

Canterwood STEP System Association
July 27, 2013

Dear Canterwood STEP System Association member;

For the past two years, your Board of Directors has been working hard to make the STEP system work more efficiently and, more importantly, lower the monthly charges for sewage. Like all of our members, we are very unhappy with the charges from the City of Gig Harbor for processing our sewage. The rates have risen sharply in the past four years and we believe that they will continue to increase as the City continues construction on the sewage treatment facilities.

In most communities the charges for sewage treatment are based upon water consumption and usually represent a small percentage of the charges for water. In Canterwood, if you are connected to the STEP system, you do not have a drain field on your septic system and, as a result, your septic system has a pump that moves waste water into the STEP system lines that run throughout the community under the streets.

The waste water or effluent is pumped down towards the Baker Way gate and runs through a meter as it connects to the City of Gig Harbor's sewage lines. Since Canterwood is not within the city limits of Gig Harbor, the City charges the STEP System Association 1.5 times the in-city limits rate for sewage treatment.

Four years ago STEP members were paying less than \$50.00 per month for sewage. Prior to 2008, there was a significant level of new home construction in the Gig Harbor area and the City decided that they needed a new sewage treatment plant to handle the growth. As a result, the City began construction on a new plant completing Phase I and Phase II. To pay for this construction, the City based everything on the level of new construction, which would generate additional revenue to the City through "Hook Up Fees" and property taxes for the new homes within the City limits.

When the economy collapsed in 2008, the City was already committed to the construction of the plant, but new home construction was now almost nonexistent. As a result, the City began to raise rates for sewage treatment and the monthly charges to STEP Association members continued to climb. Presently, STEP

members are charged \$110.00 per month. Our conversations with the City indicate that the rates will continue to increase as the City begins construction on upgrades to other components of their sewage treatment facilities.

Now that we have reviewed the economic and political reasons for the rate increases, let's examine what the STEP Board has been doing to address the problem. The State of Washington through the State Department of Health (DOH) and the State Department of Ecology (DOE) are permitting small communities to develop and operate a kind of super drain field called a LOSS (Large Onsite Sewage System). Essentially a LOSS is a tract of land that is configured with tanks and drip lines, all buried under the soil, where waste water or effluent is pumped and disposed of through absorption in the soil. Often times these LOSS tracts are wooded areas with trails or park settings and where there are flat areas, some communities have built play fields on top of the drip lines.

These LOSS systems are very innocuous. In fact, if you did not know that a LOSS was there, everything about the tract of land would appear perfectly normal. There would be no visible evidence of the tanks and drip lines and there would be no odor coming from the land. The only evidence that one could see would be a concrete pump house that contains the pumps, switches, and valves that operate the LOSS.

The STEP Board has been working with a septic system consultant and an engineering company to do the initial exploratory work on a parcel of land owned by Canterwood Development Company. The scope of this work entailed digging holes at uniform distances throughout the parcel to determine the soil's capacity to train. The data that the engineering company has collected appears to be positive, meaning that most of the parcel has soil that will accept water and drain it through the soil.

Certainly, this is very encouraging; however, before we can seek approval from the State Department of Health we will have to complete two additional studies. The first is a Winter Water Analysis and the second is a Land Contour Analysis. These two studies will tell us how well the parcel of land drains during the winter when there are large amounts of water on the surface of the soil and how the parcel of land naturally drains off water based on topography.

Our engineer has taken the preliminary findings to Ms. Nancy Darling of the State Department of Health for review. Her response was cautiously optimistic, stating that we should proceed with the next two studies. These two studies would be completed by April 2014 at a cost of approximately \$27,000.

At that time, the STEP Board will be able to take the information to the DOH to gain approval to build the LOSS. If the DOH gives the Board authorization to proceed, the Board will then have to find a company that builds and operates LOSS systems to see if there is interest in the project. Obviously, the companies will be looking at the return on their dollar after their initial investment.

The STEP Board will be looking at the LOSS project from the perspective of significantly lowering the costs to the STEP Association members for sewage treatment. One of the Board's criteria in proceeding will be the desire to reduce charges to members to as close to 2004 rates as possible. If we proceed with the LOSS project, we will disconnect our lines from the City sewage lines and we will be no longer be dependent on the City for sewage treatment.

Your Board of Directors will continue to keep all members informed as we move forward.

Two of our board members are moving to other communities and will no longer be living in Canterwood. This is creating two vacancies on the board. If you are interested in serving on the board of directors, please contact Alan Weiss at 253-514-6064 or weissaj1@comcast.net.

Sincerely,

STEP Board of Directors

Mr. Doug Allen, President
Mr. Michael Williams, Vice President
Mr. Ed Caudill, Treasurer
Mr. Alan Weiss, Secretary
Ms. Anne Hankins, Director