

Texas Water Development Board Drinking Water State Revolving Fund Lead Service Line Replacement Program

Lead Service Line Replacement Program

- ❖ Appropriation under the Infrastructure Investment and Jobs Act (IIJA)
- ❖ Supplemental to the Drinking Water State Revolving Fund (DWSRF)
- ❖ 5-year allocation (Federal Fiscal Year 2022-2026)

Lead Service Line Replacement Program

- ❖ Identification, Planning, Design, and Replacement of Lead Service Lines and associated activities related to lead service line replacement
- ❖ Replacement of Entire Lead Service Line
- ❖ Project or activity must be DWSRF eligible

Lead Service Line Replacement Program

Eligible Applicants

- ❖ Eligible Applicants include Political Subdivisions (public water systems, nonprofit wsc, private water systems, nonprofit/non community water systems)
- ❖ Must meet the Disadvantaged Criteria

51% or more of the proposed project beneficiary area based on household connections has an Annual Median Household Income (AMHI) no greater than 150% of state's AMHI based on the 2022 America Community Survey (ACS) \$109,552.50

Lead Service Line Replacement Program

Financing

- ❖ 51% principal forgiveness / 49% loan/bond, below market interest rates (including loan origination fee)
- ❖ Inventory 0% interest loan, 15-year term
 - may close separately in form of loan agreement to entities that may legally use that option
- ❖ Planning, Design, and Construction financing at 30-year terms
- ❖ Inventory, Planning, Design, and Construction may be financed for a 30-year term if inventory is 25% less of the total financing amount, the 0% will reduce overall interest rate on total amount financed

Lead Service Line Replacement Program

Examples of Eligible Activities

- ❖ Development or updating lead service line inventories
- ❖ Non-routine lead sampling (if not for compliance purposes)
- ❖ Inventory methods; observation, excavation, vacuum, analysis
- ❖ Planning and design for infrastructure projects
- ❖ Complete removal of lead service lines
- ❖ Removal of lead/galvanized goosenecks, pigtails, connectors
- ❖ Replacement of curb stops, and curb stop boxes
- ❖ Temporary pitcher filters or point-of-use (POU) devices
- ❖ Site restoration, including landscaping, sidewalks, driveways

Lead Service Line Replacement Program

Federal Requirements

- ❖ National Environmental Policy Act (NEPA)
- ❖ Davis-Bacon
- ❖ Disadvantaged Business Enterprise Program
- ❖ American Iron and Steel (AIS)
- ❖ Build America, Buy America Act (BABA)
- ❖ Public Awareness Signage
- ❖ Accounting Principles (Governmental Accounting Standards Board)

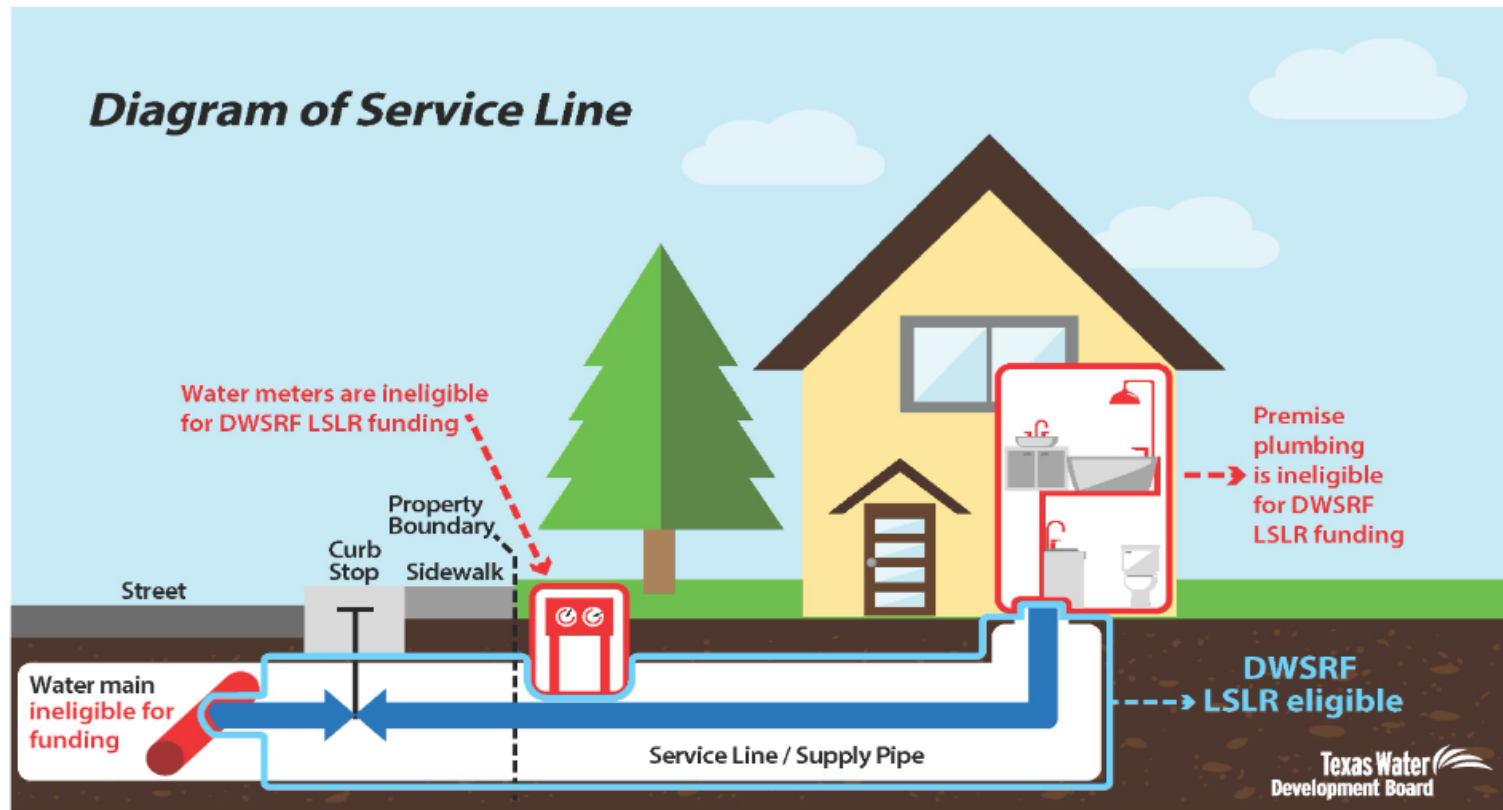
Lead Service Line Replacement Program 2024 Allocation and Accessibility

- ❖ State Fiscal Year 2024 \$146,246,000
- ❖ Completed Lead Service Line Replacement Project Information Form
- ❖ Submit by **April 1, 2024**
- ❖ Email to DWSRF@twdb.texas.gov

Example of DWSRF Service Line

Water meters, mains, and premise plumbing replacements are ineligible for funding under this specific DWSRF LSLR program.

Diagram of Service Line



Lead Service Line Replacement Resource Links

- ❖ Lead Service Line Replacement Program

<https://www.twdb.texas.gov/financial/programs/Lead-SLR/index.asp?>

- ❖ Drinking Water State Revolving Fund

<https://www.twdb.texas.gov/financial/programs/DWSRF/index.asp>

- ❖ Texas Water Development Board

<https://www.twdb.texas.gov/index.asp>

Program Administration & Reporting Contacts

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General Program Questions

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THANK YOU!