City Council Introduction: **Monday**, November 29, 2004
Public Hearing: **Monday**, December 6, 2004, at **1:30** p.m. Bill No. 04R-315

FACTSHEET

TITLE: **MISCELLANEOUS No. 04016,** requested by the Directors of Planning and Public Works & Utilities, to adopt a ***"Policy on Temporary Pump Stations & Force Mains"*** to address circumstances in which the City may allow sanitary sewage to be handled on a temporary basis using private pump stations and force mains.

STAFF RECOMMENDATION: Approval, as revised on November 10, 2004.

SPONSOR: Planning Department

BOARD/COMMITTEE: Planning Commission
Public Hearing: 11/10/04
Administrative Action: 11/10/04

RECOMMENDATION: Approval, as revised on November 10, 2004 (7-0: Carlson, Carroll, Krieser, Larson, Marvin, Pearson and Bills-Strand voting 'yes'; Sunderman and Taylor absent).

FINDINGS OF FACT:

1. The proposed policy will not allow pump stations as a replacement to the current gravity system. It is intended to permit a few temporary private pump stations and force mains in areas where the City's gravity trunk line is a few years from construction. The proposed "Policy" is found on p.7-11.

2. The staff recommendation of approval, as revised by Memorandum dated November 10, 2004 (p.16), is based on the "Analysis" as set forth on p.3-6, concluding that for decades the City has been well served by a gravity based sanitary sewer system that has been one part of an overall system to maintain efficient and orderly growth of the community. The proposed policy will permit a few temporary pump stations, as the community works to complete a significant expansion of the wastewater trunk line system. Allowing a few temporary pump stations while continuing to follow the other growth principles of the community, is consistent with the 2025 Comprehensive Plan.

3. The minutes of the public hearing before the Planning Commission are found on p.12-15. The revisions submitted by staff on November 10, 2004, clarify the steps to be taken to calculate the capacity (Also see p.16).

4. Testimony by Terry Roberts on behalf of Vintage Heights Homeowners Association in opposition is found on p.13. The association is opposed to being responsible for any operating or maintenance costs and requested that the language allowing the developer to collect from the homeowners association be deleted.

5. Peter Katt testified in response to Ms. Roberts testimony, challenging that the developer cannot assume indefinitely the ongoing costs of a lift station. (See Minutes, p. 13). He clarified, as did Stephen Henrichsen of Planning staff (p.14), that the costs can be passed to the association but only to those *who benefit from the facility*. Thus, this policy would not apply to the existing Vintage Heights Homeowners Association.

6. On November 10, 2004, a motion made by Commissioner Marvin and seconded by Pearson, to delete the 6-year time frame failed 3-4 (Pearson, Marvin and Bills-Strand voting 'yes; Carlson, Carroll, Larson and Krieser voting 'no'; Taylor and Sunderman absent).

7. On November 10, 2004, the Planning Commission voted 7-0 to recommend approval, as revised by staff on November 10, 2004.

FACTSHEET PREPARED BY: Jean L. Walker **DATE**: November 19, 2004

REVIEWED BY:_____ **DATE**: November 19, 2004

REFERENCE NUMBER: FS\CC\2004\MISC.04016

LINCOLN CITY/LANCASTER COUNTY PLANNING STAFF REPORT

_____

for November 10, 2004 PLANNING COMMISSION MEETING

P.A.S.: Miscellaneous #04016
Proposed Policy on Temporary Pump Stations and Force Mains

PROPOSAL: A proposed policy on "Temporary Pump Stations and Force Mains" to address circumstances in which the City may allow sanitary sewage to be handled on a temporary basis using private pump stations and force mains.

.

CONCLUSION: For decades the City has been well served by a gravity based sanitary sewer system, that has been one part of an overall system to maintain efficient and orderly growth of the community. The proposed policy will permit a few temporary pump stations, as the community works to complete a significant expansion of the wastewater trunk line system. Allowing a few temporary pump stations, while continuing to follow the other growth principles of the community, is consistent with the 2025 Comprehensive Plan.

