
Rio Dell City Hall
675 Wildwood Avenue
Rio Dell, CA 95562
(707) 764-3532



DATE: July 16, 2024

TO: Mayor and Members of the City Council

FROM: Sunshine Kelly, Wastewater Superintendent

THROUGH: Kyle Knopp, City Manager

SUBJECT: Future amendment of City of Rio Dell Municipal Code Chapter 13.10 "Sewer Rates and Regulations" and adoption of Resolution No. 1609.204 the creation of the Sewer Lateral Repair/Replacement Program Revolving Loan Fund.

IT IS RECOMMENDED THAT THE CITY COUNCIL:

Receive a presentation by the City of Rio Dell Wastewater Superintendent on future proposed amendments by updating language amending Chapter 13.10 "Sewer Rates and Regulations" in the City of Rio Dell Municipal Code and future proposal of a Sewer lateral repair/replacement program revolving loan fund.

BACKGROUND AND DISCUSSION

As the City Council is aware our Inflow and Infiltration issues during the wet weather season are extreme. It is Staffs goal to work with the City customers to resolve some of these I&I issues on private property by providing guidance with clearer language in the City of Rio Dell Municipal Code Chapter 13.10 "Sewer Rates and Regulations".

It has been brought to the attention of the Wastewater Superintendent that with the adoption of Chapter 13.10 Sewer Rates and Regulations created by Freshwater environmental in 2013, Articles from the past Chapter were not included and as such the language of Chapter 10.13 is vague in its descriptions and can be miss interpreted.

Staff is hopeful that with clearer language, preventative maintenance and scheduled maintenance will be established with projects that may happen in the future. Staff is looking for clearer language in Chapter 13.10 for clarity in designating boundaries for present and future wastewater customers.

Such as:

- 1) Making clear that backflow devices and lower cleanouts with correct direction of sweep are installed at time of sale during sewer lateral inspections.
- 2) Clarifying language that at time of sale sewer lateral inspections, camera work be done to look for tie-ins or shared laterals, when discovered these be immediately made aware to the property owners and that a 60-day time line be given to fix the matter.
- 3) Requesting that if a property is within 300 feet of the City Sewer and their current on-site wastewater treatment (septic) system fails or is not adequate for future development of the property, that property tie into the City's Sewer system.

It has been brought to the attention of the Wastewater Superintendent that throughout the City there are many hidden sewer laterals, some of them tie into their neighbors' lateral. According to City code this is not legal and must be dealt with at the time of sale when a lateral test inspection is attempted and corrections must be made to pass the lateral inspection.

It is during these tests that neighbors and home owners discover the problems, and letters of deferment are written to help with the completion of the project. Sometimes these lateral corrections can be costly and as a surprise cannot be financially sustainable for low income residence.

It is Staff's recommendation that at a future date the City:

- 1) Create the Sewer Lateral Repair/Replacement Program Revolving Loan Fund where in the City sets aside \$150,000 from the Sewer Fund, to make available to home owners that are needing sewer lateral replacement and lower cleanout installation.
- 2) A fixed 5-year loan with 6% interest paid back to the City.

This Revolving Loan Fund (RLF) project is currently being worked on by the Finance Department, and City Attorney, as they resolve some of the details for Staff to have a complete presentation for the Council in a future date.

No action by the City Council is required at this time. Staff is sharing their direction and are open to a discussion as the process moves forward.

ATTACHMENTS:

Draft Sewer Lateral Loan Program.
Sewer Lateral Demo.

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SEWER LATERAL LOAN PROGRAM

If you are required by the City to replace your sewer lateral, loans will be made available from the City to help ease the unanticipated cost burden of the project. The specifics of the loan program are currently as follows:

- Maximum repayment term = 5 years
- Interest Rate = 6% annually
- Maximum loan amount = \$7000
- No credit or background check
- No income requirements
- Owner must sign a Deed of Trust to the City for the loan amount requested
- Loans apply to work performed by properly licensed contractors only. Owner/builder work is not covered

The process of applying for and using loan program dollars to finance lateral repairs is generally as follows:

1. Owner files application for Sewer Lateral Loan at Rio Dell City Hall
2. Lateral work is bid and conducted by licensed plumbing under a building permit (may be obtained by the owner or contractor)
3. The City reviews the Sewer Lateral Loan application and lateral work bid
4. Owner is notified that their loan application has been approved or denied
6. Owner signs a Deed of Trust for the loan amount
7. All permits must pass final inspection before loan funds are issued
8. City pays contractor loan dollars in the amount specified in the Deed of Trust.

***Note:** Loan requests are typically based on quotes. Due to the time involved in drafting and recording legal documents, loan funds will only be dispersed for the amounts shown on the initial quote. Any amount over the quoted cost is the owner's responsibility. The best way to deal with this is to ensure your plumber's quote is a "not-to-exceed" amount.

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DATE: 6/30/202X
TO: Rio Dell Resident
FROM: City of Rio Dell
RE: Sewer Lateral Loan

Rio Dell Resident
 123 Anywhere St Rio Dell CA 95562

Loan Date	1/1/2025
Amount	7,000.00
Interest	6%

Period Ending	Principle Amount	Annual Interest Amount	Time	Total Annual Interest	Total Interest Due
12/31/2025	7,000.00	1.15	365.0	420.00	420.00
12/31/2026	7,000.00	1.15	365.0	420.00	840.00
12/31/2027	7,000.00	1.15	365.0	420.00	1,260.00
12/31/2028	7,000.00	1.15	365.0	420.00	1,680.00
12/31/2029	7,000.00	1.15	365.0	420.00	2,100.00
LOAN #1				INTEREST ONLY--	2,100.00
				PRINCIPLE--	7,000.00
PRINCIPLE AND INTEREST--					9,100.00
Reconveyance Fee					45.00
Total Due					9,145.00