August 1, 2022 Maureen Cunningham Deputy Director of Water at the Environmental Policy Innovation Center (EPIC) NY/DC Zoom interview with Jamie Ramsay

Links: Epic Funding Navigator

<u>ARPA</u>

Brookings ARPA tracker

Takeaways:

- Technical assistance involves: finding access to financing, it involves the technology data and asset management piece, inventory, and communications.
- Municipalities that can afford to outsource applications to an engineering firm apply.
- Inventory varies so widely from paper tie cards to ai mapping and is a big hurdle for LSLR projects.
- Community participation and consent is critical to successful LSLR projects. Information should be available in multiple languages.
- Combining LSLR with other water services like water main replacement could make the process more efficient.

Maureen:

We launched a program about a year ago to work with small and medium sized municipalities to offer technical assistance on service line replacement. And that technical assistance involves: finding access to financing, it involves the technology data and asset management piece, inventory, and communications.

We started out with six municipalities and we're now working with four. So, some of my experience may come from that lens of just working you know, in originally six communities in

five states and now down to four in four states in the States of: Massachusetts, New York, Illinois and Minnesota.

So one of the things we did is try and connect all four municipalities to the funding. The Bill passed in December and that of course, kind of changed a lot because now there's way more funding. So on one hand, we have this technical assistance program that we launched a year ago, not knowing that the bill funding and the ARPA (American Rescue Plan Act) funding for that matter would be in place.

So that's kind of changed everything. And then in the meantime, EPIC is this year because of the bill funding wanting what we're calling the "funding navigator," which I know other municipalities and they do, I can send you the link in the chat. Other I think there's other versions of it. This nationwide, but kind of doing what you're doing to although you know, there's enough municipalities that need help. So that's what I just put in the chat is the funding navigator so the funding Navigator is basically trying to launch basically over the next five years. When we look at the bill funding, we want to see many more municipalities connected to the funding. You know, our own research showed that only 7% of eligible systems accessed SRF (State Revolving Fund) funding in the last 10 years. So just putting in more money wasn't going to change anything. So the funding navigator we want to see through all the programs including yours like 5000 more municipalities connected with the bill funding with the SRF funding in particular.

Our goal with the "funding navigator" is to connect to 1000 municipalities to bill funding and other federal funding over the next five years. So those are the two kind of places where I'm grounded right now. On one hand, technical assistance, lead free water challenge, which you know, we tried to actually helped connect municipalities to funding and help with other ways so I have some kind of hard lessons learned that experience.

And then on the other hand, we're kind of now ramping up to launch this funding navigator, which is not just lead but lead is a piece of it because we want to connect municipalities to the lead funding. We also have a project with EDF (Environmental Defense Fund) to track funding for lead by basically scraping all the IEPs (the intended use plans) for each state and trying to see where we can to systemize it so that we can understand where the bill funding is going for lead. Eventually, by next year, we would like to have a publicly facing database so others can access it too.

Jamie:

How does funding actually get to the municipality that needs that? Especially the smaller towns? Can you walk through that mechanism?

Maureen:

We tried to connect to the SRF(State Revolving Fund) funding. We set up a meeting with the SRF administrators in those states. I will say the results have been mixed. Only one of our six

original municipalities that we tried to connect to the SRF fund actually received it and accessed it. He might be a good one to talk to: Dante Sawyer. He's from the village of Hazel Crest, Illinois. He just got \$4 million from the Illinois SRF. So actually, is that 2022 or 2023? I'm not even sure but he got \$4 million to do it. Massachusetts will try to connect Chelsea, Massachusetts or municipality to the SRF. The people at the SRF in Massachusetts are so great. They made it so easy. They broke down the language and step. Chelsea decided not to apply because it was easier for them to reapply to the state funding source like they had done it before. The SRF people said this is a good deal you should take it (to Chelsea). But then Chelsea only had just one person doing their lead work so she just basically reapplied to the state funding (because it was easier).

