



TriCo Regional Sewer Utility

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Budget & Finance Committee Meeting Agenda

Monday July,9 2018 @ 6:30 p.m.

Clay Township Government Center

10701 N. College Ave, Suite A, Indianapolis, IN 46280

1. Roll Call
2. Additional Service Area at 96th/Keystone
3. Adjourn



MEMORANDUM

To: B&F Committee

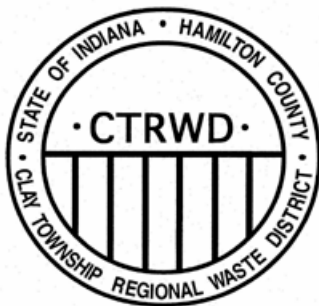
From: Cindy Sheeks

Date: July 5, 2018

Subject: 96th & Keystone

Attached please find the C & C memos from June and July regarding the 96th and Keystone service area. They provide the background regarding the private sewer system and the problems in the potential new service area. The private system is in need of nearly \$200,000 in repairs to meet current standards. The area is currently connected to Carmel's system but TriCo has been asked by Carmel to serve the area because our sewers are closer. This is all due to the construction of the roundabouts at 96th and Keystone and the need to relocate the private line in the public right of way.

There are a few options for upgrading their system detailed in the June 29 Memo. The property owners prefer the second alternative where TriCo takes ownership of the private sewer system at a cost of at least \$300,000. At issue for the B & F committee is the decision whether to finance the repairs for the owners and bill them back over time with interest, or have the property owners secure their own financing for the needed repairs.



MEMORANDUM

To: C&C Committee

From: Wes Merkle

Date: June 4, 2018

**Subject: Additional Service Area –
Southwest corner of 96th/Keystone**

CTRWD provides sanitary sewer service to all parcels in the area bound by 96th Street, Keystone Avenue and Interstate 465 in Marion County, except for several parcels along Haver Way. These parcels are served by a privately-owned gravity sewer, lift station, and force main, which pumps to a Carmel Utilities gravity sewer east of Keystone. This force main is in conflict with the 96th Street road improvements, and the City of Carmel has asked the private owners to relocate it, preferably to CTRWD's gravity sewer located approximately 350 feet from the lift station. Carmel would like the force main relocated and connected to our sewers as soon as possible so road work can begin.

Currently five buildings are connected to the private sewer system - two buildings are being demolished by Carmel and three buildings will remain after construction, each with different owners. The private system could serve future redevelopment in the area, which has multiple empty lots, and Carmel plans to sell remnant parcels after right of way acquisition is complete.

The private sewer system is 35-40 years old and in poor condition. Many repairs are needed. The private sewer system can be connected to District sewers if that system is brought up to District standards. Staff is reviewing recent inspection data to determine the minimum scope for repair work to make the private system safe, reliable and acceptable to connect to District sewers. Costs can then be determined and shared with the private owners, who would be responsible for any repairs as well as relocation costs. Carmel Utilities made clear that they will require similar repairs should the private owners decide to stay connected to their system.

If future complications arise with multiple owners of the private sewer system, or regarding future redevelopment in the area, it may be more efficient for CTRWD to take ownership of the system. Several years ago staff developed a conceptual sewer plan for the area south of 96th Street and west of Keystone, which included one lift station and gravity sewer system serving all of the homes and businesses. Currently the area is served by a mix of privately owned gravity sewers and lift stations, grinder stations, and septic systems.

At this time staff is gathering information and working with the property owners, Carmel Utilities and Carmel Engineering to find a solution.



MEMORANDUM

To: C&C Committee

From: Wes Merkle

Date: June 29, 2018

**Subject: Additional Service Area
Southwest corner of 96th/Keystone**

In the past month staff has performed inspections, reviewed available information and attended meetings with Carmel and property owners. Staff estimated the private sewer system requires nearly \$200,000 in repairs to meet current standards. Property owners were informed that if they connect to Utility sewers then they will be responsible for completing repairs at their own expense. The sewer system would remain privately owned with its force main connected to manhole SI-10 at 96th Street and Day Drive.

