis, it may prove difficult to pay the charge on a monthly basis. Flexibility in frequency of collection of the charge could address this problem. Second, some CWSs – notably City of Chicago – have a high proportion of unmetered connections. An alternative charge structure associated with building type (see below) may offer a more feasible charge structure. Finally, many CWSs do not have data sufficient to levy a charge that varies by income and means-tested opt-in options may present an administrative burden to low-income households. Potential solutions may include developing a progressive rate based on geographic characteristics (for instance, census tract median household income) or building CWS capacity to levy progressive charges at the household level.

- **Variations in financial resources.** As discussed above, a progressive fee structure could respond to the financial abilities of water users at different financial strata.

Per connection charge on water bills. In reporting year 2020, IEPA estimated 3,736,666 service line connections in the state (i.e. a pipe from a residence, business or other occupied structure to the CWS main). A fee could be collected for each of these water main connections, either as a monthly charge or as an annual payment. The fee would be collected by the CWS and then submitted to IDOR, IEPA or another state agency. At an average annual fee of \$53 per connection (\$4.46 per month), the State of Illinois could generate \$200 million.

- **Sufficiency.** This charge could generate \$200 million or more per year with an average annual charge of \$53 per year, or \$4.46 connection per month.
- **Financial burden on households below 150% of the federal poverty level.** At an average additional cost of \$4.46 per month, this fee would represent only a small additional burden on many households. However, for the lowest income Illinoisans (some of whom have negative income), this charge may prove unaffordable. Progressive rate structures – setting the connection charge based on income – would limit the effects of this burden.
- **Low-income resident protection from rate increases.** This fee is not a rate increase. It may, however, be experienced as such by billed water users, because it would be a water bill surcharge.

With that caveat in mind, the relationship to water bill increase would be complex. On the one hand, in communities with high numbers of LSLs, this charge would reduce the burden on low-income residents. This is because low-income residents in lead-heavy CWS areas would be

sharing the burden with billed water users statewide. On the other hand, low income ratepayers in service areas without LSLs would be paying an additional charge. A progressive rate structure would minimize the burden on low-income water users.

- **Feasibility for CWSs to collect.** As an additional charge on water bills, this charge would be feasible to collect but complicated to remit by the CWS to the state. It could appear as a separate charge on a water bill, and then remitted to IDOR.

Several challenges may arise. In communities that do not bill on monthly basis, it may prove difficult to pay the charge on a monthly basis. Flexibility in frequency of collection of the charge could address this problem. Many CWSs do not have data sufficient to levy a charge that varies by income. Potential solutions may include developing a progressive rate based on geographic characteristics (for instance, census tract median household income) or based on building type (residential, industrial, commercial, etc.).

- Variations in financial resources. As discussed above, a progressive fee structure could respond to the financial resources of water users at different financial strata.

Statewide bottled water tax. The State of Illinois could levy a fee on sale of bottled water. The fee could be collected by retail merchants at point of sale, and then submitted to IDOR alongside other state sales taxes. Taxes of this nature have seen significant consumer objection in the past, albeit they were proposed for other purposes.

- **Sufficiency.** Although data on bottled water sales is sparse, we can extrapolate from City of Chicago consumption rates. At a fee of 5 cents per bottle, this revenue source could generate \$35.8 million annually.²⁰
- **Financial burden on households below 150% of the federal poverty level.** This tax could have a disproportionate impact on the poor and those without access to clean, potable water, including people living in extreme poverty who rely on bottled water for bathing and daily needs. Supplemental Nutrition Assistance Program (SNAP) recipients could be exempted from the tax, and processes could be developed to exempt certain municipalities with water supply safety issues.
- **Protection from rate increases.** This fee does not involve water bills or rate increases.
- **Feasibility for CWSs to collect.** CWSs would not collect this fee.
- **Variation in financial resources.** Effects are currently unknown. As discussed above, very low-income residents, especially those without reliable access to drinking water, may experience this charge as a burden. For moderate- and high-income residents, this charge may have minimal impacts.

²⁰ To arrive at this estimate, we rely on data from Peter Gleick (<https://scienceblogs.com/significantfigures/index.php/2013/05/09/bottled-water-tax>), who estimates that Chicago generated \$38 million during the first five years of the bottled water tax. We divide by 5 years and 2.716 million residents to arrive at \$2.80/resident per year.

LOCAL FUNDING OPPORTUNITIES

The lack of adequate federal and/or state funding for LSLR will result in community water supplies and municipal leaders identifying revenue sources to fund their own programs. Depending on the ownership of the water supply, rate increases or additional fees on the water bill may be the only mechanism available for generating this revenue. If the owner also happens to be a taxing body, a tax could be levied (property or sales) or funds could be reallocated from other activities. Again, not all of these options are available to every community water supplier. The last option would be to share the replacement cost with each household when its respective line is replaced.

Increased rates, developing new fees or splitting the cost with the users would have the most significant impact on those falling below 150% of the federal poverty level. The revenue source could have disproportionate, negative impact on households already struggling to pay water rates. If the cost of the replacement is split with the property owner, in addition to rate increases or revenue generation strategies in which the CWS only plans to partially fund the replacement of the service line, there will be instances where funding is insufficient and acts as a disincentive for LSLR, likely leading to an increase in waivers rather than replaced lines.

Rate Increases. The majority of Illinois water supplies are municipally owned and operated. Municipally owned CWSs may raise water rates or assess fees through local ordinances approved by the appropriate local elected officials. However, CWSs regulated under the Illinois Commerce Commission (ICC) are required to submit rate studies for review and approval by the ICC before water rates can be increased to support the investments made within the system. While these CWSs are subject to scrutiny through the ICC process, CWSs regulated under ICC have a fiduciary responsibility to investors to obtain a return on investments in addition to the other drivers for action discussed within this report.

- **Sufficiency.** Reliable revenue source. Each supplier would need to determine what the necessary fees or rate increases would be in order to meet the replacement schedule identified in the legislation.
- **Financial burden on households less than 150% of the federal poverty level and protection from rate increases.** Unlike other revenue options and absent special carveouts, this revenue source provides no guarantee that low-income households are protected from rate increases or exposure to other fees/costs. This will depend on CWS implementation. A flat rate increase could have a disproportionate impact on low-income residents who are already struggling to pay their water bills. This effect will be especially pronounced in CWS service areas with high percentages of low-income residents. Water assistance programs could offset the impact of rate increases on low-income households, as could an exemption for SNAP and Low Income Home Energy Assistance Program (LIHEAP) recipients.
- **Variations in financial resources among individual households within a service area.** Each individual water supplier would be responsible for determining how the cost of revenue generation will be shared among water users.

Water Bill Fee. Each CWS could collect a surcharge on water or sewer bills and dedicate it to LSLR. This fee differs from the statewide charges discussed above in that it would be collected locally and then

used to finance LSLR exclusively within the affected service area. The fee could be levied on a per-connection or per-account basis.

- **Sufficiency.** Reliable revenue source. May not generate enough income in communities with declining population or a high level of low income residents that may be exempt from the charge.
- **Financial burden on households less than 150% of the federal poverty level.** CWSs would have flexibility to determine charge amount. However, for the lowest income Illinoisans (some of whom have negative income), this charge may prove unaffordable. Progressive fee structures – setting the connection charge based on income – would limit the effects of this burden. Developing new fees or splitting the cost with the users would have the most significant impact on those falling below 150% of the federal poverty level.
- **Protection from rate increases.** This fee is not a rate increase. It may, however, be experienced as such by billed water users, because it is a water bill surcharge. Although this charge would lower the burden on low income residents seeking LSLR, however at the same time, residents without LSLs would also be paying an additional charge. Unlike other revenue options and absent prohibiting language, this revenue source provides no guarantee that low-income households are protected from exposure to additional fees or costs.
- **Variations in financial resources among individual households within a service area.** A progressive fee structure could respond to the financial abilities of water users at different financial strata.

Taxes and Fees: Property Taxes and Sales Taxes.

- **Sufficiency.** Reliable revenue source, sufficiency would depend on LSL burden and amount of revenue generated and allocated for purposes of LSLR.
- **Financial burden on households less than 150% of the federal poverty level.** Regressive taxes will disproportionately burden low-income households.
- **Protection from rate increases.** No direct impact on water rates.
- **Variations in financial resources among individual households within a service area.** Households with varying financial capacity and resources may be impacted differently as with any tax.

Operational Efficiencies In addition to raising revenue, units of local government and community water supplies can help to drive down cost of replacement through several mechanisms that promote cost efficiencies and savings.

- Block level replacement.
- Coordination with other capital projects. Lansing, MI, Washington, DC and Philadelphia, PA have all replaced LSLs alongside other water infrastructure upgrades, including water main replacement.

The State of Illinois can play an important role in disseminating best practices and building CWS capacity to implement these cost savings.

Local Support for Low-Income Residents

Water has become increasingly expensive through the last few decades. Low-income customers are especially susceptible to rising rates and other potential fees. In securing funding for water infrastructure upgrades, assistance should be available to low-income households.

- Water bill credits and rebates. Provide water payment or rebate to offset cost of water bill for low income residents.
- Extend the billing time period. Customers and property owners can be offered long-term, interest-free payment plans to pay off any LSLR costs. By extending the timeframe of repayment proportional to household income, the monthly, quarterly, or annual cost can be made manageable. Cincinnati, Ohio's water utility has employed this model.
- LSLR assistance programs. Cover costs of LSLR for residential customers whose income is 80% or less than the area's median income or for property owners with tenants enrolled in federal housing programs. Cover a portion of LSLR costs (contractor fees, permitting, etc.). Many cities have mandated full replacement for lead lines that service licensed and certified childcare facilities. Assistance should be considered for them as well.

Regardless of the mechanism selected to generate the revenue, the appropriate unit of government will need to determine how to appropriately distribute the funding. Additionally, if the funds generated by any new revenue sources are insufficient to cover the replacement costs state-wide annually, will there be extensions granted to each community water supplier? If a revenue source is identified that requires a varying rate based on median household income, who is responsible for determining eligibility, what data is sufficient to do so and how frequently is that data updated?

This page intentionally blank.

CONCLUSION

There are two main factors (technical and financial) that drive the work behind lead service line replacement. As discussed throughout this report, when considering technical matters this Advisory Board recommends that special attention be given to evaluating replacement options, replacement methods and administrative challenges. Key challenges highlighted in this report include the ability to: establish an accurate inventory of lead service lines; collaborate with homeowners, property owners and other community water supplies; and, ensure a sufficient workforce. More importantly, these and other technical concerns and challenges may impact a community water supply's ability to timely and adequately comply with the Act's requirement to replace all lead service lines.

Financing lead service line replacement in Illinois is just as nuanced. With cost and resource opportunities varying by service area, a one-size-fits-all approach will not work. Lead service line replacement budgets will need to account for inventory and local per-unit cost. Whereas financing opportunities may need to be assessed based on income variations and protection for low-income households.

It is important to note that Illinois is not currently positioned to finance the replacement of all its lead service lines, which is estimated to cost between \$5.8 and \$10 billion. Absent securing additional federal and state funding, community water supplies will be solely responsible for financing lead service line replacement, and this will likely create operational deficiencies and prolong much needed lead service line replacement.

The following is a list of Advisory Board recommendations that we believe will aid in facilitating effective lead service line replacement efforts:

1. Further research and discussion is needed on any new state revenue sources. The statewide fees discussed in the *Financing Working Group* section may or may not be affordable to low income residents, and may or may not be acceptable to a broad range of stakeholders. This Advisory Board recommends ongoing discussions with all affected stakeholders to determine a path forward for generating dedicated lead service line replacement revenue that does not unduly burden low-income residents.
2. Additional research is needed on solutions to technical problems identified in the *Technical Working Group* section. While multiple challenges to lead service line replacement have been identified in that section, these challenges still require solutions. There are communities across the state and country that may be meeting many of these challenges, which could be looked to as models or best practice areas.
3. Establish multi-state partnership and cooperative relationship among Illinois, Michigan and New Jersey officials. Within three years of each other, each of these states adopted statewide lead service line replacement requirements, becoming the only three states nationwide to do so. Officials from these states can learn much from each other about financing, implementing and navigating lead service line replacement. Coordination could include staff from relevant state agencies and gubernatorial administrative staff.

4. The Advisory Board should provide ongoing assessments, reports and support to IEPA and other implementing agencies. Specifically, the Advisory Board should issue assessments or reports following submission of final lead service line inventories (due April 2024) and replacement plans (due April 2027). If available data allows, the Advisory Board should issue its statutorily required report on the status of lead service line replacement sooner than within ten years (2032) as required by the Act.

ADVISORY BOARD MEMBERS

Sanjay Sofat, Chair	Chief, Bureau of Water	Illinois Environmental Protection Agency
Africa	Associate Director	Illinois Department of Revenue
Jason Bauer	Assistant City Engineer	City of Aurora
Nora Bertram	Senior Engineer	City of Elgin
Anna-Lisa Castle	Policy Director, Clean Water & Equity	Alliance for the Great Lakes
Andrea Cheng	Commissioner	City of Chicago
Dave Clark	Acting Public Works Director	City of Champaign
Brad Cole	Executive Director	Illinois Municipal League
Brian Cox	Plumbing and Water Quality Program Manager	Illinois Department of Public Health
Joseph Healy	Business Manager	LiUNA Local 1092
Paul Hinterlong	Councilman	City of Naperville
Darrell King	Water Production Bureau Chief	City of Evanston
Todd LaFountain	Water Division Manager	City of Springfield, CWLP
Brent O'Neill	Director of Engineering	Illinois American Water
Briana Parker	Associate Director	Elevate Energy
Rick Powers	Director of Public Works	City of Peoria
Mike Pubentz	Interim Water Director	City of Elgin
Brian Rader	Public Works Superintendent	Village of Caseyville
Jones Richmond	Business Representative	Plumbers Local 130
Brenda Santoyo	Senior Policy Analyst	Little Village Environmental Justice Organization
Kyle Saunders	Public Works Director	City of Rockford
Iyana Simba	City Programs Director	Illinois Environmental Council
Tom Somers	Director of Public Works	City of Herrin
Allison Swisher	Director of Public Utilities	City of Joliet
Ann Taylor	Mayor	City of Waukegan
Justin Williams	Policy Manager	Metropolitan Planning Council

ILLINOIS EPA STAFF

Sanjay Sofat, Chief, Illinois EPA Bureau of Water (LSLR Advisory Board Chair)

Gary Bingenheimer, Manager, Illinois EPA Bureau of Water, Infrastructure Financial Assistance Section

Brad Frost, Manager, Illinois EPA Office of Community Relations

Jeff Guy, Hearing Officer, Illinois EPA Office of Community Relations

PUBLIC ACT 102-0613

Public Act 102-0613

HB3739 Enrolled

LRB102 14540 CPF 19893 b

AN ACT concerning safety.

**Be it enacted by the People of the State of Illinois,
represented in the General Assembly:**

Section 1. This Act may be referred to as the Lead Service Line Replacement and Notification Act.

Section 5. The Department of Commerce and Economic Opportunity Law of the Civil Administrative Code of Illinois is amended by adding Section 605-870 as follows:

(20 ILCS 605/605-870 new)

Sec. 605-870. Low-income water assistance policy and program.

(a) The Department shall by rule establish a comprehensive low-income water assistance policy and program that incorporates financial assistance and includes, but is not limited to, water efficiency or water quality projects, such as lead service line replacement, or other measures to ensure that residents have access to affordable and clean water. The policy and program shall not jeopardize the ability of public utilities, community water supplies, or other entities to receive just compensation for providing services. The resources applied in achieving the policy and program shall be coordinated and efficiently used through the integration of

public programs and through the targeting of assistance. The rule or rules shall be adopted within 180 days after receiving an appropriation for the program.

