



State of New Jersey
DEPARTMENT OF ENVIRONMENTAL PROTECTION
Division of Water Quality
Municipal Finance & Construction Element
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Commissioner

June 13, 2023

**Atlantic City Municipal Utilities Authority
Lead Service Line Replacement
City of Atlantic City, Atlantic County, New Jersey
Project No. 0102001-011**

To All Interested Government Agencies and Public Groups:

The Atlantic City Municipal Utilities Authority (ACMUA) is pursuing financial assistance from the New Jersey Water Bank for the replacement of approximately 2372 galvanized lead service lines (LSL). The proposed project will replace the existing 1-inch diameter LSL with 1-inch diameter copper water service lines between the water main and the existing house shutoff valve. All impacted homeowners were issued a certified letter on February 23, 2022, informing them of the presence of a customer-side galvanized LSL. Advance notice of the proposed construction will be distributed to all impacted homeowners 48 hours prior to the commencement of construction.

The proposed project will protect public health and water quality by reducing the likelihood of lead entering drinking water and public waterways and will bring ACMUA into compliance with New Jersey P.L. 2021, Ch. 183 (passed July 2021), which states that galvanized service lines should be considered as lead service lines (LSLs) and thus they must be removed from all systems within a 10-year period. There will be no increase in the ACMUA water system's water demand or allocation, or to the water system service area as a result of the proposed project.

The Department of Environmental Protection (Department) has reviewed the proposed action for potential environmental impacts in accordance with N.J.A.C. 7:22-10. Based on planning information submitted in support of the proposed action, the Department has determined that it qualifies for a Level 1 environmental review. The rules provide that this level applies to certain categories of actions that are expected to have little or no adverse environmental impact.

Based on the Level 1 environmental review, the Department has made a decision to approve the planning information for the proposed action. This decision is a part of the financial assistance application process, but is not a commitment of federal or state funds. An environmental summary of the proposed action, including the basis for determining that it qualifies for a Level 1 environmental review, is enclosed. The applicant is responsible for advertising this decision and for making the planning and decision documentation available for public review.

Project Cost: \$5,000,000

Proposed Loan: \$5,000,000

Comments supporting or disagreeing with this determination should be addressed to: Karen Cole, Chief, Environmental Review Section, Bureau of Environmental, Engineering, and Permitting, Municipal Finance and Construction Element, Mail Code 401-03D, P. O. Box 420, Trenton, New Jersey, 08625-0420.

Sincerely,



Charles Jenkins, Assistant Director
Municipal Finance and Construction Element

Environmental Summary
Atlantic City Municipal Utilities Authority
Lead Service Line Replacement
City of Atlantic City, Atlantic County, New Jersey
Project No. 0102001-011

I. Proposed Action

The City of Atlantic City (City) is located on Absecon Island, a barrier island in the Atlantic Ocean off the coast of southern New Jersey in Atlantic County, within the Great Egg Harbor Watershed Management Area (WMA) No. 15 and the Outer Coastal Plain Geophysical Province. The City is bordered by the City of Absecon to the northwest, the Township of Galloway to the northeast, the City of Brigantine to the east, the Atlantic Ocean to the southeast, City of Ventnor City to the southwest, and the City of Pleasantville and the Township of Egg Harbor to the west (Figure 1). The City is approximately 17.21 square miles in size, with approximately 10.76 square miles of land area and approximately 6.45 square miles of water, and a population of approximately 39,400 permanent residents year round according to the 2020 United States Census Bureau. Atlantic City is largely developed with a mix of residential, commercial, recreation, transportation, and athletic fields. There are limited industrial zones and the conserved land in the City generally relates to the surrounding wetlands. The economy of the City is dependent on tourism. During the summer months the population increases to approximately 113,000.

