

From: Buss, John
Sent: Mon 4/27/2009 12:04 PM
To: Tedder, Wayne
Cc: Gomez, Blas; Printy, Tom; Fernandez, Rick
Subject: FW: Sewer Information

Wayne,

It seems nothing is ever as straight forward as it seems it ought to be, and that goes for the answers to your seemingly simple questions. So let me summarize and say, "it depends". Below is some general information that I think will be adequate to support the County's discussion, but understand that there are circumstances that can result in larger and smaller fees and costs.

1. *Sewer tap fees:*

If there is an existing sewer system in place and there is an existing service lateral stubbed out to the parcel property line:

The owner pays \$275 for the City to locate the tap if the owner's plumber needs the City to do so. The owner must also pay a one time systems charge of \$4,500 at the time of connection. The owner also has to pay their plumber to connect to the service lateral. Obviously this cost varies but for discussion you could consider \$800 to \$1,000 for the plumber's fee.

If there is an existing sewer system in place but for some reason there is no service lateral stubbed out for the parcel:

A owner pays the actual cost for the City to install a service lateral and a one time systems charge of \$4,500 at the time of connection. The actual cost to install a service lateral varies. For your discussion you can assume \$1,500. Again the owner also has to pay their plumber to connect the house to the the service lateral.

If no central sewer system exists and one is to be constructed:

If the owner connects at the time the sewer system is constructed they pay a \$4,500 systems charge and an assessment for their pro rata share of the total cost of the sewer system installed in their neighborhood. The assessment varies with the cost of the actual sewer project. In areas where existing sewer is nearby the cost might be in the range of \$7,500 but in remote areas with low numbers of customers it is likely to be in the range of \$12,000 to \$13,000.

Income:

Tap fees do not vary by income class.

2. *Average sewer use per single family home.*

Inside the City, the charge for sewer service is based on water consumption. We do not have a lot of metered water data for the unincorporated area but water usage is typically lower in rural dwellings compared to urban dwellings and therefore so is sewer usage. For discussion purposes consider 2.6 people per dwelling at 65 gpcd = 169 gpd per dwelling or approximately 5100 gallons per dwelling per month.

3. *Sewer rates:*

The sewer rate is \$6.81/1000 gal plus a fixed monthly Readiness-To-Serve (RTS) charge which varies between customer classes. For an average dwelling the RTS charge is \$21.34 per month. So, for a customer outside the City discharging 5,100 gallons per month, the monthly bill would be approximately \$56.00 including the RTS charge.

4. *Any other information you feel may be pertinent to get a full understanding of the short term and long term costs of a central sewer system.*

Preliminary cost estimates have been developed for sewerage nine septic tank areas. The cost per dwelling in the nine areas averages \$15,567 but one area in particular is has a much larger cost and skews the average, so the median of \$12,695 is a better number to consider in the discussions. The cost estimate does not include the system charges nor the owner's plumber's fee so one must add \$5,500 to the median cost for a total of approximately \$18,200 per dwelling. If the \$18,200 is amortized over a 30 year loan at 5%, the monthly payment would be approximately \$100 per month. Combining the monthly sewer charge of \$56 with the capitalization of \$100, the total monthly cost would be approximately \$156.

This could be compared to the monthly capital and operating cost of a high performance septic tank system. At the recent Wakulla Springs Symposium on Nitrate Loading, a speaker familiar with the septic tank service industry indicated that the high performance septic tanks typically require an annual maintenance contact that costs between \$200 to \$300 per year. The owner must also purchase the system, have it installed, and pay for the electricity to operate it. The installed system costs vary but \$8,000 to \$12,000 is frequently quoted. Assuming \$10,000 as the installed system cost and amortizing over 30 years at 5%, the monthly capital cost is \$56.00. Adding in electricity of say \$10 per month and \$21 for the annual maintenance contract, the owner's monthly cost for a high performance septic system is estimated at approximately \$87 per month. This probably on the low side because these home-site electro-mechanical treatment systems are not likely to last 30 years and would have to be replaced. Also, the maintenance contract is for the electro-mechanical treatment system. Eventually the drain field must be replaced and that has not been included. If one wishes to consider those elements the monthly cost of the high performance septic tank system approaches \$100 per month.

Hope this info helps with your discussion.

John

Correspondence between Wayne Tedder and John Buss

-----Original Message-----

From: Tedder, Wayne

Sent: Thursday, April 23, 2009 9:14 AM

To: Buss, John

Cc: Dressel, Kim

Subject: Sewer Information

John,

I am assisting the County to put together information regarding the proposed septic tank ordinance. One of the exercises that are being completed is a determination of the costs of sewer vs. on-site systems. Could you please provide the below information:

- Sewer tap fees (if they vary according to income, please provide the details)
- average sewer use per single family home
- sewer rates (and I heard they may double due to the improvements at the sprayfield - can you verify)
- Any other information you feel may be pertinent to get a full understanding of the short term and long term costs of a central sewer system.

We are on a rather tight deadline. Is it possible to have by Friday?

Thanks,
Wayne