

Listening Session Lead Service Line Inventory Contracting Services

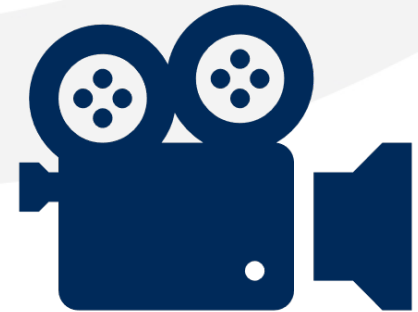
Presented by Kim Dinh
Supervising Water Resource Control Engineer
Division of Financial Assistance (DFA)



April 4, 2023

Meeting Logistics

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Introductions

Division of Financial Assistance

Christopher Stevens, Assistant Deputy Director

Kim Dinh, Supervising Water Resource Control Engineer

Division of Drinking Water

Kurt Souza, Assistant Deputy Director

Office Of Chief Counsel

Jean Fung, Attorney III

Agenda

- Purpose
- Definitions/Acronyms
- Lead Service Line Funding
- California Health and Safety Code 116885
- Lead and Copper Rule Revisions Requirements
- Contracting Services Options
- Potential Scopes of Work
- Next Steps
- Contacts

PURPOSE

- To review options available for assisting eligible water systems that need help with completing the inventories.
- Giving stakeholders an opportunity to provide feedback on whether the presented options are viable.
- Develop a clear understanding of the scope of work needed to complete the inventories

Definitions

Lead Service Line – “... a service line made of lead, which connects the water main to the building inlet.... Galvanized service line is considered a lead service line if it ever was or is currently downstream of any lead service line or service line of unknown material.”

Disadvantaged Community (DAC) – means the entire service area of a community water system, or a community therein, in which the median household income (MHI) is less than eighty percent (80%) of the statewide MHI level.

Acronyms

LSLR – Lead Service Line Replacement

LSLI – Lead Service Line Inventory

PF – Principal Forgiveness (i.e., a grant with no repayment)

DWSRF – Drinking Water State Revolving Fund

US EPA – United State Environmental Protection Agency

HSC – Health and Safety Code

DAS – Division of Administrative Services

DFA – Division of Financial Assistance

DDW – Division of Drinking Water

Lead Service Line Replacement Funding

Allocation	Funding Purpose
\$15 Billion	Appropriated nationwide over 5 years (Fiscal Years 2022-2026) through the DWSRF for lead service line (LSL) identification and replacement.
\$250 Million	Federal Fiscal Year 2022 (state Fiscal Year 22/23) for California; future year allotments may be different.