The Atlantic City Municipal Utilities Authority (ACMUA) provides public water supply to a service area approximately 10.76 square miles in size encompassing all of Atlantic City (Figure 1). The ACMUA currently serves a total of approximately 7,884 service connections. Residential customers comprise approximately 6,916 of the total connections and use twenty percent (by volume) of the water supplied by the ACMUA to its customers. The remaining service connections in the ACMUA water system serve commercial customers. In addition, a portion of the water produced by the ACMUA is sold to the New Jersey-American Water Company to supply water to portions of the cities of Pleasantville and Absecon.

The ACMUA water system consists of fourteen existing wells located within the Kirkwood-Cohansey Aquifer Formation and two wells located within the Atlantic City 800-foot sand layer of the Kirkwood Formation. The ACMUA also utilizes surface water stored in two water storage reservoirs at the confluence of the North and South Branches of the Absecon Creek with a combined capacity of 500 million gallons (MG). The ACMUA has one water treatment plant (WTP) located in the City of Pleasantville with current water allocation limits of 21 MG per day and 650 MG per month as specified in the New Jersey Department of Environmental Protection (NJDEP) Division of Water Supply Bureau of Water Systems and Well Permitting Allocation Permit No. 5306. Water storage for the ACMUA water system is supplied by a 6 MG water storage standpipe and two in-ground finished water storage basins with a combined storage capacity of 3 MG located at the WTP. Water from the WTP is conveyed to the water system's Pleasantville pumping station (PPS) and pumped to two 48-inch transmission mains that feed the ACMUA distribution system in Atlantic

City and to a service main that supplies the New Jersey-American Water Company. The ACMUA distribution system utilizes over 150 miles of water transmission mains. The ACMUA also has an Administration Building/Maintenance Garage (AB/MG) facility located in Atlantic City.

Lead and galvanized pipes were commonly used for water service lines before 1960, and in household plumbing fixtures (i.e., faucets, valves, sinks, shower heads, hose bibs, etc.) and solder until the late 1980s. From 1986 to 2014, plumbing fixtures were allowed to contain up to 8% lead and be categorized as “lead free.” Now, current standards for “lead free” fixtures allow no more than 0.25% of lead content. Lead exposure from lead pipes and deteriorated galvanized pipes containing lead can cause various health problems, including damage to the brain, red blood cells, and kidneys. Pregnant women, infants, and young children are especially at risk from lead exposure. Under New Jersey Bill S3398/A5343, passed in 2021, the State of New Jersey requires Public Community Water Systems to inventory and replace all known lead service lines. The bill also states that galvanized service lines must be considered as lead service lines (LSLs) and thus they must be removed from all systems within a 10-year period.

The ACMUA owns the portion of the water service line from the water main to the curb stop. The portion of the service line from the curb stop to the water meter inside the home is owned by the resident. The ACMUA has identified locations of approximately 441 known galvanized or LSLs and approximately 2,277 unknown service lines. Upon further review of the unknown service locations, it has been determined that approximately 1,931 are suspected to be either galvanized or lead and need to be investigated further to determine if replacement is required. The remaining 346 services are suspected not to be galvanized/lead. The existing water service lines are 1-inch galvanized/iron pipe with a lead gooseneck connector. All service lines will be replaced from the water main to the water shutoff valve in the customer’s home. All new services will be 1-inch copper on the utility side from the water main to meter pit to curb stop and on the customer side from the curb stop to customer water shutoff valve in the home. All curb stops, curb boxes, meter pits, and miscellaneous connectors, and the shutoff valve in the customer’s home will be replaced.

In accordance with the Revised Lead and Copper Rule (RLCR) a minimum of 10 percent of the known LSLs must be replaced from the main to the home shutoff valve each calendar year until completed, beginning in 2022. The proposed project entails replacement of all of the approximately 2372 galvanized LSLs, which are classified as lead based, throughout the City. The first contract of the proposed project will replace the approximately 441 known LSLs, including the homeowner-owned portion up to the house shutoff valve.

Continuous water service will take place while the new replacement line is installed; however, if this is not possible the homeowner may be out of water for no more than 3 hours. The proposed project will effectively eliminate lead leaching from the LSL into the individual customer’s domestic water supply and the water supply system, meet public utility standards, improve the reliability of the water supply, and ensure permit compliance.