RECOMMENDATION:	Approval

GENERAL INFORMATION:

COMPREHENSIVE PLAN SPECIFICATIONS:

"Lincoln's future urban growth should generally occur in multiple directions around the existing city. Lincoln will continue to have managed and contiguous growth. Lincoln's sense of community has been based on incremental, compact growth built on the foundations of established neighborhoods. Future growth will continue this traditional pattern and be linked to both the level of demand in the market and to the orderly extension of public improvements and services. Lincoln will continue to contain approximately 90 percent of the County's population." (F 17)

"Maximize the community's present infrastructure investment by planning for residential and commercial development in areas with available capacity." (F 17)

"The City's collection system, in general, will continue to be a gravity fed system that is designed to accommodate urbanization of drainage basins and sub-basins. This system encourages orderly growth within the natural drainage basin boundaries. This policy encourages urban growth from the lower portion of the drainage basin and prohibits pumping of wastewater across basin boundaries. Explore alternative methods, such as lift stations, where practical." (F 77)

"The City of Lincoln shall only provide water and waste water service to properties located within the corporate limits of the city. This policy provides for contiguous growth, allows for efficient long range planning and cost effective construction and management of the system."
(F 75)

BACKGROUND:

Fall 2003, staff discussions on potential policy began as part of review of several proposals for pump stations.

March 8, 2004, preliminary plat at N. 98th and O Street (now named Waterford Estates) is submitted, including a temporary pump station and force main.

May 3, 2004, the first draft of the "Temporary Pump Station and Force Main Policy" was released on May 12th, as part of the Planning Commission report on Vintage Heights at S. 98th and Old Cheney Road, which included a proposed pump station. Staff recommended denial of the station since it was small station serving a limited area on a long term basis.

October 1, 2004, the second draft was released at pre-Council meeting with the City Council as part of initial discussion of Northbank Junction at N. 56th and Arbor Road which was scheduled for public hearing that day. This proposed temporary pump station has been placed on pending by the City Council awaiting action by the Council on this policy.

October 19, 2004 staff held a meeting to discuss this policy and other proposed changes with members of the development community. A second meeting is scheduled for November 2nd.

ANALYSIS:

1. For decades the community has been well served by its policy to use a gravity based sanitary sewer system. This policy has led to more efficient and cost effective utility service for the citizens and rate payers. Alternatives, such as relying on pump stations, are more expensive to maintain and operate in the long run. More importantly, the gravity system is a fundamental tool of the City's infrastructure and community planning that has allowed Lincoln to grow in a more contiguous and predictable manner in order to meet the community's goals.

2. The adopted City of Lincoln sanitary sewer design standards state:

   "The various elements of the sanitary sewer system in the City of Lincoln are designed to handle only that wastewater contribution which originates within the natural surface watershed where in the sanitary sewer system is located. The transfer of wastewater from one watershed to another by any means, such as lift station or construction of a sanitary sewer which cuts through the ridge separating the watersheds, shall not be permitted."

3. This proposed policy (see policy at end of report) will not allow pump stations as a replacement to the current gravity system. Instead, it is intended to permit a few temporary private pump stations and force mains in areas where the City's gravity trunk line is a few years from construction.

4. While allowing a few pump stations, the City is proposing to significantly increase sanitary sewer trunk line extensions and improvements to the treatment plants to meet future demands thought the community. The final edition of Fiscal Year (FY) 2004/05 to 2009/10 Capital Improvement Program (CIP) includes spending $35 million in the FY 2004-05 and $30 million the following year on wastewater improvements. This is a significant increase in spending on treatment capacity and trunk lines over recent years. The improvements in the next six years will expand trunk lines to the east in Stevens Creek; southeast in Beal Slough; south in Salt Creek, along West O Street, to the northwest in Oak Creek and northeast Salt Creek to the 56th and Arbor Road area.

5. While significant increases in trunk line extensions are planned by the City, there are developers who have expressed interest in starting development next year, rather than waiting three to six years for the trunk lines to be built and treatment capacity increased. Thus, this has led to discussion of temporary pump stations for these developments until the gravity trunk line is completed.

6. If temporary pumps and force mains are to be considered, the draft policy calls for them to be financed entirely by the developer. Any spending on temporary facilities will not entitle the developer to any reductions in impact fees or other cost responsibilities. Temporary improvements are not eligible for reimbursement under the impact fee ordinance.