Jamie

Is it easier to access funding through the State rather than Federal funding? And if so, why is that?

Maureen

Rebecca Wright just left Chelsea, MA so it's not even the same person there anymore. Rebecca Wright was the assistant city engineer. You know, she's basically an engineer by training and really good at her job in the lead part. But you know, when it came to like financing (it was outside her experience.) We were on the call with the Massachusetts SRF people and had to explain, okay, this is what principal forgiveness is. You know, an engineer working in city government doesn't necessarily have the language to know or to learn all the IUP and principal forgiveness versus loan versus grant the terms. I think it was just much easier for her to apply to the State.

Each case is different. That is maybe where I'm getting at. In New York state where I am based, outside of Albany, New York, we couldn't even get a meeting with SRF people. I used to be an advocate in New York state, and I know some of them, and I still couldn't get a meeting.

We had somebody working with us and they basically didn't want to get the meeting and we're trying to get a meeting with Newburgh, New York, which is one of our lead free water challenge cities. And they didn't want to schedule (a meeting) until they had the EPA guidance. So it kept putting it off until they got the EPA guidance. And then, most recently in New York State sent guidance out to municipalities, which I can share with you if you're interested.

And at least the water utility in Newberg, who was our partner looked at the guidance and said we cant apply for the SRF funding until we have a full inventory. And that's not exactly how it's worded. And I'm still part of a group who may try and schedule a meeting with the Department of Health in New York to kind of clarify that. But at least one utility that we know of that has lead pipes thinks he cannot apply until he has a full inventory.

So in that case, in Newark, he's using ARPA (American rescue plan Act) funds which there's a lot of communities using ARPA funds for land Which is great. It's one of the allowable uses. And

you know, we've heard of several. I think somebody has a database. I think Brookings Institute has a database of like, where the ARPA funds are being used

I haven't dug into it but I would like to look into how many communities and using that for lead. We have a municipal partner in Minnesota: Fairmont, Minnesota. We introduced them to the SRF It took months because I don't think they're that interested in applying for it. I think they have capacity issues. So they don't have enough water problems with lead. Actually going out and finding the lead is always creating a problem and then applying for the funds. So I have a call with them this week, but we kept telling them if you want to get in the pipeline for the bill funding, you need to apply because even if you don't think you need it this year, if you want it next year, getting in that IUP now we'll get you in this pipeline. Pretty sure I have a confirm because I have a call with them on Thursday that they just there was a lot of hesitancy and you know, I call it SRF hesitancy like not everyone is opacity sees that it's a good deal.

Jamie:

Is that because it is a huge undertaking to negotiate with homeowners or is it a town's capacity, such as getting workers to do the work?

Maureen:

the ones that aren't going ahead with lead programs, including my own municipality. I didn't really introduce myself but I'm also a town board member. So I'm actually I helped lead the utility here and we're not using our performance for lead. You know, we're not really talking about lead and our capital plan, like because we have other water issues. So I've tried to say, you know, once the inventory comes out, you know, we're an older New York State town will likely have a lot of lead lines, and it's just the water utility. We have other issues. So there's that there's not really getting started on lead and then the ones that are getting started on lead. I think there still is some hesitancy because sometimes the paperwork, we're just having to learn about any program that has a lot of acronyms, like it's just, you know, not all of them have grant writers, you know, to be able to write the grants, some do. Newburgh, for example. I think they're starting to talk to engineering firms and those firms wouldn't be able to help them apply. So the municipalities that can do that kind of outsourcing can apply.

We stopped working with Highland Park, MI because we never were really invited there by the community. We were invited by Metro consulting associates, which is the engineering firm, the consulting firm that basically runs the water department in Highland Park. But Highland Park is probably one of the communities most in need of grants that I've ever talked to in the country. And they were still asking us how do we get grants. I don't know why Michigan isn't giving out loans to places like Highland Park. It's the next Benton Harbor. And Benton Harbor was one of the municipalities we initially talked to. But again, we didn't go further with them because we weren't invited by the community. It was a bone Marsh, the consulting firm in Benton Harbor. But

it's amazing to me that Highland Park still hasn't been able to get grants like it should be on the top of Michigan's list. I am sure it has lead poisoning and lead issues and lead pipes.

