



Land Use & Environment Committee

Reclaimed Water Ordinance - Proposed Changes

Agenda Date: 5/23/2013
Agenda Item Number: 4.D
File Number: 13-0408

Type: report **Version:** 1 **Status:** Filed

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Issue:

Staff will provide a brief introduction to the Reclaimed Water Program and an overview of proposed changes to the Reclaimed Water Ordinance, OMC 13.24. The current version of the Reclaimed Water Ordinance was written in 2005 and does not fully address subsequent advances made to reclaimed water use within the City. It lacks consistency with the Water Ordinance (OMC 13.04) in such areas as cross-connection control and certain fees, rates, and charges. The proposed changes to the Reclaimed Water Ordinance close regulatory gaps, achieve consistency with the Water Ordinance, and incorporate new consumption charges and engineering fees.

Committee Recommendation:

The Utility Advisory Committee supports adoption of the proposed changes to the Reclaimed Water Ordinance. A written recommendation from UAC is forthcoming for the Planning Commission, Council Land Use and Environment Committee, and City Council.

Staff Recommendation:

Staff requests LUEC's approval to move the proposed changes to the Reclaimed Water Ordinance forward in the adoption process to the City Council.

Staff Contact:

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Background and Analysis:

LOTT Clean Water Alliance (LOTT) generates Class A reclaimed water at the Budd Inlet Treatment Plant. Class A reclaimed water is used water that has been cleaned to the highest level of quality defined by the Washington State Departments of Health and Ecology so it can be beneficially reused. Under state law, reclaimed water is considered a new water resource, similar to surface water or groundwater supplies, and is approved for public contact and almost any use except drinking. Reclaimed water is beneficially used in the downtown Olympia area instead of being released into Budd Inlet, thereby stretching the City's water supply and supporting LOTT's discharge limitations for a healthier marine environment.

The City Water Utility purveys the reclaimed water through inter-local, distribution, supply, and end user agreements with LOTT and reclaimed water customers. In 2012, 12.1 million gallons of reclaimed water

was used by City customers. Current City reclaimed water customers and uses include the:

- City Parks Department for irrigation along Percival Landing.
- Washington State Department of Enterprise Services for irrigation of Heritage Park and Marathon Park.
- Port of Olympia for irrigation, equipment wash-down, boat washing, and dust suppression.
- Hands On Children's Museum for irrigation, facility cooling, and toilet flushing.

LOTT also uses reclaimed water at the:

- Budd Inlet Treatment Plant for irrigation, pump seals, and equipment wash-down.
- Capitol Lake Pump Station in the pump house and wet-well.
- Regional Services Center, WET Center, and East Bay Public Plaza for irrigation, toilet flushing, and outdoor water features.

The City's Reclaimed Water Program is implemented by the Water Utility using an opportunistic strategy to advance reclaimed water. The City is positioned to respond quickly to opportunities put forward by partners, developers, and potential funders. Key elements supporting this strategy include a business plan (2005), a procedures manual (2011), and a reclaimed water system expansion plan (2011), which staff received support for in 2010 from the Land Use and Environment Committee. Staff will revisit the financial structure and investing in reclaimed water capital projects as part of updating the 2015-2020 Water System Plan (currently underway); no reclaimed water projects are funded in the current 2013-2018 Capital Facilities Plan. Staff is currently focused on revising the reclaimed water ordinance and has worked closely with the Utility Advisory Committee on this effort since 2010.

The draft revisions close regulatory gaps, and eliminate redundant and inconsistent language. Revisions also include adopting engineering fees, service charges, and rates under Title 4 Fees and Fines (specifically, OMC 4.04 and OMC 4.24) to be consistent with existing development and utility models, and to increase revenue. Chapter sections have been reorganized for improved ease of use, to the extent that the reclaimed water ordinance is being "repealed & replaced".

Highlights of the proposed revisions include:

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

The current schedule for adoption involves the:

- Utility Advisory Committee - May 2
- Planning Commission - May 20 Briefing, July 15 Public Hearing, August 5 Deliberation
- Council Land Use and Environment Committee - May 23
- City Council - October 8 First Reading, October 15 Second Reading (tentative dates)
- Additional review by legal staff for final approval as to form
- Stakeholder involvement

Neighborhood/Community Interests:

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 program's opportunistic strategy and the availability of proposed ordinance language.

Options:

Support staff recommendation to approve moving the proposed changes to the Reclaimed Water Ordinance, OMC 13.24, forward in the adoption process to the City Council.

Financial Impact:

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