(b) Any person who is a resident of the State and whose household income is not greater than an amount determined annually by the Department may apply for assistance under this Section in accordance with rules adopted by the Department. In setting the annual eligibility level, the Department shall consider the amount of available funding and may not set a limit higher than 150% of the poverty guidelines updated periodically in the Federal Register by the U.S. Department of Health and Human Services under the authority of 42 U.S.C. 9902(2).

(c) Applicants who qualify for assistance under subsection (b) shall, subject to appropriation from the General Assembly and availability of funds by the Department, receive assistance as provided under this Section. The Department, upon receipt of moneys authorized under this Section for assistance, shall commit funds for each qualified applicant in an amount determined by the Department. In determining the amounts of assistance to be provided to or on behalf of a qualified applicant the Department shall ensure that the highest amounts of assistance go to households with the greatest water costs in relation to household income. The Department may consider factors such as water costs, household size, household income, and region of the State when

determining individual household benefits. In adopting rules for the administration of this Section, the Department shall ensure that a minimum of one-third of the funds for the program are available for benefits to eligible households with the lowest incomes and that elderly households, households with persons with disabilities, and households with children under 6 years of age are offered a priority application period.

(d) Application materials for the program shall be made available in multiple languages.

Section 10. The State Finance Act is amended by adding Section 5.938 as follows:

(30 ILCS 105/5.938 new)

Sec. 5.938. The Lead Service Line Replacement Fund.

Section 15. The Environmental Protection Act is amended by adding Section 17.12 as follows:

(415 ILCS 5/17.12 new)

Sec. 17.12. Lead service line replacement and notification.

(a) The purpose of this Act is to: (1) require the owners and operators of community water supplies to develop, implement, and maintain a comprehensive water service line material inventory and a comprehensive lead service line

replacement plan, provide notice to occupants of potentially affected buildings before any construction or repair work on water mains or lead service lines, and request access to potentially affected buildings before replacing lead service lines; and (2) prohibit partial lead service line replacements, except as authorized within this Section.

(b) The General Assembly finds and declares that:

(1) There is no safe level of exposure to heavy metal lead, as found by the United States Environmental Protection Agency and the Centers for Disease Control and Prevention.

(2) Lead service lines can convey this harmful substance to the drinking water supply.

(3) According to the Illinois Environmental Protection Agency's 2018 Service Line Material Inventory, the State of Illinois is estimated to have over 680,000 lead-based service lines still in operation.

(4) The true number of lead service lines is not fully known because Illinois lacks an adequate inventory of lead service lines.

(5) For the general health, safety and welfare of its residents, all lead service lines in Illinois should be disconnected from the drinking water supply, and the State's drinking water supply.

(c) In this Section:

"Advisory Board" means the Lead Service Line Replacement

Advisory Board created under subsection (x).

"Community water supply" has the meaning ascribed to it in Section 3.145 of this Act.

"Department" means the Department of Public Health.

"Emergency repair" means any unscheduled water main, water service, or water valve repair or replacement that results from failure or accident.

"Fund" means the Lead Service Line Replacement Fund created under subsection (bb).

"Lead service line" means a service line made of lead or service line connected to a lead pigtail, lead gooseneck, or other lead fitting.

"Material inventory" means a water service line material inventory developed by a community water supply under this Act.

"Noncommunity water supply" has the meaning ascribed to it in Section 3.145 of the Environmental Protection Act.

"NSF/ANSI Standard" means a water treatment standard developed by NSF International.

"Partial lead service line replacement" means replacement of only a portion of a lead service line.

"Potentially affected building" means any building that is provided water service through a service line that is either a lead service line or a suspected lead service line.

"Public water supply" has the meaning ascribed to it in Section 3.365 of this Act.

"Service line" means the piping, tubing, and necessary appurtenances acting as a conduit from the water main or source of potable water supply to the building plumbing at the first shut-off valve or 18 inches inside the building, whichever is shorter.

"Suspected lead service line" means a service line that a community water supply finds more likely than not to be made of lead after completing the requirements under paragraphs (2) through (5) of subsection (h).

"Small system" means a community water supply that regularly serves water to 3,300 or fewer persons.

(d) An owner or operator of a community water supply shall:

(1) develop an initial material inventory by April 15, 2022 and electronically submit by April 15, 2023 an updated material inventory electronically to the Agency; and

(2) deliver a complete material inventory to the Agency no later than April 15, 2024, or such time as required by federal law, whichever is sooner. The complete inventory shall report the composition of all service lines in the community water supply's distribution system.

(e) The Agency shall review and approve the final material inventory submitted to it under subsection (d).

(f) If a community water supply does not submit a complete inventory to the Agency by April 15, 2024 under paragraph (2)

of subsection (d), the community water supply may apply for an extension to the Agency no less than 3 months prior to the due date. The Agency shall develop criteria for granting material inventory extensions. When considering requests for extension, the Agency shall, at a minimum, consider:

(1) the number of service connections in a water supply; and

(2) the number of service lines of an unknown material composition.

(g) A material inventory prepared for a community water supply under subsection (d) shall identify:

(1) the total number of service lines connected to the community water supply's distribution system;

(2) the materials of construction of each service line connected to the community water supply's distribution system;

(3) the number of suspected lead service lines that were newly identified in the material inventory for the community water supply after the community water supply last submitted a service line inventory to the Agency; and

(4) the number of suspected or known lead service lines that were replaced after the community water supply last submitted a service line inventory to the Agency, and the material of the service line that replaced each lead service line.

When identifying the materials of construction under

paragraph (2) of this subsection, the owner or operator of the community water supply shall to the best of the owner's or operator's ability identify the type of construction material used on the customer's side of the curb box, meter, or other line of demarcation and the community water supply's side of the curb box, meter, or other line of demarcation.

(h) In completing a material inventory under subsection (d), the owner or operator of a community water supply shall:

(1) prioritize inspections of high-risk areas identified by the community water supply and inspections of high-risk facilities, such as preschools, day care centers, day care homes, group day care homes, parks, playgrounds, hospitals, and clinics, and confirm service line materials in those areas and at those facilities;

(2) review historical documentation, such as construction logs or cards, as-built drawings, purchase orders, and subdivision plans, to determine service line material construction;

(3) when conducting distribution system maintenance, visually inspect service lines and document materials of construction;

(4) identify any time period when the service lines being connected to its distribution system were primarily lead service lines, if such a time period is known or suspected; and

(5) discuss service line repair and installation with

its employees, contractors, plumbers, other workers who worked on service lines connected to its distribution system, or all of the above.

(i) The owner or operator of each community water supply shall maintain records of persons who refuse to grant access to the interior of a building for purposes of identifying the materials of construction of a service line. If a community water supply has been denied access on the property or to the interior of a building for that reason, then the community water supply shall attempt to identify the service line as a suspected lead service line, unless documentation is provided showing otherwise.

(j) If a community water supply identifies a lead service line connected to a building, the owner or operator of the community water supply shall attempt to notify the owner of the building and all occupants of the building of the existence of the lead service line within 15 days after identifying the lead service line, or as soon as is reasonably possible thereafter. Individual written notice shall be given according to the provisions of subsection (jj).

(k) An owner or operator of a community water supply has no duty to include in the material inventory required under subsection (d) information about service lines that are physically disconnected from a water main in its distribution system.

(l) The owner or operator of each community water supply

shall post on its website a copy of the most recently submitted material inventory or alternatively may request that the Agency post a copy of that material inventory on the Agency's website.

(m) Nothing in this Section shall be construed to require service lines to be unearthed for the sole purpose of inventorying.

(n) When an owner or operator of a community water supply awards a contract under this Section, the owner or operator shall make a good faith effort to use contractors and vendors owned by minority persons, women, and persons with a disability, as those terms are defined in Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, for not less than 20% of the total contracts, provided that:

(1) contracts representing at least 11% of the total projects shall be awarded to minority-owned businesses, as defined in Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act;

(2) contracts representing at least 7% of the total projects shall be awarded to women-owned businesses, as defined in Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act; and

(3) contracts representing at least 2% of the total projects shall be awarded to businesses owned by persons with a disability.

Owners or operators of a community water supply are encouraged to divide projects, whenever economically feasible, into contracts of smaller size that ensure small business contractors or vendors shall have the ability to qualify in the applicable bidding process, when determining the ability to deliver on a given contract based on scope and size, as a responsible and responsive bidder.

When a contractor or vendor submits a bid or letter of intent in response to a request for proposal or other bid submission, the contractor or vendor shall include with its responsive documents a utilization plan that shall address how compliance with applicable good faith requirements set forth in this subsection shall be addressed.

Under this subsection, "good faith effort" means a community water supply has taken all necessary steps to comply with the goals of this subsection by complying with the following:

(1) Soliciting through reasonable and available means the interest of a business, as defined in Section 2 of the Business Enterprise for Minorities, Women, and Persons with Disabilities Act, that have the capability to perform the work of the contract. The community water supply must solicit this interest within sufficient time to allow certified businesses to respond.

(2) Providing interested certified businesses with adequate information about the plans, specifications, and

requirements of the contract, including addenda, in a timely manner to assist them in responding to the solicitation.

(3) Meeting in good faith with interested certified businesses that have submitted bids.

(4) Effectively using the services of the State, minority or women community organizations, minority or women contractor groups, local, State, and federal minority or women business assistance offices, and other organizations to provide assistance in the recruitment and placement of certified businesses.

(5) Making efforts to use appropriate forums for purposes of advertising subcontracting opportunities suitable for certified businesses.

The diversity goals defined in this subsection can be met through direct award to diverse contractors and through the use of diverse subcontractors and diverse vendors to contracts.

(o) An owner or operator of a community water supply shall collect data necessary to ensure compliance with subsection (n) no less than semi-annually and shall include progress toward compliance of subsection (n) in the owner or operator's report required under subsection (t-5). The report must include data on vendor and employee diversity, including data on the owner's or operator's implementation of subsection (n).

(p) Every owner or operator of a community water supply

that has known or suspected lead service lines shall:

(1) create a plan to:

(A) replace each lead service line connected to its distribution system; and

(B) replace each galvanized service line connected to its distribution system, if the galvanized service line is or was connected downstream to lead piping; and

(2) electronically submit, by April 15, 2024 its initial lead service line replacement plan to the Agency;

(3) electronically submit by April 15 of each year after 2024 until April 15, 2027 an updated lead service line replacement plan to the Agency for review; the updated replacement plan shall account for changes in the number of lead service lines or unknown service lines in the material inventory described in subsection (d);

(4) electronically submit by April 15, 2027 a complete and final replacement plan to the Agency for approval; the complete and final replacement plan shall account for all known and suspected lead service lines documented in the final material inventory described under paragraph (3) of subsection (d); and

(5) post on its website a copy of the plan most recently submitted to the Agency or may request that the Agency post a copy of that plan on the Agency's website.

(g) Each plan required under paragraph (1) of subsection

(p) shall include the following:

(1) the name and identification number of the community water supply;

(2) the total number of service lines connected to the distribution system of the community water supply;

(3) the total number of suspected lead service lines connected to the distribution system of the community water supply;

(4) the total number of known lead service lines connected to the distribution system of the community water supply;

(5) the total number of lead service lines connected to the distribution system of the community water supply that have been replaced each year beginning in 2020;

(6) a proposed lead service line replacement schedule that includes one-year, 5-year, 10-year, 15-year, 20-year, 25-year, and 30-year goals;

(7) an analysis of costs and financing options for replacing the lead service lines connected to the community water supply's distribution system, which shall include, but shall not be limited to:

(A) a detailed accounting of costs associated with replacing lead service lines and galvanized lines that are or were connected downstream to lead piping;

(B) measures to address affordability and prevent service shut-offs for customers or ratepayers; and

(C) consideration of different scenarios for structuring payments between the utility and its customers over time; and

(8) a plan for prioritizing high-risk facilities, such as preschools, day care centers, day care homes, group day care homes, parks, playgrounds, hospitals, and clinics, as well as high-risk areas identified by the community water supply;

(9) a map of the areas where lead service lines are expected to be found and the sequence with which those areas will be inventoried and lead service lines replaced;

(10) measures for how the community water supply will inform the public of the plan and provide opportunity for public comment; and

(11) measures to encourage diversity in hiring in the workforce required to implement the plan as identified under subsection (n).

(r) The Agency shall review final plans submitted to it under subsection (p). The Agency shall approve a final plan if the final plan includes all of the elements set forth under subsection (q) and the Agency determines that:

(1) the proposed lead service line replacement schedule set forth in the plan aligns with the timeline requirements set forth under subsection (v);

(2) the plan prioritizes the replacement of lead service lines that provide water service to high-risk

facilities, such as preschools, day care centers, day care homes, group day care homes, parks, playgrounds, hospitals, and clinics, and high-risk areas identified by the community water supply;

(3) the plan includes analysis of cost and financing options; and

(4) the plan provides documentation of public review.

(s) An owner or operator of a community water supply has no duty to include in the plans required under subsection (p) information about service lines that are physically disconnected from a water main in its distribution system.

(t) If a community water supply does not deliver a complete plan to the Agency by April 15, 2027, the community water supply may apply to the Agency for an extension no less than 3 months prior to the due date. The Agency shall develop criteria for granting plan extensions. When considering requests for extension, the Agency shall, at a minimum, consider:

(1) the number of service connections in a water supply; and

(2) the number of service lines of an unknown material composition.

(t-5) After the Agency has approved the final replacement plan described in subsection (p), the owner or operator of a community water supply shall submit a report detailing progress toward plan goals to the Agency for its review. The

report shall be submitted annually for the first 10 years, and every 3 years thereafter until all lead service lines have been replaced. Reports under this subsection shall be published in the same manner described in subsection (l). The report shall include at least the following information as it pertains to the preceding reporting period:

(1) The number of lead service lines replaced and the average cost of lead service line replacement.

(2) Progress toward meeting hiring requirements as described in subsection (n) and subsection (o).

(3) The percent of customers electing a waiver offered, as described in subsections (ii) and (jj), among those customers receiving a request or notification to perform a lead service line replacement.

(4) The method or methods used by the community water supply to finance lead service line replacement.

(u) Notwithstanding any other provision of law, in order to provide for costs associated with lead service line remediation and replacement, the corporate authorities of a municipality may, by ordinance or resolution by the corporate authorities, exercise authority provided in Section 27-5 et seq. of the Property Tax Code and Sections 8-3-1, 8-11-1, 8-11-5, 8-11-6, 9-1-1 et seq., 9-3-1 et seq., 9-4-1 et seq., 11-131-1, and 11-150-1 of the Illinois Municipal Code. Taxes levied for this purpose shall be in addition to taxes for general purposes authorized under Section 8-3-1 of the

Illinois Municipal Code and shall be included in the taxing district's aggregate extension for the purposes of Division 5 of Article 18 of the Property Tax Code.

(v) Every owner or operator of a community water supply shall replace all known lead service lines, subject to the requirements of subsection (ff), according to the following replacement rates and timelines to be calculated from the date of submission of the final replacement plan to the Agency:

(1) A community water supply reporting 1,200 or fewer lead service lines in its final inventory and replacement plan shall replace all lead service lines, at an annual rate of no less than 7% of the amount described in the final inventory, with a timeline of up to 15 years for completion.

(2) A community water supply reporting more than 1,200 but fewer than 5,000 lead service lines in its final inventory and replacement plan shall replace all lead service lines, at an annual rate of no less than 6% of the amount described in the final inventory, with a timeline of up to 17 years for completion.

(3) A community water supply reporting more than 4,999 but fewer than 10,000 lead service lines in its final inventory and replacement plan shall replace all lead service lines, at an annual rate of no less than 5% of the amount described in the final inventory, with a timeline of up to 20 years for completion.

(4) A community water supply reporting more than 9,999 but fewer than 99,999 lead service lines in its final inventory and replacement plan shall replace all lead service lines, at an annual rate of no less than 3% of the amount described in the final inventory, with a timeline of up to 34 years for completion.