Utilities conducting mandatory lead service line replacements must meet specific outreach requirements targeting affected households. The ACMUA has taken the following steps to date:

- On January 21, 2022 - Lead Service Line Inventory Report was completed and placed on the ACMUA's website to inform the public of the extent of this issue.
- On February 22, 2022 - "Notice of Lead Service Line Material" that includes steps that homeowners can take to reduce exposure to lead drinking water, was placed on the ACMUA's website to provide additional information to the public regarding this issue.
- On February 23, 2022 - certified letters were sent to affected customers informing them that the composition of their water system service line is a lead or galvanized steel line. This letter was distributed in response to a recent State of New Jersey law, effective July 22, 2021, that requires public community water systems to inventory the known lead service lines in the distribution system and then notify all homeowners that have been identified with lead services within 30 days of completing the inventory.
- On March 15, 2022 - a resolution was adopted at a public meeting authorizing this application.
- On October 19, 2022 - Municipal Ordinance No. 65 amending Chapter 61 to regulate replacement of lead service lines was adopted by the Council of the City of Atlantic City on the second and final reading and signed by the mayor of the City on October 21, 2022. The ordinance requires customers to cooperate with the ACMUA such that the galvanized LSLs can be replaced by ACMUA on customer property.

In accordance with New Jersey P.L. 2021, Ch. 183, ACMUA has developed additional customer communication documents, including the following:

- Lead Replacement Pre-Construction Notice – ACMUA has prepared a Pre-Construction 48-Hour Notice that will be issued to customers in the form of a door hanger (Figure 2).
- Post Replacement Customer Flushing Instructions – After the galvanized LSLs are replaced, it will be important for the contractor to flush the line and the customer to flush their home plumbing to remove any particulates that may remain as a residual to the replacement work. ACMUA has prepared instructions for flushing immediately following the replacement to be provided to the customer in the form of a door hanger (Figure 3).

All disturbance will occur within the roadways and on private properties from the water main to as far as the water shutoff valve at the house/structure. The area of disturbance at each service line is approximately 45 to 75 square feet, which is comprised of grassed area, asphalt, and concrete. The length of the service line from the resident's side of the curb stop to the house will range from approximately 15 to 25 linear feet. All stockpiling of soil will be adjacent to the open trench, within the existing right-of-way, for use in backfilling. No trees or shrubs are anticipated to be removed. Should any tree removal become necessary, a general timing restriction on trimming or removal of trees from April 1 through August 31 is recommended to protect nesting birds covered under the NJ Endangered & Non-game Species Conservation Act.

Construction of the proposed project will ensure the integrity of the ACMUA's water supply system and a continued supply of potable water to the service area are maintained. The proposed project will serve existing residential users. No new development will be generated or served by the proposed improvements. The proposed improvements will not increase the capacity of the water supply mains, result in the expansion of the ACMUA water system service area, or result in an increase in water allocation.

The project areas are completely developed and do not contain any NJDEP mapped wetlands. While there are wetlands adjacent to the project boundaries, construction will not impact any wetlands and, if required, excavation within the wetland transition area within paved roadway to replace infrastructure is considered normal property maintenance under the Freshwater Wetlands Protection Act Rules (NJAC 7:7A).

There will be no impacts to freshwater wetlands or wetland transition areas, important farmlands, Agricultural Development Areas, steep slopes, endangered or threatened species and their designated habitats, coastal areas, important aquifer recharge areas, parks and preserves. Anticipated adverse impacts to the environment as a result of the proposed project are expected to be minimal, temporary, and construction related.

