

# Austin's Private Lateral Financing and Repair Program

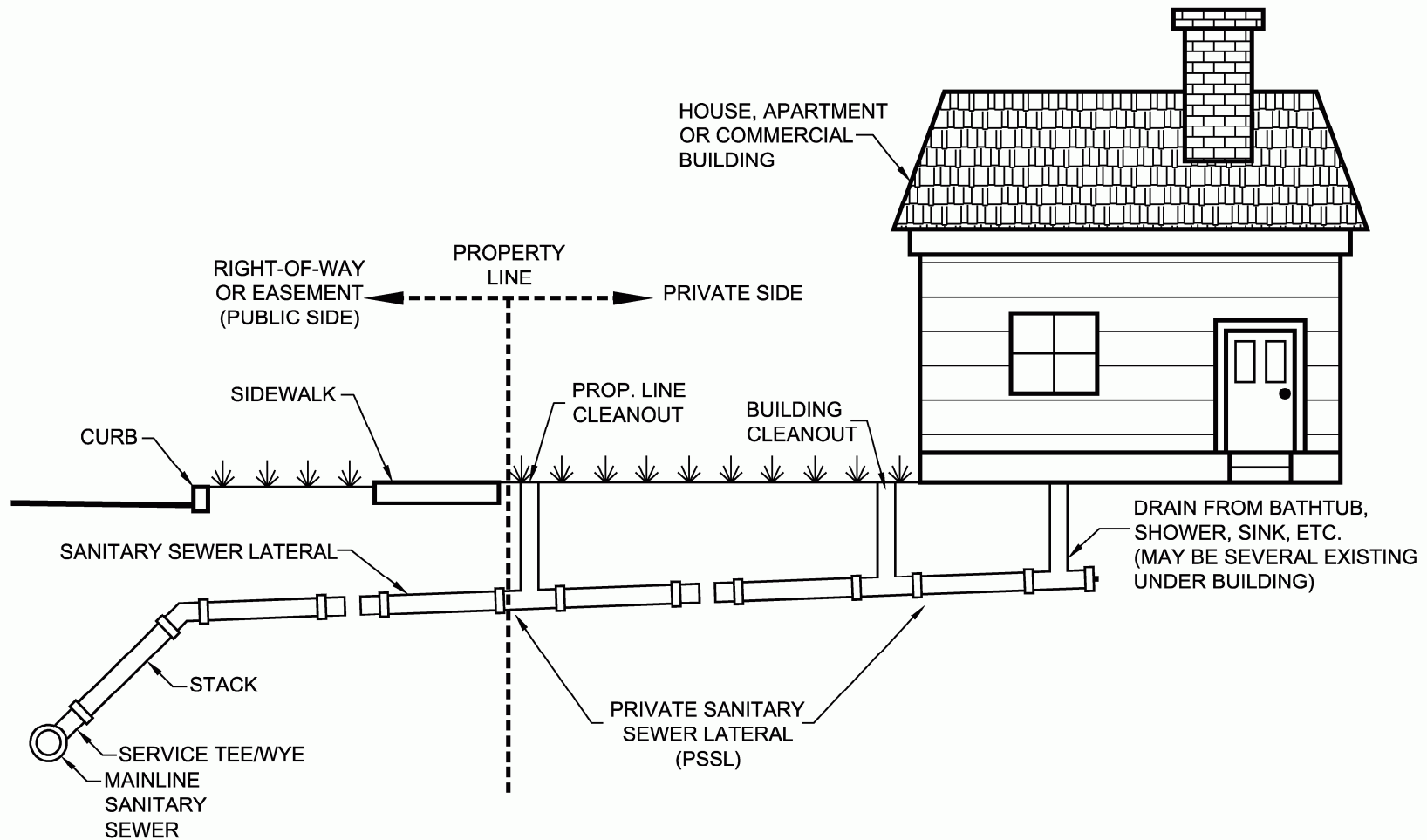
Gopal Guthikonda, P.E.  
Raj Bhattarai, P.E., DEE  
Austin Water Utility  
City of Austin, Texas

# Austin, Texas

- Capital of Texas
- Deep in the heart of central Texas
- ~270 sq. miles
- Estimated Population: 700,000
- Collection System: ~2,320 miles
- Service Connections: ~168,200
- System-wide Wastewater Flow: ~85 MGD

