



CITY OF IOWA CITY COUNCIL ACTION REPORT

November 6, 2023

Resolution authorizing the allocation of \$500,000.00 State and Local Fiscal Recovery Fund (SLFRF) funds for the purpose of a cost-share program to promote lead reduction in drinking water.

Prepared By:	Ron Knoche, Public Works Director
Reviewed By:	Jon Durst, Water Superintendent Liz Craig, Assistant City Attorney Geoff Fruin, City Manager
Fiscal Impact:	None
Staff Recommendation:	Approval
Commission Recommendations:	N/A
Attachments:	Resolution

Executive Summary:

The resolution will approve the allocation of \$500,000.00 of ARPA funding to a water fund revenue account to be used to start a cost-share program aimed at providing an incentive to eligible property owners to reduce the amount of lead in their privately-owned plumbing or install a barrier to filter out lead particulate.

Background / Analysis:

Lead exposure is a known hazard to human health. Lead is present in drinking water from residential plumbing. The City desires to reduce the exposure to lead in drinking water to conform with the Federal Lead and Copper Rule Revisions. To this end, the Water Division has proposed an ordinance amendment to prohibit the partial repair of lead water service lines and require replacement with lead-free components and entered a marketing agreement with a company offering optional insurance for service line coverage.

The cost to mitigate sources of lead in residential plumbing can be significant. To further the lead reduction goal and decrease costs, the City is proposing an annual limited-funding cost-share program. The cost-share program would offer a cost-share of 50% not-to-exceed \$5,000 for lead service line replacements, 50% not-to-exceed \$3,000 for service line materials verification digs, 50% not-to-exceed \$1,000 for drinking fountains or point-of-use filtration devices, and 50% not-to-exceed \$500 for faucets.

The City will promote and educate customers about the ordinance amendment, available insurance options, cost-share opportunities, and free lead sampling provided by the University of Iowa Get the Lead Out Program and Iowa City Water Division via utility bill inserts, insurance solicitation mailings, the City's website, news releases, social media, and an open house event for service providers and residents.

Staff recommends the cost-share program be annually funded by the assignment of water rate revenues and marketing agreement fees. To provide for initial funding without a significant water rate increase, staff recommends the assignment of \$500,000.00 from the U.S. Department of Treasury State and Local Fiscal Recovery Fund ("SLFRF") allocation as part of the American Rescue Plan Act ("ARPA") per 31 CFR 35.6(e)(1)(iv). The cost-share program will be administered by the Water Division of the City's Public Works Department.