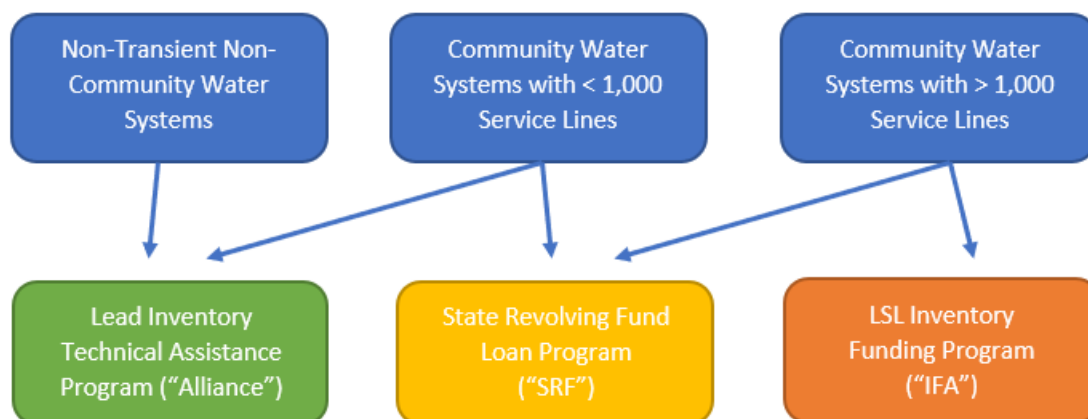![Indiana Finance Authority logo]

Lead Service Line Inventory
Funding Program
Frequently Asked Questions (FAQs)

Last updated: May 1, 2023

1. **Can my utility apply for assistance from multiple programs? For example, a utility with more than 1,001 service connections may apply to the SRF Loan Program and the LSL Inventory Program for assistance with inventory work.**

   Yes. The arrows in **Figure 1** shows which programs communities can simultaneously utilize.

   Figure 1: IFA's three funding paths for assistance with Lead Service Line Inventory work. Arrows indicate that utilities can apply to muliple programs at the same time.

2. **Can utility staff perform the inventory work and the utility be reimbursed?**

   No. The IFA is not able to fund lead service line inventory work completed by utility staff. The IFA can only fund work that is encompassed by a contract with a third-party provider.

3. **I have already spent funds on inventory work. Can I use the IFA LSL Inventory funding to get reimbursed?**

   No. But a utility can apply for a credit under certain circumstances. See question #29.

4. **Why are there different processes for Project Type I and II compared to Project Type III?**

   The IFA is prioritizing funding so that all utilities can receive assistance in complying with the new federal Lead and Copper Rule and submitting an inventory to IDEM. As a result of focusing more funding at the Type I and II projects (and making them non-competitive as long as appropriate application materials are submitted), the funding for Type III projects is limited and will be subject to a competitive process.

5. **I want to apply for Round 1 funding but haven't selected a Service Provider. What should I do?**

   Select a Service Provider and apply prior to the closing of the Round 1 or Round 2 application period.

6. **What if I already have an ongoing/active contract with a Service Provider for Type I or II inventory work?**

   Communities in this position have two options:

   a. Amend/cancel the contract with the Service Provider and allow the provider to enter into a contract with the IFA for an LSL Inventory Type I or II project.

   b. Complete the work on your own and apply for the funds for another Type I or II project.

7. **Why must an inventory be submitted prior to applying for Type II or III projects?**

   The primary goal of the program is to assist utilities in complying with the Lead and Copper Rule's requirement of creating an LSL inventory.

8. **Can I apply for Project Type I funds if I have already submitted a basic inventory to IDEM's LSL Inventory reporting portal but would like to complete a more robust inventory (Project Type 1)?**

   Yes. For example, perhaps you submitted an inventory based upon your billing system data and your next project will digitize taps cards and/or utilize modeling services.

9. **What is the PWS Portal? What is the State Dashboard?**

   The PWS Portal is where utilities will manage their LSL inventories. The State Dashboard is where IDEM will view LSL inventories. Utilities will "upload" LSL data into the Portal. Once uploaded, Utilities will "submit" data to State Dashboard. Uploading and submitting are separate steps that both happen in the Portal.

