



Jim Owczarski
City Clerk

Keith Broadnax
LRB Manager

Legislative Reference Bureau

MEMORANDUM

TO: Ald. Marina Dimitrijevic

FROM: Jeff Osterman, Legislative Research Supervisor

DATE: November 28, 2023

RE: CURRENT AND PROPOSED REPAYMENT AMOUNTS FOR
REPLACEMENT OF PRIVATELY-OWNED PORTION OF LEAD WATER LINE

According to data provided by the City Treasurer, the current 10-year repayment schedule for a water line replacement project in 2023, which assumes a 5.75% interest rate, is as follows:

Tax Roll Year	Principal	Interest	Total
2023	\$420.00	\$80.50	\$500.50
2024	\$420.00	\$217.35	\$637.35
2025	\$420.00	\$193.20	\$613.20
2026	\$420.00	\$169.05	\$589.05
2027	\$420.00	\$144.90	\$564.90
2028	\$420.00	\$120.75	\$540.75
2029	\$420.00	\$96.60	\$516.60
2030	\$420.00	\$72.45	\$492.45
2031	\$420.00	\$48.30	\$468.30
2032	\$420.00	\$24.15	\$444.15
10-year total	\$4,200.00	\$1,167.25	\$5,367.25

If the repayment term is changed from 10 to 15 years, as provided in Common Council File Number 231032, the repayment schedule would be as follows:

MEMORANDUM

TO: Ald. Marina Dimitrijevic

FROM: Jeff Osterman, Legislative Research Supervisor

DATE: November 28, 2023

RE: CURRENT AND PROPOSED TIMEFRAME FOR REPAYMENT OF
COST OF REPLACEMENT OF LEAD WATER SERVICE LINE

Currently, if a property owner:

1) is required to have the privately-owned portion of a lead water service line replaced because the utility-owned portion of the line is being replaced on either a planned or emergency basis;

2) elects to have a City contractor replace the privately-owned portion of the service line;

3) does not pay in full the special assessment for the cost of the City contractor's work within 45 days of the date of the invoice; and

4) the total amount of the principal of the invoice remaining unpaid equals or exceeds \$125,

the total unpaid amount shall be spread equally over the first available and next succeeding 9 tax rolls (i.e. 10 tax bills).

The proposed ordinance, Common Council File No. 231032, would change the number 9 to 14, meaning that the unpaid total would be spread over 15 tax bills (Part 9 of proposed ordinance, s. 225-22.5-8-b-1, MCO).