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# **Austin Water Utility Private Lateral Repair Program**

## **City Council Briefing**

**January 25, 2007**



# Presentation Outline

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- Overview of Utility's Proposed Private Lateral Repair Program
  - Program Objectives
  - Proposed Ordinance Changes
  - Financial Incentives
  - Public Process Followed
- Actions by Other Committees and Stakeholders



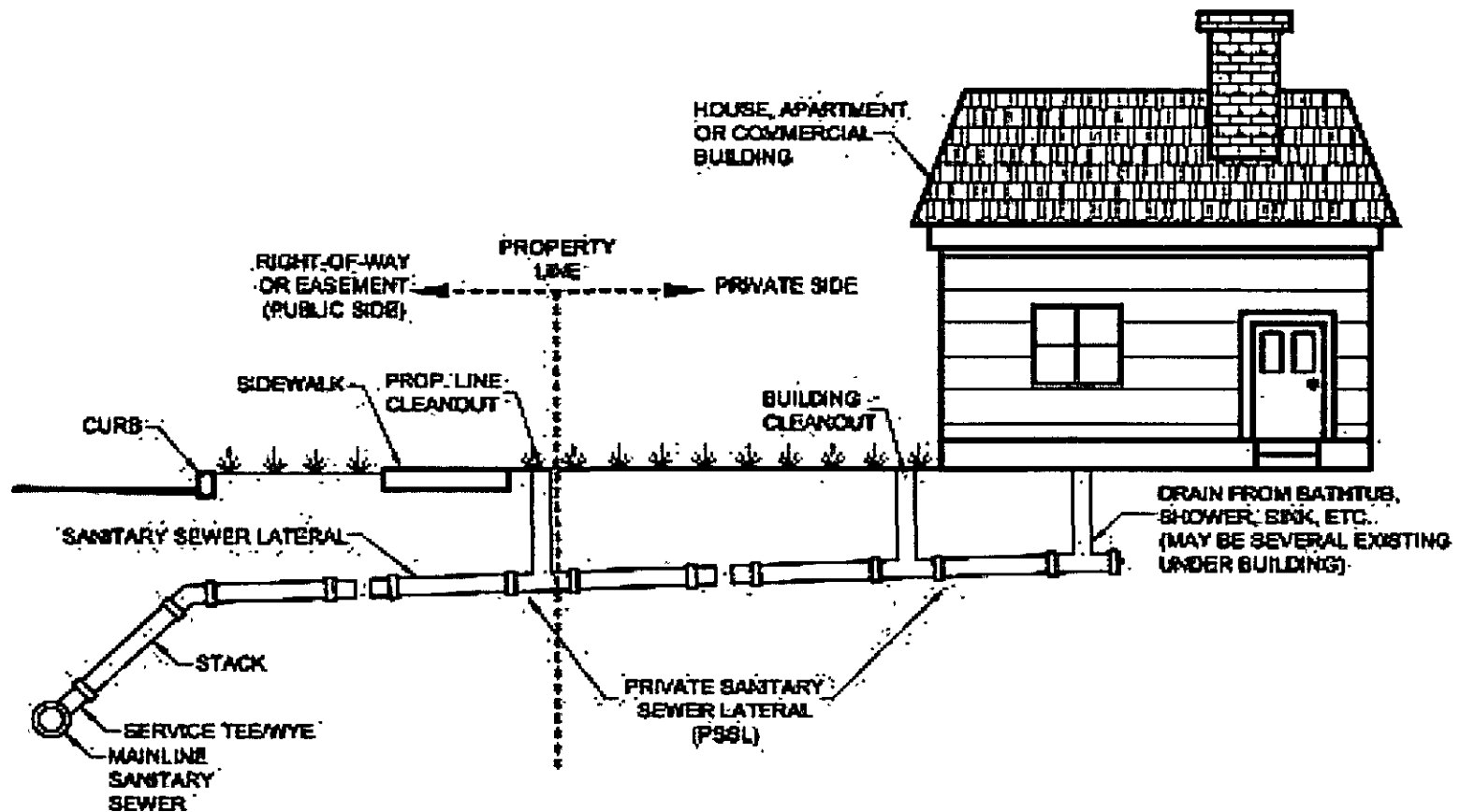
# What is a Private Sewer Lateral?

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- A lateral is the sewer pipe which comes out from a residential or commercial structure and connects to the City's sewer main.
- A private lateral is the portion of the same sewer pipe that is on the "private" property owner's side.
- The property owner is responsible for the repairs and maintenance of the private sewer lateral.



