



City of Santa Barbara
Public Works Department

Memorandum

DATE: June 18, 2020

TO: Water Commission

FROM: Amanda Flesse, Wastewater System Manager

SUBJECT: Sewer Lateral Inspection Program 2.0 Update

RECOMMENDATION:

That Water Commission receive an update from staff on proposed changes to the Sewer Lateral Inspection Program that are intended to be responsive to customer input and to the economic crisis caused by the COVID-19 pandemic.

EXECUTIVE SUMMARY:

The COVID-19 pandemic is not only impacting the nation's health, but the economic impacts are expected to be significant. One way or another every single household in our community will be impacted. The Sewer Lateral Inspection Program (SLIP) has a goal of identifying and correcting failed laterals; however, lateral maintenance has the potential of increasing the emotional and financial burdens of our customers. Although the SLIP is extremely important to the public health and the quality of life in our community, simply proceeding with the program in its current form is neither responsive to customer feedback nor the impacts of the pandemic. Therefore, we have set out to rethink how this program is administered, lessening the use of fines to achieve lateral maintenance, and instead emphasizing education and partnership with our community.

DISCUSSION:

Background

SLIP was started in 2006 as part of Ordinance No. 5396, which 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;

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- 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.

From 2006 to 2018 the program underwent several changes in response to available wastewater funding and the growing need for lateral maintenance. In 2018, the City recognized that SLIP required changes to be more responsive to customers concerns. Customers had voiced several concerns with the program, which included the need for more outreach and information on lateral ownership, assistance navigating the lateral maintenance process, and better cost control measures to ensure they were getting a fair price for work that needed to be done to their lateral.

For the past two years staff have made significant enhancements to the SLIP website, notification letters, and outreach to community groups, all of which have been presented to Water Commission. Furthermore, the Fiscal Year 21 budget includes changes to staffing to be responsive to the need for more hands-on support to help customers navigate the challenges of finding contractors to perform lateral maintenance.

In November 2019, staff implemented a new option to help property owners with cost control measures. The City started implementing two new alternatives for the public that simplifies the replacement or rehabilitation of the sewer lateral connection process. The new alternatives are referred to as Option 2 and Option 3. The following defines the difference between the options the City now provides:

- Option 1: Sewer Tap/Wye Replacement – Status Quo– Private contractor will dig, may make necessary repairs to the private lateral, and schedule with the City to have the sewer lateral connection repair work completed by a Class A contractor.
- Option 2: Sewer Tap/Wye Replacement with Excavation – Implemented in November 2019 – The owner will pay a fee and the City will handle the scheduling and the permits associated with the sewer lateral connection repair work completed by a Class A contractor.
- Option 3: Sewer Tap/Wye Trenchless Rehabilitation – Implemented in November 2019 – The owner will pay a fee and the City will add the rehabilitation option to their existing capital improvement project contract. This option is only for residents that are connected to the current sewer main lines that are included in the contract to be rehabilitated.

Option 3 will provide a trenchless rehabilitation of the lateral connection alternative to residents. 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 the City's upcoming capital improvement project (CIP), the City is able to take advantage of the bulk pricing offered with a CIP project. Option 3 is a new alternative for residents to rehabilitate their sewer lateral connection. This option is only offered to residents that have lateral connections to sewer mains that are currently included on the CIP contract. The Rehabilitation CIP is underway and residents that are eligible for this option have been sent notifications that they are able to sign up for this option.

Proposed Program Changes

The City recognizes that the SLIP is essential to maintaining the health and safety of our community. The mileage of sewer laterals in the City is estimated to be equivalent to the mileage of public sewer mains, which is approximately 270 miles. Without SLIP the City is at risk for increased public and private spills. This can lead to additional financial strain due to emergency responses, possible property damage costs, and potential public health impacts. In order for us to support and maintain the Collection System, SLIP must remain effective and support our property owners.

The following is a list of proposed changes staff are considering to the program to help be responsive to the economic crisis brought on by the pandemic and customer feedback while still acknowledging the need to maintain this vital infrastructure.

1. Defer all active administrative fines or penalties. This has already been implemented in response to the pandemic. The fine for any customer who has already received a SLIP letter indicating they are late, with either their video or repair, will be deferred for a year. In July 2021, the SLIP team will revisit their case and make a determination to either move forward or to defer for another year.
2. Revise the SLIP 1 letters. Currently, the SLIP 1 letters are our first form of contact to notify customers of a potential problem with their lateral. Typically, the problems are identified during an inspection of the public sewer main, where a defect or roots are visible at the sewer lateral connection. The customer has 60 days to submit a video of their sewer lateral to the City. The City will continue to notify the property owner but we are proposing to revise the letter to let customers know that there may be a potential issue with their sewer lateral, and it is advised that they get the lateral video-inspected and provide the City with a video within six months.
3. Eliminate the waived inspection and permit fees. By eliminating the waived inspection and permit fees the City is proposing to use the wastewater funds, approximately \$200k/year, to fund a new financial assistance/incentive program to be put towards private lateral inspection for those receiving the SLIP 1 letter.
 - a. When the customer receives a SLIP 1 letter (regarding a potential issue with their lateral), the owner will have 30 days to contact the City to sign up for the new private sewer lateral inspection assistance program.

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- i. If the owner opts not to sign up for the program, they will be fully responsible to inspect their lateral at a later date.
 - ii. If the owner signs up for the program, the City will coordinate the inspection of their sewer lateral with one of the City's contractors that will be publically bid.
 - b. Since there can be significant variations in the access, condition, and length of a lateral having one set price is not realistic. Therefore, the City is offering the homeowner up to \$300 in assistance to have their sewer lateral inspected. If the sewer lateral inspection costs exceed \$300, the homeowner will be responsible for the difference. If there will be a cost to the property owner it will be known ahead of performing the work so there are no surprises.
 - c. Once the sewer lateral is inspected, the City will review the video and findings with the homeowner. The City will provide the homeowner with available options for short and long-term repair and maintenance, depending on the severity of risk and the financial implications.
 - d. Once a repair and maintenance plan can be agreed upon, it will go into the City's database and will be monitored accordingly.
4. Non-action deferrals. If a homeowner chooses not to participate in the new private sewer lateral inspection assistance program, their case will continue to be monitored and reviewed every six-months. No fines will be administered for up to one year on cases with no activity.
 5. Future outlook. In July of 2021, the SLIP team will re-evaluate the program and see what adjustments need to be made.
 6. Commercial and Industrial customers. Currently commercial and industrial customers are on a 10-year inspection cycle. A pause on the commercial requirement for inspection will be paused until July 2021.
 7. All other programs within SLIP. Programs remain the same with the exception of the previously waived fees. Public Works fees will now be issued to the permit applicant/property owner.

Workload

The SLIP team has experienced significant impacts in their workload. In order to handle the increased workload, additional staff has been proposed in the FY21 budget. SLIP is proposing the following additional staff:

- Superintendent: will dedicate 50% of their time to SLIP (in lieu of the current 20% the Collections Superintendent spends on SLIP).

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- Senior Project Coordinator: will focus on public outreach and relationships, land and community development coordination/reviewing needs, and the management and coordination of the new inspection program.
- Project Coordinator: will focus on the project management and coordination required for Options 1, 2, and 3.

Conclusion

There are numerous concerns and hurdles to overcome as 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, exploring alternative rehabilitation methods, and providing financial assistance to lower income property owners.