7. In order to review the current short term requests, city staff developed a proposed policy for temporary pump stations. This policy addresses some limited circumstances for development with a pump station without adding costs or undue risk to the City. The main points from the policy include:

   a. **Pump Stations Shall be on Temporary Basis:** *Temporary shall mean a period up to **six years**, at which point the new gravity line is built allowing the facility to be discontinued.*

   b. **Priority A Areas Only:** *Pump stations are only allowed in Tier I - Priority A areas. Land in Tier I, Priority B and Tier II and III are not planned for full services for 10 years or more and should not be served at this time. Beginning development in these areas would have service and budget implications.*

   c. **Limited Use:** *Only a few temporary exceptions to the gravity sewer policy should be approved, the vast majority of the land should be served by a gravity sewer line*.

d. **Receiving Sewer Line Capacity:** *The receiving trunk or smaller lines must have capacity based on current and projected flows to receive the extra flow during the temporary basis.*

e. **Service Area of Pump Station:** *Pump stations to benefit and serve a single property are discouraged. Small pump stations are inefficient to operate. Pump stations should be designed to serve at least 500 to 1,000 acres.*

f. **Length of Force Main:** *Even if fully funded by a developer, building long force mains rather than a gravity sewer lines is inefficient use of the property or homeowner's financial resources – and a potential obligation to the rate payers.*

g. **Operating, Repair and Maintenance Costs:** *The developer will be responsible for all costs for operating and maintaining the pump station and force main during the life of the facility.*

8. There is also a proposal before the City for a pump station that could be in place for 20 to 40 years, would serve less than 40 acres and 70 homes. This type of small, long term pump station is contrary to the City policy. If adopted, it would lead to numerous requests for similar small stations scattered around the community in Tier II and III development areas. This would ultimately lead to a burden on the new property and homeowners in these subdivisions and requests for the City to take over the financial responsibility. This in turn would burden the utility ratepayers of Lincoln with the cost of maintaining many pump stations.

9. It is imperative that the temporary pump stations only sewer Tier I, Priority A areas, which are planned for development in the next decade. While a private pump station could serve the sanitary sewer needs, it doesn't address other utilities and service needs, such as water, roads, schools and fire protection. These service providers are focusing their infrastructure improvement plans on the Priority A area. The goal of the Comprehensive Plan, as well as the most efficient way to provide services, is to develop the infrastructure concurrent with development. The Comprehensive Plan states on page F 154:

"Concurrency Policy

Public infrastructure - including roads, water, sewer, parks, schools, and libraries - is essential to the health, safety, and welfare of the community. As the community grows, it is desirable that these systems and facilities be developed concurrently - that is, at the same time - with that growth.

If growth occurs without the development of adequate public infrastructure, or the public infrastructure lags behind the growth of the community, the quality of life in the whole community will be diminished. Facilities may become overcrowded or overused. In the

worst case, essential public services might not be available, thereby threatening the health, safety and welfare of the community."

10. The policy proposes that the City staff would operate and maintain the facilities, paid for by the developer. The policy states "The developer will own the pump station, land and easements, and the City will operate the pump station and force mains once inspections have been completed and the facilities are found acceptable. Pump stations in general are costly to maintain and operate and take staff dedicated to handle some time late night calls on failures and problems. Pump stations should be avoided and the City accepts operation responsibilities only to avoid problems of an inexperienced or inaccessible private operator would inadequately respond to complaints or emergency situations."

11. Developers who have expressed an interest in a temporary pump station have requested the policy include a provision allowing them to transfer the responsibility for the operation and maintenance cost to a property or homeowner's association. The policy as proposed requires the developer to still be billed for the costs, because of concerns about the ability of an association to deal with the responsibility of pump station over a number of years. The developer may bill the association for the costs, but they will be ultimately responsible for operating and maintenance costs.

Prepared by:
Stephen Henrichsen, AICP
Principal Planner

DATE: November 1, 2004

APPLICANTS:

Allan Abbott, Director
Public Works & Utilities
505 S. 10th Street
Lincoln, NE 68508
Phone: 441-7548

Marvin Krout, Planning Director
Lincoln/ Lancaster County Planning Dept.
505 S. 10th Street
Lincoln, NE 68508
Phone: 441-7491

CONTACTS:

Steve Masters
Public Works & Utilities
505 S. 10th Street
Lincoln, NE 68508
Phone: 441-7588

Stephen Henrichsen
Lincoln/ Lancaster County Planning Dept.
505 S. 10th Street
Lincoln, NE 68508
Phone: 441-6374

Policy on Temporary Pump Stations & Force Mains
Draft of November 1, 2004

For decades the community has been well served by its policy to use a gravity based sanitary sewer system. This policy has led to more efficient and cost effective utility service for the citizens and rate payers. Alternatives, such as relying on pump stations, are more expensive to maintain and operate in the long run.

