

Canterwood STEP System Association

September 12, 2013

Dear Canterwood STEP System Association member;

As we indicated in our last letter to STEP members, your board of directors is very concerned about the escalating sewage charges from the City of Gig Harbor. In the past five years, the rates have gone from \$45.00 per month to \$110.00 per month. The board anticipates another rate increase effective January, 2014. If the STEP board is unsuccessful in its plans to reduce rates, it is possible that within the next five years rates could approach \$175.00 to \$200.00 each month.

This action could become a problem for Canterwood residents who want to sell their homes. Since many buyers are accustomed to having a hook-up to city sewage or treating sewage through a complete septic system with a drain field, it comes as a shock when sellers try to explain the STEP system and the high rates that residents have to pay for sewage. This could become a deal breaker for potential buyers. It is for reasons like this that your board of directors is looking for viable solutions to lower sewage costs.

Annual Meeting for STEP Members

This letter will outline the Board of Directors' tentative plans to address this issue. Before finalizing these plans, the board would like to solicit input from all of the members. We have moved our annual meeting to **Thursday, October 3, 2013** to give our members an opportunity to ask questions and to proffer additional ideas which the board will consider before making a final decision. The meeting will be held at the **Canterwood Clubhouse at 6:30 pm**. The decisions that the Board of Directors makes regarding the STEP System will impact every members' finances and possibly their ability to sell their homes. We encourage every member to attend this meeting.

Proposed plan of action:

In our last letter we explained what a LOSS was and the steps that must be taken to get state approval to build it. So it should come as no surprise that the STEP board must expend funds to pay for the required studies, engineering plans and permits. In addition, the board has set as policy that the STEP system must have a reserve account balance of \$100,000 to ensure that funds are available if other operating accounts do not have sufficient balances. Our reserve account balance is \$68,813.29 as of this date. We will also require approximately \$31,000 to complete the Winter Water Analysis and the Contour Analysis this winter in preparation for our application to the State Department of Health to build the LOSS. In addition, we need to make some modifications to our Mag-Meter which measures how much effluent we send to the city. It is the readings from this meter that determine what the city bills the STEP Association for our sewage and what we must charge members.

Together, the STEP board must generate \$68,000 to fund these needs. As a result, the Board is considering assessing each STEP member \$252.00 which would appear on your STEP Association bill from Kallas Management as an additional \$42.00 per month spread over six months from November, 2013 through April, 2014. Your Board of Directors recognizes that this will not be a popular decision, but we have no other means of raising revenue.

There is one other very important issue that we need to address. From the fall of 2011, the Board of Directors has recognized that as a STEP system, we have a serious ground water intrusion problem. Our own consultant estimates this volume of ground water intrusion at 30 to 35% of the total volume of effluent we send to the City of Gig Harbor. The city believes it to be as high as 50%. We have been advised by the city that we must address this problem.

How is this ground water entering the STEP system?

All of the STEP lines that run under our streets are pressurized therefore, if there is any leakage it is out of the pipe into the soil. No ground water can enter the pipe because of the internal pressure. So the only other place that ground water can gain entry into the system is through each member's septic tank. This ground water intrusion occurs mostly during the winter months when the soils are saturated with water from rainfall. Some intrusion does occur during the dry season due to irrigation water from members' sprinkler systems when the septic tank is located in a low area on the member's property.

Septic System Inspections

To eliminate all of the ground water intrusion, the Board of Directors is considering requiring every STEP Member to have their septic system inspected, repaired if necessary, and certified that the system is intact and not leaking ground water.

The inspection process involves a septic system maintenance company flooding the surrounding area around each tank and visually inspecting for water entering the lid, risers and the joint between the riser and the concrete tank. If the hour meter reading on the system is exceptionally high, it could also require pumping down the tanks to permit a technician to go down into each tank to check the input line entry point and the output line exit point for leaks between the pipe and the concrete tank.

These inspections would be made between November 1, 2013 and March 31, 2014. We have contacted three septic system maintenance companies who can do the work. These are Drain Pro 253-539-4498, FloHawks 360-698-3212, and Hemley's 360-373-0821. The costs for the inspection vary in price from \$500.00 to \$750.00 plus tax. Repair costs will vary based upon the nature of the work necessary to eliminate the water intrusion. Members are encouraged to contact all three companies before making a final decision as to which company to use.

Some members may prefer the STEP association to handle this process for them. We can arrange for this inspection using one of the companies and then bill the member for the costs of the inspection, any required repairs and certification. We would encourage members to make their own arrangements, but recognize that some members would prefer to delegate the responsibility to the STEP board.

If the inspection indicates that your septic system is leaking ground water, you would be required to make the necessary repairs, and have the company provide you with a certification that the repairs have eliminated the leaks and your septic system is intact and not leaking ground water. You would then present the certificate to Ms. Susan Anderson at the Canterwood Commercial Building, first floor, on the corner of Baker Way and Canterwood Boulevard on or before March 31, 2014.

STEP Members who failed to comply with this requirement by March 31, 2014 would have their septic systems inspected by one of these companies under the direction of the STEP Board of Directors and all necessary charges would be added to the member's STEP System bills.

The Board of Directors believes that by eliminating the ground water intrusion we will be able to significantly lower the charges to members, because our effluent volumes that we send to the city will be significantly reduced. If we are successful in developing the LOSS, the system will be able to run at a much higher level of efficiency, because we will not be adding ground water.

We recognize that this is a lot to absorb at one time, which is why we are encouraging all members to attend the **October 3, 2013 meeting** where we will be available to answer all of your questions and take your suggestions.

Things to do today

On a lighter note, there is something that you can do immediately to help reduce our volume of effluent. The "flapper" valve in the tanks of your toilets can leak significantly without making an audible sound. If you add a few drops of food coloring to each tank before you retire at night, a leaky flapper valve will be identified by color in the toilet bowl in the morning. Replacing a flapper valve is a ten minute job with the replacement parts readily available at Home Depot. A dripping faucet can add as much as 200 gallons of water a day to your septic system. By checking for leaks, you will not only reduce our effluent volumes, but it will also lower your water consumption and save you some money on your water bill.

Your Board recognizes that this is not the most pleasant topic to be discussing. However, we are confronting a serious issue that is eating into our pocketbooks, and it must be corrected. We are looking forward to a large turn out on October 3rd. Please make it a priority to attend the meeting.

Sincerely,

STEP Board of Directors