



Utility Advisory Committee

Reclaimed Water Ordinance Update

Agenda Date: 5/2/2013
Agenda Item Number:
File Number: 13-0338

Type: report **Version:** 1 **Status:** Passed

Reclaimed Water Ordinance Update

UAC Deliverable:

1. Review and provide input on proposed changes to OMC 13.24 Reclaimed Water.
2. Recommendation to Planning Commission and City Council in support of adopting the proposed changes to OMC 13.24

Issue:

The current version of the Reclaimed Water Ordinance 13.24 (see hyperlink No. 3) dates to 2005 and does not fully address subsequent advances made to reclaimed water use within the City. It also lacks consistency with OMC 13.04 Water (see hyperlink No. 4) in such areas as cross-connection control and certain fees, rates, and charges. The proposed changes to Olympia Municipal (OMC) 13.24 Reclaimed Water will close regulatory gaps, incorporate new consumption charges and engineering fees, and achieve consistency with OMC 13.04 Water

Staff Contact:

Donna Buxton, Reclaimed Water Senior Program Specialist, 360.753.8793

Background and Analysis:

In September 2012, staff briefed UAC on several broad aspects of the reclaimed water program. Staff described the Drinking Water Utility's shift from a proactive to an opportunistic strategy for advancing reclaimed water. Key elements supporting this shift include finalization of a reclaimed water system expansion plan, revision of the reclaimed water ordinance, and consideration of changes to the reclaimed water service financial structure. UAC indicated support of the strategic shift and staff offered to return to UAC in 2013 with proposed changes to the reclaimed water ordinance. Staff will consider evaluating the reclaimed water service financial structure and will revisit investing in reclaimed water capital projects as part of updating the 2015-2020 Water System Plan; therefore, no reclaimed water projects are funded in the current 2013-2018 Capital Facilities Plan.

The purpose of this agenda item is to review the proposed changes to the reclaimed water ordinance (OMC 13.24). Overall, the changes are intended to close regulatory gaps, and eliminate redundant and inconsistent language. Changes include adopting engineering fees, service charges, and rates (under OMC 4.04 and OMC 4.24) to be consistent with existing development and utility models and increase revenue. Chapter sections have been reorganized for improved ease of use, to the extent that OMC 13.24 is being "repealed & replaced".

Highlights of the proposed changes include:

- Prohibiting reclaimed water use outside City limits
- Allowing customers who receive reclaimed water to convey it reclaimed water to City-approved direct tenants
- Allowing indoor use of reclaimed water without backup potable supply, where unnecessary
- Mirroring drinking water cross-connection control requirements
- Clarifying metering requirements
- Establishing charges for reclaimed water system construction and service

The current schedule for adoption involves:

- Council Land Use and Environment Committee - May 23
- Olympia Planning Commission - May 20 Briefing, July 15 Public Hearing, August 5 Deliberation
- City Council - October 8 First Reading, October 15 Second Reading (both currently tentative)
- Additional review by legal staff for final approval of form
- Stakeholder involvement

Neighborhood/Community Interests (if known):

In 2011, staff informed reclaimed water customers and the business community about the then- proposed conceptual changes to the reclaimed water ordinance. Staff received supportive input from both customers and the business community at that time. As part of this adoption process, staff will re-inform these stakeholders about the shift in program strategy and scaled-back changes to the ordinance.

Options:

1. Support the proposed changes to OMC 13.24 Reclaimed Water and OMC Title 4 (Chapters 4.04, 4.24, and 4.44)
2. Recommend staff alter or further develop proposed ordinance changes
3. Retain current version of OMC 13.24

Financial Impact:

The currently proposed ordinance changes can be implemented with existing staff resources; no additional Utility funds are needed.

Staff Recommendation:

Option1, for UAC to support adoption of the proposed changes to the Reclaimed Water Ordinance, OMC 13.24, and recommend such support to the Olympia Planning Commission and City Council

Attachments/Hyperlinks:

For the discussion/recommendation at the UAC meeting, UAC members should focus on attachments 1 and 2; items 3 - 9 provides detailed information regarding the changes to OMC 13.24 to read, if time allows.

1. Proposed Changes to OMC 13.24 Reclaimed Water
2. Summary of Revisions to OMC 13.24
3. Current OMC 13.24 Reclaimed Water (hyperlink - see above)
4. Current OMC 13.04 Water (hyperlink - see above)
5. Proposed OMC 13.24 Whereas language
6. Proposed Changes to OMC 4.04 Engineering Fees
7. Proposed Changes to OMC 4.24 Utility Charges
8. Proposed Changes to OMC 4.44 Compliance

