



MEMORANDUM

Date: June 5, 2013

To: City Council members

From: Mayor Laurel Prussing

Re: Sewer Lateral Reimbursements

The City Council has spent the last five months discussing the city's reimbursement program for the cost of sewer lateral repairs in the public right of way in an attempt to hear everyone out and come up with the best alternative.

It is clear that no one solution is going to make everyone happy. What follows is a compromise proposal that I believe is fair to Urbana residents, does not require any additional sewer benefit tax increase to pay for the program, and provides for additional financial aid to those who qualify.

Proposal

Ordinance 2013-02-016, approved by the city council on March 18, 2013, revised the reimbursement program for property owners for the cost of sewer lateral repairs located under city streets, alleys and sidewalks. It increased the maximum amount of reimbursement to \$4,500 from \$3,000, with the city agreeing to pay up to 75 percent of the cost of removal and replacement costs to public streets, alleys or sidewalks (up from the previous 50 percent).

I would recommend the maximum amount of reimbursement from the city would remain at \$4,500, but the city would pay for 100 percent of removal and replacement costs to city streets, alleys and sidewalks up to that amount.

This is a generous proposal. It is well above what most cities in central Illinois offer, including Champaign, which pays a maximum reimbursement of \$1,500 for street and sidewalk replacement for sewer lateral repairs.

No increase in the sewer benefit tax will be necessary, at least for the first year. We will review the cost of the program in the next budget cycle and, if an increase in the \$42,000 allotted for this program is necessary, we will propose one then. We have sufficient reserves in the sanitary sewer utility fund to cover any shortfall.

As you may recall, we have already proposed a 2.5 percent increase in the sewer benefit tax this year, which will generate an additional \$32,000, to cover normal inflationary costs. I don't think residents should be asked to absorb any additional sewer benefit tax increases in such a difficult economy.

Emergency Grant Program

Sewer lateral replacements represent an economic hardship for most households. For lower-income residents and residents on a fixed income, such an expense can be a real burden.

The city already provides substantial help. For many years we have offered an Emergency Grant Program for repair of health or life-safety items in an owner-occupied home, with a potential grant of up to \$5,000. The grants can be used for sewer repairs as well as replacing furnaces, roofs and hot-water heaters. The program will have \$60,000 in funding for the fiscal year starting July 1. It has been used 10 different times for sewer repairs or replacements in the past seven years.

To be eligible for the program, you must own your own home and have lived there for one year, and have an income that does not exceed 50 percent of the area median income. For a household of two people, the income cutoff would be \$28,600. For a family of four, the maximum income to qualify would be \$35,700.

To qualified applicants, grants are awarded on a first-come, first-served basis.

Residents can contact the city's Community Development Department, Grants Management Division, at 384-2447, to apply for a grant.

Other Ordinance Changes

As the council directed on June 3, other changes have been made to the proposed ordinance.

- Elimination of the language stating that participation in the reimbursement program was limited to one time per property.
- Elimination of the language stating no repairs would be made if an appropriation had not been made (we do need appropriations for spending and we would expect to increase appropriations if needed).

Attachments: An Ordinance Amending Urbana City Code Chapter Twenty-Four, Section 24-49
 An Ordinance Repealing Ordinance No. 2013-02-016

ORDINANCE NO. 2013-06-050

AN ORDINANCE AMENDING URBANA CITY CODE CHAPTER TWENTY-FOUR,
SECTION 24-49

(Reimbursement for sanitary sewer repairs)

WHEREAS, the City of Urbana ("City") is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the City Council heretofore has enacted Urbana City Code Section 24-49 to establish criteria by which the City will reimburse property owners for certain costs of repairing sanitary sewer connections within the City; and

WHEREAS, the City Council finds that the best interests of the City are served by amending said section.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Urbana, Champaign County, Illinois, as follows:

Section 1.

Urbana City Code Chapter 24, "Utilities," Article II, "Sewers," Division 4, "Illegal Discharge and Connection," Section 24-49, "Reimbursement for illegal connections," is hereby amended with the underlined text indicating new language and the strikethrough text indicating deletions as follows:

Sec. 24-49. - Reimbursement for ~~illegal connections~~ sanitary sewer repairs.

- (1) Illegal sanitary sewer connections. The city shall reimburse the property owner for fifty (50) per cent of the cost up to four thousand dollars (\$4,000.00) of actual costs for eliminating an illegal sanitary sewer connection to the storm sewer system within city rights-of-way. If an illegal sanitary sewer connection to the storm sewer system is found in a city right-of-way, the city shall reimburse the property owner up to four thousand dollars (\$4,000) or fifty percent (50%), whichever is lower, of the reasonable costs of materials, equipment, and labor involved in the removal and repairs to alley or street pavement and sidewalk and necessary backfill to effectuate such removal and replacement.
- (2) Sanitary sewer laterals. If sanitary and storm sewer lateral repairs are required in city rights-of-way, the city shall reimburse to the property owner up to fifty (50) per cent of the reasonable costs of materials and labor involved in the removal and repairs to alley or street pavement, and sidewalk and necessary backfill to effectuate such removal and replacement up to three thousand dollars (\$3,000.00). If sanitary sewer lateral repairs are required in a city right-of-way, the city shall reimburse the property owner up to four thousand five hundred dollars (\$4,500) of the reasonable costs of materials,

equipment, and labor involved in the removal and repairs to alley or street pavement and sidewalk and necessary backfill to effectuate such removal and replacement.

Section 2.

Those sections, paragraphs, and provisions of the Urbana City Code that are not expressly amended or repealed by this Ordinance are hereby re-enacted, and it is expressly declared to be the intention of this Ordinance not to repeal or amend any portions of the Urbana City Code other than those expressly set forth as amended or repealed in this Ordinance. The invalidity of any section or provision of this Ordinance hereby passed and approved shall not invalidate other sections or provisions thereof.

Section 4.

This Ordinance shall not be construed to affect any suit or proceeding pending in any court, or any rights acquired, or a liability incurred, or any cause or causes of action acquired or existing prior to the effective date of this Ordinance; nor shall any right or remedy of any character be lost, impaired, or affected by this Ordinance.

Section 5.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a meeting of said Council.

PASSED BY THE CITY COUNCIL this ____ day of _____, _____.

AYES:

NAYS:

ABSENT:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this ____ day of _____, _____.

Laurel Lunt Prussing, Mayor

ORDINANCE NO. 2013-06-051

AN ORDINANCE REPEALING ORDINANCE NO. 2013-02-016

(Reimbursement policy for sanitary and storm sewer repairs)

WHEREAS, the City Council heretofore did on the 18th day of March 2013, pursuant to Ordinance No. 2013-02-016, approve a Council policy regarding a reimbursement program for illegal connections of private sanitary sewer service laterals to the storm sewer system and repair of sanitary and storm sewer service laterals; and

WHEREAS, after due and proper consideration, the City Council finds that the best interests of the City are served by repealing Ordinance No. 2013-02-016.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Urbana, Champaign County, Illinois, as follows:

Section 1.

Ordinance No. 2013-02-016 is hereby repealed upon the effective date of this Ordinance. The repeal of such Ordinance shall not abrogate or affect any act committed or done or any penalty or forfeiture incurred or any pending litigation or prosecution under such repealed Ordinance.

Section 2.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a meeting of said Council.

PASSED BY THE CITY COUNCIL this ____ day of _____, _____.

AYES:

NAYS:

ABSENT:

ABSTAINED:

Phyllis D. Clark, City Clerk

APPROVED BY THE MAYOR this ____ day of _____, _____.

Laurel Lunt Prussing, Mayor