Staff proposed two alternatives: construct a low pressure system to service the area while abandoning the existing private system, and dedicate the private system to the Utility. A low pressure system would work similar to neighborhood sewer projects where the Utility owns and maintains the common main and each property owner owns and maintains their own grinder stations and laterals. At this time staff estimates this alternative could cost nearly \$180,000.

Under the second alternative the Utility would take ownership of the private system. The small lift station would be reconstructed to meet current standards for safety, serviceability and reliability. Repairs would also be completed. This could allow for elimination of nearby private lift stations and make service available to several unsewered and undeveloped properties. If equipment can be reused from the elimination of Lift Station 6, the second alternative is estimated to cost at least \$300,000.

Property owners are working with Carmel on a third alternative, which includes relocating the private force main to eliminate conflicts with road work and remaining connected to Carmel Utilities' system. At this time costs are unknown, as is the possibility that there is even room to relocate in right of way.

Property owners understood that the Utility is offering the option of connecting to Utility sewers provided that newly connected infrastructure meets Utility standards, and ratepayers will not bear the liability or expense for improvements to or deferred maintenance of the private system.

Property owners prefer the Utility take ownership of the private sewer system, despite the additional cost to them, in order to improve service and eliminate future unknowns and costs associated with the private system. Property owners requested the Utility also offer financing for the improvements, billing this cost monthly in addition to regular sewer rates.

The City of Carmel has requested the Utility allow immediate temporary connection of the private sewer system to Utility sewers. The private sewer system is in conflict with 96th Street road improvements. Connection to Utility sewers will allow road work to proceed as planned while permanent solutions are explored by the City of Carmel, property owners served by the private sewer system, and Utility staff. Staff recommends allowing temporary connection under the following conditions:

1. The private lift station, force main, gravity sewers and related infrastructure will remain privately owned, operated and maintained at property owners' expense.
2. Property owners and/or Carmel will, at their expense:
 - a. Relocate the private force main to discharge into Utility sanitary sewer manhole SI-10 at 96th Street and Day Drive
 - b. Install a new power service for the private lift station
 - c. Before making connection to Utility sewers, install a flow meter on the force main as specified by Utility staff
 - d. Maintain access to the private lift station at all times during and after road construction
 - e. Within 30 days complete repairs to the private system to eliminate inflow of storm water
3. While connected to Utility sewers, property owners will abide by all ordinances, policies and rates of Utility including prompt payment of rates. Monthly billing for sewer service will begin upon connection to Utility sewers.
4. Utility staff will monitor flows from the private system. In the event that peak hour flow during wet weather exceeds 3.5 times average daily flow in dry weather, property owners will immediately complete additional system repairs to remove inflow and infiltration from the private system.
5. Property owners will reimburse Utility for any and all costs incurred by Utility related to operation, maintenance, repair and/or replacement of the private sewer system while it is connected to Utility sewers, should property owners fail to act accordingly.
6. Carmel Utilities will grant to Utility additional capacity at its WWTP while the private system is connected to Utility sewers, in the amount of 26,296 gallons per day plus proportional increases to accommodate wet weather flows based on the aforementioned ratio of peak hour to average daily flow.
7. No new connections will be made to the private system without prior approval from the Utility and Carmel Utilities
8. Property owners will grant Utility right of entry for any infrastructure connected to Utility sewers
9. All parties will continue to work diligently to find a permanent solution for sewer service. Within 12 months of connection, if an agreement has not been reached to reconnect to Carmel Utilities sewers, then the private sewer system will remain permanently connected to Utility sewers and the private sewer system will continue to be subject to all policies, ordinances and rates of the Utility.

10. Should connection become permanent, Utility will execute a project to repair, rehabilitate or reconstruct the sewer system at Utility's sole discretion to bring the private sewer system to current standards and to meet the area's needs for sewer service. Property owners will dedicate to Utility ownership of any sewer system assets requested by Utility, in addition to any necessary easements, at no cost to Utility. Property owners will reimburse Utility for any and all costs incurred in establishing permanent sewer service, including aforementioned project costs, plus attorney fees, expenses, and interest related to recovery of costs incurred.