



Thurston County Public Health and Social Services

# OSS Management Plan Program Funding

Thurston County OSS Plan Advisory Committee  
June 12, 2014

# OSS Plan Requirements in State Law

(WAC 246-272A-0015 & RCW 70.118A)

## **Health officers shall develop a plan that:**

- Identifies areas where OSS pose an increased public health risk;
- Identify O&M requirements commensurate with public health risks;
- Educate homeowners regarding their responsibilities to monitor and maintain their OSS;
- Remind and encourage people to inspect, monitor and maintain their OSS as required by state law; and,
- Enforce permit application, O&M, and failure repair requirements

## **Within MRAs**

- Find failing systems and ensure they are repaired; and,
- Find unknown systems and ensure that they are inspected and functioning properly, and repaired if necessary.

# How we (try to) meet state requirements in Thurston County

## **Programs in place to comply with State Law:**

- Operational Certificates
- Time of Transfer
- Pumper Report
- Marine Recovery Areas (Henderson and Nisqually)
- Grants

# How we meet state requirements...

Program	Purpose
Pumper Report	<ul style="list-style-type: none"><li>• Find failing systems and ensure they are repaired</li><li>• Find unknown systems</li><li>• <i>Also</i> provides data to help evaluate programs</li></ul>
Marine Recovery Areas	<ul style="list-style-type: none"><li>• Identify OSS risk areas</li><li>• O&amp;M requirements commensurate with risks</li><li>• Educate homeowners</li><li>• Remind and encourage people to inspect, etc.</li><li>• Enforce permit application, O&amp;M, and failure repair requirements</li><li>• Find failing systems and ensure they are repaired</li><li>• Find unknown systems</li></ul>
Grants	<ul style="list-style-type: none"><li>• All of the above... plus</li><li>• Evaluate areas and develop new programs</li><li>• Funding basic OSS education</li></ul>

# How we meet state requirements...

Program	Purpose
Operational Certificates	<ul style="list-style-type: none"><li>• O&amp;M requirements commensurate with risk</li><li>• Educate homeowners</li><li>• Remind and encourage people to inspect, etc.</li><li>• Enforce permit application, O&amp;M, and failure repair requirements</li><li>• Find failing systems and ensure they are repaired</li></ul>
Time of Transfer	<ul style="list-style-type: none"><li>• O&amp;M requirements commensurate risks</li><li>• Educate homeowners</li><li>• Remind and encourage people to inspect, etc.</li><li>• Enforce permit application, O&amp;M, and failure repair requirements</li><li>• Find failing systems and ensure they are repaired</li><li>• Find unknown systems</li></ul>

# 2013 O&M Activities & Revenue

Activity	Number of Activities	Cost	Revenue
Operational Certificates -Renewal	1,150	\$120/\$61	\$ 112,562
Operational Certificates - MRA	2,555	\$37 - \$135/year	\$ 466,008
Operational Certificates –New	133	\$155	\$ 19,666
OPC Inspection Reports	3,527 (county) 2,588 (MRA)		
Time of Transfer	1,497	\$205	\$ 303,000
Pumper Report	7,192	\$15	\$ 85,860
Grants			\$ 475,000
TOTAL			\$1,462,096

# Issues



- Equity & Fairness
  - Nickel and Dime
  - OSS owners receive different services/service levels
  - Concern of Board of Health (2010)
- Gaps
  - Larger need for enhanced programs
  - Most don't participate – max of 10,000 OSS evaluated in 2013
- Sustainability
- Staffing and Management – billing, collections and record management
- Fee limitations

# Local Septic Management Program Needs Assessment (DoH)

## Purpose

- Identify & assess funding needs of the Local Health Jurisdictions' septic management programs

## Key questions:

- What does it cost to implement your current program?
- What would it cost to both fully implement your management plan and comply with state requirements and targets?



# Total Annual Need by County

County	Current Annual Expenditures	Additional Annual Need	Total Annual Need (Current Exp. and Add. Need)	Total Septic Systems	Total Annual Need/Total Septic Systems
Clallam	\$144,000	\$576,000	\$720,000	20,007	\$35.99
Island	\$431,336	\$862,671	\$1,294,007	34,117	\$37.93
Jefferson	\$249,377	\$174,565	\$423,942	13,500	\$31.40
King	\$438,485	\$1,542,700	\$1,981,185	157,500	\$12.58
Kitsap	\$369,190	\$632,500	\$1,001,690	54,000	\$18.55
Mason	\$257,025	\$145,930	\$403,955	25,735	\$15.70
Pierce	\$1,940,709	\$374,435	\$2,315,144	110,028	\$21.04
San Juan	\$203,375	\$134,500	\$337,875	8,600	\$39.29
Skagit	\$420,800	\$428,300	\$849,100	13,500	\$62.90
Snohomish	\$276,200	\$1,402,000	\$1,678,200	78,000	\$21.52
Thurston	\$1,256,435	\$1,479,524	\$2,735,958	70,000	\$39.09
Whatcom	\$443,250	\$0	\$443,250	27,564	\$16.08
					average/OSS/county: <b>\$29.34</b>
TOTAL	<b>\$6,544,185</b> 46% of total	<b>\$7,754,124</b> 54% of total	<b>\$14,184,305</b> total need	<b>612,551</b> total OSS	average/OSS/region: <b>\$23.16</b>