(5) A community water supply reporting more than 99,999 lead service lines in its final inventory and replacement plan shall replace all lead service lines, at an annual rate of no less than 2% of the amount described in the final inventory, with a timeline of up to 50 years for completion.

(w) A community water supply may apply to the Agency for an extension to the replacement timelines described in paragraphs (1) through (5) of subsection (v). The Agency shall develop criteria for granting replacement timeline extensions. When considering requests for timeline extensions, the Agency shall, at a minimum, consider:

(1) the number of service connections in a water supply; and

(2) unusual circumstances creating hardship for a community.

The Agency may grant one extension of additional time equal to not more than 20% of the original replacement timeline, except in situations of extreme hardship in which the Agency may consider a second additional extension equal to

not more than 10% of the original replacement timeline.

Replacement rates and timelines shall be calculated from the date of submission of the final plan to the Agency.

(x) The Lead Service Line Replacement Advisory Board is created within the Agency. The Advisory Board shall convene within 120 days after the effective date of this amendatory Act of the 102nd General Assembly.

The Advisory Board shall consist of at least 28 voting members, as follows:

(1) the Director of the Agency, or his or her designee, who shall serve as chairperson;

(2) the Director of Revenue, or his or her designee;

(3) the Director of Public Health, or his or her designee;

(4) fifteen members appointed by the Agency as follows:

(A) one member representing a statewide organization of municipalities as authorized by Section 1-8-1 of the Illinois Municipal Code;

(B) two members who are mayors representing municipalities located in any county south of the southernmost county represented by one of the 10 largest municipalities in Illinois by population, or their respective designees;

(C) two members who are representatives from public health advocacy groups;

(D) two members who are representatives from publicly-owned water utilities;

(E) one member who is a representative from a public utility as defined under Section 3-105 of the Public Utilities Act that provides water service in the State of Illinois;

(F) one member who is a research professional employed at an Illinois academic institution and specializing in water infrastructure research;

(G) two members who are representatives from nonprofit civic organizations;

(H) one member who is a representative from a statewide organization representing environmental organizations;

(I) two members who are representatives from organized labor; and

(J) one member representing an environmental justice organization; and

(5) ten members who are the mayors of the 10 largest municipalities in Illinois by population, or their respective designees.

No less than 10 of the 28 voting members shall be persons of color, and no less than 3 shall represent communities defined or self-identified as environmental justice communities.

Advisory Board members shall serve without compensation,

but may be reimbursed for necessary expenses incurred in the performance of their duties from funds appropriated for that purpose. The Agency shall provide administrative support to the Advisory Board.

The Advisory Board shall meet no less than once every 6 months.

(y) The Advisory Board shall have, at a minimum, the following duties:

(1) advising the Agency on best practices in lead service line replacement;

(2) reviewing the progress of community water supplies toward lead service line replacement goals;

(3) advising the Agency on other matters related to the administration of the provisions of this Section;

(4) advising the Agency on the integration of existing lead service line replacement plans with any statewide plan; and

(5) providing technical support and practical expertise in general.

(z) Within 18 months after the effective date of this amendatory Act of the 102nd General Assembly, the Advisory Board shall deliver a report of its recommendations to the Governor and the General Assembly concerning opportunities for dedicated, long-term revenue options for funding lead service line replacement. In submitting recommendations, the Advisory Board shall consider, at a minimum, the following:

(1) the sufficiency of various revenue sources to adequately fund replacement of all lead service lines in Illinois;

(2) the financial burden, if any, on households falling below 150% of the federal poverty limit;

(3) revenue options that guarantee low-income households are protected from rate increases;

(4) an assessment of the ability of community water supplies to assess and collect revenue;

(5) variations in financial resources among individual households within a service area; and

(6) the protection of low-income households from rate increases.

(aa) Within 10 years after the effective date of this amendatory Act of the 102nd General Assembly, the Advisory Board shall prepare and deliver a report to the Governor and General Assembly concerning the status of all lead service line replacement within the State.

(bb) The Lead Service Line Replacement Fund is created as a special fund in the State treasury to be used by the Agency for the purposes provided under this Section. The Fund shall be used exclusively to finance and administer programs and activities specified under this Section and listed under this subsection.

The objective of the Fund is to finance activities associated with identifying and replacing lead service lines,

build Agency capacity to oversee the provisions of this Section, and provide related assistance for the activities listed under this subsection.

The Agency shall be responsible for the administration of the Fund and shall allocate moneys on the basis of priorities established by the Agency through administrative rule. On July 1, 2022 and on July 1 of each year thereafter, the Agency shall determine the available amount of resources in the Fund that can be allocated to the activities identified under this Section and shall allocate the moneys accordingly.

Notwithstanding any other law to the contrary, the Lead Service Line Replacement Fund is not subject to sweeps, administrative charge-backs, or any other fiscal maneuver that would in any way transfer any amounts from the Lead Service Line Replacement Fund into any other fund of the State.

(cc) Within one year after the effective date of this amendatory Act of the 102 General Assembly, the Agency shall design rules for a program for the purpose of administering lead service line replacement funds. The rules must, at minimum, contain:

(1) the process by which community water supplies may apply for funding; and

(2) the criteria for determining unit of local government eligibility and prioritization for funding, including the prevalence of low-income households, as measured by median household income, the prevalence of

lead service lines, and the prevalence of water samples that demonstrate elevated levels of lead.

(dd) Funding under subsection (cc) shall be available for costs directly attributable to the planning, design, or construction directly related to the replacement of lead service lines and restoration of property.

Funding shall not be used for the general operating expenses of a municipality or community water supply.

(ee) An owner or operator of any community water supply receiving grant funding under subsection (cc) shall bear the entire expense of full lead service line replacement for all lead service lines in the scope of the grant.

(ff) When replacing a lead service line, the owner or operator of the community water supply shall replace the service line in its entirety, including, but not limited to, any portion of the service line (i) running on private property and (ii) within the building's plumbing at the first shut-off valve. Partial lead service line replacements are expressly prohibited. Exceptions shall be made under the following circumstances:

(1) In the event of an emergency repair that affects a lead service line or a suspected lead service line, a community water supply must contact the building owner to begin the process of replacing the entire service line. If the building owner is not able to be contacted or the building owner or occupant refuses to grant access and

permission to replace the entire service line at the time of the emergency repair, then the community water supply may perform a partial lead service line replacement. Where an emergency repair on a service line constructed of lead or galvanized steel pipe results in a partial service line replacement, the water supply responsible for commencing the repair shall perform the following:

(A) Notify the building's owner or operator and the resident or residents served by the lead service line in writing that a repair has been completed. The notification shall include, at a minimum:

(i) a warning that the work may result in sediment, possibly containing lead, in the buildings water supply system;

(ii) information concerning practices for preventing the consumption of any lead in drinking water, including a recommendation to flush water distribution pipe during and after the completion of the repair or replacement work and to clean faucet aerator screens; and

(iii) information regarding the dangers of lead to young children and pregnant women.

(B) Provide filters for at least one fixture supplying potable water for consumption. The filter must be certified by an accredited third-party certification body to NSF/ANSI 53 and NSF/ANSI 42 for

the reduction of lead and particulate. The filter must be provided until such time that the remaining portions of the service line have been replaced with a material approved by the Department or a waiver has been issued under subsection (ii).

(C) Replace the remaining portion of the lead service line within 30 days of the repair, or 120 days in the event of weather or other circumstances beyond reasonable control that prohibits construction. If a complete lead service line replacement cannot be made within the required period, the community water supply responsible for commencing the repair shall notify the Department in writing, at a minimum, of the following within 24 hours of the repair:

(i) an explanation of why it is not feasible to replace the remaining portion of the lead service line within the allotted time; and

(ii) a timeline for when the remaining portion of the lead service line will be replaced.

(D) If complete repair of a lead service line cannot be completed due to denial by the property owner, the community water supply commencing the repair shall request the affected property owner to sign a waiver developed by the Department. If a property owner of a nonresidential building or residence operating as rental properties denies a

complete lead service line replacement, the property owner shall be responsible for installing and maintaining point-of-use filters certified by an accredited third-party certification body to NSF/ANSI 53 and NSF/ANSI 42 for the reduction of lead and particulate at all fixtures intended to supply water for the purposes of drinking, food preparation, or making baby formula. The filters shall continue to be supplied by the property owner until such time that the property owner has affected the remaining portions of the lead service line to be replaced.

(E) Document any remaining lead service line, including a portion on the private side of the property, in the community water supply's distribution system materials inventory required under subsection (d).

For the purposes of this paragraph (1), written notice shall be provided in the method and according to the provisions of subsection (jj).

(2) Lead service lines that are physically disconnected from the distribution system are exempt from this subsection.

(gg) Except as provided in subsection (hh), on and after January 1, 2022, when the owner or operator of a community water supply replaces a water main, the community water supply shall identify all lead service lines connected to the water

main and shall replace the lead service lines by:

(1) identifying the material or materials of each lead service line connected to the water main, including, but not limited to, any portion of the service line (i) running on private property and (ii) within the building plumbing at the first shut-off valve or 18 inches inside the building, whichever is shorter;

(2) in conjunction with replacement of the water main, replacing any and all portions of each lead service line connected to the water main that are composed of lead; and

(3) if a property owner or customer refuses to grant access to the property, following prescribed notice provisions as outlined in subsection (ff).

If an owner of a potentially affected building intends to replace a portion of a lead service line or a galvanized service line and the galvanized service line is or was connected downstream to lead piping, then the owner of the potentially affected building shall provide the owner or operator of the community water supply with notice at least 45 days before commencing the work. In the case of an emergency repair, the owner of the potentially affected building must provide filters for each kitchen area that are certified by an accredited third-party certification body to NSF/ANSI 53 and NSF/ANSI 42 for the reduction of lead and particulate. If the owner of the potentially affected building notifies the owner or operator of the community water supply that replacement of

a portion of the lead service line after the emergency repair is completed, then the owner or operator of the community water supply shall replace the remainder of the lead service line within 30 days after completion of the emergency repair. A community water supply may take up to 120 days if necessary due to weather conditions. If a replacement takes longer than 30 days, filters provided by the owner of the potentially affected building must be replaced in accordance with the manufacturer's recommendations. Partial lead service line replacements by the owners of potentially affected buildings are otherwise prohibited.

(hh) For municipalities with a population in excess of 1,000,000 inhabitants, the requirements of subsection (gg) shall commence on January 1, 2023.

(ii) At least 45 days before conducting planned lead service line replacement, the owner or operator of a community water supply shall, by mail, attempt to contact the owner of the potentially affected building serviced by the lead service line to request access to the building and permission to replace the lead service line in accordance with the lead service line replacement plan. If the owner of the potentially affected building does not respond to the request within 15 days after the request is sent, the owner or operator of the community water supply shall attempt to post the request on the entrance of the potentially affected building.

If the owner or operator of a community water supply is

unable to obtain approval to access and replace a lead service line, the owner or operator of the community water supply shall request that the owner of the potentially affected building sign a waiver. The waiver shall be developed by the Department and should be made available in the owner's language. If the owner of the potentially affected building refuses to sign the waiver or fails to respond to the community water supply after the community water supply has complied with this subsection, then the community water supply shall notify the Department in writing within 15 working days.

(jj) When replacing a lead service line or repairing or replacing water mains with lead service lines or partial lead service lines attached to them, the owner or operator of a community water supply shall provide the owner of each potentially affected building that is serviced by the affected lead service lines or partial lead service lines, as well as the occupants of those buildings, with an individual written notice. The notice shall be delivered by mail or posted at the primary entranceway of the building. The notice may, in addition, be electronically mailed. Written notice shall include, at a minimum, the following:

(1) a warning that the work may result in sediment, possibly containing lead from the service line, in the building's water;

(2) information concerning the best practices for preventing exposure to or risk of consumption of lead in

drinking water, including a recommendation to flush water lines during and after the completion of the repair or replacement work and to clean faucet aerator screens; and
(3) information regarding the dangers of lead exposure to young children and pregnant women.

When the individual written notice described in the first paragraph of this subsection is required as a result of planned work other than the repair or replacement of a water meter, the owner or operator of the community water supply shall provide the notice not less than 14 days before work begins. When the individual written notice described in the first paragraph of this subsection is required as a result of emergency repairs other than the repair or replacement of a water meter, the owner or operator of the community water supply shall provide the notice at the time the work is initiated. When the individual written notice described in the first paragraph of this subsection is required as a result of the repair or replacement of a water meter, the owner or operator of the community water supply shall provide the notice at the time the work is initiated.

The notifications required under this subsection must contain the following statement in the Spanish, Polish, Chinese, Tagalog, Arabic, Korean, German, Urdu, and Gujarati: "This notice contains important information about your water service and may affect your rights. We encourage you to have this notice translated in full into a language you understand

and before you make any decisions that may be required under this notice."

An owner or operator of a community water supply that is required under this subsection to provide an individual written notice to the owner and occupant of a potentially affected building that is a multi-dwelling building may satisfy that requirement and the requirements of this subsection regarding notification to non-English speaking customers by posting the required notice on the primary entranceway of the building and at the location where the occupant's mail is delivered as reasonably as possible.

When this subsection would require the owner or operator of a community water supply to provide an individual written notice to the entire community served by the community water supply or would require the owner or operator of a community water supply to provide individual written notices as a result of emergency repairs or when the community water supply that is required to comply with this subsection is a small system, the owner or operator of the community water supply may provide the required notice through local media outlets, social media, or other similar means in lieu of providing the individual written notices otherwise required under this subsection.

No notifications are required under this subsection for work performed on water mains that are used to transmit treated water between community water supplies and properties

that have no service connections.

(kk) No community water supply that sells water to any wholesale or retail consecutive community water supply may pass on any costs associated with compliance with this Section to consecutive systems.

(ll) To the extent allowed by law, when a community water supply replaces or installs a lead service line in a public right-of-way or enters into an agreement with a private contractor for replacement or installation of a lead service line, the community water supply shall be held harmless for all damage to property when replacing or installing the lead service line. If dangers are encountered that prevent the replacement of the lead service line, the community water supply shall notify the Department within 15 working days of why the replacement of the lead service line could not be accomplished.

(mm) The Agency may propose to the Board, and the Board may adopt, any rules necessary to implement and administer this Section. The Department may adopt rules necessary to address lead service lines attached to noncommunity water supplies.

(nn) Notwithstanding any other provision in this Section, no requirement in this Section shall be construed as being less stringent than existing applicable federal requirements.

(oo) All lead service line replacements financed in whole or in part with funds obtained under this Section shall be considered public works for purposes of the Prevailing Wage

Public Act 102-0613

HB3739 Enrolled

LRB102 14540 CPF 19893 b

Act.

(415 ILCS 5/17.11 rep.)

Section 20. The Environmental Protection Act is amended by
repealing Section 17.11.

This page intentionally blank.

