

COUNCIL DECISION REQUEST

SUBJECT: Private Well Connection Policy

MEETING DATE: July 5, 2007

PAYSON GOAL: NEW: EXISTING: X

ITEM NO.:

TENTATIVE SCHEDULE:

SUBMITTED BY: Buzz Walker



AMOUNT BUDGETED: N/A

SUBMITTAL TO AGENDA

EXPENDITURE REQUIRED: N/A

APPROVED BY TOWN MANAGER

CONT. FUNDING REQUIRED: N/A

EXHIBITS (If Applicable, To Be Attached): One page Proposed Policy and one page Administrative Procedure

PROPOSED MOTION I MOVE TO DIRECT THE Payson Water Department to implement a policy for the deferral or time payment of water system connection fees when a well owner wishes to abandon use of the well and receive water service from the public water system.

SUMMARY OF THE BASIS FOR PROPOSED MOTION: The continuing drought has caused many local water wells to decline in water production. In some cases, the decline in production renders the wells unable to supply an amount of water necessary to supply the needs of the household. In many cases, it is possible for the well owner to connect to the public water system. In some cases the well owner is remote from the public water system. In any event, connection to the public water system can be an expensive proposition. The recent raise in the Water Development Fee makes this even more expensive. The Water Department wishes to implement a new policy whereby the immediate costs of converting from a private well to public water system service is delayed for a period of time so that the connection is financially possible. Implementation of a payment plan for connection costs or a deferral of fees until the sale of the property to be served should assist the vast majority of well owners who desire to connect to the public water system.

PROS: Allows for connection to the public water system with a decreased financial burden on the property owner.

CONS: Defers receipt of applicable water system connection fees.

PUBLIC INPUT (if any): N/A

BOARD/COMMITTEE/COMMISSION ACTIONS/RECOMMENDATIONS (if any) (give dates and attach minutes):

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PROPOSED POLICY FOR OWNERS OF PRIVATE WELLS TO ESTABLISH PUBLIC WATER SERVICE

Background

At various times property owners who rely on private wells for their water supply may experience decline or failure in water production from those well(s). This may happen for a variety of reasons such as drought, limited perched groundwater availability, groundwater pumping from adjacent wells, contamination, equipment failure, etc. In some instances, the owner of the private well wishes to establish public water service if a public water line is available to the property. In other instances the owner of the well does not wish to establish public water service. In the former instance, it is possible to use established policies for determining the cost of connection to the public water system. In the latter instance, the owner of the well must bear the costs of the particular remedy of the reason for the loss of production in the private well. This may include deepening of the well, hauling water, installing or replacing equipment or adapting to the decrease in well production by reducing water use.

Connection to the public water system can be an expensive action. Costs of connection for a single-family residence range from \$50.00 to \$4,725.00 depending on the location of the residence and the development history of the lot on which the residence is located. Extension of a public water main necessary to service the property can add considerable additional expense to these figures. Some property owners find it difficult to finance these expenses, especially if the failure of their private well is sudden or unexpected.

It may be appropriate to develop a policy that allows for owners of private wells to connect to the public water system and defray the cost of that connection to a later date. At this time, homeowners who have experienced failure of their well can connect to the public water system and pay the costs of connection in monthly payments for up to a five-year period. By way of example, connection fees in the amount of \$4,725.00 could be satisfied with an initial payment of \$50.00 (security deposit) and sixty subsequent monthly payments of \$77.92. In actuality, the cost of connection to the public water system is an investment as the value of the property rises consistent with the cost of the public water service connection.

In other instances of well failure it may be appropriate to defer the costs of connection to a date certain in the future. This could be accomplished by an initial payment of \$50.00 (security deposit) to establish public water service and the placement of a lien on the property for the balance of the connection costs to be paid at the transfer of title of the property for which water service is established. In both instances, the homeowner would agree to discontinue use of the private well and allow the Town to either use the well for groundwater monitoring purposes or legally abandon the well. The costs of well abandonment would be borne by the Town.

Monthly payment for cost of water service at regular rates will be the responsibility of the new customer.