



# MEMORANDUM

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**Resolution 24-031, A Resolution of the City Council of Homer, Alaska Authorizing the City Manager to Apply for a Department of Environmental Conservation, Alaska Drinking Water Fund Loan in an Amount not to Exceed \$177,477 to Finance Costs of the Lead Service Line Inventory Project. City Manager/Public Works Director.**

**Item Type:** Backup Memorandum  
**Prepared For:** Mayor Castner and Homer City Council  
**Date:** March 14, 2024  
**From:** Daniel Kort, Public Works Director  
**Through:** Rob Dumouchel, City Manager

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**Issue:** The purpose of this Memorandum is to recommend the City Council authorize the application submittal for ADEC loan funds for the Lead Service Line Inventory Project.

**Background:** The EPA now requires that water service lines not contain any lead. As a part of this requirement, public water utilities are now required to inventory all of their water services to ensure that no lead is present. If lead is found, the water utility is then required to design and replace the water service.

The ADEC, through the State Revolving fund program, is offering generous Principal Loan Forgiveness to allow water utilities to perform this inventorying, design and replacement. According to ADEC these funds can be used for the following 3 types of project:

1. Lead Service Line Inventory: Eligible activities include locating and mapping publicly and privately owned lead water service lines to create a comprehensive lead water service line inventory. Methods of investigation to develop inventories could include inspecting physical service lines, compiling paper records, water quality sampling, initiating a consumer lead service line identification program, statistical analysis, and other emerging technologies. Both contracted and in-house work may be eligible for the loan.
2. Lead Service Line Replacement: Complete removal and replacement of lead water service lines, service lines made of galvanized iron or galvanized steel, or service lines of unknown material that are currently or have previously been downstream of lead service lines and/or components.
3. Associated activities related to lead service line replacement: Planning, design, permitting, restoration, and non-routine sampling.

**Recommendation:** That Council pass a resolution authorizing the City Manager to submit an ADEC loan application and accept the ADEC loan forgiveness funds.