

LAKES AREA SEWER AUTHORITY
WASTEWATER COLLECTION SYSTEMS FOR INLAND LAKES
FREQUENTLY ASKED QUESTIONS

The following are some of the frequently asked questions about lake sewer projects in general.

1. Q. Why should our community consider a sanitary sewer project?
A. Concern for taking a proactive approach toward protecting surface water and drinking water resources basically drives the need for all communities to, at the very least, consider some kind of common collection and treatment system for the wastewater we generate daily.
2. Q. How would this project affect me?
A. If the Township(s) decide to move forward with the project, homeowners and businesses within the service area will be required to connect to the new sewer.
3. Q. How is the service area determined for the study?
A. Generally, density of development is the primary determining factor.
4. Q. Who determines if the project should proceed?
A. Townships must decide the level of overall public approval they will feel most comfortable with. In general, when the Township officials are satisfied that there is enough support within the community to move forward, they will proceed.
5. Q. How will that happen?
A. Under State Law, Townships have four (4) options for proceeding with the project. They are Michigan Public Act 233 of 1955, Public Act 188 of 1954, Public Act 185 of 1957, and the Michigan Drain Code. In general, a Township, along with the County and/or funding agency, will initiate the project and formally oversee the project to completion.
6. Q. If approved, when can we expect construction to begin?
A. If everything goes well, possibly within 12 months of approval.
7. Q. How is the total project cost determined?
A. Through a detailed study and preliminary sewer layout. Estimates are preliminary and based on the information generated for the study. Past experiences on these types of projects allow the engineer to prepare reliable estimates from the preliminary sewer layout. Many factors can affect final costs including final design, routing, restoration of roads, construction conditions, funding rates and terms, and changing material costs.
8. Q. How can a project be funded?
A. It is likely that the project funding will be from a general obligation bond issued by the County. Low interest financing and grant funding can be applied for through the United States Department of Agriculture, Rural Development Program and low interest financing can be applied for through the Michigan Department of Environmental Quality State Revolving Fund (SRF) Program.
9. Q. How will the bond be repaid?
A. Through rates and assessments paid by property owners within the sewer district.
10. Q. What will this mean to my household?
A. In general, a rate structure must be developed that will repay the capital costs of the project as well as annual operation, maintenance and replacement (O, M & R) costs. The rate structure would typically include a monthly charge to cover O, M & R costs, plus a portion of the capital costs; a benefit fee assessment for each connection; and a parcel fee assessment; as described below:

Monthly Rate: This would be a flat monthly rate charge which each customer would pay each month based on the number of Residential Equivalency Units (REU's) assigned to each customer. A single-family residence (1 REU) would pay the base monthly rate. Other users, such as commercial or industrial users, apartment buildings, mobile home park, or resort, would pay a monthly rate based on their respective total number of REUs times the monthly rate/REU. These charges may go up or down as costs may dictate.

Benefit Fee Assessment: This would be a one-time flat fee assessed to each customer who connects to the system. This would also be allocated based upon REU's as described above.

Parcel Fee Assessment: This would be a one-time flat fee assessed to each property, served by or with access to the system, based upon the taxable and buildable parcel records of the local jurisdiction.

Other Costs: In addition to the monthly sewer rates and assessments, property owners can expect to incur the following additional expenses in connection with the project.

- a. Septic System Abandonment - Each household will be responsible for closing their septic system in conformity with County Health Department regulations.
- b. Service Connection - Gravity - Each household will have to connect to the system from the building to the sewer service at the property line.
- c. Service Connection - Pumped - Some property owners whose land is well below the elevation of the sewer will have to utilize an individual grinder pump or sewage ejector to access the sewer system.
- d. Permit fees for these connections.

11. Q. What would be my share of the project cost?

A. Final rates will be determined by the actual cost of the project. Many factors will influence this cost, including labor and material costs at the time the project is undertaken, interest rates, and most importantly, the scope of the project, and the number of households available to share the costs.

12. Q. Are mobile or modular homes treated the same as a site-built home?

A. Yes, unless they are within a manufactured home community. In that case, the community is assessed the parcel fee and each unit is counted as a fraction of a residential equivalency unit (such as 0.75 REUs) for the benefit fee.

13. Q. What if I am on both sides of the road, my house on one side and my garage on the other?

A. It depends on the community's user rate ordinance. Generally, you would be assessed a parcel fee assessment on both lots but you would only pay one benefit fee for the lot where your home is located, assuming the garage is simply a garage. Should the garage include any fixture (i.e., toilet) that generates wastewater discharges, it would minimally be considered a fractional REU and assessed a benefit fee as well.

14. Q. What about those that are on a fixed income and cannot afford this?

A. The State of Michigan and the Federal Government have programs available for persons that qualify under the income guidelines. Generally, detailed information is required from the applicant for approval. The subsidy is usually tied to the title of the property and is collected as a lien at some future sale.

15. Q. Is it mandatory that I connect to the system?

A. If you are within the approved district, the parcel fee assessment and benefit fee assessment will be applied to your property as a lien. This would also be true for all unpaid monthly rates. The final ordinance will then mandate your physical connection. Per LASA's current ordinance, all lake-side structures generating sewage and any backlot structures generating sewage within 250 feet of an available sewer must connect.

16. Q. What about those of us who just installed a new septic system or just completed our new home with a new septic system?

