AGENDA DATE:  July 30, 2019

TO:  Mayor and Councilmembers

FROM: Water Resources Division, Public Works Department

SUBJECT: Customer Service Enhancements To The Sewer Lateral Inspection Program

RECOMMENDATION:

That Council receive an update from staff on changes to the Sewer Lateral Inspection Program that are intended to improve customer service.

EXECUTIVE SUMMARY:

Recently, the Sewer Lateral Inspection Program (SLIP), an important program to prevent sewer spills, has seen an increase in the number of private sewer laterals that require inspection and repair. The sewer lateral maintenance process can be confusing and onerous for property owners, which has prompted staff to re-evaluate program objectives, public outreach, and cost control measures to improve customer service.

DISCUSSION:

Background

The City of Santa Barbara operates and maintains a 256-mile wastewater collection system. Approximately 300 miles of privately owned sewer laterals connect private property plumbing fixtures to the public collection system. The City expends significant resources to operate and maintain City-owned sewer mains and has been successful in reducing sewer overflows. However, without routine maintenance on private laterals, many of which are old, poorly maintained, or damaged, the City’s ability to sustain the reduction in overflows will not be achievable. In 2018, there were 26 private sewer lateral spills, some of which reached public water ways.

The SLIP was created in 2006 to target failing private laterals and increase public awareness of the need to maintain them. The SLIP Ordinance No. 5396 requires property owners to inspect their laterals in the following situations:

- Prior to issuance of a building permit for addition of:
  - 400 square feet or more, or
  - Two or more new plumbing fixtures;
• Chronic problems – if the lateral has been blocked more than once in a 12-month period;
• When there is a private overflow, or private lateral sewer discharge;
• When a defect is identified by smoke testing;
• When, during inspection of City main lines, roots, excess clear water, or other problems are identified as coming from the lateral;
• Once every ten years for all commercial properties, condominiums, and other properties with three or more dwellings sharing private sewer pipes; and
• Upon direction of the Public Works Director, when there is reasonable cause to believe there may be a problem with, or illegal connection to, the sewer lateral.

In November 2006, Council passed a resolution to encourage property owners to proactively maintain their private sewer lateral by offering an incentive of $150 to inspect their sewer lateral, and a rebate of up to $2,000 and waiving of permit fees if the lateral needed to be repaired or replaced. The incentives were very popular with residents; however, after several years of SLIP growth, it was determined the $1.5 million annual program would require a 7 percent rate increase to generate the revenue necessary to support it. Additionally, the original goal of the SLIP to subsidize costs for homeowners was being undermined by the skyrocketing prices for repair work, negating the incentive the City was offering.

In December 2010, Council eliminated cash incentives for the SLIP. As an alternative to the incentive, the City would continue to waive City permit fees in instances where property owners are required to repair or replace their lateral. At that time, this reduced the annual cost of the program to $150,000.

The SLIP has operated through this model for the better part of a decade; however, the number of private sewer laterals needing inspection and/or repair has increased tremendously, due in large part to increased robotic Closed Circuit Television (CCTV) inspection of City sewer mains. In 2012, the City initiated a program to inspect the entire collection system within ten years via CCTV. The CCTV data gave staff new information concerning the condition of private laterals, specifically their connection to the City’s sewer mains. This information resulted in a sizable increase in SLIP inspection notices. In 2010, it was estimated that lateral inspection or repair would be required of 75 property owners per year. In 2018, over 850 property owners were required to have their laterals inspected, and of those 850, over 500 were required to repair or replace their sewer lateral. It is this surge in activity that has prompted staff to review all aspects of the SLIP for ways to improve communication and education, provide cost controls and financial assistance, and investigate how other municipalities are working with property owners to improve their private infrastructure.

Enhanced Communication

The increase in active SLIP cases has left a large number of property owners with many questions about why they are receiving a letter requiring inspection and what the next steps are. Limited information about ownership and maintenance responsibilities and
limited staff resources for individual assistance has led to public confusion and frustration with the City and the program.

In fall 2018, the City entered into a contract with Katz & Associates, a public relations firm specializing in strategic communication, public involvement, and community relations. With the help of Katz, City staff has completed the following outreach materials:

- Improved inspection and repair notification letters
- Pamphlets explaining the process for both inspection and repair
- Infographics of lateral ownership and lateral life expectancy
- Handout that helps explain the various technical options available to repair, rehabilitate, or replace private laterals (i.e., trenchless technologies such as cured in place pipe lining)

Another essential aspect of enhanced communication is the development of a new SLIP website. The website, which went live on March 11, 2019, describes the SLIP, highlighting ownership and maintenance responsibilities, the life expectancy of a sewer lateral, inspection triggers, and repair options. The website includes a Frequently Asked Questions section to assist the public with common questions about the program.

