



May 28, 2014

Olympia City Council
PO Box 1967
Olympia, WA 98507-1967

Dear Councilmembers:

SUBJECT: Wastewater Municipal Code Changes – Onsite Septic Systems

This letter provides recommendations from the City's Utility Advisory Committee (UAC) to City Council about the proposed wastewater municipal code changes regarding onsite septic systems. The UAC agrees with staff regarding the proposed changes outlined in the presentation to UAC on April 3, 2014.

Wastewater Policies

The 2013 Wastewater Plan recommends changes to Olympia's strict restrictions on the permitting of new onsite septic systems. Only a small number of additional systems would be allowed by the changes, and the UAC supports this approach. The proposed changes are summarized below:

- Allow onsite systems to be constructed on infill, vacant lots in existing onsite septic system dominated neighborhoods with at least five properties with onsite septic systems located within 200 feet of the property. Require an agreement to connect as sewer becomes available.
- Require failed systems to connect to municipal sewer if located within 200 feet of sewer rather than the current threshold of 300 feet. Measure the distance based on the length to sewer pipe needed for connection rather than to the edge of the lot closest to the sewer system.
- Reduce the requirement that onsite septic system conversions to sewer extend the sewer on all property street frontages. Currently, corner lots are required to extend sewer pipes on both street frontages.
- Fund a limited number of small-scale sewer extensions to assist connecting residents (\$150,000/year). Partial reimbursement (\$10,000 per property) to the City would be required, potentially over time.
- Allow for the payment of City General Facility Charges and LOTT Capacity Development Charges for onsite septic system to sewer conversions over time rather than as a lump sum payment at the time of connection. The charges total more than \$8,000 per connection.

Financial Considerations

The financial implications of the proposed changes will be analyzed more fully by staff and include the following considerations:

- City funding for a number of small-scale sewer extension projects to assist residents in converting from onsite septic systems to public sewer. The proposed allocation in the Capital Facilities Plan is \$150,000; some of which will be reimbursed by connecting customers.
- Financing of the City General Facility Charge (GFC) and LOTT Capacity Development Charges (CDC) over time rather than as a lump sum, only for properties converting from onsite septic systems to public sewer. This will result in revenue being delayed and an appropriate fee or interest rate will be charged to compensate the utility.
- By allowing additional permitting for houses on properties that are currently not allowed onsite septic systems, revenue could be increased in the form of GFCs and utility rates.
- By allowing some properties to repair onsite septic systems, rather than connect to public sewer, there may be a decrease in associated utility revenue. However, many of the affected properties have not been connecting to the public sewer under the current regulations.

Recommendations to City Council

The UAC supports the changes to the municipal code regarding the regulation of onsite septic systems as outlined by staff to the UAC on April 3, 2014. We encourage the City Council to proceed when staff has refined the proposed regulatory changes.

Thank you for the opportunity to comment. Please let me know if you have any questions.

Sincerely,



THAD CURTZ

Chair

Utility Advisory Committee

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