



Memo

To: Honorable Mayor Armitage; City Council
From: Amy E. Gilson, PE - Director of Public Works
Date: July 15, 2022
Re: Staff report on Drinking Water Asset Management Grant Budgets

Background

The Michigan Department of Environment, Great Lakes and Energy (EGLE) requires municipalities to verify the material of all water service lines in three locations by 2025. In 2021 the city was awarded a \$350,700 grant for the “potholing” identification of 346 of the approximate 2,000 undocumented water service lines. This is an effort to identify per definition any lead service lines (LSL) that may exist in our water distribution system and on the homeowner’s private side of the service. A contract was awarded to Fisbeck to manage the grant for the city which includes GIS updates, procuring a contractor per State requirements to pothole, to record and update the information in the GIS, and report to the State our results per the agreement.

In 2021 the City Council also approved the budgeted expenditure of \$180,000 to be added on to the Fishbeck contract to use economies of scale for more service material identifications. The contract with Fishbeck included \$180,000 for LSL identification and recording outside of the grant. It was anticipated that the contract would be completed in FY 21-22, but only \$27,479.92 was spent by June 30, 2022.

Recommendation

Amend the FY 22-23 budget to include the contractually obligated and unused \$167,805.09 from FY 21-22 budget for the water service potholing contract with Fishbeck.

Financial Impacts

The full amount budgeted in FY 21-22 will be used to meet our contractual obligation. These expenditures have been previously allocated in the Water and Sewer Budget, and there will be no impact on the General Fund.

Suggested Motion

City Council approves the budget amendment to the FY 22-23 budget to include the remaining FY 21-22 potholing contract money budgeted for Fishbeck and their work related to the water service identification project.