Anticipated impacts include those associated with noise generation from construction equipment, soil erosion and sedimentation, dust, and construction debris. Soil erosion impacts will be avoided or minimized by requiring effective erosion control measures to be used during construction in accordance with the "Standards for Soil Erosion and Sediment Control in New Jersey" and the "Environmental Assessment Requirements for State Assisted Environmental Infrastructure Facilities" (N.J.A.C. 7:22-10.11). All grassed areas disturbed by the proposed project will be restored with grass following construction. Noise impacts are unavoidable but will be minimized by requiring construction vehicles to be equipped with proper mufflers, limiting the number of machines in operation, and limiting construction to avoid weekends and holidays.

In accordance with NJAC 7:22-10.8, the project has been reviewed for its potential to affect significant historic properties. All of the work will be conducted on existent water service lines, and trenches will be confined to previously disturbed areas. Therefore, it has been determined that the project will have no effect on significant cultural resources as defined in Section 106 of the National Historic Preservation Act. The New Jersey Historic Preservation Office (NJ HPO) was informed of this determination in a letter dated June 24, 2022, and has not provided any comments.

The Northside Institutional Historic District is listed on the New Jersey and National Registers of Historic Places, as is the Atlantic City Convention Hall. The New Jersey Register of Historic Places Act of 1970 (N.J.S.A. 13:1B-15.128 et seq.) requires review of any state, county or municipal undertaking involving properties listed in the New Jersey Register. Therefore, an Application for Project Authorization (APA) was submitted to the NJ HPO. In an email dated May 30, 2023, the NJ HPO determined that the project does not

constitute an encroachment on Atlantic City's historic properties and was therefore approved.

Dewatering in excess of 100,000 gallons per day is not anticipated; however, if dewatering occurs in excess of 100,000 gallons per day, a temporary dewatering permit will be required, and the quantity of water that is diverted must be reported to the Division of Water Supply and Geoscience's Bureau of Water Allocation and Well Permitting.

Some dewatering will be required for construction of the proposed facilities. The dewatering could result in temporary and localized depressions of groundwater. This lowering can affect the stability of structures located adjacent to construction. Stability of structures will be monitored when dewatering occurs. Should problems arise, corrective measures will be implemented immediately. Groundwater will return to normal levels following construction. Dewatering may contain silt, which can adversely affect environmentally critical areas such as surface waters and wetlands. Control devices, such as settling basins for silt control, will be required to be in use during construction to remove sediment from dewatering prior to discharge.

A New Jersey Pollution Discharge Elimination System (NJPDES) Discharge to Surface Water (DSW) permit will be needed for any water from construction dewatering that may be discharged to surface water, regardless of the amount of water. Provided that the discharge is not contaminated, the appropriate discharge permit is the Category B7- Short-term De-Minimus Discharge General Permit (see http://www.state.nj.us/dep/dwq/pdf/B7_RFA_Checklist.pdf). This determination is made by running a pollutant scan, as described in the application checklist, where the data can be collected up to a year in advance of the discharge. If, however, the analytical results demonstrate levels greater than the Attachment 1 standards as specified in the Category B7- Short-term De Minimus Discharge General Permit (see http://www.state.nj.us/dep/dwq/pdf/B7_Final_Permit.pdf), the appropriate NJPDES discharge to surface water permit will be either the B4B-General Groundwater Petroleum Product Clean-Up Permit or the BGR – General Groundwater Remediation Cleanup Permit (see <http://www.state.nj.us/dep/dwq/pdf/sw-gp-chk1st.pdf>). Either of these permits can generally be processed in less than 30 days although a treatment works approval may be needed for any treatment. Contact information is listed on the checklists. The proposed project is intended to serve a predominantly developed area. As the Department supports the award of financing to facilitate improvement of inadequate infrastructure in areas of the State that have already been developed, funding of the proposed project is consistent with New Jersey's smart growth objectives.

The State of New Jersey has an ongoing State Implementation Plan (SIP) development process for air quality, which provides measures for the prevention of violation of the Ambient Air Quality Standards. Current control measures focus on transportation strategies and industrial stationary sources. The NJDEP routinely collects, compiles, analyzes and summarizes Ambient Air Quality Monitoring Data from a number of air quality monitoring locations throughout the State of New Jersey.