MEETING AGENDAS, MINUTES AND SUPPLEMENTAL INFORMATION

Advisory Board Agendas and Minutes

Lead Service Line Replacement Advisory Board Agenda

**April 29, 2022 – 1:00 p.m.
Webex Webinar or In-person at Illinois EPA Headquarters**

Welcome – John Kim, Director

Board Member Introductions

Overview of Advisory Board Responsibilities

Lead Service Line Inventories/LSLRAct Implementation

Discussion

Overview of Funding Options for LSLs Replacement

Discussion

Next Steps

Closing

Join Information

Join link: <https://illinois.webex.com/illinois/j.php?MTID=m0b8891ff35a881cda98b7d1a7502e7aa>

Webinar number: 2462 041 7613

Webinar password: LSLR (5757 from phones)

Lead Service Line Replacement Advisory Board Meeting Minutes

April 29, 2022

Webex and Illinois EPA Headquarters (Springfield)

The first meeting of the Lead Service Line Replacement Advisory Board (Board) was called to order at approximately 1:00 p.m. on April 29, 2022 with the following Board members in attendance:

Africa, Associate Director, IDOR

Jason Bauer, Assistant City Engineer, City of Aurora

Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes

Andrea Cheng, Commissioner, Chicago Department of Water

Dave Clark, Acting Public Works Director, City of Champaign

Brad Cole, Executive Director, Illinois Municipal League

Brian Cox, Plumbing and Water Quality Program Manager, IDPH (In-person)

Anthena Gore, Water Programs Strategist, Elevate

Paul Hinterlong, Councilman, City of Naperville (In-person)

Todd LaFountain, CWLP Water Division Manager, City of Springfield

Brent O'Neill, Director of Engineering, Illinois American Water

Rick Powers, Director of Public Works, City of Peoria

Brian Rader, Public Works Superintendent, Village of Caseyville

Jones Richmond, Business Representative, Plumbers Local 130 (In-person)

Brenda Santoyo, Senior Policy Analyst, LVEJO

Kyle Saunders, Public Works Director, City of Rockford

Iyana Simba, City Programs Director, Illinois Environmental Council

Sanjay Sofat, Chief, Bureau of Water, IEPA (In-person)

Tom Somers, Director of Public Works, City of Herrin

Dave Stoneback, Director of Public Works, City of Evanston (Proxy)

Jesus Alquicira, City Engineer, City of Waukegan (Proxy)

Eric Weiss, Water Director, City of Elgin

Justin Williams, Policy Manager, Metropolitan Planning Council

Others attending (In-person):

John Kim, Director, IEPA

Gary Bingenheimer, Bureau of Water, IEPA

Brad Frost, Office of Community Relations, IEPA

Jeff Guy, Office of Community Relations, IEPA

Illinois EPA Director John Kim welcomed everyone to the meeting.

Gary Bingenheimer called the role and introduced Board members and invited them to say a few words, if desired.

Sanjay Sofat gave an overview of Board responsibilities, pursuant to Subsection (y) of the LSLRAct. He also highlighted Subsection (z) which charges the Board to deliver a report of its recommendations to the Governor and the General Assembly.

Mr. Sofat then made a presentation with slides regarding the lead service line inventories and the LSLRAct implementation. This was followed by questions and a discussion by Board members, which mostly centered around the draft rules that are being discussed internally at this time.

Mr. Bingenheimer made a presentation with slides on the funding options for LSL replacement. Discussion by the Board followed.

The next meeting dates were communicated: July 27, 2022, and November 16, 2022.

Board members were thanked for their participation. Further comments and documents are to be sent to Jeff Guy for compilation and possible posting to the LSLR website at <https://www2.illinois.gov/epa/topics/drinking-water/public-water-users/Pages/Lead-Service-Line-Replacement-Advisory-Board.aspx>

The meeting was adjourned at approximately 3:00 p.m.

Lead Service Line Replacement Advisory Board Agenda and Notice

July 27, 2022 – 1:00 p.m.

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – April

Presentation

Metropolitan Planning Council – Justin Williams

Discussion

City of Chicago – Andrea Cheng

Discussion

For Discussion

Illinois Municipal League July 19, 2022, Letter to Illinois EPA

Request for Future Presentations

Reminder on Mandatory Training

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=m6175bb51a25114579a72ea37a8b20ecd>

Webinar number (access code): 2466 855 7876

Webinar password: LSLR (5757 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting DRAFT Minutes
July 27, 2022

The second meeting of the Lead Service Line Replacement Advisory Board Meeting was called to order at approximately 1:00 p.m. with the following Board members in attendance:

Africa, Associate Director, IDOR
Jason Bauer, Assistant City Engineer, City of Aurora
Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes
Andrea Cheng, Commissioner, Chicago Department of Water
Dave Clark, Acting Public Works Director, City of Champaign
Brad Cole, Executive Director, Illinois Municipal League
Brian Cox, Plumbing and Water Quality Program Manager, IDPH
Anthena Gore, Water Programs Strategist, Elevate
Joseph Healy, Business Manager, LiUNA Local 1092
Paul Hinterlong, Councilman, City of Naperville
Todd LaFountain, CWLP Water Division Manager, City of Springfield
Brent O'Neill, Director of Engineering, Illinois American Water
Rick Powers, Director of Public Works, City of Peoria
Jones Richmond, Business Representative, Plumbers Local 130
Brenda Santoyo, Senior Policy Analyst, LVEJO
Iyana Simba, City Programs Director, Illinois Environmental Council
Sanjay Sofat, Chief, Bureau of Water, IEPA
Tom Somers, Director of Public Works, City of Herrin
Allison Swisher, Department of Public Utilities, City of Joliet
Eric Weiss, Water Director, City of Elgin
Justin Williams, Policy Manager, Metropolitan Planning Council

Others attending:

Gary Bingenheimer, Bureau of Water, IEPA
Mike Brown, Bureau of Water, IEPA
Brad Frost, Office of Community Relations, IEPA
Jeff Guy, Office of Community Relations, IEPA
Sara Terranova, Division of Legal Counsel, IEPA
Deb Williams, CWLP Regulatory Affairs Director, City of Springfield

Gary Bingenheimer took a roll call of members present.

The Draft Minutes from the April 29, 2022, Advisory Board meeting were adopted by a unanimous voice vote.

Justin Williams, Metropolitan Planning Council, made a slide presentation titled “LSLR Funding Needs and Potential Revenue Sources”. This was followed by a comment period during which various potential funding mechanisms and issues were discussed, including: bonds; SRF grants; other rate charges and fees; hybrid funding solutions; CDBG funds; unfunded municipal mandates; equity among households based on income; equity among households that do not have LSL; sunseting of surcharges adopted; statutory authorization for local units of government to identify their own revenue sources.

Andrea Cheng, City of Chicago, made a slide presentation titled “Individual Household Income Variation Within a Service Area: Chicago as a Case Study”. No comments or questions were received.

Gary Bingenheimer opened to floor to comments or questions on the July 29, 2022, letter to Sanjay Sofat from the Illinois Municipal League. No comments were made.

Brad Cole reiterated that a statewide fee was not in the Lead Service Line Replacement and Notification Act’s legislative intent, but rather the statutory language gives units of government the power to levy fees, rather than establishing state-wide fees.

Justin Williams stated that he welcomes brainstorming on LSL replacement funding.

Deb Williams asked for an update on Agency activity, including SRF rulemaking. Gary Bingenheimer stated that the Agency hopes to have them ready by the end of the year.

Anthena Gore asked if any municipalities were using CDBG funding for LSL replacement. Brad Cole gave some background about CDBG funding and ARPA funding.

The next meeting of the LSL Replacement Advisory Board is November 16, 2022.

Further comments and documents are to be sent to Jeff Guy for compilation and possible posting to the LSLR website at <https://www2.illinois.gov/epa/topics/drinking-water/public-water-users/Pages/Lead-Service-Line-Replacement-Advisory-Board.aspx>.

The meeting was adjourned at approximately 2:30 p.m.

Lead Service Line Replacement Advisory Board Agenda and Notice

November 16, 2022 – 1:00 p.m.

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – July 27, 2022

Presentations

Presentation 1: *City of Springfield City Water, Light & Power Lead Service Line Program*

Todd LaFountain, Water Division Manager, City Water, Light and Power

Discussion

For Discussion

Village of La Grange Park letter to IML

Email from LSLR Advisory Board member Africa

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=m5e751afa8f036133763b763aac726590>

Webinar number (access code): 2458 581 9710 Webinar password: LSLR (5757 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes
November 16, 2022

The Lead Service Line Replacement Advisory Board (Board) was called to order at approximately 1:00 p.m. on November 16, 2022, with the following Board members in attendance:

Sanjay Sofat, Chief, Bureau of Water, IEPA
Africa, Associate Director, IDOR
Jason Bauer, Assistant City Engineer, City of Aurora
Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes
Andrea Cheng, Commissioner, City of Chicago
Brad Cole, Executive Director, Illinois Municipal League
Brian Cox, Plumbing and Water Quality Program Manager, IDPH
Briana Parker, Associate Director, Elevate Energy
Joseph Healy, Business Manager, LiUNA Local 1092
Paul Hinterlong, Councilman, City of Naperville
Darrell King, Water Production Bureau Chief, City of Evanston
Todd LaFountain, Water Division Manager, City of Springfield, CWLP
Brent O'Neill, Director of Engineering, Illinois American Water
Brian Rader, Public Works Superintendent, Village of Caseyville
Jones Richmond, Business Representative, Plumbers Local 130
Brenda Santoyo, Little Village Environmental Justice Organization
Kyle Saunders, Public Works Director, City of Rockford
Iyana Simba, Illinois Environmental Council
Tom Somers, Director of Public Works, City of Herrin
Allison Swisher, Department of Public Utilities, City of Joliet
Eric Weiss, Water Director, City of Elgin
Justin Williams, Metropolitan Planning Council

Others attending (In-person):

Brad Frost, Office of Community Relations, IEPA
Gary Bingenheimer, Bureau of Water, IEPA
Jeff Guy, Office of Community Relations, IEPA
Michael Brown, Bureau of Water, IEPA
Deborah Williams, Regulatory Affairs Director, City of Springfield, CWLP

Jeff Guy took a roll call of Board members present.

The Draft Minutes from the July 27, 2022, Advisory Board meeting were adopted by a unanimous voice vote.

Todd LaFountain introduced himself and gave his presentation to the Board: “City of Springfield, City Water, Light, & Power, Lead Service Line Program.” Mr. LaFountain discussed progress within the City of Springfield and how it relates to the assigned six topics. Mr. LaFountain raised the issue of funding and what would be required to fully replace lead service lines within Springfield. Mr. LaFountain’s presentation was followed by questions and a discussion that included: communication with low-income areas; rental properties with lead service lines; potential conflicts with customers; skill level of contractors; funding issues; and employment of local union workers for lead service line removal and replacement projects.

Deborah Williams noted that utilities (including the City of Springfield) do not have information on the low income status of individual customers, and it would be an administrative burden to require them to gather it.

The second agenda item was an email from Africa dated August 24, 2022. Africa suggested creating two Work Groups, including a Technical Work Group and Financing Work Group, to gather the needed information for the upcoming report. All Board members were in favor. It was discussed that each Work Group will meet independently with a chairperson appointed for each Work Group.

The next Board meeting is on January 25, 2023.

The Board meeting was adjourned at approximately 3:00 p.m.

The [meeting recording](#), the [meeting presentation](#), and other pertinent documents are available on the Agency’s [Lead Service Line Replacement Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board

Agenda and Notice

Wednesday, January 25, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – November 16, 2022

Discussion

LSLR Technical Work Group Meeting 1 (Thursday, January 12, 2023)

LSLR Financing Work Group Meeting 1 (Tuesday, January 17, 2023)

Next Meeting March 8, 2023

Compiled Document with Board Member Suggestions

Prepared and distributed to Board tentatively by May 31, 2023

Final Meeting June 2023

To review and discuss compiled document prior to July 1, 2023 deadline

Draft Report

July 1, 2023 Deadline

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=me00ca2c3b711fb9e9220edb55fb853a8>

Webinar number (access code): 2461 574 2563

Panelist password: LSLR4 (57574 from phones)

Webinar password (attendee): LSLR (5757 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes

January 25, 2023

Webex and Illinois EPA Headquarters (Springfield)

The meeting was called to order at approximately 1:00 p.m. on January 25, 2023 with the following Board members in attendance:

Africa, Associate Director, Illinois Department of Revenue

Jason Bauer, Assistant City Engineer, City of Aurora

Andrea Cheng, Commissioner, City of Chicago

Dave Clark, Acting Public Works Director, City of Champaign

Brad Cole, Executive Director, Illinois Municipal League

Brian Cox, Plumbing and Water Quality Program Manager, IDPH

Briana Parker, Elevate Energy

Paul Hinterlong, Councilman, City of Naperville

Joseph V. Healy, Chicago Laborers' District Council, City of Chicago

Darrell King, Water Production Bureau Chief, City of Evanston

Todd LaFountain, Water Divisions Manager, City of Springfield, CWLP

Brent O'Neill, Director of Engineering, Illinois American Water

Brian Rader, Public Works Superintendent, Village of Caseyville

Jones Richmond, Business Representative, Plumbers Local 130

Brenda Santoyo, Senior Policy Analyst, LVEJO

Kyle Saunders, Public Works Director, City of Rockford

Iyana Simba, City Programs Director, Illinois Environmental Council

Sanjay Sofat, Chief, Bureau of Water, IEPA (In-person)

Allison Swisher, Department of Public Utilities, City of Joliet

Tom Somers, Director of Public Works, City of Herrin

Justin Williams, Policy Manager, Metropolitan Planning Council

Gary Bingenheimer, Bureau of Water, IEPA (In-person)

Jeff Guy, Office of Community Relations, IEPA (In-person)

Jeff Guy opened the meeting at approximately 1pm by calling attendance.

Kyle Saunders reported on the LSLR Technical Work Group Meeting 1. He has been elected chairperson of this work group. He gave an overview of progress that the group has made and reported that the group will meet again on February 2, 2023.

Briana Parker reported on the LSLR Financing Work Group Meeting 1. She has been elected chairperson of this work group. The date for the next meeting will soon be decided upon.

Jeff Guy opened the meeting to questions.

Jeff Guy asked if there were any public comments. There were none.

The meeting was adjourned at 1:33pm

The next meeting is set for March 8, 2023

Lead Service Line Replacement Advisory Board

Agenda and Notice

Wednesday, March 8, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – January 25, 2023

Discussion

Technical Work Group Meetings 2 (February 2, 2023) and 3 (February 16, 2023)

Financing Work Group Meeting 2 (February 9, 2023)

Funding Options

Tom Somers Email dated February 16, 2023

Complied Document with Board Member Suggestions

Prepared and distributed to Board tentatively by May 31, 2023

Final Meeting June 2023

To review and discuss compiled document prior to July 1, 2023 deadline

Draft Report

July 1, 2023 Deadline

Public Comments?

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=m36fc2987734a2c13c081a6e60ec897e4>

Webinar number (access code): 2463 152 1560

Panelist password: LSLR5 (57575 from phones)

Attendee password: LSLR (5757 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes
March 8, 2023
Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) was called to order at approximately 1:00 p.m. with the following Board members:

Sanjay Sofat, Chief, Bureau of Water, Illinois EPA (present)

Africa, Associate Director, Illinois Department of Revenue (present)

Jason Bauer, Assistant City Engineer, City of Aurora (absent)

Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (absent)

Andrea Cheng, Commissioner, City of Chicago (present)

Brad Cole, Executive Director, Illinois Municipal League (absent)

Brian Cox, Plumbing and Water Quality Program Manager, Illinois Department of Public Health (present)

Briana Parker, Associate Director, Elevate Energy (present)

Joseph Healy, Business Manager, LiUNA Local 1092 (present)

Paul Hinterlong, Councilman, City of Naperville (present)

Darrell King, Water Production Bureau Chief, City of Evanston (present)

Todd LaFountain, Water Division Manager, City of Springfield, City Water, Light and Power (absent)

Brent O'Neill, Director of Engineering, Illinois American Water (absent)

Brian Rader, Public Works Superintendent, Village of Caseyville (present)

Jones Richmond, Business Representative, Plumbers Local 130 (present)

Brenda Santoyo, Little Village Environmental Justice Organization (present)

Kyle Saunders, Public Works Director, City of Rockford (absent)

Iyana Simba, Illinois Environmental Council (absent)

Tom Somers, Director of Public Works, City of Herrin (present)

Allison Swisher, Department of Public Utilities, City of Joliet (absent)

Mike Pubentz, Interim Water Director, City of Elgin (present)

Justin Williams, Metropolitan Planning Council (absent)

Others attending (In-person):

Brad Frost, Illinois EPA

Gary Bingenheimer, Illinois EPA

Michael Brown, Illinois EPA

Brad Frost took a roll call of Board members present.

Brad Frost made a motion to approve the draft meeting minutes from the previous meeting. This motion was seconded by Paul Hinterlong, and the draft meeting minutes were adopted by a unanimous vote.

