



MANITOWOC PUBLIC UTILITIES

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www.mpu.org

May 6, 2019

Honorable Mayor Justin Nickels
And Members of Manitowoc Common Council
Manitowoc City Hall
900 Quay Street
Manitowoc, WI 54220

Re: Water Laterals – Updates to Ordinance for Lead Service Line Replacement

Honorable Mayor and Members of Council:

In the City of Manitowoc there are approximately 5,200 water services installed prior to 1960's of lead material. EPA and CDC both have identified health concerns with lead water service lines such as development delays, behavior and learning problems, lower IQ, and anemia in infants and young children. In addition, lead exposure is linked to cardiovascular effects, increased blood pressure and hypertension, and impaired kidney function in adults and pregnant mothers.

In the City of Manitowoc, similar to City of Sheboygan, the property owner owns the water lateral from main to curb stop, and hence, is responsible for the costs of repair and/or replacement except for the street repair cost. This is similar to sewer laterals in the City of Manitowoc. For more than 20 years, to alleviate the health concerns with lead service lines, MPU has been adding a chemical additive to prevent lead leaching from the water service line.

In 2016, MPU exceeded the EPA's lead action level of 15 ppb in several samples collected from homes in City of Manitowoc. Therefore, in 2017, City Council had approved a change to the City ordinance to require replacement of lead water services either when lead service line is leaking or on a street replacement project when watermain is also being replaced. The City Council also authorized MPU Commission to implement a financial assistance program for lead service line replacement program.

In 2017 and 2018, Wisconsin DNR provided a Principal Forgiveness Program (i.e. grant monies) to assist home owners for replacement of the lead services from curb stop to the home. MPU was approved for \$300,000 in 2017, and \$300,000 in 2018. This program is no longer offered by WDNR in 2019 and is not expected in the future. These funds to-date have allowed approximately 145 lead services to be replaced. These funds can only be utilized between the curb stop and the home. MPU still has approximately \$85,000 available due to lack of interest from homeowners with children under the age of six (6).

On February 21, 2018, the legislatures enacted Wisconsin Act 137 to allow a utility to provide financial assistance (loan) to the owner of a property, to which water service is provided, for the purpose of assisting the homeowner in replacing the customer-owned water service line containing lead. This financial assistance program is subject to approval by the Public Service Commission of Wisconsin (PSCW). On September 11, 2018, MPU Commission filed an application at the PSCW for authority to implement a customer-owned lead water service line replacement program. The key highlights of the loan program are as follows:

1. MPU will provide up to \$6,000 financial assistance (loan) to replace the lead service line.
2. The loan will be at a 2.5% interest rate for a term of ten (10) years.
3. In the event of default of payment of the loan on the water bill, the entire outstanding balance will be placed on property tax roll.
4. In any given year the maximum amount allocated for this program will be \$600,000. The priority for availability of the funds will be as follows:
 - Watermain replacements
 - Homes with children under the age of six (6)
 - Leaking lead service
 - All other lead services when requested by a homeowner
5. No cost of the lead service line replacement will be allocated to any other customers.

On March 19, 2019, PSCW conditionally approved MPU Commission application to implement the financial assistance (loan) program. A key condition required as part of the approval is to update municipal code chapters 12.110 and 17.090 to comply with state statute 196.372 (2)(a). The changes required by PSCW will align the PSCW water rules with municipal codes. The updates required are reviewed and accepted by City Attorney Kathleen McDaniel.