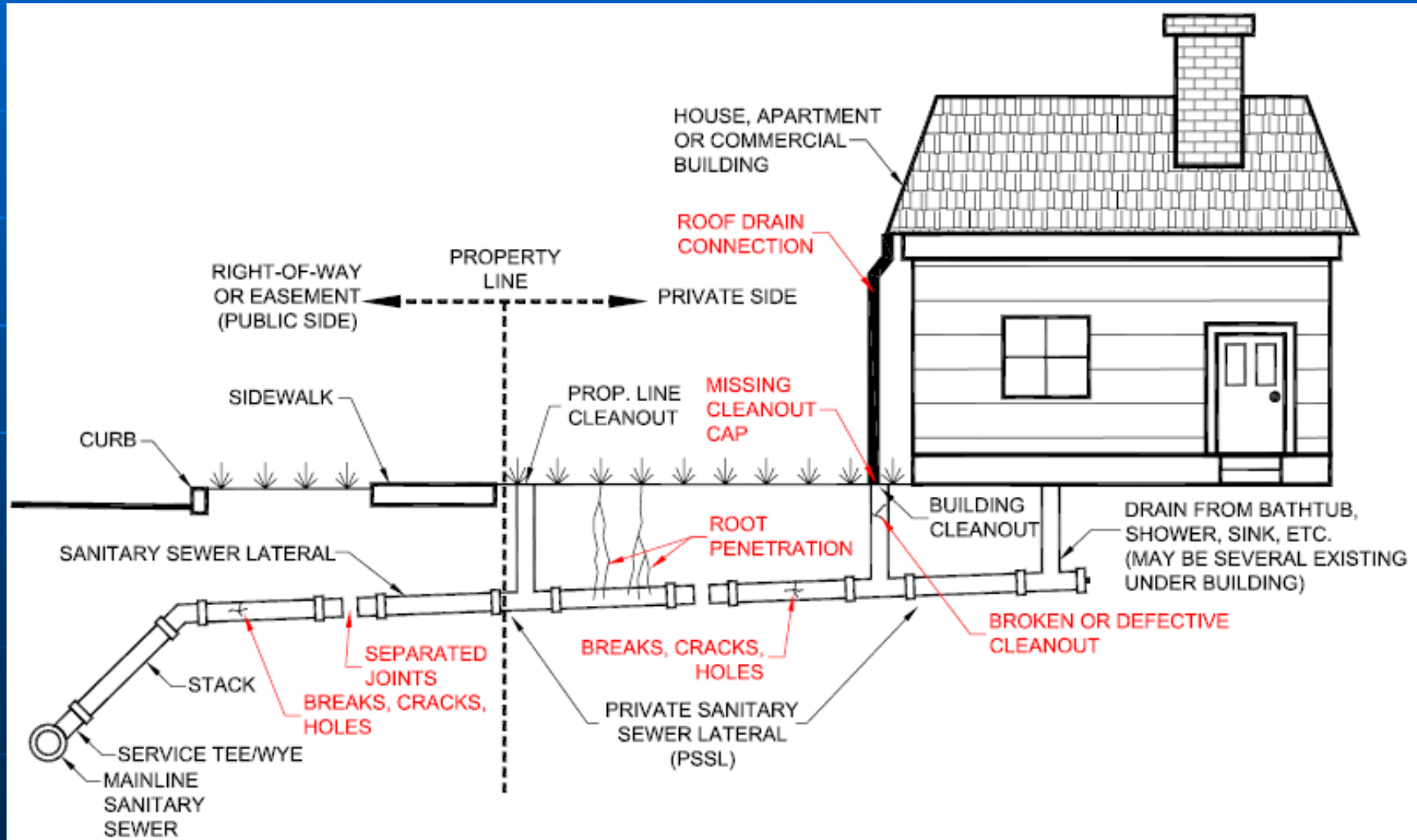


# Typical Sanitary Sewer Lateral



What kind of private  
lateral problems have  
we encountered?