More importantly, the gravity system is a fundamental tool of the City's infrastructure and community planning that has allowed Lincoln to grow in a more contiguous and predictable manner in order to meet the community's goals.

The 2025 Lincoln/ Lancaster County Comprehensive Plan states:

> *"The City's collection system, in general, will continue to be a gravity fed system that is designed to accommodate urbanization of drainage basins and sub-basins. This system encourages orderly growth within the natural drainage basin boundaries. This policy encourages urban growth from the lower portion of the drainage basin and prohibits pumping of wastewater across basin boundaries. Explore alternative methods, such as lift stations, where practical."*

The adopted City of Lincoln sanitary sewer design standards state:

> *"The various elements of the sanitary sewer system in the City of Lincoln are designed to handle only that wastewater contribution which originates within the natural surface watershed where in the sanitary sewer system is located. The transfer of wastewater from one watershed to another by any means, such as lift station or construction of a sanitary sewer which cuts through the ridge separating the watersheds, shall not be permitted."*

In light of developer requests to waive this standard and permit temporary pump stations and force mains, such requests will be considered based on the criteria on the following pages.

1. **Temporary Basis:** Pump stations are more expensive to maintain and operate than gravity systems and will only be allowed on a temporary basis. Gravity flow sanitary sewer lines are still the best and most cost efficient long term method to provide service. Temporary shall mean a period up to **six years**, at which point the new gravity line is built allowing the facility to be discontinued. As soon as the gravity line is available, the pump station shall be discontinued and removed.

2. **Priority A Areas Only:** Pump stations and force mains shall only be allowed in Tier I - Priority A areas; provided that the gravity trunk line to the service area is in the 6 Year Capital Improvement Program (CIP) with funding clearly identified.

3. **Limited Use:** The City of Lincoln's gravity sewer system policy has served the community well for decades. It is the most efficient and cost effective system for the citizens and rate payers of Lincoln. Pump stations and force mains shall only be used in unusual circumstances for a substantial public benefit. It is anticipated that temporary pump stations may only be used one or two times in the entire Lincoln area. In the vast majority of situations, gravity sewer should be used, even if the trunk line construction is several years away. Pump stations and force mains are to be temporary due to a delay in the construction of the gravity line.

4. **Impact on Other Services:** Use of a pump station to advance development may also impact the provision of other public services. Thus, the developer must address the following information (based on principles for serving Priority B areas before Priority A areas, page F 30 of the Comprehensive Plan):

   a. "Demonstrate how the necessary infrastructure improvements to serve the sub-basin would be provided and financed. The City shall contact other public agencies to obtain their report on the infrastructure necessary to serve the sub-basin including utilities, roads, fire service, public safety, parks, trails, schools and library needs.

   b. The impact that development in the sub-basin will have on capital and operating budgets, level of service, service delivery and Capital Improvement Programs is addressed.

   c. There is demonstrated substantial public benefit and circumstances that warrant approval of the proposal in advance of the anticipated schedule."

5. **Crossing Creeks:** Permanent lift stations to transfer sewage from one side of a creek to the other, as part of gravity system have always been permitted. There are circumstances where a lift station to cross a creek is the best solution instead of siphons. This has been a policy and practice of the city for decades.