# Thurston Cost Assumptions

(for DoH study)

- MRAs
  - Maintain Henderson and Nisqually
  - Sequentially create and implement programs for Eld, Totten and Budd or Summit Lake
- Efficient county wide inspection reminder system for all OSS
- Increased educational offerings (across county)
- Improve on-line reporting

# What should we do?

Is there a better way?

- Application Fee?
- Annual Charge via property tax?
- Both?

Is current program fair?

What should the County fund?

# Assumptions

- Grants are diminishing
  - EPA NEP grants fund source likely ends in 2 years
  - DoH grants (\$45K) are subject to approval by legislature
- DoH financing project uncertain
  - Final report in 2014?
  - Funding requires legislative approval and budget authority
  - Near term prospects questionable

# Assumptions

- County or General Government Funding Very Unlikely
- OSS plan and programs need to pay for themselves

# Alternate Program

- Expand program to serve all OSS Owners
- Pay for baseline programs via charge on property tax statement that covers
  - Time of Transfer
  - Operational Certificates
  - Pumper Reports
  - Education and Outreach
  - Compliance

# Options

Using current methods about 5% of OSS are high risk systems that require dye tracing

- Do we charge everyone the same amount?
- Should high risk pay more?

2014 Henderson and Nisqually charges

- High risk systems pay \$100 or \$137
- Low risk pay \$36 or \$61

# Flat Rate or Two Tier?

## Flat rate

- Charge of \$40/year per OSS

## Two Tier

- Most systems pay \$36/year
- High risk systems (5% of total) charged \$100/year
- Additional cost funds dye tracing every 6 years
- High risk systems are shoreline systems that require periodic dye tracing



# Alternate Program Assumptions

- Examples compare costs for 10 years of OSS ownership
  - Average home ownership = ~10 years
- Program needs to return “Total Annual Need” in DoH study of \$2,736,000/year
- We have 70,000 OSS
  - Cost per OSS may go up if we have fewer OSS

# O & M Cost Comparison – 10 years

- Home in Nisqually MRA – Low Risk

	Activity	Cost	Number	Total
Current	Annual OPC	\$60	10	\$600
	Pump Report	\$15	2	\$30
	Time of Transfer	\$205	1	<u>\$205</u>
	Grand Total			\$835
Flat Rate	Annual Charge	\$40	10	<u>\$400</u>
	Grand Total			\$400
2- Tier	Annual Charge	\$36	10	<u>\$360</u>
	Grand Total			\$360

# O & M Cost Comparison – 10 years

- Home in Henderson MRA – High Risk

	Activity	Cost	Number	Total
Current	Annual OPC	\$100	10	\$1000
	Pump Report	\$15	2	\$30
	Time of Transfer	\$205	1	<u>\$205</u>
	Total			\$1235
Flat Rate	Annual Charge	\$40	10	<u>\$400</u>
	Total			\$400
2- Tier	Annual Charge	\$100	10	<u>\$1000</u>
	Total			\$1000

# O & M Cost Comparison – 10 years

- SF Home with Operational Certificate

	Activity	Cost	Number	Total
Current	Annual OPC	\$120	3	\$360
	Pump Report	\$15	2	\$30
	Time of Transfer	\$205	1	<u>\$205</u>
	Grand Total			\$835
Flat Rate	Annual Charge	\$40	10	<u>\$400</u>
	Grand Total			\$400
2- Tier	Annual Charge	\$36	10	<u>\$360</u>
	Grand Total			\$360

# O & M Cost Comparison – 10 years

- SF Home - NO Operational Certificate

	Activity	Cost	Number	Total
Current	Pump Report	\$15	3	\$45
	Time of Transfer	\$205	1	<u>\$205</u>
	Grand Total			\$250
Flat Rate	Annual Charge	\$40	10	<u>\$400</u>
	Grand Total			\$400
2- Tier	Annual Charge	\$36	10	<u>\$360</u>
	Grand Total			\$360

# Alternate Funding

## Pros

- Equitable and Fair
  - One charge pays for most services
  - More services to OSS owners
- Fills Gaps
  - All areas with increased risk addressed over time
  - More services and assistance to all OSS owners = greater participation
- Sustainable
- More efficient – Reduces staff time and resources needed for billing and collections
- It's legal!

# Alternate Funding

## Cons

- Looks like a tax...
- Public perception
  - Will services be commensurate with charges?
  - Cost creep
- Accountability
- Will take time to fully implement
- It's still looks like a tax...

Any Questions?