Summary of Discussion:

Africa began the discussion with a request of an outline of the offer to organize the draft report by Brad Cole. She suggested that the offer should be clearly defined in writing for the board to ensure there is no miscommunication. Gary Bingenheimer clarified that what is offered is a compilation of important documents and would be prepared for the Board prior to submission.

Joe Healy stated that the Technical Work Group was aiming for March 15, 2023 as their due date for their document compilation. Paul Hinterlong said that the Financing Work Group does not have a designated due date prior to their next meeting on March 9, 2023.

Africa asked if any extension could be possible under the current law. Gary Bingenheimer clarified that an extension is not possible due to the statute.

Brad Frost requested that Briana Parker and Paul Hinterlong email Jeff Guy with information after the next Financing Work Group meeting. Africa and Joseph Healy also requested that the Technical Work Group share their compilation to the Board.

Brian Cox mentioned the broken Illinois Department of Public Health (IDPH) links on the Illinois EPA Lead Service Line Replacement Act Board webpage and mentioned that IDPH is aware of the issue and working to fix it.

Gary Bingenheimer addressed an email from Tom Somers that discussed a fluctuating cost on lead service line replacements. Gary Bingenheimer said the cost tends to be anywhere from \$5,000 to \$15,000 and it is difficult to give an average price.

The next Board meeting is on April 19, 2023, at 1:00 p.m.

There were no comments from the public.

Brad Frost made a motion to adjourn. This motion was seconded by Paul Hinterlong, and the Board meeting was adjourned at approximately 1:45 p.m.

The meeting recording and other pertinent documents are available on the Illinois EPA [Lead Service Line Replacement Act Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board

Agenda and Notice

Wednesday, May 31, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes - March 8, 2023

Discussion

Comments received on draft report

Draft report

 Financing overview

 Technical overview

 Report compilers

Finalizing Draft Report

How to handle revisions to draft report

July 1, 2023: deadline for final report to be submitted

 Process to transmit final report to General Assembly

Next Steps

Public Comments?

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=m4bfef39a23c341376238fb25e7caf0df>

Webinar number (access code): 2462 806 9184

Panelist password: LSLR7 (57577 from phones)

Attendee password: LSLR (5757 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes - May 31, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) was called to order at approximately 1:00 p.m. Jeff Guy took a roll call of Board members present:

Sanjay Sofat, Chief, Bureau of Water, Illinois EPA (present)
Africa, Associate Director, Illinois Department of Revenue (present)
Jason Bauer, Assistant City Engineer, City of Aurora (present)
Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (present)
Andrea Cheng, Commissioner, City of Chicago (present)
Dave Clark, Acting Public Works Director, City of Champaign (present)
Brad Cole, Executive Director, Illinois Municipal League (present)
Brian Cox, Plumbing and Water Quality Program Manager, Illinois Department of Public Health (present)
Briana Parker, Associate Director, Elevate Energy (present)
Joseph Healy, Business Manager, LiUNA Local 1092 (present)
Paul Hinterlong, Councilman, City of Naperville (present)
Darrell King, Water Production Bureau Chief, City of Evanston (present)
Todd LaFountain, Water Division Manager, City of Springfield, City Water, Light and Power (present)
Brent O'Neill, Director of Engineering, Illinois American Water (present)
Rick Powers, Director of Public Works, City of Peoria (absent)
Brian Rader, Public Works Superintendent, Village of Caseyville (absent)
Jones Richmond, Business Representative, Plumbers Local 130 (present)
Brenda Santoyo, Little Village Environmental Justice Organization (present)
Kyle Saunders, Public Works Director, City of Rockford (present)
Iyana Simba, Illinois Environmental Council (present)
Tom Somers, Director of Public Works, City of Herrin (present)
Allison Swisher, Department of Public Utilities, City of Joliet (present)
Ann Taylor, Mayor, City of Waukegan (absent)
Mike Pubentz, Interim Water Director, City of Elgin (absent)
Nora Bertram, Senior Engineer, City of Elgin (present)
Justin Williams, Metropolitan Planning Council (present)

Others attending (in-person):

Jeff Guy, Illinois EPA Office of Community Relations (moderator)
Brad Frost, Illinois EPA Office of Community Relations
Finnegan McCurdy, Illinois EPA Office of Community Relations
Nidhan Singh, Illinois EPA Bureau of Water

Brad Cole made a motion to approve the draft meeting minutes from the previous meeting on March 8, 2023. This motion was seconded by Paul Hinterlong, and the draft meeting minutes were adopted by a unanimous vote.

Summary of Discussion

Anna-Lisa Castle provided a brief overview of the Financing Work Group that complied feedback including how to pay for lead service line replacement, revenue sourcing (federal, state, and local), and legislation requirements for evaluation of protections for lower income households.

Jason Bauer provided a brief overview of the Technical Work Group that complied feedback including how their report sections were put together, implementation issues, and labor/workforce issues. Joe Healy added that suggestions for municipalities and other governmental entities should be added to the draft report based on discussions with contractors; Brad Cole stated that the language will be added. Jeff Guy asked for clarification regarding the suggested language, and Joe Healy stated that the language was shared on April 18, 2023.

Brad Cole provided a brief overview of how himself, Africa, and Justin Williams included the information from both Work Groups into a consistent format (draft report) but mentioned more additions and suggestions; he stated that the draft report would be revised again into a final draft report. Africa agreed with Brad Cole and added that more feedback may be needed. Justin Williams mentioned that any additional changes should be made through the entire Board.

Jeff Guy asked if anyone had questions regarding comments received to date, questioned the process of revising the draft report based on such revisions, and solicited feedback regarding the general path forward with respect to producing a second draft report. Brad Cole stated that there is a deadline of July 1, 2023, and unless the Board will meet again, it would be best to submit additional comments to Jeff Guy - who would send the comments back to the report compilers to revise the draft report. Brad Cole added that the meeting minutes for today's meeting are needed for the report. Jeff Guy clarified that the meeting minutes could be prepared in an expeditious manner.

Africa asked about the procedure with respect to how to review any revisions to the report. Africa suggested a potential poll to take a vote for report revisions and finalizing meeting minutes and stated that the full Board should see the final revised document. Jeff Guy stated that he could circulate the meeting minutes for a vote of approval or post the meeting minutes on the LSLR webpage as draft. Jeff Guy suggested that future report revisions could be made via email and suggested a deadline for any final revisions. Africa suggested making all edits received to date and, if approved, moving forward with a revised document to be sent to Jeff Guy, who would then circulate the revised draft report to the entire Board for final review via email.

Jeff Guy questioned the need for soliciting more comments; Allison Swisher stated that more time is needed to receive more comments. Jeff Guy then suggested addressing the comments received to date. Allison Swisher suggested that the Technical Work Group may need to meet again. Anna-Lisa Castle stated that if all comments cannot be resolved, the Technical Work Group may need to meet again, but she recommended that we move forward with addressing the comments received to date. A brief discussion regarding how to handle outstanding comments within the timeframe followed. Justin Williams added that perhaps all comments should be received within a week and that revisions should be made to the report and then circulated to the Board by the third week in June prior to the July 1, 2023 deadline.

Brad Cole stated that the report compilers would need a full week to make final changes prior to re-circulating. Sanjay Sofat suggested that a second draft should be circulated but questioned the need for a vote, since the report should be reflective of all Board member views. Anna-Lisa Castle stated that the comments received to date should be addressed during today's meeting. Todd LaFountain agreed that we should work through the comments received to date.

Anna-Lisa Castle made a motion to go through the comments. Africa made second motion. There were no objections and the motion passed. The Board then discussed comments received to date. Allison Swisher shared the screen with comments (edits) proposed by Justin Williams via email. Justin Williams provided a brief summary of his suggested edits. A discussion regarding Justin Williams comments and Todd LaFountain's comments (both shared on the screen during the meeting) resulted in the following motions and comments:

- Allison Swisher made a motion to approve the first page of Justin Williams' comments. However, Andrea Cheng had concerns regarding verbiage. Anna-Lisa Castle suggested adding qualifying language. Andrea Cheng stated that she would propose language. Sanjay Sofat suggested alternative language or adding qualifying language. A brief discussion followed. Africa stated that additional language should be considered. Brian Cox suggested clarifying language. Paul Hinterlong referenced Page 6 (bullet points) and suggested adding clarifying language. Brian Cox agreed that more clarifying information should be added to this section. Jeff Guy suggested that Paul Hinterlong email proposed language to him. Anna-Lisa Castle made a motion to approve Page 3 revisions with the exception of (1) the first paragraph, in which Andrea Cheng would submit comments, and (2) an additional language to be submitted by Paul Hinterlong. A second motion was made by Allison Swisher. There were no objections and the motion passed.
- Allison Swisher made a motion to approve Page 4 with the caveat that (1) Andrea Cheng will provide feedback regarding ownership scenarios; (2) people on the Technical Work Group will provide details to Justin Williams regarding inventory challenges & the magnitude of complications; and (3) that any proposed comments resulting from today's meeting would be sent to the report compilers by the end of the day on June 7, 2023. A second motion was made by Anna-Lisa Castle. There were no objections and the motion passed.
- A discussion was held between Board members regarding electrical grounding/damage and liability concerns on Page 5. Justin Williams suggested that Allison Swisher provide clarifying language. Justin Williams agreed to make the suggested edits. Allison Swisher then proposed that the Technical Work Group reevaluate this section of the report. Allison Swisher proposed to use alternative language in this section. Anna-Lisa Castle made a motion to approve Page 5 with the caveat that the Technical Work Group needs to revisit: (1) the 'damage to others'; and (2) the 'unrelated utilities' is changed to 'pre-existing conditions'. A second motion was made by Paul Hinterlong. There were no objections and the motion passed.
- Regarding variations on Page 6, Allison Swisher made a motion that this section should be reevaluated by the Technical Work Group and specific comments should be sent to Justin Williams. A second motion was made by Kyle Saunders. There were no objections and the motion passed.
- A motion was made by Allison Swisher to approve the edits on Page 7. A second motion was made by Anna-Lisa Castle. There were no objections and the motion passed.
- A brief discussion was held regarding Todd LaFountain's proposed edits related to construction easements, which consist of additional clarifying language. A motion was made by Allison Swisher to approve Page 12 with the edits (regarding the form of agreement) to be made by the Technical Work Group. A second motion was made by Kyle Saunders. There were no objections and the motion passed.
- A motion was made by Allison Swisher to approve the edit on Page 13 (removing a redundant statement). A second motion was made by Brent O'Neill. There were no objections and the motion passed.

A discussion regarding Allison Swisher's comments (shared on the screen during the meeting) resulted in the following motions and comments:

- Allison Swisher discussed her proposed edits, and a conversation between various Board members followed. It was suggested by Justin Williams that the technical-related comments potentially be added in the conclusion of the report. Allison Swisher agreed to work with Justin Williams to incorporate the suggestions. Another discussion was held regarding Allison Swisher's finance-related comments. Anna-Lisa Castle proposed to share language for the report compilers. Todd LaFountain made a motion that Allison Swisher's technical comments on Page 8 and Page 10 be resolved with the Technical Work Group, and that the two finance-related comments be included as recommendations or conclusions. A second motion was made by Brenda Santoyo. There were no objections and the motion passed.

A discussion regarding Illinois EPA comments (shared on the screen during the meeting) resulted in the following motions and comments:

- Nidhan Singh, Illinois EPA Bureau of Water, provided a brief overview of the Illinois EPA comments. Regarding Illinois EPA Comment 1, it was decided that a range would be used for the number of lead service lines in Illinois (refer to Page 1 of draft report): Anna-Lisa Castle made a motion to include a range 750,000 – 1.04 million. A second motion was made by Africa. There were no objections and the motion passed.
- Regarding Illinois EPA Comment 2 (Page 16 of draft report) and Comment 3 (Page 26 of draft report), it was determined that comments should be sent to the report compilers or Jeff Guy.

Jeff Guy discussed next steps, including how revisions to the draft report will be handled. Brad Cole suggested that all changes be sent to Jeff Guy and the report compilers and then a second draft would be circulated to the Board. Brad Cole suggested that the final report include a general comment stating that the report was put together with varying opinions, different positions/perspectives, and that the report is not necessarily unanimously agreed upon.

Nidhan Singh mentioned the need for additional language in the report in regards to inflation related the cost to replace lead service lines and suggested proposed language for the report.

The Board determined that a Technical Work Group meeting was needed as soon as possible. It was determined that the meeting would be scheduled via email for the following week.

Brad Cole suggested getting all comments to Jeff Guy within a week and then to the report compilers for the second draft report (within a week or two). The second draft report would then be emailed to the Board for consideration/vote. Brad Cole stated that Illinois Municipal League would then distribute the final report, print the report and distribute a hard copy to the General Assembly, distribute the report electronically to all municipalities, and print out a few hundred copies for the Illinois EPA and every legislator. Todd LaFountain made a motion for Illinois Municipal League to print and distribute the final approved report as discussed. A second motion was made by Jones Richmond. There were no objections and the motion passed.

A few Board members questioned how voting on a final report would comply with the Open Meetings Act. Jeff Guy stated that he would look into it.

There were no public comments, and the meeting was adjourned at 3:18 p.m.

The meeting recording and other pertinent documents are available on the Illinois EPA [Lead Service Line Replacement Act Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board

Agenda and Notice

Thursday, June 29, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – May 31, 2023

Approval of Report

Distribution of Report

Future LSLR Meetings

Public Comments?

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=mac91aed66ad1f18758ef985c3c716c94>

Webinar number (access code): 2631 301 8852

Panelist password: LSLR7 (57577 from phones)

Attendee password: LSLR (5757 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Draft Minutes - June 29, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) was called to order at approximately 10:00 a.m. Jeff Guy took a roll call of Board members present:

Board Members: Sanjay Sofat, Chief, Bureau of Water, Illinois EPA (present); Africa, Associate Director, Illinois Department of Revenue (present); Jason Bauer, Assistant City Engineer, City of Aurora (present); Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (present); Andrea Cheng, Commissioner, City of Chicago (present); Dave Clark, Acting Public Works Director, City of Champaign (present); Brad Cole, Executive Director, Illinois Municipal League (present); Brian Cox, Plumbing and Water Quality Program Manager, Illinois Department of Public Health (present); Briana Parker, Associate Director, Elevate Energy (present); Joseph Healy, Business Manager, LiUNA Local 1092 (present); Paul Hinterlong, Councilman, City of Naperville (present); Darrell King, Water Production Bureau Chief, City of Evanston (present); Todd LaFountain, Water Division Manager, City of Springfield, City Water, Light and Power (present); Brent O'Neill, Director of Engineering, Illinois American Water (absent); Rick Powers, Director of Public Works, City of Peoria (absent); Brian Rader, Public Works Superintendent, Village of Caseyville (present); Jones Richmond, Business Representative, Plumbers Local 130 (present); Brenda Santoyo, Little Village Environmental Justice Organization (present); Kyle Saunders, Public Works Director, City of Rockford (present); Iyana Simba, Illinois Environmental Council (present); Tom Somers, Director of Public Works, City of Herrin (absent); Allison Swisher, Department of Public Utilities, City of Joliet (absent); Ann Taylor, Mayor, City of Waukegan (absent); Mike Pubentz, Interim Water Director, City of Elgin (absent); and Justin Williams, Metropolitan Planning Council (present). Illinois EPA staff attending: Jeff Guy, Office of Community Relations; Brad Frost, Office of Community Relations; Gary Bingenheimer, Bureau of Water; Michael Brown, Bureau of Water; Nidhan Singh, Bureau of Water

Brad Cole made a motion to approve the draft meeting minutes from the previous Board meeting on May 31, 2023. This motion was seconded by Kyle Saunders, and the draft meeting minutes were adopted by a unanimous vote. Kyle Saunders stated that he was comfortable with the technical-related portions of the report, and Joe Healy agreed. Joe Healy referenced Allison Swisher's recent edits related to fixtures and agreed that a footnote regarding the IDPH waiver (Page 6 of draft report) could be added. Brad Cole asked for clarification, and Kyle Saunders suggested the addition of "other fixtures", agreed with the addition of the aforementioned footnote, and offered to make the edits. A brief discussion followed between Brad Cole, Kyle Saunders, and Brian Cox, and it was agreed upon that a link to the waiver on IDPH's website would be inserted. Kyle Saunders shared the link in the chat during the meeting.

