

Sun Prairie Utilities Lead Service Line Replacement

Title: Customer-Side Lead Service Line (LSL) Replacement Program	
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Application: Lead Removal Initiative	Revision Date: N/A
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1. General Program Purpose

The State of Wisconsin, Wisconsin Public Service Commission and City of Sun Prairie are all concerned about the potential negative health effects that water consumption containing elevated lead levels may cause young children, pregnant women, unborn babies, and other compromised adults. The goal of this program is to assist with removal of the customer-owned lead water service line, the primary source of lead within the City. Sun Prairie Utilities Commission, under the approval of the Mayor and City Council, found it to be in the best public interest to establish a comprehensive program to remove and replace all lead service lines connected to SPU's Water Distribution System.

On August 21, 2018, the Sun Prairie City Council approved City Ordinance #741, creating Chapter 13.08.350 – Replacement of Lead Service Pipe. The ordinance provides guidelines under which the program will be administered. Specifically, it provides rules under which the utility will identify and provide financial assistance for the customer-side lead service line.

2. Definitions

- A. Customer-side Lead Service Line or Customer-side LSL. A Customer-side Service Line constructed of lead.
- B. Customer-side Service Line. The Property Owner's water service line from the outlet of the curb stop to the inlet of the customer's water meter. The outlet joint of the curb stop is considered customer-owned.
- C. Distribution System. The network of water pipes, including mains and service lines, owned and operated by SPU.
- D. Lead Service Line or LSL. A water service line constructed of lead. The term covers both a Customer-side Lead Service Line and/or a Utility-side Lead Service Line.
- E. Non-Compliance Penalties. These may include, but not necessarily be limited to, violation citations, elimination of financial assistance, service disconnection, or other actions deemed permissible by the PSC and/or City.
- F. Plumbing Contractor. A person, firm, corporation or other entity licensed by the State of Wisconsin to perform plumbing work in the City.
- G. Property. Real property as defined in § 70.03, Wisconsin Statutes.
- H. Property Owner. A person or legal entity, or his, her or its representative, having an ownership interest, legal or equitable, in the Property. The term Property Owner includes an estate or trust.
- I. PSC. Public Service Commission of Wisconsin.

- J. SPU. The abbreviation will identify Sun Prairie Utilities, the City utility responsible for operating the City’s public water system.
- K. Utility Manager. The general manager of the SPU or his or her designee.
- L. Utility-side Lead Service Line or Utility-side LSL. A Utility-side Service Line constructed of lead.
- M. Utility-side Service Line. The Utility owned portion of the water service line from the water main to the outlet of the curb stop, including the curb stop.

3. Objectives

- To deliver safe drinking to all customers served by Sun Prairie Utilities Water Distribution System.
- To provide an effective procedure allowing for the removal of all Customer-side lead service lines within 5-years;
- To provide financial assistance promoting expedited removal and not deemed too burdensome to the homeowner;
- To establish a fair bidding process by which customers hire approved Plumbing Contractors;
- To provide a valid procedure whereby Utility personnel properly identify service material;
- To streamline communication in efforts to inform customers of the identification of lead services, as well as provide guidelines on lead awareness and minimizing exposure.

4. Roles

- City Council – Approved Ordinance #741, Chapter 13.08.350-Replacement of Lead Service Pipe, which is the first step to requiring Wisconsin Public Service Commission Approval of Sun Prairie’s Customer-Side Lead Service Line (LSL) Replacement Program.
- Mayor – The Mayor is a member of the Sun Prairie Utilities Commission, which provides oversight to the overall operation of Sun Prairie Utilities. Additionally, the Mayor provides valuable input into and approves the processes regulating the program. Furthermore, the Mayor assists the City Council with background information about the statewide initiative.
- Sun Prairie Utilities Commission – The seven-person body provides oversight to the overall operation of Sun Prairie Utilities. Additionally, the group provides direction, feedback and approval for the guidelines structuring the program.
- Utilities Manager– Identifies the steps necessary to acquire Wisconsin Public Service Commission approval and implements the requirements of the program. This position is responsible for the creating the primary written content of both the ordinance and program. In addition, responsibilities include directing staff on effective implementation program processes.
- Customer Services Department – Schedules and coordinates with water operations the service identification appointments, plus notifies customers of confirmed lead results and the steps necessary for replacement. Along with the Finance Department, Customer Service will administer the application and distribution

process related to the grant and loan portions of the program. Also, the two departments will coordinate and process any tax role loan defaults annually.

