



AGENDA ITEM #17

**AGENDA ITEM EXECUTIVE SUMMARY
Village Board Meeting
3/13/2023**

Item Title: **Lead Service Line Replacement Policy**

Staff Contact: Tom Dahl, Director of Finance
 Jason Bielawski, Village Administrator

NEW BUSINESS

VILLAGE BOARD ACTION:

Provide direction on the financial offerings section of the draft lead service line replacement policy to include a potential grant assistance component.

Executive Summary:

At the February 27 Village Board meeting, the Village Board agreed with the overall terms of the attached Lead Service Line Replacement policy. Staff was directed to provide additional information that the Village Board could consider for a potential grant assistance component to the financial offerings section. Attached is information about existing income-based limits that are used for various government programs. The Village’s current senior utility tax rebate program utilizes the HUD FY 2022 Income Limits. The Low Income Home Energy Assistance Program is administered by DuPage County and provides assistance for water and sewer utility bills for qualifying residents among other things. The Low Income Senior Citizens Assessment Freeze is a property tax exemption available through the State. Staff research shows that no property tax bills for property impacted by the Maple Avenue watermain project currently have the Senior Assessment Freeze exemption.

Utilizing the HUD FY 2022 Income Limits from the Village’s senior utility tax rebate program, staff developed a potential grant assistance program for the Village Board’s consideration.

Implications:

Is this item budgeted? No, grant assistance funding is not included in the budget.

Estimated cost: N/A

Any other implications to be considered? N/A

Strategic Priority:

Reliable Infrastructure

Attachments:

Lead Service Line Replacement Policy



LEAD SERVICE LINE REPLACEMENT POLICY

Purpose

It shall be the policy of the Village of Roselle to replace lead service lines as required by the Illinois Lead Service Line Replacement and Notification Act from the Illinois Environmental Protection Agency (IEPA).

Definitions

- **Public Side Service Line:** The publicly owned portion of a water service is from the connection to the Village's watermain to the buffalo box, which is where the water can be shut off to a property.
- **Private Side Service Line:** The privately owned portion of a water service is from the buffalo box into the building or home up to the first valve or 18 inches, whichever is shorter. Beyond this point, the lines are considered the building's plumbing.
- **Full Lead Service Line:** Both the public side service line and private side service line are lead.
- **Partial Lead Service Line:** The private side service line is lead and the public side service line is not.

Village Initiated Replacements of Full Services

The Village may complete watermain replacement work or other improvements specifically to address the replacement of lead service lines. As part of this work, the cost of the replacement will be shared by the Village and the property owner.

- **Public Side Service Line:** The Village will at its sole expense, replace the public side portion of the service line and complete the necessary restoration.
- **Private Side Service Line:** The Property Owner, at their sole cost, shall replace the private side service line including any necessary interior or exterior restoration. The Village may elect to provide an incentive program to assist in the replacement costs as noted below. If the property owner does not wish to complete the private side service line replacement the waiver process discussed below will apply.

Village Initiated Replacements of Full Services with State or Federally Funding or Loans

The Village may attempt to secure outside funding for watermain replacement work or other improvements specifically to address the replacement of lead service lines which may utilize loans or funds from State or Federal sources. Based on requirement by the funding source utilized, the Village will, at its sole expense, replace the public side services. The Village will also, at its sole cost, replace the private side service line so long as the property owner executes the Temporary Construction Access Agreement.

Every effort will be made by the Village and its contractors to limit the disturbance to private property by using the least disruptive construction methods possible based on the existing conditions. Even while working cautiously, damage to private property will occur. The Village's policy on interior and exterior restoration are as described below.

- **Interior Restoration**
The extent of the restoration to be completed by the Village or its contractor inside existing buildings or houses, is the sealing of the foundation walls or floor slab around any new or modified penetrations. The Village will not be responsible for the restoration of any finishes including, but not limited to drywall, paint, and flooring. Repairs to finishes will be the sole responsibility of the property owner.

- **Exterior Restoration**

The extent of the restoration to be completed by the Village or its contractors on private property outside of buildings or houses shall be limited to:

- Repair of driveways or sidewalks removed or damaged during construction
- Installation of topsoil, grass seed and erosion control blanket on areas disturbed by construction

Village will not be responsible for restoration of any other items including, but not limited to porches, decks, bushes, shrubs, landscaping and fences. Repairs to or replacement of these items will be the sole responsibility of the property owner.