Brad Cole asked if there were additional edits. Andrea Cheng stated that the rest of the suggested edits by Allison Swisher are smaller language edits or typos. Africa questioned the edit Page 8 of the report, and Kyle Saunders provided clarification. Africa stated that motions are needed for how the edits are approved. Brad Cole stated that there are three edits on Page 15 and asked for clarification (if changes were needed). A brief discussion followed, and it was determined that there are no edits needed on Page 15. Brad Cole suggested that a single motion be made during the end of the meeting approving the amended draft report. Africa agreed. Brad Cole stated that Darrell King's name would be added to the report. Brad Cole acknowledged that he received the aforementioned link from Brian Cox, who stated that the word 'waiver' should be changed to 'variance'. It was agreed upon that the link would be added, and 'waiver' would be changed to 'variance'. Paul Hinterlong asked for clarification regarding his previous edits regarding a bullet point related to licensed plumbers (Page 14). Kyle Saunders stated the language is included on Page 7. Regarding licensed plumbers, Joe Healy stated that a laborer can also be on the job or have a role to play on the job. Brian Cox agreed as long as the individual is not performing plumbing. Kyle Saunders asked about any additional edits including the financial section of the report. Justin Williams stated that with the exception of the need to add Darrell King's name, there are no additional edits.

Kyle Saunders made a motion to approve the draft report as final. Brad Cole added 'as amended today'. Paul Hinterlong made a second motion to approve the draft report as amended today. There were no objections, and the draft report was finalized with the modifications discussed during the meeting. Brad Cole added that the draft minutes for today's meeting would be added to the final report. Jeff Guy stated that the draft minutes would be created in a timely manner for insertion in the report. Regarding distribution of the final report, Brad Frost stated that the Illinois EPA will handle transmitting the report to the General Assembly's website. Brad Frost stated that the Board members are free to distribute the report to whomever else and that the final report is considered a public document. Brad Cole mentioned the distribution of hard copies to Board members. A brief discussion followed, and it was determined that Brad Cole would distribute hard copies to members of the Board who provided their mailing address to him. Brad Cole said he would distribute electronic copies to municipalities, members, etc.

Brad Frost stated that future Board meetings will occur twice a year in January and July, and that the information will be posted on the LSLR webpage to meet Open Meetings Act requirements. There were no public comments, and the meeting was adjourned at 10:38 a.m. The meeting recording and other pertinent documents are available on the Illinois EPA [Lead Service Line Replacement Act Advisory Board webpage](#).

Technical Work Group Agendas and Minutes

Lead Service Line Replacement Advisory Board

Technical Work Group

Agenda and Notice

January 12, 2023 – 1:00 p.m.

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Selection of Chairperson

Tentative Dates for Upcoming Meetings

Discussion

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=m3f2a1367240ebd0f28500da2cc933bbe>

Webinar number (access code): 2455 330 3127

Webinar password: LSLR (5757)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes
Technical Work Group
January 12, 2023

The Lead Service Line Replacement Advisory Board (Board) Technical Work Group was called to order at approximately 1:00 p.m. with the following Board members in attendance:

Jason Bauer, Assistant City Engineer, City of Aurora (present)
Andrea Cheng, Commissioner, City of Chicago (present)
Brad Cole, Executive Director, Illinois Municipal League (present)
Brian Cox, Plumbing and Water Quality Program Manager, IDPH (present)
Joseph Healy, Business Manager, LiUNA Local 1092 (present)
Todd LaFountain, Water Division Manager, City of Springfield CWLP (present)
Jones Richmond, Business Representative, Plumbers Local 130 (present)
Kyle Saunders, Public Works Director, City of Rockford (present)
Eric Weiss, Water Director, City of Elgin (present)
Allison Swisher, Department of Public Utilities, City of Joliet (absent)

Others attending (In-person):

Brad Frost, Office of Community Relations, IEPA
Gary Bingenheimer, Bureau of Water, IEPA
Jeff Guy, Office of Community Relations, IEPA
Michael Brown, Bureau of Water, IEPA

Jeff Guy took a roll call of Board members present.

Jeff Guy called for the selection of a chairperson for the Technical Work Group. Kyle Saunders was elected Chairperson by a unanimous vote.

Summary of Discussion:

Brian Cox requested a discussion about the technicalities of the Lead Service Line Replacement Act.

Jones Richmond added a request for a discussion on finding proper contractors. Brad Cole brought up public comments from prior meetings and suggested those be codified or listed to send to the full Board.

Kyle Saunders recommended that a list of key technical difficulties be drafted prior to the next meeting.

Brian Cox and Joe Healy noted the need to streamline administrative tasks and if there should be notification of any waivers signed.

Brad Cole added that while the legislation does not require notification, it is important to obtain the waivers and have them on file. He suggested the potential of a “clean-up” bill if significant issues must be addressed, but the board should attempt to address them before turning to legislation. The standard notice and translations have been made available by the State, but should be distributed directly to public water suppliers and the Board.

Todd LaFountain asked about waivers from property owners when the ownership of the property changes. Brian Cox suggested that new owners be notified through the Real Property Disclosure Act.

Kyle Saunders made a motion to identify four takeaways on the agenda for the next meeting. Jeff Guy requested that Kyle Saunders send him the four takeaways for the next agenda. Kyle Saunders noted the need of a draft report by March 8, 2023.

The next Technical Work Group meeting is on February 2, 2023. The next Board meeting is on January 25, 2023.

There were no comments from the public.

Jeff Guy made a motion to adjourn. This motion was seconded by Brian Cox, and the Technical Work Group meeting was adjourned at approximately 2:00 p.m.

The [meeting recording](#), the [meeting agenda](#), and other pertinent documents are available on the Agency’s [Lead Service Line Replacement Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board

Technical Work Group

Agenda and Notice

February 2, 2023 – 1:00 p.m.

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – January 12, 2023

Discussion

- List of technical difficulties currently being experienced with the implementation of the Lead Service Line Replacement and Notification Act (LSLRNA)
- Identify potential concerns with labor capacity throughout the State to facilitate LSLR
- Current challenges with administrative processes (i.e., waivers, notifications, reporting, easements, etc.)
- Proposed revisions to LSLRNA as currently written
- IDPH Required Partial Lead Service Line Replacement Notifications (document attached)

Tentative Dates for Upcoming Meetings

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=mbc934cb0b3ebbcbaebac40a162d7080b0>

Webinar number (access code): 2459 340 1661

Panelist password: Tech (8324 from phones)

Webinar password (attendee): LSLR (5757 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes
Technical Work Group
February 2, 2023
Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) Technical Work Group was called to order at approximately 1:00 p.m. with the following Board members:

- Jason Bauer, Assistant City Engineer, City of Aurora (present)
- Andrea Cheng, Commissioner, City of Chicago (present)
- Brad Cole, Executive Director, Illinois Municipal League (present)
- Brian Cox, Plumbing and Water Quality Program Manager, IDPH (absent)
- Joseph Healy, Business Manager, LiUNA Local 1092 (present)
- Todd LaFountain, Water Division Manager, City of Springfield CWLP (present)
- Jones Richmond, Business Representative, Plumbers Local 130 (present)
- Kyle Saunders, Public Works Director, City of Rockford (present)
- Eric Weiss, Water Director, City of Elgin (present)
- Allison Swisher, Department of Public Utilities, City of Joliet (present)

Others attending (In-person):

- Michael Brown, Bureau of Water, IEPA
- Brad Frost, Office of Community Relations, IEPA
- Jeff Guy, Office of Community Relations, IEPA
- Finnegan McCurdy, Office of Community Relations, IEPA

Jeff Guy took a roll call of Board members present.

Brad Cole made a motion to approve the draft meeting minutes from the previous meeting. This motion was seconded by Joe Healy. The motion was carried with no objections.

Summary of Discussion:

Five agenda points were circulated prior to the meeting. Kyle Saunders started the discussion with the first agenda point: “list of technical difficulties currently being experienced with the implementation of the Lead Service Line Replacement and Notification Act (LSLRNA).” He reported a struggle with coordinating multiple contractors under multiple contracts. He also noted an issue with non-responsiveness of tenants, with a response rate of 40% in Rockford.

Andrea Cheng reported an issue with privately owned homes and buildings such as townhouses in Chicago. In some cases, she has found that the pipes connected to privately owned water mains are damaged. If the contractors are to replace the lines, it may cause the water main to fail. Since these water mains are privately owned, there are not enough funds to replace the water main. Jason Bauer has also encountered this problem.

Kyle Saunders asked what would happen if a utility company hit a service line, damaged it, and a full replacement of the line was needed. Andrea Cheng found that sending out their own utility crew to replace the line and back charging the original utility company was effective.

Jason Bauer asked what should be done when a home or property owner initiates a repair. Would the owner pay for it? Would it trigger a full replacement?

Jason Bauer also posed a scenario where an owner rejects a line replacement and goes on to sell the home. Brad Cole suggested it would be put in the homeowner's disclosure. Michael Brown said he will check with Illinois EPA's legal department, though the waiver states that the homeowner must disclose this at the time of sale.

Andrea Cheng asked about landlord refusal to replace the lines. She wanted to know how to police the filters provided to these landlords to prove they have given the filters to their tenants. Michael Brown noted that this information would go into the inventory/replacement plan so it would be public record.

Kyle Saunders moved on to the second agenda point: "identify potential concerns with labor capacity throughout the state to facilitate LSLR." Brad Cole asserted that the state would need to fund apprenticeships to promote and organize labor. Joseph Healy reported that training on lead service line replacements is underway. Cole suggested a list of qualified contractors and companies be made available to the board, which Joseph Healy and Jones Richmond agreed to provide.

Kyle Saunders posed the third agenda point: "current challenges with administrative processes (i.e., waivers, notifications, reporting, easements, etc.)" The Illinois Section of American Water Work has made information on the LSLR Act more digestible. Andrea Cheng questioned the appropriate amount of outreach.

Kyle Saunders moved on to the fourth agenda point: "proposed revisions to LSLRNA as currently written." Todd LaFountain raised the issue of the paperwork and replacement period. Brad Cole stated that it is most important to be succinct in the proposed revisions and that a specific time period should be clearly communicated. Brown states that the rules will be going to public comment in the near future.

Lastly, Kyle Saunders posed the fifth agenda point: "IDPH required partial lead service line replacement notifications." Jeff Guy read the associated document, which was attached to the [meeting agenda](#). There is an online form to notify IDPH of making emergency repairs.

The next Technical Work Group meeting is on February 16, 2023, at 1:00 P.M. The next Board meeting is on March 8, 2023.

There were no comments from the public.

Jeff Guy made a motion to adjourn. This motion was seconded by Brad Cole. The work group meeting was adjourned at approximately 2:30 p.m.

The [meeting recording](#) and other [pertinent documents](#) are available on the Agency's [Lead Service Line Replacement Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board
Technical Work Group
Agenda and Notice

February 16, 2023 – 1:00 p.m.

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – February 2, 2023

Discussion

- Confirm technical committee report items
- Identify working group members willing to draft the final report

Next Meeting

Public Comments?

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=m7a105c2e19714f91bb7a8113f39424ce>

Webinar number (access code): 2469 865 4599

Webinar password (panelist): Tech (8324 from phones)

Webinar password (attendee): LSLR (5757 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes
Technical Work Group
February 16, 2023
Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) Technical Work Group was called to order at approximately 1:00 PM with the following Board members:

Todd LaFountain, Water Division Manager, City of Springfield CWLP (absent)
Brad Cole, Executive Director, Illinois Municipal League (present)
Kyle Saunders, Public Works Director, City of Rockford (present)
Jason Bauer, Assistant City Engineer, City of Aurora (present)
Brian Cox, Plumbing and Water Quality Program Manager, IDPH (present)
Jones Richmond, Business Representative, Plumbers Local 130 (present)
Joseph Healy, Business Manager, LiUNA Local 1092 (present)
Allison Swisher, Department of Public Utilities, City of Joliet (absent)
Andrea Cheng, Commissioner, City of Chicago (absent)
Mike Pubentz, Water Director, City of Elgin (present)

Others attending (In-person):

Brad Frost, Office of Community Relations, IEPA
Jeff Guy, Office of Community Relations, IEPA
Finnegan McCurdy, Office of Community Relations, IEPA

Jeff Guy took a roll call of Board members present.

Kyle Saunders made a motion to approve the draft meeting minutes from the previous meeting on February 2, 2023. This motion was seconded by Joe Healy.

Summary of Discussion:

Mike Pubentz introduced himself to the group as the new Water Director for the City of Elgin.

Kyle Saunders reviewed the information gathered in the previous meeting. The four items that were discussed were: a list of current technical difficulties being experienced, identifying potential concerns with labor capacity throughout the state, challenges associated with administrative processes, and any potential revisions to the act that may be required.

Joe Healy said he spoke with the Underground Contractors Association of Illinois (UCA) and discussed the concerns mentioned in the previous meeting. He said that the UCA is unsure about the contracts requiring restoration. Specifically, they are wondering if they will need to fix anything within the

individual's home. There is not enough information to allow the UCA to estimate the cost of the repair and the amount of time needed. Joe Healy provided the contact for the UCA: Mike Wiedmaier, Executive Director of the UCA of Illinois.

Kyle Saunders asked for a small group of volunteers to develop a draft for the Board. This group consists of Kyle Saunders, Brian Cox, Brad Cole, and Joe Healy.

The next Technical Work Group meeting was not determined. The next Board meeting is on March 8, 2023.

There were no comments from the public.

Jeff Guy made a motion to adjourn. This motion was seconded by Jones Richmond. The work group meeting was adjourned at approximately 1:27 PM.

The meeting recording and other pertinent documents are available on the Agency's [Lead Service Line Replacement Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board

Technical Work Group

Agenda and Notice

Monday, June 5, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – February 16, 2023

Discussion

Further revisions to draft report

Next Steps

Revisions due COB 6/7/23

Public Comments?

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=m51d3de415209390923a3fa4c701f9443>

Webinar number (access code): 2631 650 6140

Panelist password: Tech (8324 from phones)

Attendee password: LSLR (5757 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes

Technical Work Group

June 5, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) was called to order at approximately 1:00 p.m. Jeff Guy took a roll call of Board members present:

Jason Bauer, Assistant City Engineer, City of Aurora (present)

Andrea Cheng, Commissioner, City of Chicago (present)

Brad Cole, Executive Director, Illinois Municipal League (absent)

Brian Cox, Plumbing and Water Quality Program Manager, Illinois Department of Public Health (present)

Joseph Healy, Business Manager, LiUNA Local 1092 (present)

Todd LaFountain, Water Division Manager, City of Springfield, City Water, Light and Power (present)

Jones Richmond, Business Representative, Plumbers Local 130 (present)

Kyle Saunders, Public Works Director, City of Rockford (present)

Allison Swisher, Department of Public Utilities, City of Joliet (absent)

Nora Bertram, Senior Engineer, City of Elgin (present) on behalf of Mike Pubentz, Interim Water Director, City of Elgin

Others attending:

Jeff Guy, Illinois EPA Office of Community Relations

Brad Frost, Illinois EPA Office of Community Relations

Gary Bingenheimer, Illinois EPA Bureau of Water

Nidhan Singh, Illinois EPA Bureau of Water

Joe Healy made a motion to approve the draft meeting minutes from the previous meeting on February 16, 2023. A second motion was made by Jones Richmond, and the draft meeting minutes were adopted by a unanimous vote.

