

Division of Water

**Request for Legislation**

***An ordinance authorizing Cleveland Water (CWD) to enter into professional service and requirement contract(s) to replace lead service lines, and to accept grants and / or loans from the State of Ohio, for Year 3 of its lead service line replacement program.***

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**Background/Purpose:**

Construction of Year 1 of CWD's lead service line replacement program began on August 7, 2023, and is anticipated to last about 1 year. CWD is in the middle of applying to Ohio EPA for Year 2 funding, and we hope construction to begin 1Q, 2024. Cleveland anticipates applying for Year 3 funding in February, 2024, and hence is now requesting authority to nominate projects and accept funding from the State of Ohio, and for authority to construct the Year 3 improvements. Cleveland anticipates that construction of the Year 3 program will begin in 1Q, 2025, and will last approximately one year. Ohio has a compressed schedule for the first three years of this program.

Service lines connect water mains in the street to the customers' premise plumbing. The city owns the portion of the service line that runs from the water main to the curb stop valve, which is typically located in the tree lawn. From the curb valve the rest of the way into the house the connection is owned by the property owner. The most common materials used for residential service lines have been copper, lead and galvanized steel. The last year lead service lines were installed was 1953.

As part of its treatment process, CWD has added orthophosphate to the water since 1997. This chemical coats the interior walls of the service connections and effectively separate the connection material from the drinking water. The process has been extremely successful at producing safe drinking water. Exposure levels in CWD water are currently 7 times below federal thresholds.

The Federal Bipartisan Infrastructure Law (BIL) set aside \$15 Billion for lead line removal nationally over 5 years. Ohio's share of this money is \$738.1M, and will be administered by the Ohio EPA through their Drinking Water Assistance Fund.

**Scope of Work/Commodities/Services:**

This legislation would authorize CWD to enter into professional service and requirement contract(s) to procure materials and to hire contractors and consultants to replace lead and galvanized service lines with copper for Program Year 3. The professional service contracts may be used to perform design, inspection, lead inventory and related work. CWD anticipates replacing approximately 4,000 service connections in Program Year 3. CWD is seeking authority to construct the following projects:

PROJECT
CWD LSLR 3-1
CWD LSLR 3-2
CWD LSLR 3-3
CWD LSLR 3-4
CWD LSLR 3-5
CWD LSLR 3-6
CWD LSLR 3-7
CWD LSLR 3-8
CWD LSLR 3-9
CWD LSLR 3-10
CWD LSLR 3-11 Special Cases 1
CWD LSLR 3-12 Special Cases 1
CWD LSLR 3-13 Special Cases 3
CWD LSLR 3-13 Special Cases 4
CWD LSLR 3-14 Supplies - Filters 1
CWD LSLR 3-14 Supplies - Filters 2
CWD LSLR 3-14 Supplies - Curb Boxes & Bases 1
CWD LSLR 3-14 Supplies - Curb Boxes & Bases 1
CWD LSLR 3-19 Supplies Copper & Brass 2
CWD LSLR 3-20 Supplies Copper & Brass 2

**Anticipated Costs and Funding Source:**

CWD was awarded \$33.4M in Year 1, 53% of which is principal forgiveness (i.e. a grant), and 47% is a 0% 20 year loan. CWD anticipates seeking and being awarded similar or larger amounts in future years. The cost of the improvements and other expenditures authorized by this ordinance shall be paid from CWD operating funds, and from proceeds from bond issuance, grants and DWSRF awards from the state of Ohio, which can be a combination of principal forgiveness and low interest loans. In order to stretch these dollars further for actual lead line replacements, the City of Cleveland’s normal permit fees, such as for street opening and obstruction permits, shall be waived.

The City also requests authority to apply for, accept and expend one or more Water Supply Revolving Loan Account (“WSRLA”) loans from the Ohio Water Development Authority, the Ohio EPA or any other State of Ohio agency.

**Schedule or Term of Contract:**

CWD anticipates that construction for Program Year 3 shall begin approximately 1Q, 2025, and shall last for approximately one year.

**CSB Participation:**

Goal: 30 %