6. **Receiving Sewer Line Capacity:** The receiving trunk and/or smaller line must have capacity based on current and projected flows to receive the extra flow during the temporary basis. The projected capacity should assume a full buildout of any land that is already planned to be served in the Comprehensive Plan.~~.~~ ~~The~~ then projected capacity should be based on a reasonable buildout of any undeveloped land. **(**As revised by staff and recommended by Planning Commission: 11/10/04**)**

7. **Basins with Sewer Line Capacity**: The following sanitary sewer trunk lines have capacity as of this date (assuming projected Tier I development)

Lines With Capacity	**Lines Without Capacity**
- West O	- Havelock
- Little Salt	- Dead Man's Run
	- East Campus
	- Antelope Creek
	- Beal Slough
	- Salt Creek (south)
	- Middle Creek
	- Oak Creek
	- Lynn Creek

"Lines Without Capacity" is based on ~~existing and approved developments underway~~ current and projected flows and could not be pumped into ~~under any circumstances~~ unless there is capacity based on a reasonable buildout of the area to be served. In some situations, once major improvements to a few of these lines are made, then there may be some capacity. **(**As revised by staff and recommended by Planning Commission: 11/10/04**)**

The new Stevens Creek trunk line, when constructed, would have capacity. The new Salt Valley relief trunk line is designed for a specific service area and will be considered at capacity.

8. **Use of Storage Tanks:** The use of storage tanks is prohibited. Developments have proposed building storage tanks in order to pump the waste out at night in areas where the existing pipes are at capacity. There are compelling technical and operational problems with storing effluent for period beyond a few hours. For example, there are odor problems and the waste when held for a long period can cause corrosion problems in pipe lines. A pump station is typically designed to pump all the waste out every 2 to 3 hours, which is the longest period the waste should be held.

9. **Service Area of Pump Station:** The pump station and force main should be sized to serve Tier I, Priority A land that is in the same sub-basin which naturally drains to the pump station. Pump stations to benefit and serve a single property are discouraged. Small pump stations are inefficient to operate. Pump stations should be designed to serve at least 500 to 1,000 acres. The area to be served by the pump station must be contiguous to the city limits. This policy is not intended to permit "leap frog" or growth that is not contiguous to the city. Any land to be served must be inside the city limits prior to service.

10. **Length of Force Main**: Even if fully funded by a developer, building long force mains rather than a gravity sewer lines is inefficient use of the future homeowner's financial resources. The longer time it takes to transport the waste, the greater potential for problems with respect to corrosion and odor. The transit time must be based on estimated sulfide generating capacity (or offset by chemical addition). The developer must ensure reasonable velocity with at least 4 to 5 feet per second (fps) at least 1x/day. It will be important to make appropriate use of air relief valves, blowoffs, oxygen injection (if needed), in accordance with City design standards. To protect against peak flow impacts of major storm events, the pump station should be sunk in the ground and with an enlarged pipe coming in to the pump station to provide additional storage (Hydraulic Institute Standards 98). Standards will be needed for acceptable chemicals for use in pump station odor control.

11. **Notification of Other Affected Properties:** The City is responsible for contacting all other property owners that may reasonably be served by a pump station, early in the review process. This will allow other owners to have the same information and determine their interest in the potential pump station.

12. **Location of Pump Stations:** The developer is responsible for all costs involved in acquiring suitable land for the pump station and any costs for providing access drives to the facility. Pump stations shall not be in public right-of-way. The developer shall be solely responsible for all costs of any environmental analysis needed to locate the facility.

13. **Obtaining Right-of- Way and Easements:** The developer shall be solely responsible for all costs of obtaining right-of-way and easements without any reimbursement from the City or third parties. Force mains will be allowed to be located in arterial street right-of-way, if space is available. If the force main is to be abandoned after conversion to a gravity system, the developer must prove that there is adequate right-of-way for the unused force main and all other utilities typically found in the right-of-way.

14. **Construction:** The developer shall be solely responsible for all costs of constructing the pump station and force main. Construction plans shall be approved by the Director of Public Works and Utilities Department and be per city standards. Pump stations and force mains are considered temporary facilities and thus are not eligible for reimbursement under the Impact Fee Ordinance. Any construction will be solely at the cost of the developer without reimbursement from the City.

15. **Pump Station Design Specifications:** The developer will conform to the City design specifications for temporary pump stations and force mains as developed by the Director of the Public Works & Utilities Department. Even with the design standards, there may be additional review time required for the pump stations since they are uncommon in Lincoln. All costs for any additional review time, outside of the normal EO process, of the pump station and force main shall be paid for by the developer.

16. **Third Party Connections:** Provided there is downstream capacity, when another party other than the developer connects to the pump station that party shall reimburse the developer for their "fair share" of the cost of constructing and operating the pump station and force main (including design and soft costs.) The method and formula for contribution is to be determined.