Jeff Guy referenced technical-related topics discussed during the main Board meeting on May 31, 2023 and shared on the screen Joe Healy's email dated April 28, 2023. Joe Healy discussed his email including RFPs (request for proposal), potential issues with contractors, bidding, insurance policies, and equipment. Joe Healy proposed that clarification be added to the report regarding RFPs. Kyle Saunders stated that Joe Healy's comments have been shared with the report compilers (Brad Cole, Justin Williams, and Africa) and stated that the information should be incorporated into the technical-related or administrative portion of the report. A detailed discussion followed. Kyle Saunders stated that several outstanding sections of the report need to be modified and then sent back to the report compilers.

Jeff Guy shared on the screen Allison Swisher's comments made during the main Board meeting on May 31, 2023 and Andrea Cheng mentioned Anna-Lisa Castle's email summary regarding the main Board meeting on May 31, 2023; it was then agreed upon to discuss these items. Jeff Guy shared on the screen Anna-Lisa Castle's email summary. Kyle Saunders suggested to begin modifying language and then shared on the screen a workable MS Word document. A detailed discussion followed, and the document was edited by Kyle Saunders during the remaining portion of the meeting. However, it was determined that the Technical Work Group would need to meet the following day since more changes were needed. There were no public comments, and the meeting was adjourned at approximately 3 p.m.

The meeting recording and other pertinent documents are available on the Illinois EPA [Lead Service Line Replacement Act Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board

Technical Work Group

Agenda and Notice

Tuesday, June 6, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Discussion

Further revisions to draft report

Public Comments

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=m74cb95886ee6a87ae8b3144b4e8554e2>

Webinar number (access code): 2632 106 4615

Attendee password: ByJqEc9Fi46

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes

Technical Work Group

June 6, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) was called to order at approximately 11:00 a.m. Kyle Saunders provided a brief summary of the Technical Work Group meeting conducted on the previous day (June 7, 2023).

Jeff Guy took a roll call of Board members present:

Jason Bauer, Assistant City Engineer, City of Aurora (present)
Andrea Cheng, Commissioner, City of Chicago (present)
Brad Cole, Executive Director, Illinois Municipal League (absent)
Brian Cox, Plumbing and Water Quality Program Manager, Illinois Department of Public Health (present)
Joseph Healy, Business Manager, LiUNA Local 1092 (absent)
Todd LaFountain, Water Division Manager, City of Springfield, City Water, Light and Power (present)
Jones Richmond, Business Representative, Plumbers Local 130 (present)
Kyle Saunders, Public Works Director, City of Rockford (present)
Allison Swisher, Department of Public Utilities, City of Joliet (absent)
Mike Pubentz, Interim Water Director, City of Elgin (absent)

Others attending:

Jeff Guy, Illinois EPA Office of Community Relations
Brad Frost, Illinois EPA Office of Community Relations
Gary Bingenheimer, Illinois EPA Bureau of Water
Nidhan Singh, Illinois EPA Bureau of Water

Kyle Saunders shared on the screen a Word document with language that was added during the previous Technical Work Group meeting on June 5, 2023. Kyle Saunders solicited additional feedback regarding the revisions made including revisions proposed by Joe Healy and Allison Swisher. A detailed discussion followed regarding additional revisions. Key discussion points included, but were not limited to, contractors, bidding, waiver on separation requirements, loan challenges, plumbing materials, and compliance with Illinois plumbing code.

Kyle Saunders stated that the additional changes discussed would be sent to Jeff Guy the following morning. Brad Cole clarified that revisions should be sent to himself, Justin Williams, and Africa (report compilers). Brad Cole stated that the report compilers would then edit the report and that a final draft report would be circulated to the entire LSLR Advisory Board. It was determined that Jeff Guy would be copied on all email correspondence. Kyle Saunders again shared on the screen the Word document and asked for clarification from Andrea Cheng regarding the City of Chicago's preferred installation method. However, Andrea Cheng lost connection to the meeting.

Brad Cole asked Jeff Guy about report revisions from the Financing Work Group, and Jeff Guy stated that he would ensure all information was provided to Brad Cole.

Andrea Cheng reconnected and provided clarification regarding procurement, equipment, and anticipated techniques. Kyle Saunders stated that he would work with Andrea Cheng on the appropriate changes to the report.

Kyle Saunders stated that he would make all discussed revisions, share the edits with the Technical Work Group for approval, and then send the changes to Brad Cole.

There were no public comments, and the meeting was adjourned at approximately 11:37 a.m.

The meeting recording and other pertinent documents are available on the Illinois EPA [Lead Service Line Replacement Act Advisory Board webpage](#).

This page intentionally blank.

Financing Work Group Agendas and Minutes

Lead Service Line Replacement Advisory Board

Financing Work Group

Agenda and Notice

January 17, 2023 – 1:00 p.m.

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Selection of Chairperson

Tentative Dates for Upcoming Meetings

Discussion

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=mbc97439338d2fa33e33f06f9a1a88243>

Webinar number (access code): 2451 785 1976

Webinar password: LSLR (5757)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes
Financing Work Group
January 17, 2023
Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) Financing Work Group was called to order at approximately 1:00 p.m. with the following Board members in attendance:

Todd LaFountain, Water Division Manager, City of Springfield CWLP (present)
Brad Cole, Executive Director, Illinois Municipal League (present)
Kyle Saunders, Public Works Director, City of Rockford (absent)
Jason Bauer, Assistant City Engineer, City of Aurora (present)
Justin Williams, Metropolitan Planning Council (present)
Paul Hinterlong, Councilman, City of Naperville (present)
Africa, Associate Director, Illinois Department of Revenue (absent)
Briana Parker, Elevate Energy (present)
Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (absent)
Iyana Simba, Illinois Environmental Council (present)
Darrell King, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (present)
Brenda Santoyo, LVEJO (present)

Others attending (In-person):

Gary Bingenheimer, Bureau of Water, IEPA
Brad Frost, Office of Community Relations, IEPA
Jeff Guy, Office of Community Relations, IEPA

Jeff Guy took a roll call of Board members present.

Jeff Guy called for the selection of a chairperson for the Financing Work Group. Briana Parker was elected Chairperson by a unanimous vote.

Tentative dates for upcoming meetings: The deadline for the draft report is July 1, 2023. Justin Williams suggested having at least a few meetings with work in the interim. Brad Cole noted that being general in our suggestions will require fewer meetings than being specific.

Summary of Discussion:

Justin Williams indicated we should provide the information the General Assembly needs. Brad Cole suggested identification of revenue sources as part of report, and that the narrative should not be an agenda. Darrell King liked the idea of generating additional revenue, and agreed that we don't want to be part of a political agenda. Darrell King suggested exploring if there are exemptions in current funds

where transfers can be made. State-wide taxes to dedicate toward the grant program were also discussed.

Gary Bingenheimer reminded the group to consider how options would work with well system users. Brad Cole indicated it would not be equitable to tax a community that has zero lead service lines.

Completion of all lead line replacements for the 675,000 confirmed lead lines reported in Illinois is expected to cost \$5.5 to \$8 billion statewide. The federal government is providing \$107 million for five years, but there is no funding beyond that. More will be needed from the federal government. Todd LaFountain questioned what other resources are available.

Brad Cole told the group that public water utilities will have to go through Illinois Commerce Commission for rate increase approval. Funding from Smart Energy Design Assistance Center (SEDAC), State Revolving Fund (SRF) loans and principal forgiveness, or other interest free loans may also be options.

The group discussed whose responsibility is it to pay for the full project. The Community Water Supply (CWS) is responsible for inventory and replacing the lines in accordance with the schedule in the Act. However, the state has deemed it a statewide issue and that the state treasurer will provide funding. Maybe it is also an issue for other federal agencies (with funds), like EDA, FEMA, USDA, etc. Technical assistance may also be needed for municipalities.

Paul Hinterlong said the trades have been working on recruiting to get the work done in the next few decades. Brad stated there are only three options: federal, state, local. Brad Cole suggested compiling list ideas for each option and that the Board explain to the legislators what would happen if no state funding is provided. Jeff Guy requested ideas from Board members be sent to himself to be used for future agenda items. A final note was made on uncertain costs due to time and location.

The next Financing Work Group meeting was not determined during today's meeting, but will be scheduled soon.

The next Board meeting is on January 25, 2023.

There were no comments from the public.

Brad Cole made a motion to adjourn. The motion was seconded by Paul Hinterlong, the Financing Work Group meeting was adjourned at approximately 2:15 p.m.

The [meeting recording](#) and other pertinent documents are available on the Agency's [Lead Service Line Replacement Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board

Financing Work Group

Agenda and Notice

February 9, 2023 – 1:00 p.m.

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – January 17, 2023

Discussion

- Finalize Areas of Financing
- Review Illinois EPA Loan Program and its relationship to our work
 - Data Points & Collection

Tentative Dates for Upcoming Meetings

Recurring Meeting – every second Thursday of the month?

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=mc9357e099259d84b16eac713aaef09da>

Webinar number (access code): 2467 376 2170

Panelist password: Financing (34626246 from phones and video systems)

Webinar password (attendee): LSLR (5757 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes
Financing Work Group
February 9, 2023
Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) Financing Work Group was called to order at approximately 1:00 PM with the following Board members:

Todd LaFountain, Water Division Manager, City of Springfield CWLP (present)
Brad Cole, Executive Director, Illinois Municipal League (present)
Kyle Saunders, Public Works Director, City of Rockford (absent)
Jason Bauer, Assistant City Engineer, City of Aurora (present)
Justin Williams, Metropolitan Planning Council (present)
Paul Hinterlong, Councilman, City of Naperville (present)
Africa, Associate Director, Illinois Department of Revenue (present)
Briana Parker, Elevate Energy (present)
Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (absent)
Iyana Simba, Illinois Environmental Council (present)
Darrell King, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (present)
Brenda Santoyo, LVEJO (present)

Others attending (In-person):

Brad Frost, Office of Community Relations, IEPA
Gary Bingenheimer, Bureau of Water, IEPA
Jeff Guy, Office of Community Relations, IEPA

Jeff Guy took a roll call of Board members present.

Jeff Guy made a motion to approve the draft meeting minutes from the previous meeting on January 17, 2023. This motion was seconded by Paul Hinterlong.

Summary of Discussion:

Briana Parker suggested that the Financing Work Group meet every second Thursday of the month at 1:00 PM. There were no objections.

The first item on the agenda was to finalize areas of financing. Briana Parker began the discussion about the three areas of funding: local, state, and federal. Brad Cole added that only grants and loans can be received from federal and state levels. Taxes and fees are the only forms of funding that are available locally. He suggested that the report could call on Congress to allocate more funding through grants or

loans. If possible, calling upon the General Assembly to provide grants would be the best course of action. Todd LaFountain asked how funding should be requested locally if grants are not provided.

Paul Hinterlong asked where the funds from the state are coming from. Gary Bingenheimer said that the money comes from the federal government due to the Infrastructure Investment and Jobs Act. Brad Cole discussed where revenue could be collected locally as the state is limited in where it can gather funds. He suggested a few places where the state could gather funds through taxes, such as income or cannabis purchases. Justin Williams said that it is important to provide the General Assembly with all three forms of revenue generation to ensure they are aware of the potential options. Africa asked if there was any additional information to provide to the General Assembly about funding. Todd LaFountain suggested gathering individuals who are qualified to discuss local funding measures.

Paul Hinterlong asked about lobbyists and their role in the state. He suggested that the best way to figure out how to receive funding is to work from the top down: one should start at the federal level and work their way down to the local level.

Briana Parker identified the three important areas for funding: state, federal, and local. Jeff Guy requested additional information by March 1, 2023.

Gary Bingenheimer shared the specifics of the federal funding coming to IEPA as a result of the Infrastructure Investment and Jobs Act. \$534 million has been allotted to lead service line replacements. \$496 million has been allocated to wastewater loan programs. \$418 million goes to drinking water loan programs. Lastly, \$184 million goes toward emerging contaminants.

The next Financing Work Group meeting is on March 9, 2023, at 1:00 PM. The next Board meeting is on March 8, 2023.

There were no comments from the public.

Jeff Guy made a motion to adjourn. This motion was seconded by Briana Parker. The work group meeting was adjourned at approximately 2:00 PM.

The meeting recording and other pertinent documents are available on the Agency's [Lead Service Line Replacement Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board

Financing Work Group

Agenda and Notice

March 9, 2023 – 1:00 p.m.

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – February 9, 2023

Discussion

Funding options

Public Comments?

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=m1c704ed8ffee289d9eac9370565eddaa>

Webinar number (access code): 2456 231 5962

Webinar password (panelist): Financing (34626246 from phones and video systems)

Webinar password (attendee): LSLR (5757 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes
Financing Work Group
March 9, 2023
Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) Financing Work Group was called to order at approximately 1:00 PM with the following Board members:

Todd LaFountain, Water Division Manager, City of Springfield CWLP (present)
Brad Cole, Executive Director, Illinois Municipal League (present)
Kyle Saunders, Public Works Director, City of Rockford (absent)
Jason Bauer, Assistant City Engineer, City of Aurora (present)
Justin Williams, Metropolitan Planning Council (absent)
Paul Hinterlong, Councilman, City of Naperville (present)
Africa, Associate Director, Illinois Department of Revenue (present)
Briana Parker, Elevate Energy (present)
Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (absent)
Iyana Simba, Illinois Environmental Council (absent)
Darrell King, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (absent)
Brenda Santoyo, LVEJO (present)

Others attending (In-person):

Brad Frost, Office of Community Relations, IEPA
Michael Brown, Bureau of Water, IEPA
Gary Bingenheimer, Bureau of Water, IEPA

Brad Frost took a roll call of Board members present.

Brad Frost made a motion to approve the draft meeting minutes from the previous Financing Work Group meeting on February 9, 2023. This motion was seconded by Brad Cole, and the draft meeting minutes were adopted by a unanimous voice vote.

Summary of Discussion:

Funding options/ideas have been emailed by members of the group to Jeff Guy (Illinois EPA) and chairperson Briana Parker. A PowerPoint presentation from Justin Williams was also previously circulated. Briana Parker asked if more time should be granted for the group to review the information. Brad Cole asked how the group should handle the funding opportunities, including what will be developed for the report: one option is to explain the three categories (local, state, and federal) into a narrative form.

Mr. Cole asked if the funding opportunities will be explained, organized, and written out for the report or if there will be recommendations to the entire LSLR Board from the Financing Work Group. Mr. Cole asked how to structure the information from the PowerPoint presentation into the report (e.g., use part of the presentation or include the presentation as a stand-alone document). Todd LaFountain also discussed the PowerPoint presentation and has reservations about how to incorporate information from this document into the report.

Africa agreed that an explanation regarding each funding item is needed as opposed to just listing the general options. Africa stated that the report for the General Assembly and the Governor's office should include sufficient information and should include some information from the PowerPoint presentation.

Regarding the PowerPoint presentation, Brenda Santoyo stated that potential revenue sources should be considered for inclusion in the report, although some items from the PowerPoint should not be included.

Brad Cole stated that Illinois Municipal League (IML) is willing to format, design, and produce the draft report. Mr. Cole clarified that IML could do the design, layout, and production of the document including all relevant pieces (e.g., agendas and minutes from all meetings) in addition to making copies. Mr. Cole shared a link for a similar document that IML produced for a different organization. Africa asked if the Illinois EPA could offer to help produce the report, and Gary Bingenheimer (Illinois EPA) stated that the Agency does not have the resources. Africa asked Mr. Cole to submit the offer in writing and asked about the source of graphics for the report.