- **Temporary Construction Access Agreement**

For the Village or its contractors to complete work on the private side service line, the property owner must execute a Temporary Construction Access Agreement. This agreement will establish the responsibilities of the property owner, the Village, and its contractors. The agreement will cover items such as notification, restoration, hold harmless and indemnification. Prior to the start of construction, this agreement must be executed by all parties. If the property owner will not execute the agreement, work cannot be performed, and the waiver process discussed below will apply.

Property Owner Initiated Replacement

- **Full Lead Service Replacement**

If a property owner chooses to replace their full lead service prior to the Village's program, the costs associated with the replacement of both the public side service and private side service and all restoration will be the responsibility of the property owner. This includes replacement associated with new watermain taps for service. The Village may elect to provide an incentive program to assist in the replacement costs as noted below.

- **Partial Lead Service Replacement**

If the public side service line is not lead and a property owner chooses to replace their private side lead service, the costs associated with the replacement and all restoration will be the responsibility of the property owner. The Village may elect to provide an incentive program to assist in the replacement costs as noted below.

Waiver Process

If the Village is completing a lead service line replacement project, the IEPA has created an official process for property owners who do not wish to have the Village replace the private side service. This Waiver of Complete Lead Service Line Replacement must be signed by the property owner before the water can be turned back on to their property after the public side service is replaced.

- **Non-Responsive Property Owners**

If a property owner is non-responsive or refuses to sign the waiver, the Village is required to notify the Illinois Department of Public Health (IDPH) within 15 working days. Failure of a property owner to sign the waiver or to allow the Village to complete the private side service replacement may result in the water being shut off to the property per the requirements of the IDPH and the IEPA.

Financial Offerings for Property Owners

- The Village understands the replacement of the private side service line may create a financial burden for property owners. The Village may elect to make certain financial offerings and payment arrangements available to qualifying property owners including:
 - Waiving Village permit and tap on fees for any lead service line replacement
 - 12-month, zero interest deferred payment through the Village
 - Equal monthly payments invoiced separately from water bill
 - Lien placed against the property
 - Payment due in full at time property changes ownership
 - Failure to comply with payment arrangement will not result in water shut-off/red-tag process
 - Only homeowners utilizing Village contractor are eligible
 - Only costs for the actual replacement of the service line from the b-box to the meter are eligible
 - Additional financial arrangements through local banks such as Itasca Bank and Associated Bank



FY 2022 INCOME LIMITS DOCUMENTATION SYSTEM

[HUD.gov](https://www.huduser.gov) [HUD User Home](#) [Data Sets](#) [Fair Market Rents](#) [Section 8 Income Limits](#) [MTSP Income Limits](#) [HUD LIHTC Database](#)

FY 2022 Income Limits Summary

Selecting any of the buttons labeled "Click for More Detail" will display detailed calculation steps for each of the various parameters.

FY 2022 Income Limit Area	Median Family Income Click for More Detail	FY 2022 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
Chicago- Joliet- Naperville, IL HUD Metro FMR Area	\$107,800	Very Low (50%) Income Limits (\$) Click for More Detail	36,500	41,700	46,900	52,100	56,300	60,450	64,650	68,800
		Extremely Low Income Limits (\$)* Click for More Detail	21,900	25,000	28,150	31,250	33,750	37,190	41,910	46,630
		Low (80%) Income Limits (\$) Click for More Detail	58,350	66,700	75,050	83,350	90,050	96,700	103,400	110,050

NOTE: DuPage County is part of the **Chicago-Joliet-Naperville, IL HUD Metro FMR Area**, so all information presented here applies to all of the **Chicago-Joliet-Naperville, IL HUD Metro FMR Area**. HUD generally uses the Office of Management and Budget (OMB) area definitions in the calculation of income limit program parameters. However, to ensure that program parameters do not vary significantly due to area definition changes, HUD has used custom geographic definitions for the **Chicago-Joliet-Naperville, IL HUD Metro FMR Area**.

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM

**2022
INCOME GUIDELINES
For the 2023 Program Year**

Family Size	200% 30 Day Income	200% Annual Income
1	\$2,265	\$27,180
2	\$3,052	\$36,620
3	\$3,838	\$46,060
4	\$4,625	\$55,500
5	\$5,412	\$64,940
6	\$6,198	\$74,380
7	\$6,985	\$83,820
8	\$7,324	\$87,892
9	\$7,484	\$89,803
10	\$7,643	\$91,714
11	\$7,802	\$93,624
12	\$8,189	\$98,265
13	\$8,779	\$105,345
14	\$9,369	\$112,425
15	\$9,959	\$119,505
16	\$10,549	\$126,585
17	\$11,139	\$133,665
18	\$11,729	\$140,745

For families with more than 18 persons, add \$590 for each additional person. \$7,080

These figures are based on the 2022 Federal Poverty Guidelines published in the US Department of Health and Human Services in the Federal Register/Volume 87/Number 14/January 21, 2022. Given that HHS allows 150% of FPG or 60% of SMI, where 200% of FPG is lower than 60% of SMI the program will be using 200% of FPG as our highest category. However, for the household size of 8 to 11 members, the benefit at 200% would exceed the allowable 60% SMI. For households larger than 11 members, the 150% will be set as the maximum income eligibility criteria. The state reserves the right to adjust these levels based on the availability of federal appropriations.