To avoid adverse air quality impacts during short-term construction activities, compliance with the regulatory requirements of New Jersey's Air Rules continue to remain in effect. Activities must still meet the State's Air Pollution Control requirement, such as obtaining permits, when necessary, adherence to idling limitations, implementation of all reasonable measures to mitigate dust and fugitive emissions from demolition and construction and complying with all state and federal rules for demolition of structures which may contain asbestos.

The existing median annual household income (MAHI) in the City of Atlantic City is approximately \$32,256 (based on the U.S. Census Bureau 2017-2021 QuickFacts updated to February 2023). The City's current annual water user cost is approximately \$262. As a result of the proposed project to replace all LSLs in Atlantic City, the annual water user charge is expected to increase to \$439 by the completion of the proposed project. The proposed annual water user charge will be approximately 1.32 percent of the MAHI, which is below the 1.75 percent affordability threshold, and is not considered to be excessive.

The project is intended to serve a predominantly developed area. As the Department supports the award of financing to facilitate improvement of inadequate infrastructure in areas of the State that have already been developed, funding of the proposed project is consistent with New Jersey's smart growth objectives.

Based on the information provided, it has been determined that the proposed project will have no significant adverse impact on environmental or cultural resources. The Department has not received any adverse public comment concerning this project.

II. Alternatives Considered

A. No Action

Under the No Action alternative, the galvanized LSLs would not be replaced, the ACMUA would continue to be out of compliance with the NJ Bill P.L. 2021, Ch. 183, and deteriorating LSLs would continue to pose a threat public health. Also, as the pipes age, lead will have the potential to leak into the surrounding soils and eventually into the waterways. Since the No Action alternative poses a public health issue and threatens water quality, it was not selected.

B. Galvanized LSL Replacement (Selected Plan)

This alternative, as described in Section I, will entail the replacement of 1-inch diameter galvanized LSLs with 1-inch diameter copper water service lines between the water main and the curb box and between the curb box and the existing house shutoff valve in the ACMUA service area. This alternative protects public health and improves water quality. If the residents were required to cover the total cost of the LSL replacement by themselves, that could potentially be a burdensome cost that some customers may not be able to afford. In this alternative, with the ACMUA covering a portion of cost of the LSL replacement on the customer side, will avoid placing the entire burden of paying for the

