City of Asheville Staff Report

City Council Meeting Date: September 22, 2026

Staff Resources: Bill Hart, Water Resources Director and Brenna Cook, Compliance Manager

Action Requested: Adoption of a resolution authorizing the Water Resources Department to accept $403,000 in Community Development Block Grant (CDBG) funding for replacement of single-family residential properties lead and galvanized iron pipe service lines categorized for replacement per EPA's Lead and Copper Rule Improvements (LCRI); and the associated budget amendment, in the amount of $403,000.

Background:

- The Environmental Protection Agency's (EPA) Lead and Copper Rule Improvements (LCRI) mandate requires all public water utilities to identify and replace all lead service lines, as well as galvanized iron service lines that are or were previously downstream of lead components, by the conclusion of calendar year 2038.
- While the City has identified no lead service lines within its system to date, historical record gaps preclude verifying whether certain customer-owned galvanized iron service lines were ever positioned downstream of lead materials.
- In February 2026, the Water Resources Department submitted an application for FY26/27 Community Development Block Grant (CDBG) funding; the Housing and Community Development Committee subsequently approved an allocation of $403,000 to support service line replacement efforts.
- On June 9th, 2026 Council approved the CDBG Annual Action Plan which included $403,000 in the CDBG Fund for this work. Adoption of a budget amendment is now necessary to facilitate the receipt and appropriation of these grant funds in the Water Fund.
- Securing this funding will enable a proactive initiative to mitigate lead exposure risks for low-income homeowners, upgrading essential residential water infrastructure with an anticipated operational lifespan exceeding 50 years.

Vendor Outreach: NA

Council Vision 2036 Focus Area(s):

- A Clean, Safe and Health Environment

Council Priority Recovery Area(s):

- Infrastructure & Environment

Committee(s):

- N/A

Fiscal Impact:

- The allocated Community Development Block Grant (CDBG) funds will enable the Water Resources Department to replace approximately forty-two service lines classified as galvanized requiring replacement (GRR). This allocation covers all associated environmental review requirements and replacement expenditures.
- The Water Resources Department will continue to explore all opportunities to secure additional funding for GRR service lines.

Suggested Motion:

- Motion to adopt a resolution authorizing the Water Resources Department to accept $403,000 in Community Development Block Grant (CDBG) funding for replacement of single-family residential properties lead and galvanized iron pipe service lines categorized for replacement per EPA's Lead and Copper Rule Improvements (LCRI); and the associated budget amendment, in the amount of $403,000.

Attachment(s):

- Resolution
- Budget Amendment

City of Asheville Resolution Number 26-___

Resolution authorizing the Water Resources Department to accept $403,000 in Community Development Block Grant (CDBG) funding for replacement of single-family residential properties lead and galvanized iron pipe service lines categorized for replacement per EPA's Lead and Copper Rule Improvements (LCRI).

Whereas, pursuant to N.C.G.S. § 160A-312, the City of Asheville has authority to operate a public enterprise; and

Whereas, pursuant to N.C.G.S. § 160A-17.1, the City of Asheville is permitted to apply for and accept grant-in-aid and loans from federal and/or local governments and their agencies for performing any function the City of Asheville may be authorized to by law to perform or provide; and

Whereas,Federal law and the North Carolina Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction for water infrastructure and related activities; and

Whereas,, the City of Asheville has needs for and intends to build a water service line inventory to meet Lead and Copper Rule Revision requirements; and

Whereas, pursuant to previous City Council authorization and unanimous adoption on June 4, 2026, the City of Asheville has requested CDBG grant assistance for the removal of any lead service lines, galvanized service line and lead connections; and

Whereas, the City of Asheville has now been awarded such funds; and

Whereas, accepting and utilizing these funds and authorizing signature and execution of related documents aligns with Council goals for improving/expanding core services;

Now, Therefore, be it resolved by the City Council of the City of Asheville that:

Authorizes the Water Resources Department to accept $403,000 in Community Development Block Grant (CDBG) funding for replacement of single-family residential properties lead and galvanized iron pipe service lines categorized for replacement per EPA's Lead and Copper Rule Improvements (LCRI).

Read, approved and adopted this 22nd day of September, 2026.

_____
Esther E. Manheimer, Mayor

_____
Brad Branham, City Attorney

_____
Magdalen Burleson, City Clerk

City of Asheville Budget Amendment Ordinance Number ____

Be it Ordained by the City Council of the City of Asheville:

That Section 2 of the City of Asheville Annual Operating Budget Ordinance be amended to provide an appropriation of $403,000 to the Water Resources Capital Projects Fund for Lead Service Line Replacement (aka Project Number W2403).

Water Resources Capital Projects Fund

Revenues:

Transfer from CDBG Fund: $403,000

Expenditures:

Professional services for environmental reviews - $50,000
Construction Services for replacements - $353,000

That this ordinance shall be in full force and effect upon the date of final passage.

Read, approved and adopted this 22nd day of September, 2026.

_____
Esther E. Manheimer, Mayor

_____
Brad Branham, City Attorney

_____
Magdalen Burleson, City Clerk