Vinton Construction has informed MPU that the watermain replacement on Waldo Boulevard will begin in early May 2019. The Waldo Boulevard residents are inquiring on the water service line replacement program. Following is the plan for 2019 Waldo Boulevard for water service line replacement:

1. The average cost, based on bids received, of replacing a lead service line in 2019 from watermain to water meter in the home will be \$5,000, of which \$2,600 is in the street and \$2,400 from curb stop to control valve in the home. The home portion of the cost will vary slightly based on the length of the pipe from the curb stop to the home.
2. MPU will provide \$1,000 to each homeowner for replacing the lead service line from curb stop to home from DNR's principal forgiveness program (i.e. grant). Therefore, the average cost to homeowner with lead service line will be \$4,000. There are approximately 30 lead water services in 2019 on Waldo Boulevard and approximately 45 lead service in 2020.
3. A loan at 2.5% for 10 years will be provided to homeowners for replacing the lead service line. Hence, for a \$4,000 loan the monthly payment on the water will be approximately \$38.00. The homeowner may pay off the loan at any time without penalty.
4. MPU will provide a homeowner up to \$6,000 of the actual out of pocket expenses for lead service line replacement.

The Manitowoc Public Utilities Commission, at its meeting on March 25, 2019, unanimously approved to update the necessary changes to municipal codes chapter 12, chapter 16, and chapter 17 to meet the requirements of the PSCW order to implement the lead service line financial assistance program; update to fluoride language razing of buildings; and mandatory connections to watermains respectively.

MPU Commission is recommending that the City Finance Committee and Common Council approve the attached changes required by the PSCW to implement the financial assistance lead water service line replacement program.

Please feel free to call me at (920) 686-4351 for additional information.

Respectfully Submitted,

Handwritten signature of Nilaksh Kothari in black ink.

Nilaksh Kothari, P.E.
CEO & General Manager

cc: Attorney Kathleen McDaniel, City Attorney

Attachments

ORDINANCE

An Ordinance to amend Sections 12.110, 12.190, 16.070, 17.090, and 17.107 of the Manitowoc Municipal Code regulating lead service lateral replacement, fluorinated water and private wells.

The Mayor and Common Council of the City of Manitowoc do ordain as follows:

Section 1. Section 12.110 is amended to read as follows:

“12.110 Water Laterals.

(1) Responsibility for Lateral Repairs and Replacements. The service pipe, fittings and appurtenances from the main to the building control valve in the premise served is owned by the property owner. The owner of any property to which a water lateral is connected shall make all required repairs or replacements to the water lateral. Should the City of Manitowoc and/or the Manitowoc Public Utilities determine that a water lateral requires repair or replacement, the owner shall be notified by ~~certified~~ First Class US Mail of the need for the repair or replacements. If the owner cannot be located, a notice posted on one of the doors to the property shall be sufficient notice. ~~If repairs are not commenced within three days of receipt of the notice by mail or within three days of the posting, the Manitowoc Public Utilities may make the necessary repairs to the water lateral. If an owner fails to repair or replace a leaking or broken service lateral from the water main to the point of metering or use within such time as may appear reasonable to the water utility after notification has been served on the owner by the water utility, the water will be shut off and will not be turned on again until the repairs or replacement have been completed or the water utility may make the necessary repair or replacement to the water lateral and such costs shall be billed to the property owner.~~

(2) In the case of street excavations required because of repair or replacement to water laterals, the Manitowoc Public Utilities shall be responsible for the permanent street restoration costs.

(3) Assessment. Any work done by the Manitowoc Public Utilities hereunder shall be charged against the property as a special assessment authorized by Wis. Stat. § ~~66.0627~~ Chapter 66.

(4) Loan and Grant Program. Manitowoc Public Utilities is authorized to operate a lead service lateral replacement loan program, as approved by the Manitowoc Public Utilities Commission.”

Section 2. Section 12.190(1) is amended to read as follows:

“12.190 City Water System.

(1) Fluoride. The Manitowoc Public Utilities Commission is hereby authorized and directed to provide the means and equipment necessary to proceed with the introduction of only enough fluoride so that the daily average will not exceed 1.5 parts per million ~~the standards set by the EPA of water distributed in the water supply system of the City of Manitowoc.~~”

Section 3. Section 16.070(7) is amended to read as follows:

“16.070 Razing of Buildings.

