Funding Issue

Illinois State Water Plan

August 13, 2020

The Illinois State Water Plan Task Force (SWPTF), chaired by the Office of Water Resources (OWR), Illinois Department of Natural Resources is in the process of updating the State Water Plan (SWP). Rick Cobb, Acting Manager, Division of Drinking Water and Groundwater, Bureau of Water, represents the Illinois Environmental Protection Agency (Illinois EPA) on the SWPTF. OWR has volunteered Illinois EPA to provide input on funding. Illinois EPA will provide input within our abilities.

Rick Cobb volunteered to work on developing Water Quality Issues (WQI) and Recommendations to be included in the SWP. A draft document was developed on Water Quality Issues and Recommendations on June 6, 2020. Moreover, a WebEx session was held with Non-Governmental Organizations (NGOs) August 6, 2020 to discuss WQI.

Rick Cobb Illinois EPA, and Justin Williams with the Metropolitan Planning Council (MPC) coordinated to organize a WebEx session with NGOs that was held on August 13, 2020 and the following persons participated on the call:

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RC started off the discussion about water funding with providing some background. Illinois EPA does not receive any general revenue funding for Bureau of Water programs. We obtain all our funding from fees and federal grants. One of the foundational pieces of water programs that we have been working on is to fill holes in our staff resources and to do succession planning. For example, the federal funding to implement the Public Water Supply Supervision (PWSS) program from United States Environmental Protection Agency (U.S. EPA) pays for 64.4 percent of what we are required to implement under our Safe Drinking Water Act (SDWA) primacy approval. One of the Water Quality Issues and Recommendations is a Corrective Action Plan with the U.S. EPA is to address funding staffing shortfalls at Illinois EPA and the Illinois Department of Public Health to implement the drinking water program. Thus, Illinois EPA has looked at the Drinking Water State Revolving Fund (SRF) set-asides to address these deficiencies.

RC also described that a maximum contaminant level (MCL) is an enforceable numeric standard for drinking water contaminants in public water supplies. An MCL is typically enacted by the U.S. EPA and then adopted by individual states through state-led rulemaking procedures. U.S. EPA has
not yet enacted an MCL for any Per- and Polyfluoroalkyl Substance (PFAS). In response, the Illinois EPA has decided to undertake a statewide study of the prevalence and occurrence of PFAS in drinking water in order to aid in the development of Illinois-specific MCLs for certain PFAS. Illinois EPA will have to establish the technical feasibility and economic reasonableness of complying with any proposed state MCLs for PFAS. Such a demonstration will require Illinois EPA to:

- Research and establish best available treatment technologies to adequately and consistently remove PFAS to levels below the proposed MCLs. Illinois EPA will develop standards for treatment, design, construction, operations and efficacy.
- Determine any simultaneous compliance concerns or unintended consequences with drinking water regulations or other applicable laws and regulations in Illinois.
- Research and establish required laboratory analytical methods, sample collection procedures, and Quality Assurance/Quality Control requirements for sample collection and analysis.
- Ensure adequate laboratory capacity and capability and establish and maintain a state laboratory accreditation program for PFOA, PFOS, and other relevant PFAS. Laboratories must be able to utilize the proper analytical methodology and achieve detection and reporting limits that are below any proposed MCLs for PFAS.

Illinois EPA may need to evaluate the SRF set asides to assist with these tasks of developing state MCLs for PFAS and other emerging contaminants. U.S. EPA has not adopted any new drinking water standards for 22 years.

RC also described that America’s Water Infrastructure Act of 2018 (AWIA) is intended to improve drinking water and water quality, deepen infrastructure investment, enhance public health and quality of life, increase jobs, and bolster the economy. One of the elements of these new AWIA amendments to the SDWA is that States are required to amend their state capacity development strategies to include a description of how the state will encourage the development of asset management plans that include best practices, training, technical assistance and other activities to help with implementation of those plans. EPA must review and update, if appropriate, asset management documents and trainings every five years. Illinois EPA may need to evaluate the SRF set asides to assist with these new tasks under the SDWA.

JW stated that the SRF cannot do it all.

CS provided that maybe the short comings of the funding from U.S. EPA and a dedicated water revenue stream should be identified in the SWP.

AM provided that the NGOs will support ideas on the Capitol Budget. Moreover, she indicated that they would not recommend the SRF as the source but how to use it differently.

GB indicated that $104M was established using the SRF to assist community water supplies with a source of funding to remove lead service lines. He stated that $150M in applications for the funding has already been received. Further, GB provided the Bureau has been having brainstorming sessions on how to utilize the set-aside’s, following U.S. EPA requirements, while balancing the need to maintain a fund to loan money and to in turn revolve payments back in order to sustain the fund.
CS stated that she agreed with Gary that other sources of revenue are needed, such as fee increases. She indicated that the NGO’s could help with what other sources of funding could look like (i.e. we need more resources, and this is what it would look like).

WC provided that the SWP was set up for State agencies. That ideas in the plan should be adequately maintained and affordable by the State agencies.

AM asked WC how DNR is looking at the funding issue in the overall SWP?

WC replied that they are trying to avoid including unfunded mandates in the SWP.

AM stated that the NGOs really wanted to work with us on developing a vision of how to achieve water funding through some combination of things such as rate structures, costs of service etc.