The City recognizes there is still a need for individual support for property owners and other stakeholders as they navigate the process. With limited staffing resources, staff is attempting to offer the following public assistance:

- Regular office hours for scheduled appointments and walk-ins: 7:00 a.m. through 3:00 p.m.
- Availability sessions for property owners to discuss their case one-on-one outside of typical business hours: third Wednesday of every month from 5:00-7:00 p.m.
- Quarterly Lateral Maintenance and Repair Classes for property owners
- Realtor Training: Semi-annual presentations

By offering individualized customer service, modeled after Water Conservation’s free water check-up program, staff will have the opportunity to earn the trust and high regard of the community. Appropriate staffing is currently being analyzed, and this topic will be brought back as part of a future Council discussion on SLIP.

Financial Assistance

Unlike a leaking roof, a defective lateral typically cannot be seen by the untrained eye. When property owners are informed they need to repair a defective lateral, it often comes as a surprise, and property owners are unprepared for such a major expense. Although some have the financial means or the option to obtain a home equity line of credit, some property owners may not have the equity in their home, are on a fixed income, or cannot qualify for a personal loan. To reduce the burden of such a large expense, the City has researched options to assist property owners, such as low-interest loans; however, this option is challenging for several reasons, including Proposition 218 funding limitation, risk of loan default, and administration and loan services. Staff is still exploring options with the City Finance Department.
The incentive program the City offered from 2006 to 2010 was well received by the public, but the Wastewater Fund was unable to keep up with the demand, and Proposition 218 restricted the City’s ability to disperse funds based upon need/income. Based on the size of the SLIP today, substantial double-digit increases to rates would be required, which is not an option being explored at this time given the proposed rate increases needed to keep up with replacement of critical wastewater capital infrastructure.

Cost Control

Even if a property owner can afford the repair or replacement of their sewer lateral, the variability in quotes from different plumbing contractors can be confusing. The uniqueness of each property and sewer lateral leads to an extreme variability in the costs for both inspection and repair. To compound the frustration, many will inquire with family, friends, and neighbors only to find that their costs were significantly different, without understanding why.

A large portion of the cost is related to the wye connection replacement, which connects the private lateral to the public sewer main. In years past, when plumbers were allowed to replace lateral connections to the City’s sewer main, it led to damage of City infrastructure including offsetting of pipe joints and cracks/fractures to the City sewer main, as well as laterals protruding into the City sewer main, which all contributed to increased public sewer system maintenance costs and sewer overflows. Consequently, the City moved to requiring property owners, via a permit, to replace their wye connection utilizing City Wastewater Collection System Operators. This allowed the City to maintain the integrity of the sewer main and ensure the quality of workmanship. While the City was working toward meeting the requirements of the 2012 Consent Decree, targeted at reducing the number of public sewer system overflows, the focus of Wastewater Collection System staff efforts shifted to cleaning and maintaining the public sewer system and away from excavation and construction associated with private wye connection replacement. To continue the wye connection work and ensure it was done in a quality manner, City staff contracted this work out to local contractors through a permitting process in which the costs of the contractor were captured in the permit fee. That contract work was competitively bid, and the contractor was selected based on the lowest responsive bid price.

Since late 2013, City staff has managed a wye connection replacement contract with very few changes to the scope of work. In our review of the SLIP, staff believes additional City contracted services would help simplify the SLIP process and provide property owners with more options and competitive pricing. With the support of the Water Commission, City staff went out to bid, and bids are scheduled to be received in late July 2019. The two options included in the current bid are:

- Option 1: Sewer Tap/Wye Replacement – Status Quo (Class A contractor)
- Option 2: Sewer Tap/Wye Replacement with Excavation – New (Class A contractor)

Staff is also exploring specifications for an inspection and cleaning services contract to help standardize these services related to the SLIP. With this contract, the public will have a baseline for what the costs should be to perform these services and can choose to utilize
the City’s low bid contractor or pursue the work with another qualified inspection and cleaning plumbing contractor.

Another area of uncertainty or misunderstanding has been selection of the appropriate repair and replacement method for each sewer lateral. While the City’s wastewater collection capital improvement program has been predominantly “trenchless,” using a method called cured in place pipe lining (CIPP) since the late 1990s, this method was not widely available to private sewer laterals until recently. The term “trenchless” spans many methods and materials to rehabilitate or replace underground pipe assets without major excavation, which can be a major cost driver. With so many options of trenchless rehabilitation, staff has been working on establishing protocols to assist property owners in understanding and utilizing these new and innovative technologies to make improvements to their sewer laterals while preventing operational issues and protecting the condition of the public sewer system. Staff has also been working on educational materials to promote these potentially cost-saving methods.

