



Board:	City Commission
Agenda	10-27-2025
Date:	
Department:	Water
Presenter:	Rob Spreitzer

Staff Report

Agenda Item Title:

Submit an Intent to Apply Form for Fiscal Year 2027 State Revolving Fund Projects

Background:

The City of Gladstone Water Department needs to complete the replacement of all service lines in the city that are connected to lead or are galvanized previously connected to lead by 2037. As per the City's Complete Distribution Service Line Material Inventory (CDSMI), submitted to EGLE last year, we have 330 service lines remaining. The deadline for submitting an ITA is November 1, 2025.

Fiscal Effect:

The total cost of a complete Lead Service Line Replacement as determined by Coleman Engineering in a Preliminary Opinion of cost is \$4,041,780. State Revolving Loans can be financed over 20, 30 or 40 years. A forty-year loan at 2% would be less than \$150,000 per year. In fiscal year 2024-25 the Gladstone Water Department spent \$135,347 to replace 20 service lines that met the lead service line criteria.

Supporting Documentation:

Please see the attached Preliminary Opinion of Cost and ITA form prepared by Coleman Engineering.

Recommendation:

Make motion to approve the submitting of an ITA for \$4,041,780 in SRF loans for the completion of lead service lines.