- A. If you are within the approved district boundary, you will be required to connect to the system including the abandonment of your new septic system.
17. Q. How will the district boundary be determined? Who will decide what properties are in and what properties are out?
- A. The district boundary will be determined by the Township Officials and is based on perceived risk or need. The boundary is written as a legal land description and normally includes whole tax parcels.
18. Q. Instead of an expensive community or public sewer system, can't we just build our individual septic systems better?
- A. Yes, you can do a better job of treating or disposing of your wastewater on your own land than you are right now. But, you will likely find the cost to be greater than that of a public system and the on-site system will not protect the ground and surface waters. In addition to that, you must always make room for the replacement system, then the replacement of the replacement system.
19. Q. What about someone who connects to the system after it is complete - will there be an added charge?
- A. Yes, most ordinances allow for a surcharge or added premium for later connections.
20. Q. I have lived in my home for 20 years and have never had a problem with my septic system. Why do I need a sewer system?
- A. The average life of a conventional septic system is 15 to 20 years with normal use and good maintenance. Early failures are due to many factors, including water table, soil conditions, topography, and volume of use. If your system is 10 to 15 years old, its days are numbered. If your system is 15 to 20 years old, it was likely not built to the standards required for proper and modern operation. In other words, it may be discharging to groundwater now without your knowledge.

The REMOVAL of the wastewater entirely from your property protects your water well, your neighbor's well and the quality of the groundwater and nearby surface water resources.

21. Q. We have been using septic systems for years, why all of a sudden is this no longer desirable?
- A. The transition from septic systems to public/municipal collection and treatment has been going on for more than 40 years in the rural areas of this country and longer in villages, towns and cities.

It is widely accepted and understood that the technology used in the municipal collection and treatment of wastewater thru public sewer systems far out-performs that of the simple septic system.

22. Q. How will this affect my property values?
- A. In most communities, the installation of public sewers has a very positive affect on property values, generally increasing values in excess of the sewer assessment. Home buyers from areas where they are accustomed to having public sewers have a much higher level of comfort knowing their investment does not include the future risk of a failed septic system with few, if any, options for replacement. Additionally, in accordance with the Headlee Amendment, property taxes *cannot* increase due to increased property values associated with sewer installation and will only increase once a property is sold and the taxable value uncapped.
23. Q. How will the property owners pay for the assessment?
- A. 1. The balance can be paid in full at any time during the assessment period.
2. You may pay them on an annual basis as part of your property tax bill.
24. Q. Why is it my concern if I don't even live on the lake?
- A. All homes within the watershed area contribute to contamination of groundwater and drinking water. Every septic field drains toward the lake or your well. Large wastewater producers, such as a school or office complex, are a real and possible risk to your drinking water resources.

25. Q. Are there any test results that actually prove sewers help the groundwater and surface water quality?
- A. There are tests that show the increases and decreases in a variety of contaminants as well as tests that show levels of turbidity (water clarity) and so on. In Michigan, many lake associations regularly test their water and send the results to the Michigan Department of Environmental Quality. The water quality on lakes that have installed sanitary sewers has improved.
26. Q. How are the hundreds/thousands of acres of agricultural runoff being handled? Isn't it true that the pollutants from the farmland are much greater than septic systems?
- A. Agricultural runoff is a recognized contributor to water pollution. For this reason, there are several state and federal programs in place to educate farmers about the hazards of their farming practices and what they must do to minimize these hazards. On the other hand, there are few programs in place to educate home and business owners about their septic systems and historically, little if any enforcement has taken place. For that reason it has become the responsibility of individual property owners to take steps to protect their own water resources to the best of their ability.
27. Q. Who really stands to gain? Do developers, lawyers, and engineers stand to be the true beneficiaries?
- A. The primary beneficiaries of a sewer project are the people served by the system. They can now wash their laundry at home, get a dishwasher, use a garbage disposal without septic implications, take long showers, and do all the other things formerly prohibited by their septic system. And of course, drinking water wells are no longer in danger of being impacted by septic wastes. On lakes, anyone who uses the lake and the lake itself benefit from cleaner water with fewer nutrients to increase plant growth.
28. Q. What will happen to the lake if we do nothing?
- A. Under natural conditions, most lakes will ultimately evolve to a eutrophic state (meaning the increase in nutrient levels causes a decrease in oxygen levels) as they gradually fill in with sediment and organic matter transported to the lake from the surrounding watershed. The natural lake aging process can be greatly accelerated if excess amounts of sediment and nutrients (which stimulate aquatic plant growth) enter the lake. This is commonly associated with human activity and is often referred to as "Cultural Eutrophication". This problem can be managed by identifying the sources of sediment and nutrient loading to the lake and trying to halt or slow the inputs.
29. Q. Why aren't the assessments more proportional to property values?
- A. All property has to be treated the same way. The assessment cannot be determined by what a property is worth. Customers that typically produce more sewage will pay more.
30. Q. What can we do if we oppose the assessment?
- A. Before or at the assessment hearing, property owners can protest the assessment and if unresolved, the state tax tribunal will hear the case and issue a decision. This is available for all property owners affected by the project. We are not aware of any numerical analysis to determine whether an assessment is acceptable or not. Our understanding of the criteria is whether or not the property benefits from the sewer proportional to the assessment.
31. Q. What happens when the source of collection and treatment services arbitrarily decides to raise rates?
- A. The Township has entered into a long-term contract with the LASA for the operation and maintenance of the wastewater system. The contract establishes how rates are set and spread among system users. The LASA will not be able to arbitrarily raise rates without justifications.