PTAX-340 2023 Low-Income Senior Citizens Assessment Freeze Homestead Exemption Application and Affidavit

Last date to apply: _____

Part 1: Applicant information (Please type or print.)

<p>1 _____ First name MI Last name</p> <p>2 _____ Mailing address</p> <p>_____ City State ZIP</p>	<p>3 _____ Tax ID number</p> <p>4 ____/____/____ Date of birth (month, day, year)</p> <p>5 (____) ____ - _____ Area code and phone number Email address</p>
---	--

Part 2: Property information

1 _____
Street address of property for which this exemption application is filed Township

City **IL** _____
ZIP County

2 _____
Property (parcel) index number (PIN)

Note: The PIN is shown on your property tax bill. You also may obtain it from your chief county assessment officer (CCAO). If you cannot obtain the PIN, attach a copy of the legal description.

3 Have you or your spouse received this exemption for this property previously? Yes No
If you answered "Yes", write the base year, if known. _____

4 If your spouse maintains a separate residence, has he or she applied for this exemption? Yes No

Part 3: Household income for 2022

You must include the income of you, your spouse, and all other individuals who live in your household.

1 Social Security and SSI benefits. Include Medicare deductions in this total.	1	_____
2 Railroad Retirement benefits. Include Medicare deductions in this total.	2	_____
3 Civil Service benefits	3	_____
4 Annuities, federally taxable pensions and retirement plan distributions.	4	_____
5 Human Services and other governmental cash public assistance benefits	5	_____
6 Wages, salaries, and tips from work	6	_____
7 Interest and dividends received	7	_____
8 Net rental, farm, and business income or (loss). (See instructions for Line 8.)	8	_____
9 Net capital gain or (loss). (See instructions for Line 9.)	9	_____
10 Other income or (loss). (See instructions for Line 10.)	10	_____
11 Add Lines 1 through 10.	11	_____
12 Certain subtractions. You may subtract only the reported adjustments to income from U.S. 1040, Schedule 1, Line 26.		
Subtraction item	Amount	
12a _____	_____	
12b _____	_____	
Add the amounts on Lines 12a and 12b, and write the result.	12	_____
13 Subtract Line 12 from Line 11, and write the result. This is your total household income for 2022. If the amount is greater than \$65,000, STOP . You do not qualify for this exemption.	13	_____

Do not write in this space.

Date received	_____	Income verified	<input type="checkbox"/> Yes <input type="checkbox"/> No
Application number	_____	Base year EAV	\$ _____
Base year	____	Revised base year EAV	\$ _____
Revised base year	____	EAV of added improvements	\$ _____
Approved	<input type="checkbox"/> Yes <input type="checkbox"/> No	Base amount	\$ _____



David Pileski Mayor
Amanda Hausman Village Clerk

STAFF DEVELOPED DRAFT GRANT ASSISTANCE PROGRAM

The intent of the Lead Service Line Replacement Grant program is to provide a grant for lead service line replacement for property owners who are at or below the Section 8 Poverty Level. All applications will go through an approval process before they are submitted for reimbursement.

The following Section 8 Poverty level income guidelines have been established by the DuPage Housing Authority.

One person household	\$36,500
Two person household	\$41,700
Three person household	\$46,900
Four person household	\$52,100

To qualify for the program, the total gross income of every member in the household will be taken into consideration. Income includes, wages, unemployment, workers compensation, disability benefits, pensions, social security, interest income, dividends and gains on investments and income on rental property. The total of all income will be used to determine the amount of the grant using the following scale.

% of Poverty Level	Amount of Grant
Up to 100%	50%
Up to 125%	40%
Up to 150%	30%
Up to 175%	20%
Up to 200%	10%
201% and higher	0%

All outstanding obligations with the Village will also need to be current prior to processing applications. This includes water/sewer bills, parking tickets, and any other outstanding debt due to the Village. Vehicle stickers must be purchased for each vehicle registered to your address.

All applicants must be a current resident of Roselle and reside within the Village at the time the application is approved.