# Typical Private Sewer Lateral





## Defective Private Laterals Result in...

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- Inflow & Infiltration (I&I)
- Sewer Overflows
- Environmental Hazard
- Public Health & Safety Concerns
- Regulatory Compliance Issues
- System Capacity Constraints
- Increase in O&M and Capital Costs



# Examples of Private Lateral Defects

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•Corroded Pipe



•Root Blockage

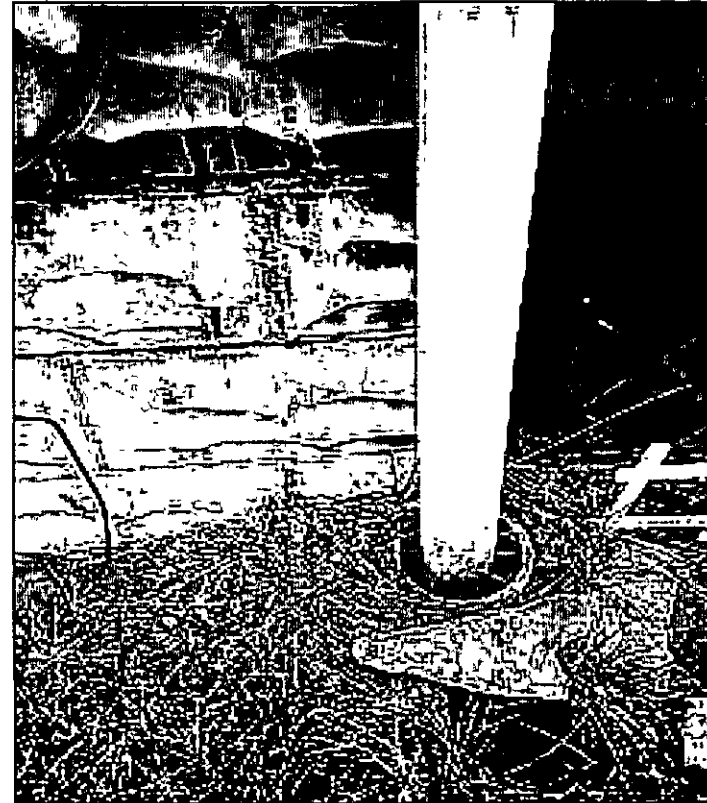


# Examples of Private Lateral Defects

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•Accumulated Grease Deposits