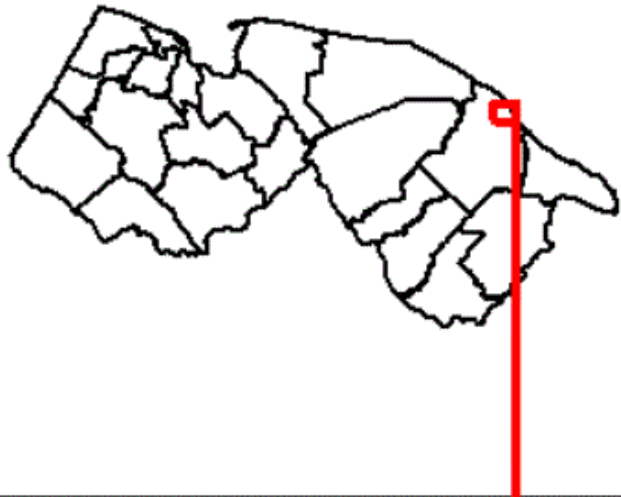
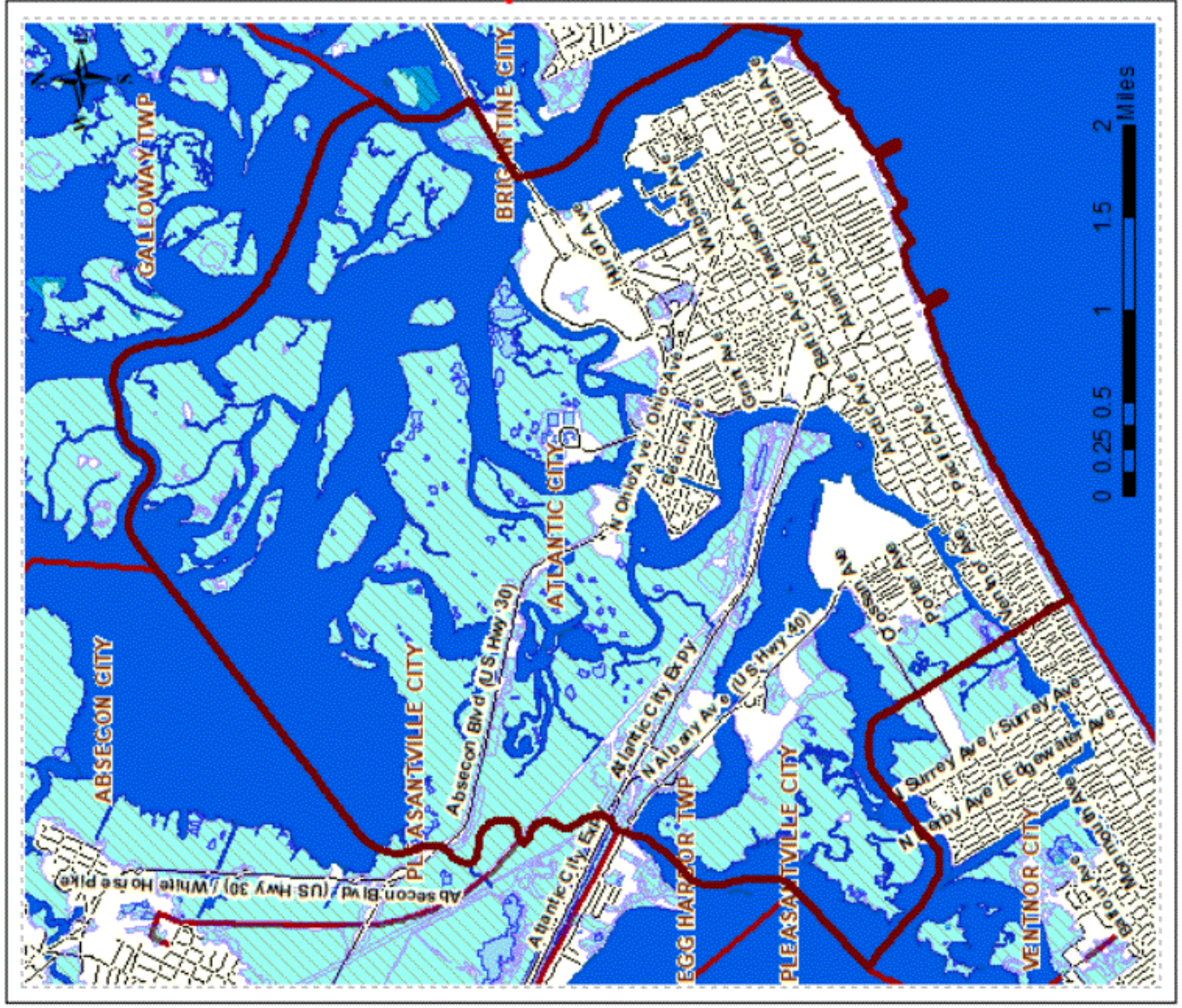
replacement of the customer side of the service line on the residents. Therefore, this is the selected alternative for this project.

III. Eligibility for Level 1 Environmental Review

- A. In accordance with N.J.A.C. 7:22-10.4(a), the proposed project conforms to a category of actions eligible for a Level 1 environmental review because it proposes rehabilitation repair or replacement of existing environmental infrastructure facilities and/or construction of ancillary facilities, or minor improvements to environmental infrastructure facilities, which do not create a new discharge, reduce the level of treatment, result in an increase in quantity of flow of an existing discharge, involve an increase in water allocation, or involve the construction of a new water tower.
- B. Available information regarding the proposed project leads to the conclusion that none of the criteria for disqualifying an eligible category for a Level 1 environmental review are present:
- 1) the project is not expected to have a permanent adverse or a significant temporary adverse effect on the human environment;
 - 2) the project is not expected to have a permanent adverse or a significant temporary adverse direct or indirect impact on cultural resources, endangered or threatened species or designated habitats, wetlands, vernal habitats, floodplains, Important Farmlands, or other environmentally critical areas;
 - 3) the user cost for the project will be below 1.75 percent of the median annual household income; and
 - 4) the project is not expected to result in significant adverse public comment.