17. **Ownership and Operation:** The developer will own the pump station, land and easements, and the City will operate the pump station and force mains once inspections have been completed and the facilities are found acceptable. Pump stations in general are costly to maintain and operate and take staff dedicated to handle some time late night calls on failures and problems. Pump stations should be avoided and the City accepts operation responsibilities only to avoid problems of an inexperienced or inaccessible private operator would inadequately respond to complaints or emergency situations.

18. **Operating, Repair and Maintenance Costs:** There are substantial operation, repair and maintenance costs for a pump station and force main. The City may be required to hire additional staff to operate the facility. This requires specialized training and employees with this training are difficult to find and hire. The developer will be responsible for all costs for operating and maintaining the pump station and force main during the life of the facility. The costs of operating, maintenance, upgrading, permitting, administering, all are costs of the system that must be covered by the developer. The developer will be billed for the cost, who in turn may collect from a Property or Homeowner's Association who benefit from the facilities. The City does not want the additional cost of collecting from multiple property owners.

The developer will need to provide a bond for the operating costs over the full estimated life time of the facility at time of Annexation Agreement. The preliminary estimate for the operating, repair and maintenance costs is $25,000 per year. The bond will be estimated on a case by case basis depending upon the size and operation of the pump station and force main. The amount of the bond may be reduced each year, if the sanitary sewer trunk line progresses forward in the CIP, as long as at least two years of costs is provided.

19. **Closing of the Pump Station:** Once the station is decommissioned, the developer and any third parties will be billed all costs involved in decommissioning the station.

20. **Salvage Rights:** The developer shall fund all costs associated with properly abandoning the temporary pump station and force main, including any costs for restoring all property in or adjacent to the easements. The developer shall fund all costs associated with closing and removing the pump station. The developer shall have full salvage rights to the building, equipment and land for the pump station after it is closed. The future use of the land for the pump station shall be identified prior to approving the station.

MISCELLANEOUS NO. 04016
A PROPOSED POLICY ON
"TEMPORARY PUMP STATIONS AND FORCE MAINS"

PUBLIC HEARING BEFORE PLANNING COMMISSION: November 10, 2004

Members present: Carlson, Pearson, Carroll, Marvin, Larson, Krieser and Bills-Strand; Sunderman and Taylor absent.

Staff recommendation: Approval.

Ex Parte Communications: Dan Marvin reported that he had a conversation with Bob Hampton regarding pump stations.

Proponents

1. Steve Henrichsen of the Planning staff submitted the following proposed amendments to the language as a minor clarification in terms of #6 and #7 of the proposed policy relating to how to calculate the capacity of a line. The revised language clarifies that the first step is to look at the area currently served and the area projected to be served in Tier I; then the second step would be to make some accommodation for reasonable buildout of the area:

6. **Receiving Sewer Line Capacity:** The receiving trunk and/or smaller line must have capacity based on current and projected flows to receive the extra flow during the temporary basis. The projected capacity should assume a full buildout of any land that is already planned to be served in the Comprehensive Plan, then ~~the~~ projected capacity should be based on a reasonable buildout of any undeveloped land.

7. **Basins with Sewer Line Capacity**: The following sanitary sewer trunk lines have capacity as of this date (assuming projected Tier I development)

Lines With Capacity	**Lines Without Capacity**
- West O	- Havelock
- Little Salt	- Dead Man's Run
	- East Campus
	- Antelope Creek
	- Beal Slough
	- Salt Creek (south)
	- Middle Creek
	- Oak Creek
	- Lynn Creek

"Lines Without Capacity" is based on current and projected flows ~~existing and approved developments underway~~ and could not be pumped into unless there is capacity based on a

reasonable buildout of the area to be served. ~~under any circumstances~~. In some situations, once major improvements to a few of these lines are made, then there may be some capacity.

The new Stevens Creek trunk line, when constructed, would have capacity. The new Salt Valley relief trunk line is designed for a specific service area and will be considered at capacity.

The Commission was briefed on this policy at a noon meeting on October 27, 2004. The policy would be on a temporary basis. Priority A areas would be served with sanitary sewer within the next 6 years. The main emphasis as the city continues to move forward is to get sanitary trunk lines in place and continue to work on funding the water, streets, schools, parks, fire stations, etc.

