# MEMORANDUM

**TO:**      Mayor Diane W. Marlin and Members of the City Council

**FROM:**    William R. Gray, Public Works Director

         Bradley M. Bennett, Assistant City Engineer

         Justin Swinford, Civil Engineer II

**DATE:**    February 22, 2018

**RE:**      Overhead Sewer Program

## Background

In 1998, the Joint Intergovernmental Sanitary Sewer Technical Committee, consisting of representatives from the City of Urbana, the City of Champaign, the Village of Savoy, and the Urbana & Champaign Sanitary District (UCSD), proposed a program to assist homeowners with the cost of installing overhead sewer systems to address chronic sanitary sewer back-ups into homes.

An overhead sewer system consists of a sanitary sewer ejector pump, collection pit, and check valve, and the installation of these systems typically involves reconfiguring the lower level plumbing in a home.  These installations can be expensive (typically $4,000 - $6,000), but are necessary in older homes to prevent sanitary sewer water from backing up through basement plumbing fixtures during heavy rainfall events.

The original program provided a 75% cost-share to property owners, up to a maximum reimbursement of $3,700.  The City and UCSD participated in the reimbursement costs, with the City covering two-thirds of the expense ($2,500) and UCSD paying the remaining third ($1,200).  Any costs above the maximum reimbursement amount are paid for by the property owner.  This program was approved by the City Council in November of 1998 and the first reimbursements were issued in early 1999.

In 2013, the program reimbursement maximum was increased to $4,500, with $3,000 paid by the City and $1,500 paid by UCSD.  This increase reflected the rising cost of overhead sewer installations.  In the 18-year history of this program, $169,289.25 has been reimbursed to property owners for the installation of overhead sewer systems.  That amounts to $112,859.50 paid by the City to residents, with the balance provided by UCSD.  These installations have helped to prevent damage to homes and personal property during heavy rainfall events.

## **Proposed Program Updates**

The Public Works Department is proposing to add the Overhead Sewer Program to the Urbana City Code, Section 24-43, with two changes to the existing program that will be beneficial to property owners and residents:

1. Decrease the minimum number of required quotes for installation costs from three to two. This will allow property owners to provide the required number of quotes more quickly, as finding three contractors to provide this information often proves time consuming.
2. Increase the maximum reimbursement for the program to $5,250. This is based on a 50% reimbursement (max of $3,500) by the City and 25% reimbursement (max of $1,750) by UCSD. The proposed increased reimbursement amount would reimburse 75% of up to $7,000 in overhead sewer installation costs.

These proposed changes provide updates to the program that are consistent with the program offered by the City of Champaign for its residents.

## **Financial Impacts to the City Budget**

The proposed increase for the maximum reimbursement would result in a higher expense to the City. Each installation would potentially cost the City $500.00 more than it would under the existing program. The City has averaged three reimbursements per year over the last 5 years, with an average yearly cost to the City of $8,343. This could increase to approximately $10,500 on average. As the City budgets $13,500 annually for this program, a budget increase is not proposed at this time.
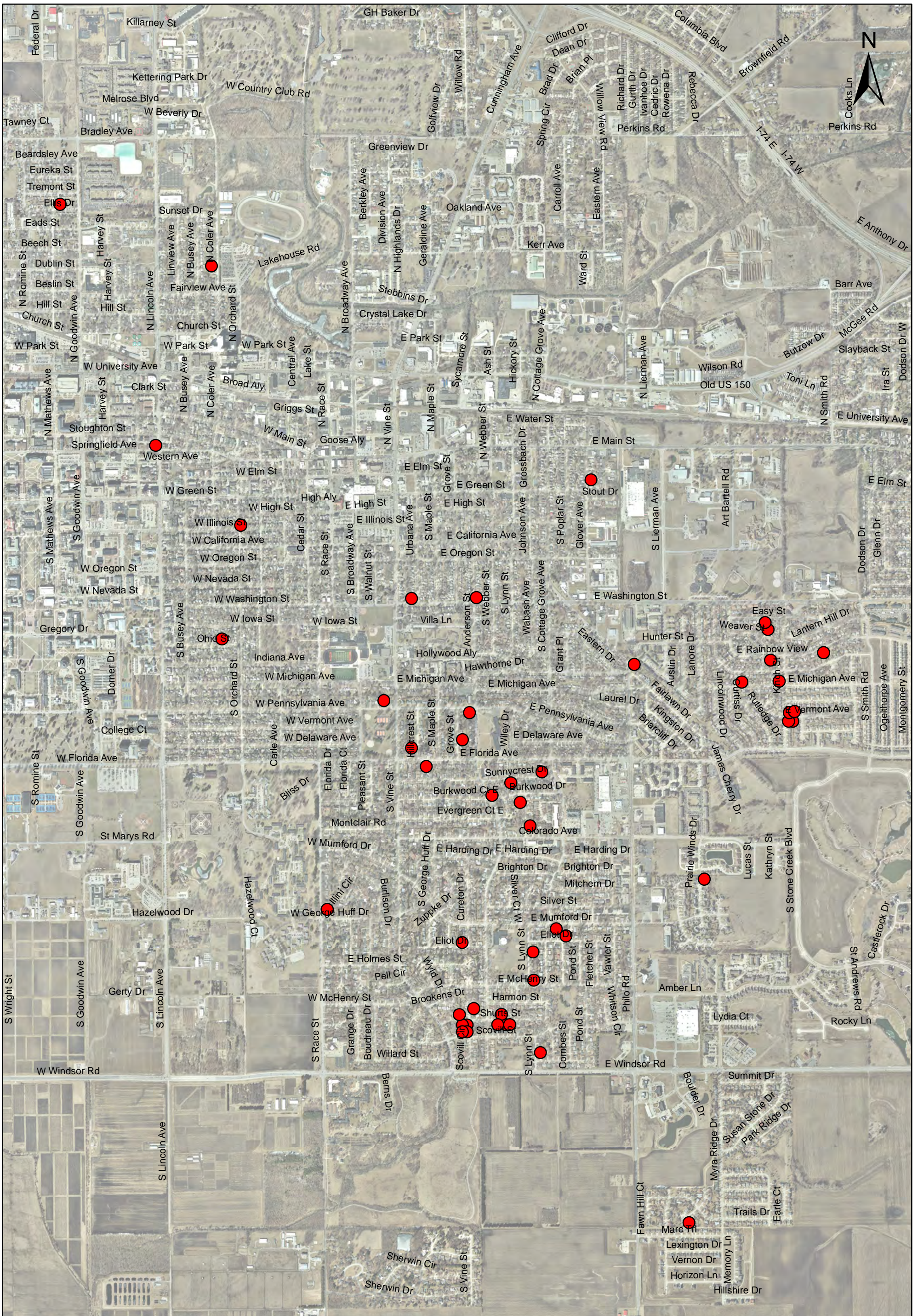
## **Recommended Action**

With direction from Council, the Public Works Department will produce an ordinance for this program, including the two proposed updates, for a vote at a future City Council Meeting.

Attachments:
A – Overhead Sewer Installation History Map
B – History of Reimbursements for Overhead Sewer Program

**ATTACHMENT A -
OVERHEAD SEWER PROGRAM
INSTALLATIONS 1999 TO 2017**

**Attachment B - Overhead Sewer Program**
**History of Reimbursements**