Gary Bingenheimer discussed the next (main) Board meeting, tentatively scheduled for April 19, 2023 and stated that the goal of this meeting is to have a rough draft of the report, which gives the entire Board nearly a month to review the draft report and provide feedback to those who have volunteered to produce the draft report (Justin Williams, Brad Cole, and Africa). After the April 19, 2023 meeting, edits to the draft report would be made prior to having a final draft by May 31, 2023. Mr. Bingenheimer stated that each Work Group should compile all their information to be submitted to Justin Williams, Brad Cole, and Africa in preparation of the April 19, 2023 meeting.

Jason Bauer stated that he appreciated IML willing to help with the report and asked if the group is intending to go through the options one by one, discuss the options, and then decide what to propose.

Brad Cole clarified IML's role in helping with the report and stated that the draft report produced by IML would be presented to the Board.

Gary Bingenheimer stated that another Financial Work Group meeting may be needed. Paul Hinterlong felt the need for the Financial Work Group to discuss all the information before sending it to the (main) Board.

There were no comments from the public. Brad Frost made a motion to adjourn. This motion was seconded by Briana Parker. The Financing Work Group meeting was adjourned at approximately 1:45 pm.

The meeting recording and other pertinent documents are available on the Illinois EPA [Lead Service Line Replacement Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board

Financing Work Group

Agenda and Notice

March 16, 2023 – 1:00 p.m.

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – March 9, 2023

Discussion

Funding options

Deadlines and Pertinent Dates

Public Comments?

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=mdc706f99e174cc107c65321bde066f58>

Webinar number (access code): 2461 270 9739

Webinar password (panelist): LSLR (5757 from phones)

Webinar password (attendee): Finance (3462623 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes
Financing Work Group
March 16, 2023
Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) Financing Work Group was called to order at approximately 1:00 p.m. with the following members:

Todd LaFountain, Water Division Manager, City of Springfield CWLP (absent)
Brad Cole, Executive Director, Illinois Municipal League (present)
Kyle Saunders, Public Works Director, City of Rockford (absent)
Jason Bauer, Assistant City Engineer, City of Aurora (present)
Justin Williams, Metropolitan Planning Council (absent)
Paul Hinterlong, Councilman, City of Naperville (present)
Africa, Associate Director, Illinois Department of Revenue (present)
Briana Parker, Elevate Energy (present)
Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (present)
Iyana Simba, Illinois Environmental Council (present)
Darrell King, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (present)
Brenda Santoyo, LVEJO (present)

Others attending (on-line):

Jeff Guy, Illinois EPA
Gary Bingenheimer, Illinois EPA

Jeff Guy took a roll call of Board members present.

Brad Cole made a motion to approve the draft meeting minutes from the previous Financing Work Group meeting on March 9, 2023. This motion was seconded by Paul Hinterlong, and the draft meeting minutes were adopted by a unanimous vote.

Summary of Discussion:

Jeff Guy clarified that funding options presented via email by group members are available as a PDF document, entitled Funding Options (shared on screen), and that the group should review these options with a goal of completion of a draft report summarizing these options by April 5, 2023. Jeff Guy also briefly discussed some upcoming meeting dates. Africa agreed to proceed with reviewing the funding options in detail.

Brad Cole stated that himself, Justin Williams, and Africa have volunteered to coordinate the final language from the Technical and Financial Work Groups that is going to be put together in the report, and asked who would be putting the information together from the Financial Work Group. Brad Cole stated that the information from the two Work Groups would be compiled by the three volunteers into a report to be shared with the full Board. Africa agreed with Brad Cole's proposed approach.

Justin Williams questioned upcoming deadlines and Jeff Guy shared the screen that included a summary of pertinent dates. Brad Cole proposed that the two Work Groups produce documents with recommendations, and the three volunteers will put together an overall recommendation to be presented to the full Board.

Justin Williams volunteered to compile the information from the Financing Work Group. Anna-Lisa Castle also volunteered to help along with Jason Bauer and Iyana Simba.

Paul Hinterlong asked for clarification from Brad Cole regarding the report, and Brad Cole stated that he is offering to organize and distribute the report but not write the report. Jeff Guy stated that the draft report would be shared with the full Board.

Anna-Lisa Castle asked if the final report would be branded by Illinois Municipal League (IML) and asked who the audience would be, and Brad Cole said that the report would not be an IML document – it would be a Board document with the audience being the General Assembly (statutory requirement).

Jeff Guy asked who would lead the newly established sub-group (Financing Work Group 2) and how the process would work. Jason Bauer asked about the limit of workers who could work off-line. A brief discussion followed. Paul Hinterlong stated that there may be some agreements and disagreements regarding the content of a report, which should be considered.

Jeff Guy suggested scrolling through the Funding Options PDF document, which was shared on the screen, and clarified that the document is representative of all emails received regarding the funding options. Jeff Guy began scrolling through the document.

Paul Hinterlong commented on Page 1 of the PDF document and stated that he is not in favor of a property tax increase on the local level. Brad Cole agreed and asked if the potential funding sources are considered options that can be considered or recommendations that should be done. A brief discussion between Mr. Hinterlong, Mr. Cole, and Justin Williams followed. Justin Williams stated that the report should focus on the options and include a discussion on each option. Africa stated that viable options should be presented based on the statute. Jason Bauer stated that an evaluation of the options requires five or six criteria that need to be evaluated pursuant to the statute. Anna-Lisa Castle suggested that the group present all options as required by statute, and asked about using 'Google Doc' for the process. Justin Williams agreed that the process should be determined first before going through the PDF document, and suggested working with the group to solicit feedback - while established deadlines.

Justin Williams asked Jeff Guy if there is a viable format (e.g., SharePoint, Google Doc, Dropbox, etc.) that can be used for the process. Jeff Guy stated that any findings from the smaller group should be shared with the larger group. Gary Bingenheimer stated that the group should do whatever works best. Brad Cole stated that the Financing Work Group must approve the work of the smaller group, so the need for another meeting was then discussed.

The deadline of April 5, 2023 was discussed briefly. This is the tentative deadline for both Work Group to submit reports to Brad Cole, Justin Williams, and Africa – for development of the main report. Justin Williams stated that the April 5, 2023 did not seem realistic due to the amount of coordination needed and suggested an email vote from the group in regards to the Financing Work Group report – followed by another meeting. Anna-Lisa Castle again discussed the possibility of creating a sharable document that can be edited by the group (if there isn't time for another meeting), with any conflicts being resolved digitally or possibly by another meeting. Brad Cole stated that the final report deadline (June 30, 2023) may not be met, and that a schedule should not be forced.

Brad Cole said that the tentative deadline to have reports from both Work Groups is about April 12, 2023. Justin Williams suggested another meeting for the Financing Work Group on April 6, 2023 to discuss the draft report developed by the four Financing Work Group report compilers with any feedback/changes submitted back to the report compilers by April 10, 2023 – with a final draft report submitted to Brad Cole, Africa, and Justin Williams by April 12, 2023. A discussion regarding deadlines and upcoming meetings (including the larger Board meeting) followed, and the group agreed with the dates proposed by Justin Williams (April 6, 2023, April 10, 2023, and April 12, 2023). The group agreed that the next Financing Work Group meeting be scheduled for April 6, 2023. The next main Board meeting will occur on April 19, 2023 as planned, with another main Board meeting on May 31, 2023.

Africa mentioned the six items in the statute and asked how they would be considered. Jason Bauer said that the report should touch on all topics, although Justin Williams mentioned that there will need to be some amount of flexibility for the report compilers because the current revenue generation potential is unknown. Anna-Lisa Castle agreed that the report should clearly reference each of the items (e.g., addressing in narrative form).

There were no comments from the public. Paul Hinterlong made a motion to close the meeting. This motion was seconded by Justin Williams. The Financing Work Group meeting was adjourned at approximately 1:29 p.m.

The meeting recording and other pertinent documents are available on the Illinois EPA [Lead Service Line Replacement Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board

Financing Work Group

Agenda and Notice

April 6, 2023 – 1:00 p.m.

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes - March 16, 2023

Discussion

Financing Work Group draft report

Deadlines and Pertinent Dates

April 10, 2023: any resolved feedback on draft report due to report compilers

(Anna-Lisa Castle, Jason Bauer, Iyana Simba, Justin Williams)

April 12, 2023: compilers send draft report to Brad Cole, Africa, and Justin Williams

April 19, 2023: draft report to Brad Cole for formatting

April 19, 2023: LSLR Board Meeting 6

April 26, 2023: Brad Cole sends complete draft report to full Board

May 31, 2023: LSLR Board Meeting 7

July 1, 2023: deadline for final report to be submitted

Public Comments?

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=m253c9b14821301832126f7dcd0f21e5d>

Webinar number (access code): 2456 925 3399

Webinar password (panelist): LSLR (5757 from phones)

Webinar password (attendee): Finance (3462623 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes
Financing Work Group
April 6, 2023
Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) Financing Work Group was called to order at approximately 1:00 p.m. with the following Board members:

Todd LaFountain, Water Division Manager, City of Springfield CWLP (absent)
Brad Cole, Executive Director, Illinois Municipal League (present)
Kyle Saunders, Public Works Director, City of Rockford (absent)
Jason Bauer, Assistant City Engineer, City of Aurora (present)
Justin Williams, Metropolitan Planning Council (present)
Paul Hinterlong, Councilman, City of Naperville (present)
Africa, Associate Director, Illinois Department of Revenue (present)
Briana Parker, Elevate Energy (present)
Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (present)
Iyana Simba, Illinois Environmental Council (present)
Darrell King, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (present)
Brenda Santoyo, LVEJO (present)

Others attending (In-person):

Brad Frost, Office of Community Relations, IEPA
Gary Bingenheimer, Bureau of Water, IEPA
Michael Brown, Bureau of Water, IEPA

Brad Frost took a roll call of Board members present.

Brad Frost made a motion to approve the draft meeting minutes from the previous meeting. This motion was seconded by Justin Williams, and the draft meeting minutes were adopted by a unanimous vote.

Summary of Discussion:

Justin Williams discussed a draft document that had been circulated via email prior to the meeting. This draft includes potential language and formatting for the upcoming report; and it discusses revenue, financial resources, and federal or state funding opportunities.

Brad Cole pointed out aspects of the document that he and the Illinois Municipal League would edit and finalize, such as the formatting and any inconsistent terms or wording.

Brad Cole, Justin Williams, and Iyana Simba discussed the specifics of the financial burden on the individual customer.

Africa asked how the other Financing Work Group members would edit or add comments to the document. Justin Williams suggested incorporating individual comments or working from a shared document. Anna-Lisa Castle agreed with the idea of utilizing a shared document. She also suggested that a glossary is added to the end of the document to define specific terms and acronyms.

Africa inquired as to when the Illinois EPA's inventory list will be made available and if it will be available prior to the April 15, 2023, due date. Michael Brown stated that it is a matter of when the documents they need are received and processed. He is unsure whether it will be ready prior to April 15, 2023.

Gary Bingenheimer, Justin Williams, and Africa discussed the total funding required for the Lead Service Line Replacement Act. Gary Bingenheimer suggested that an estimated total of \$6 billion was too small. Africa noted that Board will need to know the total cost at some point, but it will require extensive resources.

Justin Williams suggested that the edits to the document he circulated be made in separate files to avoid a shared document becoming too complex.

The next Board meeting is on May 31, 2023.

There were no comments from the public.

Brad Frost made a motion to adjourn. This motion was seconded by Brad Cole. The work group meeting was adjourned at approximately 2:30 p.m.

The meeting recording and other pertinent documents are available on the Illinois EPA [Lead Service Line Replacement Act Advisory Board webpage](#).

Lead Service Line Replacement Advisory Board

Financing Work Group

Agenda and Notice

Thursday, June 15, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

Roll Call

Meeting Minutes – April 6, 2023

Discussion

Financing portions of draft report

Public Comments?

Closing

Join Information

<https://illinois.webex.com/illinois/j.php?MTID=me0e865873ba7c4dd0aa9fe9ad0b9da0f>

Webinar number (access code): 2632 802 6613

Panelist password: LSLR (5757 from phones)

Attendee password: Finance (3462623 from phones)

+1-312-535-8110 US Toll (Chicago)

+1-415-655-0002 US Toll

Lead Service Line Replacement Advisory Board Meeting Minutes
Financing Work Group

June 15, 2023

Webex Webinar or In-person at Illinois EPA Headquarters

The Lead Service Line Replacement Advisory Board (Board) Financing Work Group was called to order at approximately 1:00 p.m. with the following members:

Todd LaFountain, Water Division Manager, City of Springfield CWLP (present)

Brad Cole, Executive Director, Illinois Municipal League (absent)

Kyle Saunders, Public Works Director, City of Rockford (absent)

Jason Bauer, Assistant City Engineer, City of Aurora (absent)

Justin Williams, Metropolitan Planning Council (present)

Paul Hinterlong, Councilman, City of Naperville (present)

Africa, Associate Director, Illinois Department of Revenue (absent)

Briana Parker, Elevate Energy (absent)

Anna-Lisa Castle, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (present)

Iyana Simba, Illinois Environmental Council (present)

Darrell King, Policy Director, Clean Water & Equity, Alliance for the Great Lakes (absent)

Brenda Santoyo, LVEJO (present)

Others attending (on-line):

Jeff Guy, Illinois EPA

Brad Frost, Illinois EPA

Gary Bingenheimer, Illinois EPA

Nidhan Singh, Illinois EPA

The meeting began at approximately 1:00 p.m. However, there were not enough members of the Financing Group to proceed with an official meeting, so the meeting reconvened at approximately 2:30 p.m. when enough members joined the meeting. Jeff Guy took a roll call of Board members present.

Justin Williams made a motion to approve the draft meeting minutes from the previous Financing Work Group meeting on April 6, 2023. Paul Hinterlong made a second motion, and the draft meeting minutes were approved by a unanimous vote.

Summary of Discussion:

Jeff Guy stated that the purpose of the meeting is to polish the Financing Work Group portions of the draft report. Justin Williams suggested that the group walk through the document, entitled *LSLRAB Final Draft - All Revisions 6.08.2023* that he had circulated - and address any concerns. The group agreed to proceed in this manner, and Justin Williams shared the document on the screen and discussed the changes. Justin Williams stated that all items for discussion have been previously discussed during Board meetings.

Justin Williams discussed Illinois EPA revisions on Page 22 of the shared document associated with the difference between the U.S. EPA estimate and the number of lead service lines and addition of language associated rising costs in the future. There were no objections.

Justin Williams discussed revisions on Page 26 of the shared document associated with the financial burden on households. The discussion item is based on a proposed revision by the Illinois EPA to clarify that nothing in the bipartisan infrastructure law prohibits utilities from passing along costs for repayment. There were no objections.

Justin Williams discussed revisions on Page 29 of the shared document associated with Todd LaFountain’s proposed revision, which consisted of a typographical error. There were no objections.

Justin Williams discussed revisions on Page 35 of the shared document associated with private utilities. The proposed revisions are from Brent O’Neil. Ann-Lisa Castle asked that the report clarify language regarding “regulated” with respect to community water systems. Justin Williams suggested to change wording to “regulated under the Illinois Commerce Commission”. Anna-Lisa Castle proposed to strike the word “prudent”. There were no objections.


Gary Bingenheimer stated that Brenda Santoyo’s name should be added to the Financing Work Group members; Justin Williams said he would add her name.

Justin Williams made a motion to adopt all changes discussed. Paul Hinterlong made a second motion, and the changes discussed were adopted by a unanimous vote.

Justin Williams suggested all comments be double checked by the Illinois EPA before sending the changes to the report compilers. Jeff Guy said he would go through all comments received on the draft report to ensure all comments were captured. Justin Williams stated that he would then send the changes to the report compilers to be incorporated into the draft report.

There were no comments from the public, and the meeting was adjourned at 2:59 p.m.

The meeting recording and other pertinent documents are available on the Illinois EPA [Lead Service Line Replacement Advisory Board webpage](#).



Lead Service Line Replacement Advisory Board

Illinois EPA, Headquarters
1021 North Grand Avenue, East
PO Box 19276
Springfield, IL 62794-9276
(217) 782-3397