- Finance Department – Responsibilities include preparing the program’s budget and applying with the PSC for the rate relief related to the grant provision. Furthermore, Finance will apply for the rate relief related to funding the grant element of the program. Lastly, Finance will provide continuous progress updates to the Sun Prairie Utilities Commission and Public Service Commission.
- Water Operations – The Water Department will be responsible for properly identifying lead service laterals and communicating results to both customers and Utility staff, as required.

5. Pre-Program Conditions

At the creation of this program, there is some uncertainty as to the quantity of lead service laterals in service within the City. What we do know is that the use of lead in service lateral installation is believed to have ceased in the 1940s. Sun Prairie Utilities estimates there are 250 customer-owned LSLs, 217 residential and 33 commercial. The Utility has created a database using historic construction information provided by the City Assessor’s office. Please see Appendix B for the current data related to lead service lateral findings.

6. Program Processes

a. Lead Service Lateral Identification

In conjunction with the Advanced Metering Infrastructure implementation, Sun Prairie Utilities is setting up meter replacement/service lateral identification appointments for all homes constructed prior to 1950. It has revised a prior plan of water meter replacements to focus efforts on LSL identification related to this program. The less than 500-home identification process is estimated to be 95% complete in 2019, with difficult to communicate with property owners extending and completing in 2020. The details of identification include the following:

- Create a database list of homes built prior to 1950;
- Customer Service will then use phone, email, and door hangers to contact customers for home lateral inspection;
- Once contact is made, an inspection and meter replacement will be scheduled;
- If not involving Utility-side lead lateral replacement, customer may use an approved plumbing contractor to identify the customer-side lateral material and submit results to Sun Prairie Utilities.
- If customer contact efforts are unsuccessful, the Utility Manager may approve measures up to and including disconnection, as approved under the rate tariffs.
- Please see City of Sun Prairie Ordinance 13.08.350 Section E which provides further Identification details.

b. Communication and Education

Once a lead service lateral is identified, the property owner will receive a packet with information of the finding, the replacement requirement and deadline, financing information, a list of approved plumbing contractors, and lead/drinking water safety awareness information. In addition, Sun Prairie Utilities will perform the following outreach efforts:

- Place the complete program information on its website;
 - Provide links to any relevant educational/information sources like AWWA, WRWA, EPA, and the PSCs
 - Include Social Media like Facebook and Twitter.
 - Include a continuously updated GIS map of lead service locations
- Place periodic press releases in the local newspaper (The Star];
- Host two meetings per year, inviting identified LSL property owners to learn about the replacement process;
- Host a meeting for prospective plumbers to learn about the program and apply to be placed on the Approved Plumbing Contractor List;
- Complete a video of the process for affected property owners to view;
- Place front yard boards/signage at agreeable homes that have removed lead services using the SPU program;
- Distribute an annual update publication of program progress;
- Periodically include program information on customer bills.

c. Replacement of Customer-Side Lead Service Lines (not involving Utility-Side replacement)

A vast majority of replacements will only involve customer-side only lead service laterals. Once identified, the following process will ensue:

- The Property Owner will be sent a written notice by mail and/or email indicating the confirmation of lead service material;
- The LSL replacement must be scheduled by the owner to be replaced within 36-months;
- An Approved List of Plumbing Contractors will be provided, along with a list of instructions on the procedure, including an application for financial assistance detailed below;
- Two bids must be acquired by the Property Owner, with the lowest bid being approved unless extraneous circumstances exist.
- Prior to and during construction, SPU will be notified of the contractor's schedule, including allowing for SPU inspections of the connection to the Utility-Side lateral and upon project completion.

d. Replacement of Customer-Side Lead Service Lines (involving Utility-Side lateral replacement)

A minor percentage of customer laterals may require replacement as part of a Utility-side lateral replacement. Once identified, the following process will ensue:

- The Property Owner will be sent a written notice by mail and/or email indicating the confirmation of lead service material and the requirement to replace at the same time as the Utility-side lateral is replaced;
- Identification of the Utility contractor will be provided, so as to give the Property Owner the ability to hire the on-site contractor or hire a different contractor to coordinate with the Utility contractor;