Other Agencies

Under the City’s long-standing policy, the property owner is responsible for both the sewer lateral and the connection to the City sewer main. The rationale for this policy is that the lateral—including the portion in the public right-of-way and the connection to the City’s sewer main—exists solely for the benefit of the property owner. The lateral ownership in the public right-of-way, including the wye connection, has been a point of contention for many property owners who question why they should own infrastructure located in the public right-of-way as they face the difficulties of maintenance and repair on such infrastructure. According to SBMC 14.44.160 and SBMC 14.34.020:

“It shall be the responsibility of each property owner whose property is connected to the City sewer system to maintain continuously and satisfactorily in operation at his or her own expense, any house connection sewer, private sewage disposal system or industrial liquid waste pre-treatment facility.”

‘House connection sewer’ means that portion of the horizontal piping which extends from the public sewer to the street property line or right-of-way.”

Santa Barbara is not unique in how it defines lateral ownership responsibilities. Staff has researched neighboring agencies in both Santa Barbara and Ventura Counties and discovered the following agencies have the same stance on the property owner’s lateral ownership responsibilities, including the wye connection:

- City of Buellton
- Goleta Sanitary District
- Goleta West Sanitary District
- Montecito Sanitary District
- City of Ventura
- Ojai Sanitary District
- City of San Luis Obispo
Although neighboring agencies define the same ownership responsibilities, the City’s proactive SLIP structure is different. The City uses the CCTV data gathered from routine inspections of the public sewer mains to evaluate the condition of connections of private sewer laterals to the public sewer mains. This data has resulted in a sizable increase in SLIP inspection and repair notices. Other agencies may not be using their CCTV data to assess the condition of both the sewer main and the wye connections; therefore, fewer property owners are made aware of the sewer lateral requirements.

Conclusion

There are numerous concerns and hurdles to overcome as the SLIP is being updated to reflect the growing number of sewer laterals that are reaching the end of their useful life (a typical well-maintained sewer lateral’s lifespan is 50 years). Staff has made significant progress with new public outreach materials and developing cost controls; however, there is still more to be done, including investigating additional cost control measures, analyzing staffing resources, and exploring alternative rehabilitation methods. With limited staffing resources, it is our goal to tackle these issues and report back to Water Commission and Council before the end of 2019. At that point, staff will pivot and direct attention to examining and developing financial assistance options and inspection frequency requirements in 2020.

PREPARED BY: Joshua Haggmark, Water Resources Manager/GF/js
SUBMITTED BY: Rebecca J. Bjork, Public Works Director
APPROVED BY: City Administrator’s Office
PUBLIC WORKS DEPARTMENT
WATER RESOURCES DIVISION - WASTEWATER
SEWER LATERAL INSPECTION PROGRAM UPDATE

Water Commission – July 18, 2019
Presentation Overview

• Background
• Lateral Ownership
• Inspection Program
• Enhanced Communication
• Cost Controls

Sewer Lateral Inspection Program (SLIP)
BACKGROUND
Sewer Lateral Information

• **Sewer Laterals: ~300 miles** (24,737)
• The sewer lateral connects the building’s sanitary plumbing to the City’s sewer main
• Privately-owned infrastructure
• Homeowner is responsible for maintenance and repair including connection to sewer main (wye, tee or connection fitting)
What are lateral owners dealing with?
2018 SSO Events By Cause

- Total 7 Sewer System Overflows (SSOs)
- All 5 SSOs caused by roots from laterals

5 - Roots 71%

2 - Debris 29%
Private Spills

- Also known as Private Lateral Sewer Discharges (PLSDs)
- Reported to the State Water Resources Control Board
SEWER LATERAL OWNERSHIP

Santa Barbara & Neighboring Agencies
“It shall be the responsibility of each property owner whose property is connected to the City sewer system to maintain continuously and satisfactorily in operation at his or her own expense, any house connection sewer, private sewage disposal system or industrial liquid waste pre-treatment facility.”

‘House connection sewer’ means that portion of the horizontal piping which extends from the public sewer to the street property line or right-of-way.”

