

Proposed Amended Ordinance 06-25

By: Jessica Saad

An Ordinance to create the Bexley Galvanized Water Service Line Replacement loan program.

WHEREAS, The United States Environmental Protection Agency (EPA) has issued regulations requiring municipalities to identify galvanized water service lines that may have been in contact with lead infrastructure and to benchmark their replacement; and

WHEREAS, Galvanized water service lines, particularly those in contact with lead infrastructure, pose a potential risk to public health and must be addressed to ensure compliance with EPA mandates and to promote the safety and well-being of the community; and

WHEREAS, The City of Bexley has proactively undertaken a long-standing lead service line replacement program to address lead infrastructure in its water system, and continues to prioritize the health and safety of its residents through these efforts; and

WHEREAS, The City voluntarily conducts water quality testing for lead at a greater frequency and scale than required, with results consistently demonstrating no detectable lead in the City's water supply; and

WHEREAS, Replacement of galvanized service lines located on private property is the responsibility of property owners, and the City seeks to assist residents with the financial burden of this work by offering a Galvanized Water Service Line Replacement Loan Program; and

WHEREAS, The Galvanized Water Service Line Replacement Loan Program will provide 10-year loans at a minimal interest rate, payable through property assessments, thereby facilitating compliance with EPA requirements while supporting residents in maintaining safe and reliable water service; and

WHEREAS, The City recognizes the importance of taking action to address private infrastructure issues in a manner that is equitable, financially accessible, and in alignment with its commitment to public health and regulatory compliance; and

WHEREAS, In furthering these objectives, a Galvanized Water Service Line Replacement Loan Program is proposed, in order to assist residents with the cost of EPA-mandated private water line replacements;

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF BEXLEY, OHIO:

Section 1.

That the Mayor is authorized to administer a Galvanized Water Service Line Replacement Loan Program ("Loan Program") based upon the following criteria:

1. Eligibility. Eligible property owners must meet the following criteria:
 - a. Must be an owner-occupant of the property.
 - b. All, or a portion of, the water service line located between the water valve curb box and the meter must be "Galvanized Requiring Replacement" per Federal EPA standards in place as of the passage of this ordinance.
2. Maximum loan. The maximum loan amount for any individual property shall be the **lesser of \$4,000 or 80%** of the total cost of the service line replacement.
3. Loan terms.
 - a. Interest Rate
~~Each calendar year,~~ The Auditor shall establish an interest rate for the program and any additional loan terms or conditions, **subject to the concurrence of the Mayor,** that **they** deem necessary and not inconsistent with applicable law. The established interest rate shall be based upon the Ohio Water Development Authority 10 Year Tax-Exempt Refinance Rate, or a comparable interest rate benchmark deemed suitable to the satisfaction of the Auditor and the Mayor. **The loan rate will be set based on the published rate at the time the loan is granted.** The Auditor shall have the right to adjust the rate at any point during the year if ~~they feel~~ **deem** it to be appropriate based upon changing market conditions.
 - b. Repayment
The loan shall be payable, via special assessment against the property, over a **five**-year period, with annual payments based upon a **five**-year amortization at the interest rate established by the Auditor.
 - c. Application
The property owner shall apply for the loan via a standard application prepared by the administration. Said application shall include the established interest rate and full disclosure of terms and conditions of the loan.
 - d. Use of City-designated Contractor
The Service Director shall establish a competitive process by which contractors may apply to be selected as the designated contractor(s) for the Loan Program.
 - e. Disbursement
Upon approval of a loan application by the Auditor or the Auditor's designee, execution of the same, and completion of the water line replacement project, loan funds will be disbursed directly to the City-designated contractor who completed the project.

4. Appropriation. Funding for the Loan Program shall be provided via an appropriation from the Infrastructure and/or Water Fund, and the Loan Program shall be made available to applicants on a first-come, first-served basis based upon available appropriation.
5. Additional Funding for Loan Program. The Auditor may, if **they** deem it necessary, pursue bond financing for the Loan Program, subject to approval by Council.

Section 2.

That this Ordinance shall go into effect and be in force from and after the earliest period allowed by law.

Passed: _____, 2025

Monique Lampke, President of Council

Attest: _____
Matt McPeck, Clerk of Council

Approved: _____, 2025

Ben Kessler, Mayor

First Reading:
Second Reading:
Third Reading: