



SOUTHERN NEVADA WATER AUTHORITY™

Septic System Conversion Program Financial Assistance Guidelines

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Financial Assistance Guidelines

Septic System Conversion Program

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Financial Assistance Guidelines

Septic System Conversion Program

I. Introduction

In Southern Nevada, wastewater is conveyed by two means: via residential and commercial septic systems or via a municipal wastewater system. When wastewater is conveyed via a municipal wastewater system, it is discharged to a wastewater treatment plant where it is highly treated and returned to Lake Mead for return-flow credits. When wastewater is conveyed to a septic tank, it is not recycled as part of Southern Nevada's community-wide water reuse process. Moreover, waste that is discharged to the soil through a septic system's leach field may contain high levels of nitrate – a regulated contaminant under the Safe Drinking Water Act – which may contaminate groundwater as it is released into the soil.

Assembly Bill 220, which was approved by Governor Lombardo in June 2023, set forth a number of conservation-related initiatives, including authorizing the Southern Nevada Health District (SNHD) to create a voluntary septic conversion program for municipal water customers with an existing septic tank to voluntarily convert to the sewer system and authorizes the SNHD to establish a voluntary fee to support the program.

In addition, the Southern Nevada Water Authority (SNWA) - in partnership with local wastewater agencies - will administer a separate Septic System Conversion Program which will allow qualified parcels to receive financial assistance for voluntarily abandoning their existing septic system and connecting to a municipal sewage system.

Through the implementation of a septic system conversion program, the SNWA and its regional partners will seek to achieve three main goals:

- Enhanced protection of groundwater aquifers in Southern Nevada
- Increase reuse and return flow credits for the Las Vegas Valley
- Offset the financial burden to parcel owners who voluntarily connect to the sewer system

The SNWA has secured its own funding to support a septic conversion program to begin laying the foundation for long term water savings for those properties who elect to convert to municipal sewer.

II. Availability of Assistance

The SNWA's Septic System Conversion Program will provide financial assistance through three distinct pathways to help eligible septic system owners offset the costs for the abandonment of their septic system and connection to a municipal sewer system. The SNWA will be responsible for implementing and managing its financial assistance program, which will be subject to available funding as determined by the SNWA and its regional partners. Sources of funding for the program may include, but are not limited to:

- The voluntary septic fee collected by the Southern Nevada Health District (SNHD), as prescribed in AB220. Administration of these fees will require a separate agreement between SNWA and SNHD.
- The annual groundwater management fee collected by the SNWA's Groundwater Management Program.
- Contributions from the Southern Nevada Water Authority or regional partners, including the Clark County Water Reclamation District, and the cities of Henderson, Las Vegas and North Las Vegas.
- Any grant monies available through the State of Nevada or various federal agencies.
- Any other grants or program funds made available, where appropriate.

In the event that the requests for financial assistance exceed funding availability, priority will be determined by project partners and based on considerations such as properties at the most risk for groundwater contamination, those with the lowest conversion costs, or clusters of conversions that can achieve cost efficiencies.

III. Types of Assistance

The Septic System Conversion Program provides three pathways for providing assistance to parcel owners interested in abandoning their septic systems to connect to municipal sewer: Fully Funded Septic Conversions, Partially Funded Septic Conversions, and GMP Funded Septic Conversions. Each pathway includes unique eligibility requirements and funding sources, and these varied options are designed to increase voluntary participation and maximize conversions.

A. Fully Funded Septic Conversions

Overview

This pathway is intended for participants who elect to participate through a fully funded program, which will be paid for through SNHD-imposed and federal or state grant dollars. Funding within this pathway is expected to be extremely limited and administered in the most efficient way of applying the SNHD-imposed fee or federal and state funding to directly addresses immediate water quality concerns.

The federal funding sources initially supporting these conversions require SNWA to pursue and report on proposed goals for both total water savings and overall number of connections achieved. Due to funding limitations, the wait time for conversions under this fully funded option are expected to be significant, and projects within a cost-effective distance from the existing sewer main will be prioritized.