10. **May I apply for different kinds of a Type I, II, or III project? For instance, may I apply to do hydro-evacuation work (Project Type III) and surface testing of service line materials (Project Type III) in a single application using different contractors?**

Yes. Please provide as much information as possible in the online application. If you need to submit additional info, please email LSLIgrants@ifa.in.gov.

11. **What if I have submitted some but not all inventory data to IDEM. May I apply for a Type II or III Project?**

No. A complete inventory that accounts for all service lines in the service territory must be submitted to IDEM to be eligible for Type II or III projects. Please note, the IFA does not expect utilities to have fully complete inventories (in other words, 0% unknown service lines remaining) but IFA does expect the submittal to account for 100% of the services lines in the service territory. Confirmation of submittal will be documented by the utility submitting an Inventory Submittal Certification Form, which is available on the IFA website.

12. **What procurement requirements does the grant have?**

Utilities must follow local and state procurement requirements for work they contract. The IFA will follow its own procurement requirements when entering into Professional Service Agreements with Service Providers.

13. **Does the grant have a match requirement?**

No.

14. **Do other standard SRF provisions apply (Davis Bacon, AIS/BABA, etc.)?**

For most projects (e.g., projects not requiring traditional construction activity), there are no American Iron and Steel, Davis Bacon, or Buy American requirements. Most projects will not require environmental review.

15. **For Project Type III applications, will SRF Asset Management Certification rules apply?[1]**
~~No.~~ It depends on the proposed project. Please email with questions.

16. **What data source should be referenced for population data?**

The IFA LSL Inventory Funding Program will use IDEM's SDWIS.

17. **What data source should be referenced for Median Household Income data?**

Use "Table S1901: 2021 ACS 5-Year Estimate" on the Census website to identify the Median Household Income that best represents the service territory.

---

[1] Updated 5/1/23

18. **What does a "complete, well-defined" Scope of Work mean, per Tables 2 and 3 in the Guidance document?**

    It means this information is provided:

    - o The data that will be/was evaluated for the inventory project (i.e., tap cards, billing system data, customer surveys, tax parcel information, etc.)
    - o The methods you would/did utilize to conduct or supplement the inventory
    - o The date you submitted your inventory to IDEM
    - o For Type III projects, the methods you will utilize to conduct or supplement the inventory (e.g., excavation, vacuum/hydro-excavation, surface testing of service line materials)
    - o What geographic areas will be covered by the project
    - o Timeline for the project
    - o Project costs
    - o If different kinds of Type I, II, III projects are submitted, please itemize.

    Separate scopes, project costs, and scope of work certifications should be provided for each project type included on the application.

19. **How many rounds of funding will be available? Can I apply more than once?**

    IFA will offer two rounds of funding leading up to EPA's compliance deadline (October 16, 2024). The IFA will accept one application per PWSID per round, with multiple Project Types in each application. Each Project Type will have its own section on the application and will be reviewed and awarded, if applicable, separately. Please note, the funding levels in Table 1 are the maximum amount a utility can apply for in the IFA LSL Inventory Funding Program (which means in aggregate for Round 1 and Round 2).

20. **How long do I have to complete my project?**

    For Type I and Type II Projects, all work must be completed, and inventory submitted to IDEM within <u>six months</u> of agreement execution. For Type III projects, all work must be completed within <u>12 months</u> of agreement execution.

21. **What if my inventory isn't yet submitted but will be before the closing date of Round I. Can I still apply for a Type II or III project?**

    Please do not submit your application until the inventory is submitted to IDEM.

22. **What are IDEM's requirements for submitting an inventory?**

    Please consult IDEM's [inventory template and guidance](#).

23. **I am a service provider. How does my contract with IFA work?**

IFA will enter into a professional services agreement with your firm. The agreement will be amended by adding an appendix each time a new utility is added.

24. **When will we be notified if we're selected for a grant award?**

Project Types I/II awards will be made within three weeks of application acceptance. Project Type III awards will follow the close of the application period/respective round.

25. **Will receiving a Type I or II funding assistance decrease my chances of receiving a Type III?**

No.

26. **I submitted an IFA LSL Inventory Funding application but now I need to add or change some information. Should I submit a second application?**

No. Do not submit another application. IFA will only review the first application submitted. If you need to add or change information, email IFA at LSLIgrants@ifa.in.gov.

27. **Can I start my online application but finish it later?**

Yes, there is a "save & continue" feature that allows you to do this.