- Sun Prairie Utilities will notify the Property Owner by mail and/or email at least 45-days prior to the scheduled replacement of the Utility-side lateral.
- The Property Owner, within (30) days of receipt of the Utility replacement notice, must schedule the Customer-side LSL replacement to coincide with the Utility-side replacement. In addition, the Property Owner must provide the Utility with the name of the Plumbing Contractor.
- If Property Owner agrees, Sun Prairie Utilities may assist with acquiring bids for the Customer-side LSL replacement.
- If the Property Owner provides a written request with a compelling need for an extension, the Utility Manager may grant the extension provided no imminent threat to health, safety or welfare will be created by doing so.

e. Plumbing Contractor Approval

Plumbing contractors must fill out an application to place them on a pre-qualified list of Approved Plumbing Contractors. To be qualified, a contractor must be a licensed Wisconsin Plumbing Contractor. Prior to completing any work, the contractor must be officially approved by Sun Prairie Utilities. At any time, Sun Prairie may evaluate and remove a contractor from the list for work deemed unsatisfactory. To be placed on the approved list of contractors, the licensed Wisconsin plumbing contractor must fill out the application identified as attached Exhibit A – Plumbing Contractor Pre-qualification Form. Sun Prairie Utilities will review submittals and provide written notice of approval as an addition to the approved list.

f. Financial Assistance for Customer-Side LSL Replacements

Provided that SPU receives PSC approval of its Customer-Side LSL Replacement Program and has available funding, SPU will provide an eligible Property Owner with financial assistance for customer-side LSL replacement if the Property Owner's condition or situation is as outlined under par. 6.c. or 6.d and the City ordinance on Replacement of Lead Service Pipe. SPU may provide a grant to pay up to fifty percent (50%) of the full LSL replacement cost, up to a maximum of \$2,000, on the lowest base bid amount from a minimum of two pre-qualified Plumbing Contractors. The remainder of the Property Owner's customer-side LSL replacement costs after receipt of any grant monies may be provided by SPU in the form of a 60-month, zero percent (0%) interest loan in equal installments on the Property Owner's monthly utility bill. Any disputes regarding eligibility for financial assistance may be appealed to the Sun Prairie Utilities Commission.

The following requirements must be met for a Property Owner to receive financial assistance from SPU for Customer-Side LSL replacement costs:

- The Property Owner alone, or collectively with others, must own the entire fee simple title to the property served by the customer-side lead lateral (LSL).
- The Property Owner's Customer-side LSL is attached to a Utility-side service line that is not an LSL, or a Utility-side LSL that is scheduled for replacement by the Utility and for which the Property Owner has been notified.

- The Property Owner authorizes a temporary right of entry and construction easement authorizing the Utility access to the dwelling as needed.
- The Property Owner agrees to have the replacement work done by a Utility-approved Plumbing Contractor in compliance with the ordinance.
- The Property Owner must obtain a minimum of two (2) written quotes from pre-qualified Plumbing Contractors. A Property Owner will be eligible for financial assistance based only on the lowest bid amount included in the written quotes. Any change orders requested by the Plumbing Contractor must be approved in advance by both the Property Owner and Utility Manager (or designee).
- The Property Owner, Plumbing Contractor, and designated SPU staff must jointly complete the attached Exhibit B - Customer-Side Lead Service Line Replacement Contract By and Between the Property Owner, Contractor, and Sun Prairie Utilities attesting that all eligibility requirements have been met and describing the amount of financial assistance.
- The Property Owner and designated SPU staff must jointly complete the attached Exhibit C - Customer-Side Lead Service Replacement Grant and Loan Agreement detailing the amount of the grant or the combination grant/loan.
- Upon completion of the Customer-side LSL replacement, the Property Owner shall provide SPU with a copy of the invoice from the Plumbing Contractor. Once proof of completion satisfactory to the Property Owner and SPU, SPU shall directly pay the Plumbing Contractor the amount of money approved by SPU for the replacement and provide documentation of payment to the Property Owner.
- If the Plumbing Contractor's final invoice is higher or lower than the initial written quote and any changes have been approved, the Property Owner and designated SPU staff will jointly complete a revised Exhibit C - Customer-Side Lead Service Replacement Grant and Loan Agreement.
- The Property Owner understands that following satisfactory completion of the Customer-Side LSL replacement, SPU will set up any loan amounts in 60 equal monthly installments at a 0% interest rate on the Property Owner's monthly utility bill. Loans balances may be prepaid without penalty; any past due loan repayments may be placed on the property tax roll. Neither SPU nor the City of Sun Prairie are allowed to forgive unpaid loan balances.