Eligibility

To be considered for financial assistance under this pathway, septic system owners must meet the following criteria:

- Be the property owner of a parcel that contains a residential dwelling unit, as recorded by the Clark County Assessor's Office, presently discharging wastewater to a permitted septic

system and not connected to a municipal sewer system. Vacant parcels will not be eligible for financial assistance.

- Be current on the payment of dues for the SHND's voluntary septic conversion fee, if funding is available and managed through this program.

Eligible Costs

100 percent of eligible sewer conversion costs will be covered through this pathway and paid directly to SNWA-managed contractors. Eligible costs may include:

- Construction costs, including like-for-like landscape replacement
- Main extension construction costs
- Engineering/Design fees
- Application fees
- Service fees
- Connection fees
- Oversizing fees
- Inspection fees
- Plan review fees
- Frontage extension fees
- Easement and relinquishment filing fees

Ineligible Costs

- Property improvements above and beyond like-for-like replacement of landscaping required as part of the sewer connection.

Eligible Service Size

Eligible service size for connection will be determined by the wastewater agency.

Multiple Parcels

The Septic System Conversion Program recognizes that there are many cost efficiencies gained from connecting multiple parcels in close proximity to the municipal wastewater system. When possible, the SNWA and regional wastewater entities will attempt to bundle connections to maximize limited resources.

Method for Assistance Payments

All conversion work under this pathway will be completed by SNWA-managed contractors who will receive payment for eligible expenses directly from the Agency.

B. Partially Funded Septic Conversions

Overview

In order to address funding limitations and anticipated long lead-times associated with the Fully Funded Septic Conversions, the Partially Funded Septic Conversion pathway provides an alternative assistance option for residential, commercial, and government septic users willing to pay a portion of conversion costs. This option is designed to maximize the number of septic-to-sewer conversions and increase the overall capacity of the program.

Eligibility

To be considered for financial assistance under this pathway, septic system owners must meet the following criteria:

- Be the property owner of a parcel that contains a residential dwelling unit, commercial business, or public/government building, as recorded by the Clark County Assessor's Office, presently discharging wastewater to a permitted septic system and not connected to a municipal sewer system. Vacant parcels will not be eligible for financial assistance.
- Agree to cover all conversion-related costs in excess of the approved assistance amount, which is equal to 85% of eligible project costs with a maximum benefit of \$40,000.

Eligible Costs

85 percent of eligible sewer conversion costs, up to a maximum benefit of \$40,000, will be covered through this pathway and paid to property owners on a reimbursement basis. Eligible costs may include:

- Construction costs, including like-for-like landscape replacement
- Engineering/Design fees
- Application fees
- Service fees
- Connection fees
- Oversizing fees
- Inspection fees
- Plan review fees
- Main extension fee
- Frontage extension fees
- Easement and relinquishment filing fees

Ineligible Costs

- Property improvements above and beyond like-for-like replacement of landscaping required as part of the sewer connection.

Eligible Service Size

Eligible service size for connection will be determined by the wastewater agency.

Multiple Parcels

The Septic System Conversion Program recognizes that there are many cost efficiencies gained from connecting multiple parcels in close proximity to the municipal wastewater system. When possible, the SNWA and regional wastewater entities will attempt to bundle connections to maximize limited resources.

C. Groundwater Management Plan (GMP) Funded Septic Conversions

Overview

The SNWA's Groundwater Management Program's (GMP) Well Conversion Program has successfully converted more than 500 wells in Southern Nevada to municipal supplies, thereby supporting regional resource protection efforts and complementing the goals of the Septic System

Conversion Program. Building onto this program, a portion of the GMP's groundwater management fee will be made available on an annual basis to support septic to sewer conversions for well users currently utilizing septic systems that wish to connect to municipal sewer.

Eligibility

To be considered for financial assistance under this pathway, septic system owners must meet the following criteria:

- Be the property owner of a parcel that contains a residential dwelling unit, commercial business, or public/government building, as recorded by the Clark County Assessor's Office, presently discharging wastewater to a permitted septic system and currently receiving water from an active, permitted well. Vacant parcels will not be eligible for financial assistance.
- Be current on SNWA's annual groundwater management program fee.

