

Administration

To: Downtown Main Street Task Force

From: Mason Becker, Manager of Economic Development and Strategic Initiatives

Date: July 22, 2025

Subject: Water lateral replacement program options

Background

As the City continues to prepare for the 2028 reconstruction of Main Street, the topic of replacement of water laterals has come up several times. Many buildings have water laterals that are undersized for modern needs, including sprinkler systems. Upsizing of these laterals could allow property owners to install sprinkler systems, which could enable reactivation of disused spaces in some buildings, particularly upper floors. The opportune time to do this work would be during the 2028 reconstruction project, so as to avoid future cutting into pavement and subsequent restoration and related costs.

Department of Public Works Director Andrew Beyer shared this previous information with me:

Pete (Hartz) and I connected regarding new water service laterals on Main Street tied to the Downtown Main Street Reconstruction Project. Costs are variable but a ballpark estimate for each property owner for a new lateral in the public right-of-way is around \$10,000. This estimate is based on this year's utility contract prices for a 6" service lateral and doesn't include pavement, curb, or sidewalk restoration. Property owners will also likely have expenses for improvements inside the building. Some property owners may have back alley alternative options to provide a fire service (from the north – south side streets); one that could be shared with other owners.

This expense may be difficult for some property owners. It may be desirable to create some method of assistance, either through a grant or loan program, though sources of funding would need to be identified.

Alternatively, the City could also decide to make this a required program and charge property owners through billing or special assessment. From what I have been able to research, and also through discussion with Errin Welty from the Wisconsin Economic Development Corporation, it seems like most communities in Wisconsin take this approach. It is worth noting that some property owners may find savings in insurance rates after installing sprinkler systems.

Some example information is included in your agenda packet, which was solicited from the Wisconsin Main Street Program. This was from a community in Iowa. I have also included an article highlighting a grant program from a community in Kansas.

Budget Goal

- Fosters community growth by assessing opportunities, stakeholder input, environmental needs, and modern code and policy priorities
- Maintains a safe and healthy community, with an eye toward future needs and trends

Financial Impact

The City would not likely be able to bear the full cost of these improvements. Private property owners would likely need to participate. Full financial impact would depend on method of assistance (grants, loans, etc). Decisions regarding City participation would ultimately be made by the Common Council.

Recommendation

This item is for discussion purposes only at this point. No formal action is needed at this time.