Jamie:

Are there other towns in Michigan that are getting priority over these towns for some reason?

Maureen:

I mean, I think Michigan is a tough nut to crack. And when we first put Benton Harbor in Highland Park and our list, we get a lot of negative feedback. Were you invited by the community? No, because there's such a history in some of those cities - I think the emergency management cities in Michigan especially. And I think Benton Harbor is now a success story like when we selected them as part of our challenge. That was last September. You know, they had a lead crisis just like Newark or Flint, and I think because it got so much press Michigan did help turn that community around. They're almost done. They've almost removed and replaced all their pipes. But that took a crisis.

I don't know what the problem is with Highland Park. It hasn't been in the news. But they need grants and they don't have them yet. We had a meeting with House Member Talib's office about Highland Park. It's a complicated place. I mean, we also talked to Silvia Orduñya, who is an environmental justice advocate, and she was like, why are you parachuting into Highland Park? But nobody is advocating for those to be grants. I suspect it's just complicated because the city has so many problems and city management is so not there and their water department is basically being run by Metro consulting company. So it's tough.

Jamie:

How do towns find out that they even have these issues? How do they inventory their pipes?

Maureen:

It's different in each city. And another thing it's like case by case some, you know, even when we started our lead free challenge, you know, municipalities called us up and said, We think we have lead lines. We're not sure and I would say the majority are not sure. I will say Blue Conduit is one of our partners on the lead free challenge and they are trying to develop a national map of leadlines.

It's pretty insufficient. I mean, it's not basically that we have four of the municipalities we work with developing lead maps, but there's so much missing data. When they go out and replace the meter, they can check the lead line. When they are doing other work, they can check the lead line, but most communities don't have good records. In Chelsea, Massachusetts, they have what's called tie cards, which are literally like an old card catalog. It's literally like index cards. There's about 5000 of them and only like 300 have been digitized.

One of the things we may be helping with them and it's, it's with another company that is this company, I think it's 120 water and my colleague is talking to them. But they're trying they are developing technology that digitizes tie cards, because this is a problem if they don't have

digitized card tie cards. The tiecard says like lead and you can see it crossed out by hand and says now copper. These are old records and I would say a lot of communities are like that. They're just not digitized or, you know, they're just keeping a spreadsheet or their staff capacity issues.

In Fairmont, Minnesota, and the guy who originally applied for our program. He told us when he came in, like eight years before to the water utility, somebody literally just gave them keys. Like that's all there was no institutional knowledge passed on. He left and so that is why we have not had traction on Fairmont, Minnesota because he left he was the original one that was interested in lead. He left and the people there are just not interested in the lead. I realize all of this is anecdotal, but some of it is trends.

Jamie:

So am I understanding correctly that the way that you solve the problem in one city seems to be different than the way that you solve it in another city. Is that accurate?

Maureen:

There's trends, I mean, they all have various forms of data asset management, you know, an Excel sheet. We're trying to get them in Hazel crest, your neighbor in Illinois. They got the 4 million from the state SRF. They heard and they saw now helping them develop a survey with their engineer, helping them develop a survey that can be linked to their GIS like the map so basically linked to their map and the survey is going out to residents who can basically use a QR code and you can put in I checked my lead line and you know, it can tell people how to check their landline. It's not foolproof. But it it's fairly easy to identify leadline so people are doing that and hopefully it would get right into their GIS system. We're not there yet, but that's the plan.

Jamie:

So in theory, like for example in Hazel Crest, if they have the money, and they're going to start replacing all these lines - How much is on the homeowner vs the city?