28. **What if my water system is comprised of more than one PWSID?**

The IFA will accept one application per PWSID per round.

29. **What happens if I cannot use my Type I or Type II funds or only need a portion of the funds?**

The IFA is making non-competitive funding available for Type I and II projects according to Table 1. If your utility cannot use the Type I or Type II funds, it can apply for a credit in the amount of the funding levels identified on Table 1, to be applied to another LSL Inventory Funding project or an SRF Lead Service Line Inventory project. The project must be eligible, and the utility must have complied with applicable local and state procurement requirements. Also, the IFA is not able to fund lead service line inventory work completed by utility staff. The IFA can only fund work that is encompassed by a contract. A contract and paid invoices will be required to document the work. There will be no credits issued for Type III project work.

Table 1: Funding availability by utility size and project type. Please note that amounts provided below are the maximums for each project type and utilities should provide a description of estimated costs in their submission as described below.

IFA Water System Type	Number of Service Lines	Project Type I Funds Available	Project Type II Funds Available	Project Type III Funds Available
CWS 1	1001-5000	$15,000	$10,000	$100,000
CWS 2	5001-10000	$20,000	$15,000	$200,000
CWS 3	10001-15000	$25,000	$20,000	$300,000
CWS 4	>15001	$30,000	$25,000	$400,000

For example, a utility with 1,001 service connections that has paid a Service Provider/contractor to complete an LSL inventory (Type I) and has submitted that LSL inventory to the IDEM portal. The utility has no additional Project Type I needs. The utility is eligible to apply for a Project Type II grant of up to $25,000 (see Table 1; Project Type I credit of $15,000 + Project Type II funds of $10,000 = $25,000).

30. **How do I apply for credit?**

Send an email to IFA at LSLIgrants@ifa.in.gov. These projects will be approved on a case-by-case basis.

31. **How far back can I go to seek a credit for completed work?**

A contract or invoices must be provided, which document the work was done after August 2022.

32. **I would like to apply a credit from the IFA LSL Inventory Funding Program to my Drinking Water SRF Loan Program application for additional inventory work. How does that work?**

Only SRF participants on the State Fiscal Year 2024 (July 1, 2023 – June 30, 2024) will be permitted to apply inventory work credit to their SRF financed projects. The inventory credit will be applied to the SRF project in the form of an interest rate reduction.

33. **I would like to apply for credit, but I don't have any new project needs to apply them to. Should I still apply?**

Do not apply unless you have a project need. Consider applying for Round 2 if you need more time to develop a project.

34. **My community is undertaking an SRF project with a variety of components (storage, distribution), but it also includes LSL _inventory_ and _replacement_ work. If we apply for the IFA LSL Inventory assistance for a Type I or II project, will IFA require inventory submitted prior to starting the replacement work funded by SRF?**

No. Utility may use SRF financing to complete LSL replacement work without an inventory submitted to IDEM up until October 2024.

35. **What is needed for final disbursement?**

IFA LSL Inventory Funding Disbursement Request, Inventory Submittal Certification, if not already submitted, and IFA LSL Inventory Funding Project Completion Certification Form. For Project Types I and II, disbursement requests and final documents will be completed by the Service Provider and signed off on by the utility. The utility will follow SRF disbursement procedures and submit the final documents for a Type III project.

36. **For Project Type III, do utilities need to seek IURC approval of the principal forgiveness loan?**

As of April 2023, there is pending legislation to eliminate the requirement for a utility to seek IURC approval for forgivable loan when no rate action is required. Following legislative action, the IFA will share a copy of the enacted legislation on its website.

37. **By submitting an LSL inventory to IDEM's State Dashboard using the PWS Portal to meet application requirements for a Project Type II & III, does this initiate the requirement related to "completion of a service line inventory" to notify customers within 30 days?**

Yes. Note, submitting an inventory to IDEM's State Dashboard is a separate step from uploading LSL data, although both steps are done within the Portal.

38. **How can I request help?**

Please submit questions about:

- the IFA's LSL Inventory Funding to LSLIgrants@ifa.in.gov
- the Alliance's Technical Assistance Program to: https://www.inh2o.org/
- the Indiana State Revolving Fund Loan Program to Brett Roberts at broberts@ifa.in.gov
- the LSL Inventory requirements to IDEM at: DWBMGR@idem.in.gov
- the PWS Portal and State Dashboard to: support@120water.com