



# PRIVATE SEWER LATERAL REPLACEMENT ASSISTANCE PROGRAM

Policy and Guidelines

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Approved:

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Date

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## **Policy Summary**

Old collapsing and leaky private sewer laterals contribute to surface damage, sink holes, and potholes in the City's streets. These old and failing pipes also contribute to the inflow and infiltration problem that ground water has on the City wastewater system. The City has developed this program to provide financial incentives to encourage timely replacement of these sanitary sewer laterals.

The Private Sewer Lateral Replacement Assistance Program utilizes wastewater funds budgeted to provide reimbursement of failed sanitary sewer lateral replacement within the public right of way. The program will continue each year to the extent that funding is available. The program only applies to private single family and two family residential properties. This program only applies to those laterals which are replaced in their entirety from the public sewer main to the residential structure(s).

Lebanon Municipal Code 13.04.210 places the responsibility for maintaining private sewer laterals on the owner of the property it serves. Old collapsing and leaky private sanitary sewer laterals contribute to surface damage, sink holes, and potholes in the public streets and sidewalks. These failing pipes also contribute to the inflow and infiltration problem in the Lebanon wastewater system.

## Policy Rules

1. The program is effective as of July 1, 2008.
2. The program only applies to private single family and two (2) family residential properties.
3. The assistance program is only in effect when funds are allocated for that purpose within a given budget year.
4. Allocated funds are available on a first come first serve basis until allocated funds are expended.
5. Construction of public sewer mains or new sewer connections will not be funded by this program.
6. The property owner of the residential structure which the lateral serves shall be reimbursed for the full cost of the lateral replacement within the right of way including right of way permit costs.
7. Reimbursement shall not include the cost of work associated with lateral replacement on private property.
8. Reimbursement shall not include the cost of obtaining easements.
9. Reimbursement only applies to those laterals that are replaced in their entirety from the public sewer main to the residential structure(s). Exceptions to this may be granted by the City Engineer.
10. Proof that lateral pipe failure is located in the public right of way must be submitted and approved by the City Engineer. In addition to pipe failure, reconstruction of any clay, concrete, and orangeburg laterals in the public right of way are eligible for reimbursement.
11. The program will only fund those improvements necessary to meet the normal costs associated with a private sewer lateral replacement less any rebates or incentives offered by a contractor.
12. All private sewer lateral replacement assistance program applications must include three (3) detailed price quotes from different contractors prequalified with the City to perform this work in the public right of way. A list of prequalified contractors is available from the City Engineering Division. The application and a price quote detail sheet are shown on pages 6 and 7. The three (3) quotes will be evaluated by the City and one of them will be approved for potential reimbursement. Lump sum quotes will not be accepted. The City reserves the right to refuse approval of any quote. The program will only reimburse the amount indicated in the approved price quote detail sheet unless otherwise approved by the City Engineer.

13. Funds will only be reserved once permits have been issued. Permits will expire and reserved funds will be made available to others if construction has not begun within 60 days of permit issuance.
14. **PLEASE NOTE:** Reimbursement only applies to those property owners that acquired all applicable permits, complied with all City, State, and Federal standards, have obtained final inspection approval, and have returned a complete “proof of contractor payment” form to the City (see form on page 9) within 30 days from final inspection.
15. The property owner is the only person eligible to apply for this program and the funds will only be released to the property owner of record.

## Step by Step Guidelines

1.  Thoroughly review the Private Sewer Lateral Replacement Reimbursement Program Policy and Guide document.
2.  Provide verification to the City Engineering Division that the sewer lateral is damaged in the public right of way. This may be a recorded CD, DVD, or VHS of an internal pipe inspection; or it may be a detailed description provided by the individual “snaking” the line.
3.  Submit a completed Sewer Lateral Replacement Reimbursement application to the City Engineering Division.
4.  Meet with a representative of the City Engineering Division to discuss options to replace the sewer lateral.
5.  Submit completed price quote detail sheets from three (3) different contractors prequalified with the City to perform this work in the public right of way. DO NOT contract with any contractor unless the City has approved that contractor’s price quote detail sheet. The three (3) quotes will be evaluated by the City and one of them will be approved for potential reimbursement. The program will only reimburse the amount indicated in the approved price quote detail sheet. A list of prequalified contractors is available from the City Engineering Division. Additional contractors may become prequalified with the City by completing a prequalification form and paying an annual fee at the City Engineering Division.
6.  Provide verification to the City Engineering Division that any necessary easements have been obtained and are recorded with Linn County Records Office.
7.  Provide verification to the City Engineering Division that any necessary permits have been obtained from other government agencies.
8.  The contractor whose price quote detail sheet was approved by the City must meet with a representative of the City Engineering Division to discuss the project, and the reimbursement process.
9.  Obtain a right of way permit from the City Engineering Division and pay permit fee.
10.  Obtain a building permit from the City Building Department and pay permit fee.
11.  Contractor must begin work within 60 days of permit issuance.
12.  Submit a completed “proof of contractor payment” form to the City Engineering Division within 30 days of final inspection.

## **Frequently Asked Questions**

Q1: Why is the program limited to residential single family homes and duplexes?

A1: The City has been concerned about the residences that have ongoing trouble and complaints about sewer service. Some residences have little means to provide repairs.

Q2: If funds run out for this year, can I save my “proof of contractor payment” and submit it for the next year’s funding?

A2: Return a complete “proof of contractor payment” form to the City within 30 days from final inspection. If approved by the City Engineer, “proof of contractor payment” forms may be held pending budget approval when further funds are allocated for the next fiscal year beginning July 1. No obligation can be made against next year’s budget. The amount of funding allocated for this annual replacement program is determined each year during an annual budget process and can not be guaranteed.

Q3: If my contractor discovers something that costs more than the “approved detailed quote”, will I get reimbursed for that too?

A3: To keep contracts from under bidding projects to get work then asking for more money during actual construction, the program will only reimburse the amount indicated in the approved price quote detail sheet unless otherwise approved by the City Engineer.

Q4: My contractor is not from this area and gave me a lump sum bid. Can I use this contractor?

A4: Only itemized quotes submitted to the City on the “price quote detail sheet” will be considered for approval. Lump sum quotes can not be accepted because they do not provide any basis for evaluating how costs were distributed in public right of way versus private property. The contractor would need to become a City approved prequalified contractor before the price quote detail sheet could be considered for approval. City prequalification of contractors provides a review process to determine qualifications and insurance information which seeks to protect the property owner, public, and the City government.