Maureen:

In Newburgh, they had a kind of ordinance that they could enter home. You know, it was a **rite of entry ordinance** which we have a **model ordinance on our website** because of that. I would say in new work, because they don't have the funding yet. They are asking residents, you know, to check their landlines, they have a list of you know, I don't know the exact number, maybe 100 lines and a waiting list so that they can you know, replace the ones that are on their list when they have funding. The problem is like, what they need to be doing is going door to door because you know if you knew one person on you know, Adams Street has a lead line what you should do before you replace that one is go to the rest of the street and see do they all have lead lines and then do the whole street so that that's the ideal. But I think a lot of municipalities like Newburgh at this point are just replacing the ones they know about that are on their list. What we he's got he's using the ARPA funds in Newburgh and what we're telling him now is like,

we need to do this door to door staff you need to do what Hazel crest is doing, get a QR code, link it to a map. You know have people going door to door Spanish and English. I think Newburgh is 50% Latino. People go door to door and we're actually talking to one of the community groups in Newburgh to ask them to partner with the utility and go door to door to door to houses and just, you know, get that data out there. Because the 100 people on their list are likely the people that are paying most attention but you know, not necessarily everybody. Yeah.

Jamie:

Can private citizens or groups of private citizens apply for remediation funding? Or do they always have to go through their municipality?

Maureen:

I mean, we should know maybe, but I think community groups can no province can apply to the bill of funds. But I think it's tricky for most groups to do that. I mean, because it's so utility focused. I mean, it's such a it's construction. It's excavating, so I haven't talked to that happening anywhere. I haven't really pushed it because I don't know if there are community groups or nonprofits that have like it's it's, it's a very utility led problem and, and solution because, you know, if you've got a project replacing water meters, you should be checking on lines while you're doing that. There's so much other work. If you're opening up the street for a water main, check the lead lines on that street while you're doing that, so that you can do it all so for that reason, we haven't pushed that. I would say in places where there's been water crises, there's water groups available, but like in places like hazel crest, when we talked about like who could go door to door like or their community groups or their faith based groups like they didn't really know any they talked about homeowners associations, and it's because they haven't had a crisis yet like cities like Newburgh, over canopy fiscal crisis, and that's why they have the Newburgh clean water project and and I happen to know them because I'm in New York. I've worked for them for 10 years in different capacities, and they formed because of the PFS crisis, and now they're focused on led to and so when I'm using that group to help the utility is like, would be great, and that's where we're hoping to go. But not every municipality has a group like them just sitting there waiting, you know, and because the utility has already gone through the payfast crisis, like he knows how bad things can get from a communication perspective, from a community perspective. But other towns don't have that and don't have the news about their lead lines, you know?

Pushing for is like so what do we do about like, okay, there's New Burgh and maybe Newburgh let's just say they have you know, 2000 lifelines, which is totally possible. It's like the city was built. It was George Washington's homebase there during the Revolutionary War. It's an old city. So say they have 2000 landlines. Well, what about the city? South of them New Windsor? What if they have 20 landlines? And what if the town next time has five lead lines? And are they all going to apply for SRF funding? Or can there be mechanisms where municipalities Co-apply or apply under the county so that not everyone goes through all the hoops of applying. So that's one of the things we've been kind of pushing for is like how can you aggregate communities under one application or one program which obviously would be cost

more cost effective? And if there's 11,000 municipalities across the country with lead lines, which is what EDF says, you know, it's not feasible to have 11,000 contracts.

Jamie:

What is the biggest pain point for an aggregation of municipalities applying together? Is it just having them all work together and communicate? What makes applying together difficult?

Maureen:

states should encourage that. I mean, it wouldn't probably be easy in other places, but if County, like if some other level, you know, or one big city could say we're applying for funds, how about include some of the other smaller water systems around us like, but we haven't seen that. We'd love to see (towns apply together or via the county) happen, like maybe an example somewhere and put that in place, but we haven't seen it happen yet.