

Local Permit Surcharge for Statewide ISDS Program Support Factsheet

Background:

Over 600,000 individual sewage disposal systems (ISDS) in the state with roughly 7,000 to 8,000 new permits issued each year. Approximately one-fourth of the state population is served by such systems, rather than by centralized wastewater treatment. Examples of impacts include:

- Elevated nitrate and/or bacteria levels in ground water used for drinking water, and nutrient loadings adversely affecting surface waters.
- There are areas of known nitrate contamination and increased nitrate levels in ground water in areas of high density (lots less than one acre) and a significant number of homes.
- In some surface water basins, phosphorus loadings from onsite wastewater systems are a potentially significant water quality factor.

For many years local environmental health directors and ISDS Program Managers have expressed concern for the lack of support for local ISDS Programs at the state level. The Colorado Professionals in Onsite Wastewater (CPOW) fully support this effort. CPOW is a professional organization comprised of industry professionals, government representatives, academics and researchers, and manufacturing representatives. This group is coming forward asking for additional support to coordinate the efforts in Colorado. CPOW has met with the Water Quality Control Commission to emphasize the importance of this position. CPOW has also testified before the Joint Budget Committee identifying the need for state coordination.

Issue:

Leadership at the State level is needed to support local government oversight of ISDS and to address the challenging issues related to ISDS, as identified in the **ISDS Steering Committee Report**. The program supported by this surcharge would be responsible for implementing the recommendations of this report. Some highlights of the **ISDS Steering Committee Report** are as follows:

- The existing ISDS guidelines are very outdated and are in need of revision. The guidelines currently limit and in many cases prohibit local control to oversee this program. State-of-the-art technologies are not being incorporated into our approach to dealing with onsite wastewater in many cases because the prescriptive codes create disincentives for their use. Nationally programs are looking to incorporate performance-based guidelines to ensure proper use of technology and treatment occurs.
- The state needs to develop management options for locals to use, that would provide for the continued operation and maintenance of systems. The development of standardized means to implement renewable permits is needed from CDPHE.
- We need to standardize and develop programs for the education and training of all our professionals. We also need to ensure we have continuing education so that Colorado stays up with changing technologies.
- We need CDPHE to identify and manage funding for the continued research of onsite wastewater, and to provide financing options for onsite/decentralized projects.

These issues must be addressed in a way that would not impact the capacity of local agencies to continue existing local ISDS programs.

Remedy:

- The Water Quality Control Division (WQCD), at the direction of the Joint Budget Committee, is proposing in HB07-1329 that all new positions be supported with fee funding. In addition to authorizing fees for other WQCD water quality programs, HB07-1329 would provide for a state surcharge to be added to new ISDS permits. Local boards of health are the only entities that are authorized to collect fees for ISDS-related activities.
- The surcharge would support 1.2 FTE at the Colorado Department of Public Health and Environment consisting of a professional engineers and an environmental protection specialist to lead the statewide ISDS Program.
- The ISDS Program would be guided by the recommendations of the **ISDS Steering Committee Report**.

Budget:

- The Budget is based on an estimated 6,000 new permits issued annually which would generate approximately \$112,000 assuming a 5% rate for uncollectible surcharges. This estimate takes into account local agencies retaining \$3.00 per permit to cover local expenses to administer the surcharge and remit to the State.
- The budget will cover 1) Personal Services including salaries and benefits for 1.0 professional engineers, .1 physical science research scientist and .1 environmental protection specialist (\$89,814); 2) Operating Costs including equipment, travel, and other program reimbursements (\$4,999); and 3) Indirect Costs at 18.4% (\$17,445).

Benefits:

- Fee-based funding would be a stable funding source that would prevent the opportunity for shifting them to other priorities as has been the case with state general funds.
- Local control would not be impacted, as the ISDS Statute would continue to clearly authorize local control of the ISDS program.
- Statewide capacity would be established for implementing the recommendations of the ISDS Steering Committee including:
 - Evaluation and certification of new technology.
 - Review of local regulations.
 - Development of policies regarding appropriate application of technology; field size reductions; appropriate management strategies; and monitoring.
 - Review and revise ISDS Guidelines to promote consistency across local jurisdictions as well as other state agencies and policies.
- In the words of a county commissioner from northeastern Colorado at a recent CCI Land Use Committee meeting, "It's about time the state brought the science back into policy."

Additional Information can be found in the Individual Sewage Disposal System Steering Committee at:

<http://www.cdphe.state.co.us/op/wqcc/SpecialTopics/ISDS/ISDSRecommendations020214.pdf>