



CITY OF HARTFORD

CITY COUNCIL AGENDA REPORT

Meeting Date: August 28, 2023
Department: Administration
Submitted By: Linnea Rader, Interim City Manager
Prepared By: Linnea Rader, Interim City Manager
Agenda Title: Lead Service Line Replacements (LSLR) & Water System Improvements

RECOMMENDED ACTION:

The City of Hartford is working with Wightman to address the needs of the water system. The goal of this project is to replace all of the lead service lines within the City's system, replace select water mains as needed, paint the water tower, and complete minor water plant improvements. The project plan was submitted on June 1, 2023.

Concurrently, the City has received an EGLE DWAM (Drinking Water Asset Management) grant to investigate the required 20% of the "unknown" (lead, galvanized, copper, plastic, other) water services. Investigation locations include in the building, and two potholes on either side of the curb stop. These findings will be used to estimate the number of needed water service replacements due to lead and update the Capital Improvement Plan (CIP) within the City's Water Asset Management Plan (AMP). These inspections are taking more time than anticipated as they require our contractor to gain permission from property owners to perform these inspections on private property. The inspections are due to be completed by the end of the year.

The data gathered through the EGLE DWAM project will be an important data set for the Lead Service Line Replacements and Water System Improvement project. Currently the estimated cost for this project is \$12.1 million. Wightman and the City of Hartford anticipate an offer from EGLE regarding the LSLR project in September or October. The offer will likely include a portion of principal forgiveness as well as a loan amount. This program was selected due to the option for principal forgiveness rather than just a loan. The City's status of "Significantly Overburdened" creates an optimistic opportunity for significant grant dollars toward this effort.

Once the offer comes from EGLE, we will work with Wightman to determine the best plan for the City. While the City may not want to take on 100% of what is included in the offer, we will work to develop a plan that takes into account the financial obligations as well as the needs of the system. Any work not covered by principal forgiveness is required to be recovered with water rates over a defined period of time (20-25 years), which will involve the re-setting of water rates. The schedule does allow for that water rate adjustment to take place when the City would normally adjust rates to be effective July 1, 2024.

Unfortunately, the time frame required for the offer is very short. We will need to quickly develop the plan and present it to Council for approval. The plan will then have to be engineered by Wightman and prepared for bid no later than late next spring. The project will have to be awarded prior to September 30, 2024.

No action is required at this time, but we want Council to be aware of the potential need for a quick turn around on a decision. Having this information ahead of time will hopefully assist Council when the time comes to make that decision.