Eligible Costs

85 percent of eligible sewer conversion costs, up to a maximum benefit of \$40,000, will be covered through this pathway and paid to property owners on a reimbursement basis. Eligible costs may include:

- Construction costs, including like-for-like landscape replacement
- Engineering/Design fees
- Application fees
- Service fees
- Connection fees
- Oversizing fees
- Inspection fees
- Plan review fees
- Main extension fee
- Frontage extension fees
- Easement and relinquishment filing fees

Ineligible Costs

- Property improvements above and beyond like-for-like replacement of landscaping required as part of the sewer connection.

Eligible Service Size

Eligible service size for connection will be determined by the wastewater agency.

Multiple Parcels

The Septic System Conversion Program recognizes that there are many cost efficiencies gained from connecting multiple parcels in close proximity to the municipal wastewater system. When possible, the SNWA and regional wastewater entities will attempt to bundle connections (ie: community wells) to maximize limited resources.

Method for Assistance Payments

Parcel owners are required to solicit three bids for conversion construction work from qualified

contractors and submit to SNWA for approval prior to beginning construction. Construction work started prior to written SNWA approval or by a contractor other than the SNWA-approved contractor will be ineligible for assistance payments. SNWA will provide assistance payments directly to the parcel owner upon completion and inspection of the project.

IV. Required Agreements

Prior to being approved for the septic conversion program under any of the above pathways, applicants for the program must agree to abandon their septic system and connect to a municipal sewage system. The property owner must sign the appropriate easement, application for financial assistance, and other agreements required by SNWA, applicable wastewater entity and if a well conversion is required, the appropriate water purveyor. Approval of any financial assistance under the Septic System Conversion Program shall be contingent on the delivery of complete and properly signed documents from the applicant, sewer agency, and other parties as necessary.

V. Funding Priorities

All financial assistance under these guidelines is subject to available funding as determined by the SNWA and its regional partners. In the event funding is not available, financial assistance will not be provided.

These priorities notwithstanding, financial assistance for any municipal wastewater connection will be at the discretion of the SNWA. In determining whether a potential connection receives assistance, the SNWA may consider a multitude of factors including, but not limited to, age, condition and location of a septic system.

VI. Disbursement of Financial Assistance

If a wastewater agency or a SNWA master contractor performs the construction, the capital improvement costs, fees, and charges will be reimbursed directly to the agency or SNWA master contractor.

If a septic system owner hires a private contractor, arrangements will be made among the septic system owner, private contractor, and SNWA for reimbursement of the applicable assistance amounts. The SNWA will not provide progress payments on work performed by a septic user's private contractor.

In addition, before any money is reimbursed to the customer required to use the services of a private contractor, proof of work completion must be provided to the SNWA by an agent of the local wastewater agency. Work conducted on improvements that will become part of the wastewater agency's wastewater system, maintained by the wastewater agency, shall not be considered complete until inspected and approved by the local wastewater agency.

VII. Interpretation and Application

Implementation of the Financial Assistance Guidelines are the responsibility of the SNWA Program Administrator. Inquiries from well users who have questions about the Septic System

Conversion Program should be directed accordingly to the SNWA. The SNWA General Manager will have the power of discretion in the interpretation, application, and waiver of these guidelines. This discretion shall be exercised based on reasonable judgment and with full documentation, which will accomplish the intent of the guidelines and support the protection of the Las Vegas Valley groundwater aquifer and/or the extension of the community's water supply. Any actions taken by the SNWA General Manager under this item will be documented for the benefit of the SNWA Board of Directors.

VIII. Access

The property owner must abandon the septic system within six months of sewer connection and allow access to wastewater agency or designated party for verification of abandonment. Failure to allow access to abandon the septic system that meets the criteria set forth by the Southern Nevada Health District's guidelines will require repayment to the Program of all awarded grant monies and a lien will be placed on the property.

In instances where a well conversion was also completed, failure to allow access to the well for plugging and abandonment after award of financial assistance will require repayment to the Program of all awarded grant monies and to comply with any water purveyor requirements such as installation of a backflow device, etc. The well owner is responsible for obtaining legal standing for the use of groundwater from the Office of the State Engineer.