

Questions and Comments Regarding Wastewater Submitted to Staff

1. What is the purpose of the ordinance?

Ultimately, this is a question for Council to answer: What is Council trying to accomplish with this ordinance? Staff's understanding from prior discussions with Council on this subject was that Council was looking for ways to facilitate economic development activity in the City during the time period that the City anticipates being under a development moratorium relating to wastewater system capacity, by providing the flexibility to allow alternative wastewater systems under appropriate circumstances, subject to a discretionary review by Council. Furthermore, the City Council set the following goal for 2025-27: "7.8: Explore possible alternative wastewater treatment systems to facilitate targeted economic development under the moratorium."

2. How does that align with the Economic Development Strategic Plan?

It depends on what the proposed use is. Uses with higher average incomes and that are in a target industry are preferred. One target industry, metals manufacturing, is one of the proposed developments that prompted the City to first consider alternative treatment systems.

3. The ordinance should spell out exactly what the target industry is that we are trying to accommodate.

If desired by Council, the ordinance could certainly be drafted to more narrowly target a specific industry, or if Council prefers, it could remain more flexible as it is currently drafted. Reviewing the Economic Development Strategic Plan would provide the most guidance on the identification of the City's target industries.

4. The ordinance should clearly identify the criteria for approval of an alternative wastewater system.

The approval criteria were drafted to maximize flexibility and provide a high level of discretion, but if desired by Council, the criteria could certainly be drafted in a more black and white (clear and objective) manner.

5. The ordinance should clarify/define grey-water and what it can be used for.

Similar to the above, this was drafted to maximize flexibility because a particular business may be able to use grey water in a way that the City cannot currently anticipate. However, it could be drafted more prescriptively if Council prefers.

6. Who reviews and approves the application for potra-potties, holdings tanks, or other systems? Does DEQ need to be consulted?

In addition to the review that would be required by City Council under this ordinance, other agency reviews and approvals may be required depending on the type of system proposed. Any septic or alternative sewer treatment system will require Clackamas County approval to be accepted. Greywater recycling systems will be reviewed by Public Works engineering regarding the function of the system, usage locations for recycled water and cleaning schedule. Disposal

locations will also be confirmed by Public Works. All onsite plumbing will require the proper permits and inspection. Electrical components will require Clackamas County permitting and approval.

7. What is the definition of community service use?

This, too, was drafted to maximize flexibility and discretion, but could be drafted more narrowly if Council desires. As defined in Title 17 of the Sandy Municipal Code, a community service use is defined as, “a community use, including but not limited to, schools, churches, community centers, fire stations, libraries, parks and playgrounds, cemeteries, or government buildings.”

8. How many alternative solutions could be installed before environmental contamination could become a problem?

Any septic type system approved by Clackamas County will be built to appropriate standards to have minimal environmental impacts. Most, if not all septic systems approved by Clackamas County require a maintenance contract which is regulated by the county, ensuring new systems will function as designed. Staff is following up with Clackamas County to get additional information and may be able to provide more clarity during the Council meeting.

9. What is the process for dealing with associated industrial waste from the manufacturing process for both short- and long-term treatment solutions?

This is difficult to answer in the abstract, because it will depend on the type of use on the property and the type of system proposed. One of the approval criteria is that the proposed system “will adequately protect against environmental contamination.” The applicant will therefore need to provide sufficient information about their proposed system and use to convince Council that this standard is met.

10. What is the requirement process for forcing a connection to the City’s wastewater system at a later date? Can a specific date be set by Council?

The answer to this question depends on the nature of the system the applicant is proposing:

- a. For porta-potties, the City can decide at any time to require the property owner to connect to the City’s wastewater system. When the City makes that determination, the City will notify the property owner, and they will have 90 days to connect.
- b. For grey water systems, they will be required to connect to the City’s wastewater system when the useful life of the grey water system has come to an end. Council should specify the useful life of the system in its approval of the application, thereby setting a required connection date.
- c. For all other types of systems, Council would evaluate the type of system proposed and decide whether it should be treated like “A” above or like “B” above.

11. If a property owner fails to comply, the City can fine them until they comply, or the City can perform the work itself, bill the property owner for the cost of the work, and lien the property if the bill is unpaid.

If Council would prefer a different means of dealing with this issue, the ordinance could be drafted differently to accomplish that goal.

12. Who is monitoring the alternative wastewater system to ensure proper operation and maintenance?

The City would have the authority to do so under this ordinance, subject of course to its limited resources and priorities. Depending on the nature of the system installed, other agencies may also have some monitoring authority. Systems will be under the authority of Clackamas County. Approvals of any system are to be written to give the City the authority to inspect at will. The systems in question will have an appropriate inspection period by Public Works staff. The City can report to Clackamas County, when appropriate, for enforcement.

13. Does the greywater system need a broader definition, similar to a type 1, 2, or 3 as defined by the state?

The current definition would encompass all three types of grey water systems. If Council desires a different approach, the ordinance can be drafted accordingly.

14. How much do current large commercial accounts contribute to our overall rates?

This is difficult to answer with respect to large or small commercial accounts. In July 2025, all commercial accounts made up 22% of total wastewater rate revenue, and 25% of total water rate revenue.

15. Would it be better to allow alternative treatment and allocate all remaining ERUs to residential?

It depends. There are several considerations to take into account, including potential property tax revenue, potential jobs created, potential water consumption, total SDCs potentially collected, etc.

16. Are residential connections better for SDCs and rate revenue?

SDCs are charged on a per ERU basis, so in theory a business that takes 20 ERUs and 20 new residential houses would pay the same. Rate revenue is subject to consumption, which varies greatly depending on business type and number of people in the household. In terms of property tax revenue, a commercial property that is developed and uses 20 ERUs would likely generate somewhere in the \$100,000 range per year in property tax revenue. Those same 20 ERUs allocated to residential would likely generate approximately \$23,000 per year in property tax revenue. In summary, one type of use isn't better than the other in terms of SDC collections, but property tax revenue is significantly different when analyzing commercial vs. residential properties.