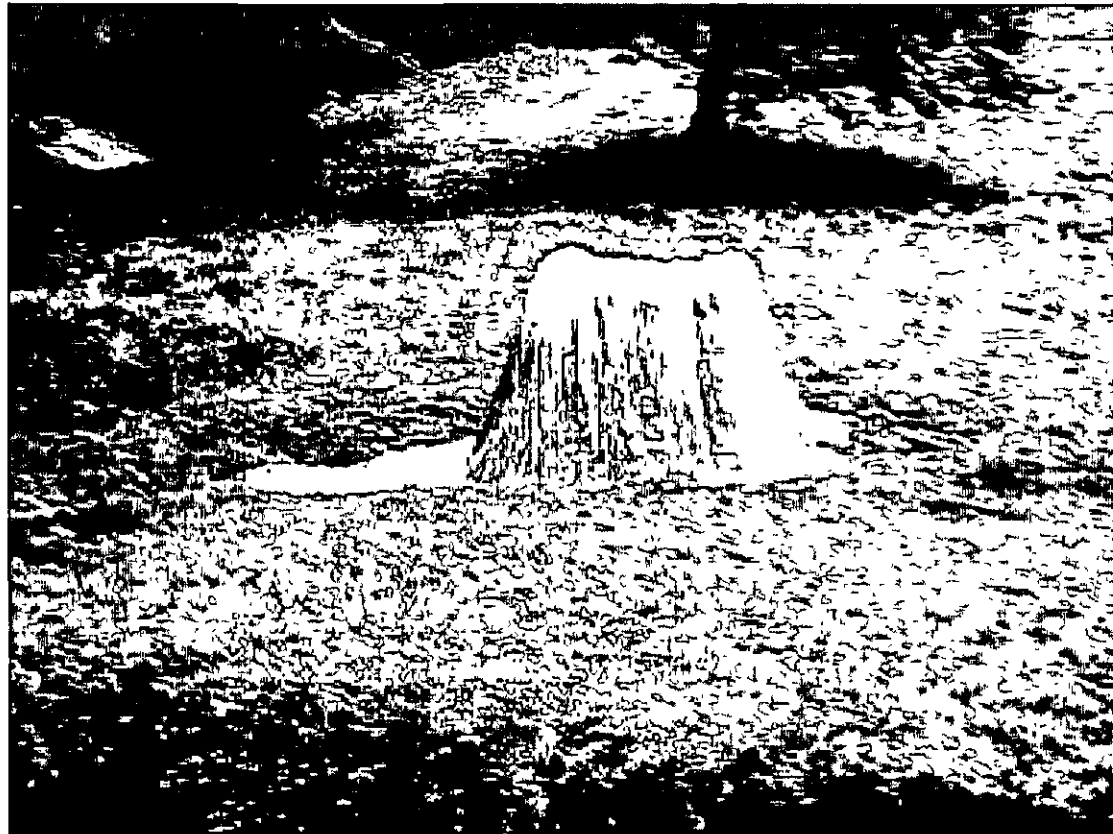


•Gutter Spout in Cleanout



# Examples of Sewer Overflows

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# Private Lateral Repair Program Objectives

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- Assist Property Owners to Identify and Repair Defective Private Laterals
- Reduce Sewer Overflows and Inflow & Infiltration
- Compliance with EPA Administrative Order
- Reduce Wastewater O&M and Capital Costs
- Provide Financial Assistance to Homeowners



# Estimate of Defective Private Laterals

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- Based on SSES Studies:
  - 10,000 out of 190,000 of the private laterals are estimated to be defective
  - Defects will range from minor to major repairs
  - 50% of I&I is estimated to come from defective private laterals
  - \$2,000 estimated average cost to repair/replace
  - \$20.0 million estimated cost of repairing the estimated number of defective private laterals in the system



## Estimated Costs & Source of Funding

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- 60% to 70% Repaired by Property Owners Using Personal Funds
  - \$12.0 Million to \$14.0 Million
- 20% to 25% Repaired by Property Owners Using Low Interest Loan (Residential Only)
  - \$4.0 Million to \$5.0 Million
- 10% to 15% Repaired by Property Owners Using Utility's Low Income Grants (Residential Only)
  - \$2.0 Million to \$3.0 Million



# Proposed City Code Revisions

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- Current City Code
  - Private lateral provisions limited in scope and effectiveness
  - Does not identify specific defects requiring repair
  - Enforcement is difficult under City Code
- Proposed Revisions to City Code
  - Consolidates key provisions regarding defective private laterals
  - Clarifies and strengthens City's authority to:
    - ✓ Test or inspect private sewer laterals
    - ✓ Notify customers of defects and timeframe for repairs
    - ✓ Establish financial assistance and incentives
    - ✓ Enforce compliance requirements



# Proposed Financial Assistance

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The Utility will provide two types of financial assistance:

- Low-Income Grant Assistance

- For Residential Customers Only
- At or Below 80% MFI (\$56,900 for family of four)
- Maximum Grant of \$3,000 Per Residence
- For Repairing Private Sewer Lateral Only
- Repairs Managed by the Utility

- Low Interest Loan Program

- For Residential Customers Only
- Managed by Velocity Credit Union
- No Guaranty by City/Utility of Loan Repayment
- For Repairing Private Lateral Only
- Minimum Loan of \$1,000 and Maximum \$3,000
- Interest Rate Buydown to 2.9%



# Overview of Program Process

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1. On-site Inspection and Testing
2. Defective Lateral Identified
3. Notification to Property Owner:
  - Information provided will include picture, financing options, contacts
  - Utility will work with the property owners to complete repairs
  - 60 days to repair lateral
  - Inspection requirements of work completed
  - Possible enforcement pursued only if all efforts fail. \$500 penalty
4. If Sewage Exposed
  - 24 hour notice to cleanup and to begin necessary repairs



# Public and Stakeholder Involvement

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Joint effort working with various stakeholder groups:

- City Departments
- ACWP Citizen's Advisory Group (CAG)
- ACWP CAG's Private Lateral Task Force
- Austin Neighborhood Council (ANC)
- Mechanical, Plumbing & Solar Board
- Environmental Board
- Water and Wastewater Commission



# Stakeholders, Boards, & Commissions

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Citizen's Advisory Group Task Force – Recommended	September 5, 2006
Citizen's Advisory Group – Received Positive Feedback	October 12, 2006
Mechanical, Plumbing & Solar Board – Recommended	October 19, 2006
Austin Neighborhood Council – Received Positive Feedback	November 13, 2006
Environmental Board – Recommended	December 6, 2006
Water & Wastewater Commission – Recommended	December 20, 2006
City Council	January 25, 2007