SBMC 14.44.160 and SBMC 14.34.020
Lateral Ownership of Neighboring Agencies

- City of Buellton
- Goleta Sanitary District
- Goleta West Sanitary District
- Montecito Sanitary District
- City of Ventura
- Ojai Sanitary District
- City of San Luis Obispo
Lateral Ownership of Neighboring Agencies

City of Ventura

“Property owner to maintain sewer lines. All laterals and house sewer lines from the public sewer to private property, including the wye or saddle at the public sewer, shall be maintained at the expense of the property owner.”

Goleta Sanitary District

“The District does not maintain or own any portion of the sewer laterals. District Ordinance # 77 specifies in Section 3.3 that “The property owner is responsible for maintaining the building sewer from the building up to and including the WYE connection.”
California Association of Sanitary Agencies

- Voluntary Survey Conducted in 2017
- 26 agencies across CA responded
- Over 70% of agencies do not own any portion of the private sewer lateral
SEWER LATERAL INSPECTION PROGRAM
Inspection and Repair
Sewer Lateral Inspection Program

Incentive Program
- Reimburse up to $2,000 for property owners proactively repairing/replacing lateral

Current Sewer Lateral Inspection Program
- No longer offer incentive/rebate
- Commercial
  - Reestablished with the goal to inspect all commercial properties by 2023
- Residential
  - Currently no frequency requirement for inspection. Begin Discussions in 2020
  - Permit fees are waived if City requires inspection
SLIP COMMERCIAL PROPERTIES

- 10 year re-inspection frequency
  - *Required every 10 years regardless of condition*
- Condominiums and Multi-Unit residential are included in “Commercial”
SLIP RESIDENTIAL PROPERTIES

• Permit Initiated
  - Addition of 400sf, or
  - Addition of two (2) or more new fixtures

• Defect observed during City main inspections

• Private Lateral Spill
Current Status of the SLIP Program

- SLIP 1 - Inspection Request
- SLIP 2 - Warning/No response
- SLIP 3 - Administrative Fine
- SLIP 4 - Work Needed
- Under Review

- 598 (57%)
- 216 (21%)
- 118 (11%)
- 109 (10%)
- 5 (1%)
Enhanced Communication

• SLIP Website

• Public Outreach Materials
  - Infographics
  - Improved Notification Letters
  - Pamphlets
    - Inspection Process
    - Repair Process

• Customer Support
PUBLIC OUTREACH MATERIALS
Enhanced Public Outreach & Education

Infographics

Informational Pamphlets

Improved Notification Letters

City of Santa Barbara - Public Works Department
SEWER LATERAL INSPECTION PROGRAM

SUBJECT: NOTIFICATION - INSPECTION REQUIREMENT
STREET
APN
Pre Case #
Task Number

Dear Property Owner or Representative,

The City of Santa Barbara (City) has initiated a program to reduce sewer spills by requiring property owners to inspect their private sewer laterals. Private laterals connect private structures to the network of City-owned sewer mains. Problems from lateral issues, such as roots, gasses, or misuse of water leaking into pipes during rain, can cause spills in the public sewer system. While City law has always required property owners to maintain private laterals in good working order, only a small percentage of property owners are aware of this requirement.

The City of Santa Barbara has determined that a program is necessary to reduce sewer spills. Spills not only cause damage to public property but also create a financial burden on the City. The City will tailor the requirements based on the lateral's condition and the amount of lateral connected to the City's system. With these requirements, we aim to decrease the number and size of lateral spills to improve the efficiency of our system and better protect our environment.

Please contact your Public Works personnel to schedule an inspection today. If you have any questions or need assistance with the inspection process, please do not hesitate to reach out. Together, we can work to improve the quality and efficiency of our sewer system.

Sincerely,

[City of Santa Barbara]

SantaBarbaraCA.gov
Infographics – Life Expectancy

- Easy to understand based on commonly replaced household items
WEBSITE UPDATES
Website Updates

- Wastewater System Website Updates

SLIP WEBSITE

SLIP Frequently Asked Questions

- What is a sewer lateral?
- Who is responsible for maintaining sewer laterals?
- What is the purpose of SLIP?
- What is SLIP?
- How do I get in touch with SLIP Staff?
- Why did I receive a letter?
- I haven’t had an issue with my lateral before, yet I received a letter.
- Can we/I get another copy of the repair letter?
- Can I get a copy of my videos?
- I had compiled in the past and received a certificate of compliance, so why am I receiving another letter to video tape my sewer line?
- I only have one lateral. Why did I receive three letters?
IMPROVED CUSTOMER SUPPORT
Improved Customer Support