Lead Service Line Replacement Funding

- Intended Use Plan (IUP) and LSLR Supplemental IUP – Adopted October 3, 2022

DACs up to
100% PF

Non-DACs
0% interest
loan*

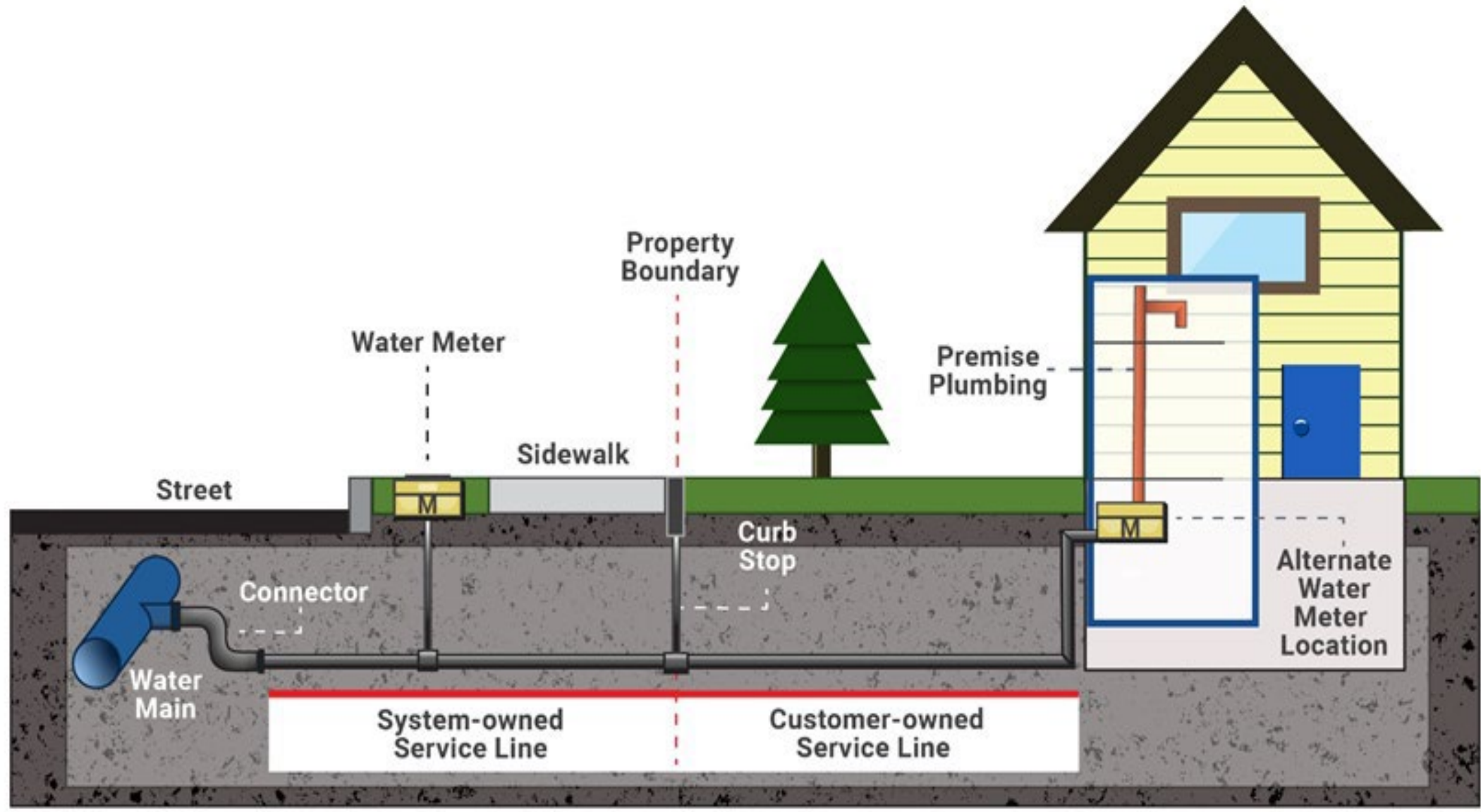
Must replace
entire LSL**

Meet DWSRF
Requirements

- Exactly 49% of LSL Allocation must be PF to water systems serving DACs
- Funds are available for LSLI and LSLR owned by both water systems and customers

* DFA may forgive a portion of the loan for costs in a DAC within the service area if sufficient PF is available.

** Unless a portion has already been replaced or is concurrently being replaced with another funding source



California Health and Safety Code 116885

- Complete LSL Inventory by July 1, 2018
- Community water systems only
- Water System-owned LSL only

LCRR Requirements

Complete Initial LSL Inventory – Deadline of October 16, 2024

Community Water Systems (CWSs)

System-Owned LSL

Customer-Owned LSL

Non-Transient Non-Community Systems (NTNCs)

Contracting Options

Options	Est. Time to Execute	Pros	Cons
1. Invitation for Bid	~ 10 months	<ul style="list-style-type: none"> Standard Contracting Services 	<ul style="list-style-type: none"> Board approval is needed because DAS can only execute contracts under \$750,000 DFA has limited influence on prioritization and timeline to process the contract thru Business Services/Department of General Services (DGS)

Contracting Options

Options	Est. Time to Execute	Pros	Cons
2. Universities of California (UCs) or California State Universities (CSUs)	~ 8 months	<ul style="list-style-type: none"> • Exempt from competitive bids • Standard Contracting Services 	<ul style="list-style-type: none"> • Board approval is needed • DFA has limited influence on prioritization and timeline to process the contract thru Business Services/DGS • UCs/CSUs might use students to complete the work which will slow down the project schedule

Contracting Options

Options	Est. Time to Execute	Pros	Cons
3. In-kind service through US EPA	~ 4-6 months	<ul style="list-style-type: none"> • Can start requesting EPA immediately • EPA already has a process in place and is providing the same service to other states • Shortest time to begin inventory work • Consultants can sub-contract to local contractors 	<ul style="list-style-type: none"> • Consultants are out-of-state

Contracting Options

Options	Est. Time to Execute	Pros	Cons
4. Environmental Finance Center (EFC) – CSU Sacramento via US EPA	~ 5-7 months	<ul style="list-style-type: none"> • Can start requesting EPA immediately • EPA amends grant agreement with CSU Sacramento to add more funding (in-kind) • CSU Sacramento can sub-contract to complete the work 	<ul style="list-style-type: none"> • Cannot carry out a large dollar amount project • CSUs might use students to complete the work which will slow down the project schedule

Contracting Options - Summary

Options	Est. Time to Execute
1. Invitation for Bid	10 months
2. UCs/CSUs	8 months
3. In-Kind Service (US EPA)	4-6 months
4. In-Kind Service (EFC via US EPA)	5-7months

Questions to Consider for Contracting Options

Should the State Water Board take advantage of the contracting services with the shortest time to start inventory work?

Should the contracting be done statewide, regionally, by system size, or other factor?

Are there other options we should consider?



Potential Scopes of Work

Approved Identification Methods

Historical Records Search

- Property records
- Local municipal codes and permits
- Water system records: distribution system map, drawings, etc.
- Inspections records

Service Line Investigation

- Visual inspection at meter box and/or house connection.
- Customer self-verification (scratch test or magnet tests).
- Other methods approved by DDW.

Potential Scopes of Work

Public Outreach Materials and Support

- Prepare public notifications or access agreement template
- Video Tutorial for self-identifying lead service line
- Mobile self-reporting application
- Develop LSL Replacement Plan
- Develop guidance materials after LSLs were replaced

Potential Scopes of Work

- Community Water Systems in California

Service Connections	Approx. No. of Systems*	Percent
Less than 25	525	18%
Less than 50	970	34%
Less than 100	1,370	48%
Less than 200	1,710	60%
Less than 500	1,970	69%
All CWSs	2,850	100%

* Number of systems are shown cumulatively

Questions to Consider for Scope of Work

1. Should the Scope of Work be broken up into discrete tasks or be end-to-end for all CWSs to meet LCRR Initial Inventory Requirements?
2. Should the Scope of Work be phased so that preliminary results can be evaluated before additional work proceeds?
3. Should field investigation be completed for small community water systems? If so, how small is small?
4. Is it beneficial to develop video tutorials for customers to identify their own LSLs and/or mobile self-reporting application?
5. Have we overlooked any of the work necessary for complete inventories?

Next Steps

Feedback

DFA-LSLR@waterboards.ca.gov by April 18, 2023.

Contracting Package

Based on feedback receive.

Updates

Short Survey – Gauge interest and readiness
Delay applying for FFY 2023 LSL grant until 2024
Visit [LSLR Funding Program](#) webpage

Contacts



DFA-LSLR@waterboards.ca.gov



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