# Sanitary Sewer Lateral Problems



# Why are private lateral problems a big deal?

- Contribute extraneous flows to collection system
- Can cause sanitary sewer overflows
- Negatively impact public health and the environment
- Lead to higher O&M costs for collection as well as treatment systems

# EPA's Administrative Order

- Issued April 1999
- Required elimination of SSOs by December 2007
- Required 14 broad and separate tasks
- Utility took a comprehensive look at its collection system
- Inflow/Infiltration (I/I) studies
- Sewer System Evaluation Survey (SSES)

# I/I and SSES Studies

- Indicated significant (~50%) extraneous flow contributions from private laterals
- Estimate ~6% or ~10,000 private laterals may need repair or replacement
- Majority of the repair/replacement costs estimated to be in the range of \$1,000 - \$3,000



# Old Approach

- Old ordinance: finding the defect wasn't enough, had to show significant flow contribution due to defects
- Difficult for the Utility to prove its case
- Lacked enforcement teeth and deadline to complete repairs

# New Approach

- Develop a new plan
  - Survey of other Utilities' practices
  - Public Input – Citizen Advisory Group
  - New Ordinance
  - Enforcement
  - Incentives
  - Better installation practices
  - Schedule

# Citizen Advisory Group

- Diverse group of 33 members
- Geographical and interest group diversity
- Leaders and representatives from neighborhood, environmental advocacy and restaurant association
- Quarterly meetings
- Reviewed and commented on most aspects of Austin Clean Water Program

# Private Laterals Task Force

- 8 volunteers from Citizen Advisory Group
- 8 Meetings in 2003 - 2004
- Presented results of December 2002 Survey by Miami-Dade County
- Discussed variety of approaches:
  - Utility paying for all private laterals work
  - Private lateral insurance program
  - Flat charge of \$1,000 for all necessary work on private laterals
  - Cutting off drinking water if customer does not complete private lateral work by a certain deadline

# Private Laterals Task Force (continued...)

- Task Force favored a new ordinance
- Wanted to provide incentive to the customers
- Stronger enforcement
- After 2 years of work, consensus on a Private Lateral Financing Program
- Interest-free financing as well as Penalty for not completing work in time

# Private Lateral Financing Program

- Modeled after Austin Energy's Total Home Efficiency Loans Program
- Austin Water Utility would buy down the interest for loans made by a private lender
- Request for Proposal from financial institutions
- City Council approval scheduled next month for the new ordinance and financial program

# Eligibility Requirements

- Applicant must have an active Utility account
- Applicant must own the residence requiring the lateral repair or replacement
- Property must be a detached, single-family dwelling or owner-occupied duplex (Commercial or multi-family properties ineligible)

# Eligibility Requirements (continued...)

- Prior to any construction, the private lateral must have been inspected by the Austin Water Utility and deemed not to be in compliance with the Utility's requirements
- Final installation must be inspected and approved by the Utility



# Eligible Cost Items

- Approved cost of repairing or replacing private lateral from property line to immediately outside the house, including necessary backfill
- Approved cost of installing necessary cleanouts to private lateral

# Eligible Cost Items (continued...)

- Approved cost of removing or decommissioning old private lateral from property line to immediately outside the house
- Approved cost of any necessary permits

# Ineligible Cost Items

- Cost of repairing or replacing internal building plumbing
- Cost of installing, removing or replacing any trees or landscaping items
- Cost of installing or replacing any paving materials

# Ineligible Cost Items (continued...)

- Cost of installing or replacing any surface treatments, concrete slabs or foundations, light poles, mail boxes and any similar appurtenances
- Cost of remediating hazardous materials
- Cost of decommissioning septic tanks and appurtenances

# Program Terms and Conditions

- Minimum loan amount \$1,000
- Maximum loan amount \$3,000
- Loan proceeds must be used for eligible cost items only
- Current plans are to continue the Private Lateral Financing Program even after the conclusion of EPA's Administrative Order on June 30, 2009

For more information, please contact:

Gopal Guthikonda, 512-703-6649  
[gopal.guthikonda@ci.austin.tx.us](mailto:gopal.guthikonda@ci.austin.tx.us)

Raj Bhattarai, 512-972-0075  
[raj.bhattarai@ci.austin.tx.us](mailto:raj.bhattarai@ci.austin.tx.us)

Austin Water Utility  
City of Austin  
625 East 10<sup>th</sup> Street  
Austin, Texas 78701  
<http://www.ci.austin.tx.us/acwp/>