Opposition

1. Terry Roberts, President of **Vintage Heights Homeowners Association,** 6010 S. 91st, testified in opposition. The association currently has over 500 members and they have had discussions relating to the wording in paragraph #18 at several association meetings. Hampton representatives attended their association meeting because there was a request for temporary pump station in the Vintage Heights area. Roberts stated that the homeowners association does not want responsibility for the costs of operating the pump station. She requested that the following language in paragraph #18 be stricken: "The developer will be billed for the cost, who in turn may collect from a Property or Homeowner's Association who benefit from the facilities." She sees no point in this language. The association is not in opposition to the temporary pump service as long as the cost is borne by the developer.

2. Peter Katt testified on behalf of **Hartland Homes,** in response to Ms. Roberts' testimony**.** The Northbank Junction project north of Salt Creek is what triggered the need to develop this type of policy. That development has been put on hold pending the resolution of this policy. It is clear that this policy contemplates two different circumstances between a Northbank Junction project and a Vintage Heights project. Katt urged that the language must stay in place in order to pass the cost of operating the lift stations on to the homeowners association. This responsibility would be required to be disclosed to the lot owners in advance, and they would know the estimated cost of operating it. It would be part of the calculation in terms of their buying into the lot. However, he does not believe there is any way for a lift station to be constructed and added into a homeowners association such as Vintage Heights after the fact. The Vintage Heights circumstances are entirely different. If a homeowners association cannot be financially responsible for the cost of running the lift station, there is no sense having this policy. The developer cannot assume indefinitely the ongoing costs of a lift station.

Katt knows that the Vintage Heights Homeowners Association, which is currently in existence, could not be forced by the developer to take on the expense. In order for the homeowners association to be liable for maintenance, it must be a common area. Vintage Heights does not contemplate a lift station.

Carlson inquired about the hypothetical situation where the homeowners association takes over the maintenance and after several years, they encounter difficulty or failure and they look to the city to

come in because their expenses are so high. Katt stressed that this policy is designed and intended to be an interim and temporary solution where the permanent solution is identified in the CIP. So the likelihood that there would be a catastrophic failure of this lift station within that 6 years indicates that the city has poorly designed the system. If it did happen, the legal liability would be on the homeowners association and they would have to pay the cost. It is no different than a catastrophic failure in your home.

Response by the Applicant

Henrichsen pointed out that the key language is that the costs can be passed to the association, but *only those who benefit from the facilities.* So in the case of Vintage Heights, the existing homeowners association receives no benefit whatsoever from the pump station because they are all served by gravity system. Only the lots that benefit would form a new homeowners association and pay the cost. The reason for the amendment is because the operating costs are unknown when the lot is built. The language is drafted such that the developer is billed, but the developer may in turn collect from the association. As this policy would be applied, it would not allow a pump station in Vintage Heights at all. The proposed pump station in Vintage Heights was one that would be there 20-30-40 years in the future. This policy is for temporary facilities on a short term basis.

Henrichsen further explained that the language was changed between the October 1st and November 1st drafts after meeting with several developers. It was clear that it would not be possible to include the operating and maintenance costs in the lot price when you don't know what those costs are going to be. It seemed reasonable to allow the developer to recover some cost by building it into the lot price and that the maintenance cost could be passed along. He clarified that the city will be billing the developer.

Bills-Strand does not believe this is any different than something like sewer charges that are built into a homeowners monthly statement. She does not believe it is any different than in Wilderness Ridge where the streets are private streets and the homeowners association is assessed a maintenance fee each month.

Carlson clarified that the language presumes, but not necessarily mandates, that the developer stays in the chain between the city and the homeowners association. At the point of failure, the homeowners association is going to look to the developer, or who are they going to look to in event of a failure? Steve Masters of Public Works believes that the policy assumes we are able to provide gravity service within 6 years. Therefore, the situation of a failure should not occur. Secondly, in the event that there is a problem, the city would want to keep the developer in the loop during that short time frame. It is unreasonable for the city to have to work with each individual homeowner, so by continuing to keep the developer a party in the project, then we have a way to work together to solve the hypothetical catastrophe. It has typically been beyond the six-year time period where we have seen problems with private lift stations. The logic of staying within the planning period of the CIP gives the city leverage to make sure those projects do get built.