(7) Sewer and Water Connections. During demolition, sewer pipes shall be protected to prevent entrance of sand, earth or other foreign materials. Upon completion of demolition,

the ends of all underground sewer or drain pipes shall be securely stopped with watertight and durable material. The water supply and sewer systems shall be abandoned inside the lot line by a licensed master plumber.

If the water service from the property line to the connection at the watermain in the public right-of-way is constructed of lead or galvanized iron, the entire water service shall be abandoned at the watermain by the property owner and is not permitted for reuse. All water services abandoned at the watermain shall be witnessed by MPU personnel, who shall furnish a report to the City Plumbing Inspector. Failure to do so shall require excavation and street restoration at the owner's expense to verify abandonment. Abandonment of services shall take place at the same time as building demolition."

Section 4. Section 17.090(3) is amended to read as follows:

" (3) Water Services and Private Water Mains Construction Materials. Water service laterals and private water mains from the public water main in the street to the curb stop and up to the building control valve shall be of ductile iron, PVC, PE or of Type K copper materials, as set forth in Wis. Adm. Code SPS Chapter 384.

Existing lead and galvanized iron water service laterals shall be replaced with water service laterals made of suitable material and at the property owner's expense. Replacement shall be completed either before or in conjunction with the next watermain project in the area of the affected property.

When it appears that any portion of a lead or galvanized iron water service has failed, it shall be fully replaced with ductile iron, PVC, PE or of Type K copper.

Partial replacements of lead or galvanized iron water services are not permitted. Should any part of a lead or galvanized water service be replaced, all lead or galvanized iron shall be replaced between the watermain and building control valve at the property owner's expense.

On a watermain replacement project, the utility will replace the water service from the watermain to the curb stop (street portion), at the property owner's expense. Homeowners are required to replace a lead or galvanized iron water service from curb stop to the home's building control valve when the utility is replacing the street portion on a water main replacement project. MPU personnel shall oversee this replacement and furnish a report to the City plumbing inspector."

Section 5. Section 17.107(6) is created to read as follows:

" (6) Mandatory Connections to Water Mains. (a) Except as set forth in subsection (b) below, within 60 days after notification by Manitowoc Public Utilities or the City of Manitowoc to an owner of any building or improvement intended in whole or in part for human habitation or occupancy of the availability of public water service, the owner shall cause to be made a connection to the applicable water main at the owner's expense, pursuant to Section 281.45 Wis. Stats. Except for owners utilizing a permitted private well as authorized in MMC 17.107, such owner shall abandon any existing source of water currently being used or intended to be used for the building for human habitation or occupancy after such connection is made, in accordance with MMC 17.107. Any owner utilizing a private well properly permitted under MMC 17.107 may continue to do so only for the purpose of irrigation/lawn watering so long as such owner holds a valid private well permit. Should a private well permit not be renewed, or be terminated, the applicable owner shall abandon such private well in accordance with MMC 17.107(2) and (3).

(b) Notwithstanding the above, any property owner that owns a validly permitted private well as of January 1, 2014, shall not be obligated to connect such property to the water main until 30 days after the failure of the private well or the revocation, termination or expiration of the private well permit.

(c) Should an owner fail to make such connection in compliance with subsection (a)

or (b) above or should in the reasonable determination of Manitowoc Public Utilities or the City of Manitowoc, a health hazard otherwise exist, Manitowoc Public Utilities or the City of Manitowoc may undertake all efforts to have such water main connection made and shall assess the cost thereof against the benefited property and such assessment shall bear interest at and be collected in the same manner as other special assessments.

(d) Any person who violates any provision of this title shall be subject to a daily fee imposed by Manitowoc Public Utilities and may be prosecuted for failure to connect.”

Section 6. This ordinance shall take effect the day after publication.

INTRODUCED _____ ADOPTED _____ APPROVED _____

Justin M. Nickels, Mayor

Fiscal Impact:	\$0 to City budget, impact to MPU
Funding Source:	MPU Budget
Finance Director Approval:	/sc
Approved as to form:	/kmm

This resolution was drafted by Kathleen M. McDaniel, City Attorney

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