



City Council

Revisions to the Septic to Sewer Program Public Hearing

Agenda Date: 7/24/2017
Agenda Item Number: 6.B
File Number: 17-0712

Type: public hearing **Version:** 1 **Status:** Filed

Title

Revisions to the Septic to Sewer Program Public Hearing

Recommended Action

Review and provide input to staff. After public hearing, recommend City Council approve proposed revisions.

Report

Issue:

Whether to recommend City Council approve proposed revisions to the Septic to Sewer program.

Staff Contact:

Diane Utter, P.E., Water Resources Engineer, 360.753.8562

Presenter(s):

Diane Utter, P.E., Water Resources Engineer, 360.753.8562

Background and Analysis:

Approximately 4,140 onsite sewage systems (OSS) are located within Olympia and its Urban Growth Area. As Olympia continues to grow and increase land use densities, these systems pose a long-term public and environmental health risk. Even well maintained OSS discharge pollutants at a rate higher than the LOTT wastewater treatment plant.

In 2008, the City Council created the Septic to Sewer Program to assist property owners converting from OSS to public sewer. The program allowed the City to construct sewer mains to connect existing OSS. Construction costs were partially recovered from benefitting property owners at the time of connection to the sewer. The program resulted in an increase in conversions to an average of 13 per year, compared to an average of four per year, prior to the program.

The 2013 Wastewater Management Plan proposed expanding the program based on "Objective 1C. Encourage OSS conversions through the Septic to Sewer Program". This objective is in support of the goal stating "*Clean Water Act and Safe Drinking Water Act standards for nitrogen, fecal coliform and other constituents of concern in groundwater and surface water are met.*" Expansion of the program is supported by the 2014 Comprehensive Plan Goal GN5 - "*Ground and surface waters are*

protected from land uses and activities that harm water quality and quantity” and specifically Policy PN5.8 - “Encourage existing septic systems to connect to sewer, and limit the number of new septic systems.” The proposed regulation changes are a result of these plans.

The proposed changes to the program are summarized below:

- Revise the part of the program that constructs small-scale sewer extensions by reducing the reimbursement required from property owners who connect to the new sewer. The current program typically requires each property owner to reimburse the City over \$20,000. The proposed program would typically require less than \$10,000 per property. The payment mechanism would also be simpler than the one created in 2008.
- Add septic tank effluent pumping (STEP) systems and lift stations to the sewer infrastructure the City may construct with the program.
- Change the mechanism for allowing the payment of City General Facility Charges (GFCs) for OSS conversions over time. The current program allows payment as installments each year with a fee each year. The proposed changes allow for monthly payments with interest.
- Allow new property owners to qualify for a GFC waiver if they connect to sewer within two years of purchasing the property. Additionally, allow property owners to qualify for a GFC waiver if they qualify for a partial rebate of the LOTT capacity development charge (CDC).

Neighborhood/Community Interests (if known):

Many neighborhoods in the City and its Urban Growth Area are affected by the prevalence of OSS. These neighborhoods would be assisted in converting properties to public sewer. In addition, sewer would be made available in neighborhoods that do not currently have access to sewer. This is generally considered a benefit but some property owners may not welcome sewer due to the possibility of being required to connect. If a property is within 200’ of an available sewer and their OSS fails, City and State regulations require they connect to the public sewer.

Options:

Option 1: After holding a public hearing, recommend City Council approve proposed revisions.

Option 2: Return to the Commission for additional consideration and revisions prior to forwarding recommendations to Council.

Option 3: Recommend City Council not approve proposed revisions.

Financial Impact:

City funding already exists for a number of small-scale sewer extension projects to assist residents in converting from OSS to public sewer. The current annual allocation in the Capital Facilities Plan is \$341,000, some of which would be reimbursed by connecting customers.

Financing of the City General Facility Charge (GFC) over time rather than as a lump sum, for OSS to sewer conversions would result in revenue being delayed. An appropriate fee or interest rate would be charged to compensate the utility.

Additional GFC waivers may result in reduced revenue for the utility. However, the financial analysis done in 2008 when the Septic to Sewer program was created accounted for this reduction. In addition, many customers taking advantage of the GFC waiver would not otherwise have converted their property to sewer. The addition of customers results in increased monthly revenue even when GFCs are not collected.

Type: public hearing **Version:** 1 **Status:** Filed

Attachments:

Draft Ordinance

UAC Letter