IV. Conclusion

The environmental review of this project indicates that it conforms to a category of projects which, by their nature, generally will have little or no adverse impact on the environment. Project documentation submitted in support of this project and reviewed by the Department indicates that the potential for environmental impacts will be minor. The potential for impacts will be further minimized by incorporating the standard environmental protection measures contained in the "Environmental Assessment Requirements for State Assisted Environmental Infrastructure Facilities" (N.J.A.C. 7:22-10) into the design and construction of the project. In addition, permits will be required to be in place before project construction can proceed. The Department has not received adverse public comment concerning this project.



- Legend**
- Wetlands (2012)
 - Inland NJ (Continental)
 - Municipalities
 - Lake/Pond
 - Reservoir
 - Stream/River
 - Spillage
 - Canal/Ditch
 - Estuary
 - Salt/Coastal

FIGURE 1
 Regional Location Map
 Atlantic City Municipal Utilities Authority
 Lead Service Line Replacement
 City of Atlantic City, Atlantic County
 Project No. 0102001-011

Figure 2
Lead Replacement Pre-Construction Notice
Atlantic City Municipal Utilities Authority
Lead Service Line Replacement
City of Atlantic City, Atlantic County, New Jersey
Project No. 0102001-011

Sample Door Hanger: Before Lead Service Line Replacement



48-Hour Notice

The Atlantic City Municipal Utilities Authority (ACMUA) is replacing one or more of the water service supply lines on your block. This work may affect your property on _____ [INSERT DATE].

- This work will temporarily affect your water service starting at _____ am/pm for approximately _____ hours.
- We will be working in the public and customer spaces, while will require digging from the property line in your yard up to where the service line connects to the interior plumbing.
- We will be replacing or reconnecting the pipe on the public and customer spaces. We will then need to flush your water service pipes. Please open the valve to your outside faucet and make sure the outside faucet is available to us.
- Other _____

For more information, please contact:

{Utility Name}'s Contractor: _____

{Utility Name} Project Manager: {Project manager's name}

24-Hour Customer Service Line: {Utility customer service line number}

{Utility website}

Figure 3
Lead Replacement Post-Construction Notice
Atlantic City Municipal Utilities Authority
Lead Service Line Replacement
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Sample Door Hanger: After Replacement



IMPORTANT HEALTH NOTICE

The Atlantic City Municipal Utilities Authority (ACMUA) replaced a portion of the water service line to your home with copper pipe. Because the original pipe was made of lead, some lead may have been released into the water during construction. Please take the following steps to minimize your exposure to any lead that may have been released.

Flush all your faucets using these steps:

1. Remove faucet aerators from all cold water taps in the home.
2. Beginning in the lowest level of the home, fully open the cold water taps throughout the home.
3. Let the water run for at least 30 minutes at the last tap you opened (top floor).
4. Turn off each tap starting with the taps in the highest level of the home. Be sure to run water in bathtubs and showers as well as faucets.
5. Do not consume tap water, open hot water faucets, or use icemaker or filtered water dispenser until after flushing is complete.

You may also wish to use a home filter for water to be used for drinking and cooking, particularly if you are pregnant or have children under age six. More information about filters can be found under the header {Utility website header} at our website.

For more information, please contact:

{Utility Name}'s Contractor: _____

{Utility Name} Project Manager: {Project manager's name}

24-Hour Customer Service Line: {Utility customer service line number}

{Utility website}