Larson wondered what happens if the developer goes bankrupt. Henrichsen confirmed that the developer is required to put up a bond equal to the number of years for the operating and maintenance costs. The bond could be reduced as the sewer line gets closer and closer in the CIP.

ADMINISTRATIVE ACTION BY PLANNING COMMISSION: November 10, 2004

Larson moved approval, with the amendments submitted today, seconded by Carlson.

Marvin believes the cost per home is going to be nominal. This is something the homeowners association will know. However, he is a little nervous about putting in million dollar pieces of equipment and then throwing them away in 3-4-5 years. He had thought about extending the time period to 12-15 years (as opposed to the six-year CIP provision).

Marvin made a motion to amend that paragraph #2 be amended to be allowed in Tier I, Priority A Areas, deleting the remainder of the language, "...provided that the gravity trunk line to the service area is in the 6 Year Capital Improvement Program (CIP) with funding clearly identified." Also, the amendment includes that the term "temporary" shall mean a period to cover Tier I A Areas. The motion to amend was seconded by Pearson.

Carlson stated that he is opposed to the amendment because it starts to push the threshold of what we consider to be temporary. We are trying to create a policy whereby we can accommodate some projects with the existing sewer capacity, but the goal is to get gravity sewer where it needs to go. The proposal puts leverage on the city to get those infrastructure improvements in the ground. If you stretch it to 12-15 years, you will increase the potential for failure. He would rather leave it in the 6-year CIP. The goal needs to be to get gravity sewer in place.

Carroll stated that he would oppose the motion as well. It is unknown what is going to be funded in the next few years, and you can't push sewer out for 10-15 years as a temporary item and expect it to be picked up by the city. The unknown of going past 6 years is just too great.

Motion to amend failed 3-4: Pearson, Marvin and Bills-Strand voting 'yes'; Carlson, Carroll, Larson and Krieser voting 'no'.

Main motion for approval, as amended by staff today, carried 7-0: Carlson, Pearson, Carroll, Marvin, Larson, Krieser and Bills-Strand voting 'yes'; Taylor and Sunderman absent. <u>This is a recommendation to the City Council.</u>

MEMORANDUM

TO: **Planning Commission**

FROM: Steve Masters, Public Works and Utilities Department
Stephen Henrichsen, Planning Department

SUBJECT: Amendment to Temporary Pump Station Policy

DATE: November 10, 2004

COPIES: Allan Abbott, Brian Kramer, Gary Brandt, Public Works & Utilities
Marvin Krout, Planning Department
Rick Peo, City Attorney

The following is a minor clarification to the proposed policy on Temporary Pump Stations and Force Mains. The amendment is to clarify that the capacity of a pipe, for this policy, is based the flow of current and projected Tier I development using a "reasonable" buildout of the area. A "reasonable" buildout is used because not all property will be developed at once. This amendment does not change the intent of the policy and is as follows:

6. **Receiving Sewer Line Capacity:** The receiving trunk and/or smaller line must have capacity based on current and projected flows to receive the extra flow during the temporary basis. The projected capacity should assume a full buildout of any land that is already planned to be served in the Comprehensive Plan, then ~~the~~ projected capacity should be based on a reasonable buildout of any undeveloped land.

7. **Basins with Sewer Line Capacity**: The following sanitary sewer trunk lines have capacity as of this date (assuming projected Tier I development)

Lines With Capacity	**Lines Without Capacity**
- West O	- Havelock
- Little Salt	- Dead Man's Run
	- East Campus
	- Antelope Creek
	- Beal Slough
	- Salt Creek (south)
	- Middle Creek
	- Oak Creek
	- Lynn Creek

"Lines Without Capacity" is based on current and projected flows. ~~existing and approved developments underway~~ and could not be pumped into unless there is capacity based on a reasonable buildout of the area to be served. ~~under any circumstances~~. In some situations, once major improvements to a few of these lines are made, then there may be some capacity.

The new Stevens Creek trunk line, when constructed, would have capacity. The new Salt Valley relief trunk line is designed for a specific service area and will be considered at capacity.

I:\PC\MISC\04000\misc 04016 memo to pc.wpd