Availability Sessions

Monthly Public Meetings

Site Visits with Property Owner

OFFICE HOURS

MON to

TUES to

WED to

THUR to

FRI to

SAT to

SUN to
Update on Availability Sessions

- 3rd Wednesday every month from 5:00 – 7:00pm
  - One-on-One explanation of process
  - Review inspection video
  - Discuss Repair vs. Rehabilitate/Replace
- By Appointment (during business hours)

Attend a SLIP workshop (1-on-1)
Third Wednesday of the month

Schedule an appointment
Mon- Thurs & alternative Fridays
8:00 am – 3:00 pm

More SLIP event
Frequently Asked Questions

Dale Escobar
SLIP Project Coordinator
(805) 568-1032
Send Email

Patricia Vogel
Engineering Technician II
(805) 564-5368
Send Email
Site Visits with Property Owner

- Modelled after Water Conservation
- Individual Support
- Review inspection video
- Discuss Repair vs. Rehabilitate/Replace
COST CONTROL
Cost Controls

• Variability of lateral construction gives way to a wide range in repair methods and costs

• City Bid contracts can create cost controls
  - Provide a baseline for costs
  - Importance of Quality Control
**SLIP Process - Inspection**

1. **Inspection Letter Received**
   - Property owner has **60** days to submit video

2. **Property Owner Hires Certified Plumber for Inspection**
   - Plumber inspects lateral

3. **Plumber submits lateral video to City**
   - SLIP Coordinator reviews video for defects
SLIP Process - Repair

Repair Notification Letter Received

Property owners initially have 120 days to make repairs summarized in letter and depicted in attached exhibit

Property Owner Considers Available Options

Repair? - Rehabilitate? - Replace? - Include connection (wye)?

Plumber/contractor completes repair work

Proof of repairs submitted – Certificate of Compliance Issued
Available Options

<table>
<thead>
<tr>
<th>Available Options</th>
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<tbody>
<tr>
<td>What to consider when evaluating quotes and talking with your plumbing contractor...</td>
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<table>
<thead>
<tr>
<th>Repair</th>
<th>Rehabilitate</th>
<th>Replace</th>
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<tbody>
<tr>
<td>spot repair</td>
<td>new liner</td>
<td>new replacement pipe</td>
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SantaBarbaraCA.gov
Wye Connection Replacement Contract

- History
  - Internal City Staff: prior to 2013
  - Contract with local Contractor: 2013 - present
- Emphasize the importance of quality control on connection replacement
- Staff believe there are opportunities with additional options for this contract:
  - Option 1: Wye Replacement – Status Quo
  - Option 2: Wye Replacement w/ Excavation – New
Wye Connection Replacement Contract

City Managed for Quality Control of Infrastructure

Factory Connection (Good)  Tap Break-in (Bad)  Protruding Lateral (Bad)
Competitive Bids – Sewer Tap Option 1

Status Quo – Wye Replacement

- Customer selects a plumbing contractor
- Plumbing Contractor obtains permit, excavates pit in Right of Way (ROW)
- City Contractor only performs wye replacement
- Plumbing contractor repairs rest of lateral (if applicable)
- Plumbing contractor fills in pit and restores pavement
Competitive Bid – Sewer Tap Option 2
New – Excavation and Wye Replacement

1. Property Owner Selects Option 2
2. Signs up at PW Works front Counter
3. City PM schedules wye replacement
4. Property Owner Receives Photo of New Connection
Competitive Bid – Sewer Tap Option 2

• New Option Benefits:
  - Offers cost control & simplicity to property owner
  - Compare bid prices to private quotes received
• Any other lateral repair work done by owner-selected plumbing contractor
• Lateral can be repaired at a later date
Future Costs Controls:

Competitive Bid – Inspection & Cleaning

• Inspection & Cleaning Contract:
  - Customer uses City’s competitively selected plumbing contractor
  - City would coordinate to assist customer

• Offers cost control & simplicity to property owner
  - Compare bid prices to private quotes received
  - Take advantage of City Project Manager for coordination

• Staff is developing specifications
• Depends on success of new option in sewer tap replacement
Future Cost Controls: CIP Coordination

- Performing Repairs in Conjunction with Sewer Capital Improvement Projects
- Nearby homeowners may benefit from reduced costs by contracting repairs at this time.
- Costs may be reduced by the following factors:
  - economy of scale
  - contractor is already mobilized in the area
NEXT STEPS
Next Steps

• Receive feedback from Water Commission
• Go to City Council July 30

• Return to Water Commission in fall 2019 with updates
  - Evaluation of staff workload
  - Financial assistance options

• Return to Water Commission in fall 2020 with Discussion to Residential Inspection Requirements
Discussion