

Procedure 5

Septic Tank Abatement Policy

PART 1: Summary

This policy allows ECUA to consider cost participation, when feasible, to assist a developer with the installation of a conventional ECUA approved and owned sewer collection system in lieu of an originally planned development with onsite septic tank systems.

Simply stated, if a developer can install a conventional ECUA wastewater collection system for less money than onsite septic tank systems, then the project must connect to the ECUA wastewater system with a conventional ECUA sewer system, with the developer being responsible for all costs. ECUA uses an annually updated figure (see ECUA Code Section 27-2.B.4) for the assumed cost of an onsite septic tank system. This figure is also referred to as a cost participation threshold.

If the cost per lot for a conventional ECUA wastewater collection system is greater than the cost participation threshold, then ECUA will analyze the differential amount and consider cost participation to pay the difference. If ECUA chooses not to reimburse the differential amount, then a developer may proceed based on using septic tanks.

PART 2: Minimum Project Requirements

Although described in more detail in the “Procedure for Review, Approval, and Administration of Sewer Service for New Structures South of Well Line Road” which can be viewed in Division 6-“Supporting Documents”, the following is a brief summary of the requirements to qualify for this Policy:

- 2.1 Project site must be south of Well Line road
- 2.2 Proposed development must be single family, multi-family, or non-residential
- 2.3 Proposed parcel sizes must be 1/4 acre (10,890 square feet) or larger
- 2.4 Parcel sizes cannot decrease to smaller than 1/4 acre if Policy is implemented
- 2.5 County Health Department confirms the parcel(s) are permissible for traditional septic tank or mound systems
- 2.6 Developer must request the application of the Policy at initial submittal

PART 3: Background

In the late 1990’s, the ECUA, Escambia County, and Health Department collaborated on a policy intended to better protect our community’s water supplies by decreasing new septic tank installations south of Well Line Road. In 1999, the ECUA Board amended its Code to add a new septic tank abatement policy, and later in 2005, added language that would clarify how to update the annual reimbursement amounts. All together, these changes can be seen in the following excerpts from the ECUA Code:

Chapter 27-2.B.4: “If a development is eligible for reimbursement under the ECUA *“Procedure for Review, Approval, and Administration of Sewer Service for New Structures South of Well Line Road”*, ECUA shall reimburse the developer for a portion of the cost of construction of wastewater collection facilities to serve the development. The amount of reimbursement shall initially be determined by subtracting the sum of \$3,600 [2014 figure] from the average cost per lot or parcel of the cost of construction of wastewater collection facilities and multiplying the remainder by the number of lots or parcels in the development for which septic tanks are permissible. The initial \$2,750 sum [reimbursement amount] shall be adjusted in January, 2006 and each January thereafter. This adjustment shall be computed by multiplying \$2,750 by the first Cost Construction Index (CCI) published by *The Engineering News-Record* in the month of January of that year, and dividing the product by the CCI published in April, 2005 (i.e. 7,355). The result so obtained shall be rounded to the nearest \$50. This adjustment shall be effective the date the CCI is first published each January.”

Chapter 27-2.B.6: “Prior to reimbursement the developer shall submit a certified statement of itemized construction cost, together with written evidence that all such cost has been paid, and shall submit all final documentation, including “as-built” drawings in accordance with the ECUA Engineering Manual.”

The document *“Procedure for Review, Approval, and Administration of Sewer Service for New Structures South of Well Line Road”* also contains the resolutions that were passed in order to amend the ECUA Code as seen with the excerpts above.

PART 4: Cost Participation Threshold

This figure is adjusted annually per the CCI per the following table:

Year	CCI	Threshold Amount	
		Calculated	Adopted
2005	7,355		\$2,750
2014			\$3,600
2015			
2016			
2017			

PART 5: Examples

Developer shall follow the “*Procedure for Review, Approval, and Administration of Sewer Service for New Structures South of Well Line Road*”. The examples below are developed based on the content of said document.

#	Sewer System Type (1)	# of Lots	Total Costs (2)	Cost per Lot	Cost Differential (Cost per Lot – Current Threshold)
					2014 = \$3,600
1	Conventional Sewer System	80	\$260,000	\$3,250	(- \$350)
2	Conventional Sewer System	80	\$350,000	\$4,375	\$775
3	Conventional Sewer System	80	\$500,000	\$6,250	\$2,650
N/A	Septic Tanks	80	\$280,000	\$3,500	

(1) Conventional sewer system includes gravity sewer only or gravity sewer with master lift station and force main
 (2) Includes surveying, engineering, and construction for on-site and required off-site infrastructure

Notes:

Example 1: Cost per lot is less than threshold amount, therefore project does not qualify for Policy. Developer continues with submittal and review process for conventional ECUA wastewater collection system.

Example 2: Cost differential is less than \$1,000 per lot, and total project differential is less than \$150,000, therefore project qualifies for Policy and can be approved by ECUA Staff. In this example, ECUA and Developer would calculate ECUA’s cost participation and include in the Utility Service Agreement. ECUA’s cost participation for this example is:

$$\$775 \times 80 \text{ lots} = \underline{\$62,000}$$

Example 3: Cost differential is more than \$1,000 per lot, therefore project is sent to Board for review and determination on application of Policy. If the Board qualifies the project for the Policy, then ECUA and Developer would calculate ECUA’s cost participation and include in the Utility Service Agreement. ECUA’s cost participation for this example is:

$$\$2,650 \times 80 \text{ lots} = \underline{\$212,000}$$

The cost differential amount and subsequent decision on whether or not the Board approves a project for this Policy is made on a case by case basis and is weighed against several factors to include cost, future benefit to ECUA’s infrastructure, etc.