

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

RESOLUTION NO. 20494

A RESOLUTION ESTABLISHING A RESIDENTIAL WATER AND WASTEWATER SERVICE LINE REPLACEMENT LOAN PROGRAM

WHEREAS, maintenance and repair of water and wastewater service lines are the responsibilities of the property owner;

WHEREAS, failure happens unexpectedly and often costs several thousand dollars for repairs, especially if repairs are needed in the section of the service line located within the City's right-of-way;

WHEREAS, most homeowner insurance policies either do not cover service line replacement costs or will exclude from coverage repair work that occurs off of private property;

WHEREAS, the City desires to encourage timely and competent replacement of water and wastewater service lines rather than temporary or spot repairs which may be less expensive in order to provide and protect public infrastructure life and conserve resources; and

WHEREAS, the City desires to implement a Residential Water and Wastewater Service Line Replacement Loan Program to help alleviate some of the financial hardships associated with emergency service line replacement and repair.

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20494

NOW, THEREFORE, BE IT RESOLVED BY THE COMMISSION OF THE CITY OF HELENA, MONTANA:

Section 1. The Helena City Commission hereby establishes a Residential Water and Wastewater Service Line Replacement Loan Program ("Program") to provide zero percent (0%) interest loans for the purpose of assisting certain eligible residential property owners within the City of Helena with the cost associated with emergency replacement or repair of water and wastewater service lines.

Section 2. Any owner of a single dwelling unit residential property that is connected to the City of Helena's water or wastewater systems is eligible for loan funds available through the Program. Owners of commercial properties or of properties with multiple dwelling units per lot or parcel are not eligible for Program funds.

Loan funds can only be used, by eligible property owners, for costs, including labor, materials, permits, and inspections associated with emergency replacement or repair of water or wastewater service lines. Water and wastewater service lines and appurtenances from the connection with the main to within two feet of the point of entry into the residential building foundation are

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20494

eligible for loan funds. Funds cannot be used for any work associated with the service line installation inside the residence.

Section 3. The maximum amount of each loan for each eligible residential property is Fifteen Thousand Dollars (\$15,000) per water or wastewater service line. The term of each loan will not exceed ten (10) years from the date of the loan approval. The annual interest rate for the entire term of the loan is zero percent (0%).

Section 4. Loan applications must be made on City-provided application forms and may be subject to an application fee. If a property owner's application for funds under this Program is approved and prior to any funds being distributed, the property owner must agree to execute a formal agreement with the City to ensure the payment of the full remaining loan balance.

Section 5. Loan funds will be distributed to the property owner upon submission of invoices by the property owner's contractor for the work performed to the City. All invoices are subject to verification by City staff. All work must be permitted by the City and is subject to inspection.

RESOLUTIONS OF THE CITY OF HELENA, MONTANA

Resol. 20494

Section 6. Continued maintenance of the service line benefited by this Program is the sole responsibility of the property owner.

Section 7. All loans will be repaid on the property owner's monthly water bill for the term of the loan. The property owner may repay the balance of the loan at any time without a penalty to the property owner. If a property is sold or transferred, any outstanding balance of the loan amount still owing must be paid in full. Property owners that are below 80% of Median Family Income are not required to repay the loan except upon sale of the property.

**PASSED AND EFFECTIVE BY THE COMMISSION OF THE CITY OF HELENA,
MONTANA, THIS 29TH DAY OF OCTOBER, 2018.**

/S/ WILMOT J. COLLINS
MAYOR

ATTEST:

/S/ DEBBIE HAVENS
CLERK OF THE COMMISSION