

ORDINANCE NO. 24-05

**CREATING SECTION 7.05 OF THE MUNICIPAL CODE OF THE CITY OF
PLATTEVILLE REGARDING THE FINANCING OF PRIVATE LEAD SERVICE LINE
REPLACEMENTS**

WHEREAS, the Common Council previously amended Chapter 7 of the Municipal Code regarding water utility regulations to require property owners to replace their lead water service laterals; and

WHEREAS, the Wisconsin Department of Natural Resources recently collaborated with the Wisconsin Department of Administration and the Public Service Commission to establish the Private Lead Service Line Replacement Program, which allows municipalities to create a new program utility to loan money to property owners for the funding of such replacements, and to recover those funds by placing the amounts owed on the owners' real property tax bills; and

WHEREAS, in its continued efforts to promote the health and safety of City residents, the Common Council desires to participate in the funding program to help alleviate property owners of any financial burden associated with the replacement of private lead service lines.

NOW, THEREFORE, the Common Council of the City of Platteville, Wisconsin do ordain as follows:

Section 1. Section 7.05 of the Municipal Code is hereby created as follows:

7.05 Private Lead Service Line Replacement Financing. (a) INTENT AND PURPOSE. The Common Council of the City of Platteville finds that the replacement of public and private lead service lines protects public health and promotes the general welfare of City residents. The purpose of this section is to facilitate loans to property owners to replace private lead service lines by treating principal and interest repayments, fees and other charges for these loans as special charges eligible for inclusion on the tax bill for these properties.

(b) DEFINITIONS.

- A. "Annual installment" means the portion of the private LSL replacement loan amount that is due for a particular year under the private LSL replacement loan agreement.
- B. "Borrower" means a property owner who enters into a private LSL replacement loan agreement with the City to fund the replacement of a private lead service line on the borrower's property.
- C. "Loan agreement" means a written agreement among a borrower and the City as provided in subsection (d).
- D. "Loan amount" means the amount of principal, interest, administrative fees, and

other loan charges under the loan agreement to be paid by the borrower under the private LSL replacement loan.

- E. "LSL" means lead service line.
 - F. "Private LSL replacement loan" means a loan made by the City to a borrower under this section for the replacement of a private lead service line on a subject property.
 - G. "Private LSL" means a customer-side water service line, as defined in Section 196.372(1)(a), Wisconsin Statutes, constructed of lead or constructed of galvanized material that is or was downstream of lead.
 - H. "Subject property" means any property on which a private lead service line replacement has been made and financed through an outstanding private LSL replacement loan.
- (c) LOAN APPLICATION AND APPROVAL. A prospective borrower applying for a private LSL replacement loan must comply with the loan application process established by the City. The City will review and determine whether to approve the loan application.
 - (d) LOAN AGREEMENT. The City and the borrower must execute a loan agreement which at a minimum:
 - A. Sets forth the total loan amount, the annual interest rate on the loan, the loan term, the amount of each annual installment, and any applicable City fee.
 - B. Informs the borrower that the loan amount shall be considered a special charge, and each year's annual installment shall be levied onto the property tax bill of the subject property as a special charge and be a lien against the subject property pursuant to Section 66.0627, Wisconsin Statutes, as may be amended.
 - (e) PRIVATE LSL REPLACEMENT LOAN AS SPECIAL CHARGE. A private LSL replacement loan shall be considered a special charge and lien on the subject property. Each year's annual installment shall be levied onto the property tax bill of the subject property as a special charge pursuant to Section 66.0627, Wisconsin Statutes, as may be amended.
 - (f) COLLECTION OF SPECIAL CHARGES. The City shall follow its customary practice in collecting special charges placed on the tax rolls, including assessing penalties and charging interest and initiating foreclosure proceedings where appropriate.
 - (g) SEGREGATED FUND. Special charges collected for private LSL replacement loan repayments shall be placed in a segregated fund and disbursed in accordance with the requirements of the City's funding sources.

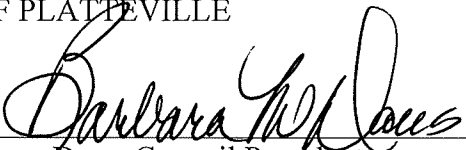
- (h) RECORD KEEPING. The City shall keep an accounting of private LSL replacement loans and payments received by the City and provide borrowers with that information upon request.
- (i) ADMINISTRATION FEE. The City may establish a reasonable fee to charge a borrower for administering a private LSL replacement loan and include this fee in the loan agreement.

Section 2. All other terms and provisions of the City of Platteville Code of Ordinances not specifically amended herein shall remain unmodified and in full force and effect.

Section 3. This Ordinance shall become effective upon passage and publication as provided by law.

Approved and adopted by the Common Council of the City of Platteville on a vote of 7 to 0 this 26th day of March 2024.

CITY OF PLATTEVILLE

By: 
Barbara Daus, Council President

ATTEST:


Colette Steffen, City Clerk

Published: 04/02/2024