

Extension of Water Service Beyond the UGB

Policy Question

Should the City allow the provision of water service to properties outside of the Salem/Keizer Urban Growth Boundary (UGB)?

Background and Summary

Comprehensive land use planning in Oregon is best known for its use of the urban growth boundary (UGB). The UGB is used both to contain urban development within a prescribed perimeter and as a tool to plan for orderly growth. Every incorporated city in the state has a UGB. The UGB is designated in the City's Comprehensive Plan. All property inside a UGB is considered available for urbanization. Further, by state statute the City is required to serve these lands with typical urban services, including water, wastewater, and stormwater services. However, there are instances when utility services—primarily water or wastewater—are requested by owners of parcels outside of the UGB. In many cases, the services are located adjacent to the property and would be easily accessible if not for the UGB boundary.

Currently, City Council Policy X-4, Connection to Water and/or Sewer Service Outside the City Limits, addresses the process for those properties outside city limits to request utility service. City Council Policy X-4 requires as a condition of service any property requesting such services file for annexation if the property is contiguous to the city limits or to sign a consent to annex if not. However, this policy only covers properties between the city limits and the UGB; it does not address properties beyond the UGB.

The foundation of statewide land use planning in Oregon is a set of 19 Statewide Land Use Planning Goals. The goals express the state's policies on land use and related topics. Relevant to the issue of providing utility services are Goal 11, Public Facilities and Services, and Goal 14, Urbanization. Goal 11 is codified in Oregon Administrative Rules (*OAR*) 660-011 and Goal 14 is found in *OAR* 660-14 and *OAR* 660-24.

Goal 11 has strict provisions on the extension of sewer service to rural lands outside the UGB. *OAR* 660-011-0060 allows sewer service to these lands only if a determination has been made that a public health hazard exists and there is no practical alternative to a sewer system. However, *OAR* 660-011-0065 allows water service to areas outside the UGB provided the existence of the water service does not allow an increase in base density that would be authorized without such service.

Goal 14 addresses the establishment and maintenance of UGBs to provide land for urban development needs and to identify and separate urban and urbanizable land from rural land. As related to this policy, Goal 14 applies only in the case of annexation of lands outside of the UGB to be designated as urban lands. *OAR* 660-011-000 defines the process for annexations of lands not subject to an acknowledged comprehensive plan.

Discussion

As urban utility services extend to the edge of the UGB, it is expected that requests for utility services to those lands not within the UGB but adjacent to or near the UGB will increase. Extension of sewer service to those lands without a public health hazard declaration will typically not be supported by the City as such an action would require a Goal 11 exception. However, extending water service to residential lands outside the UGB would not run afoul of Goal 11 or Goal 14 and can be accomplished in coordination with Marion or Polk Counties.

To extend water service beyond the UGB, the City will need the following to be in place:

- 1) An amendment to Council Policy X-4 and to Salem Revised Code (SRC) 72.220 to eliminate the need to annex or sign an annexation agreement. Properties outside the UGB are highly unlikely to ever be annexed. Therefore, the City should not have any expectation that annexation will occur.
- 2) The amended Council Policy will contain strict criteria regarding when service outside the UGB would be allowed. Parameters for connection include:
 - a. Limiting service to only residential users that can demonstrate need either by well capacity less than 5-gallons per minute or water quality with greater than 50-percent of a primary drinking water maximum contaminant level.
 - b. Limiting water meter size to no greater than 1-inch.
 - c. Allowing only properties that abut rights-of-way on which existing water facilities with adequate capacity are located.
 - d. Prohibiting the extension of any public water main for the sole purpose of providing service beyond the UGB.
 - e. Setting a maximum distance of 300-feet from the subject property to the public water main.
 - f. Requiring the user to pay the City's established water rate for outside-City customers along with all legally applicable fees.
 - g. Requiring that the property owner will not expand the use of the property beyond a defined reasonable level without terminating access to City water.

Recommendation

- 1) Finalize the policy by amending Council Policy X-4 and SRC 72.220. The Council Policy shall include the above stated criteria. No utility or other City funding shall be used to provide service beyond the UGB.

Background

Ground water limited area in west Salem: Eola Hills

690-502-0200

Chehalem Mountain, Eola Hills and South Salem Hills Ground Water Limited Areas

(1) Groundwater in the basalt aquifers in the Chehalem Mountain, Eola Hills and South Salem Hills Groundwater Limited Areas is classified for exempt uses, irrigation and rural residential fire protection systems only. Permits may be issued, for a period not to exceed five years, for fire protection and for drip or equally efficient irrigation provided the Director finds the proposed use and amount do not pose a threat to the groundwater resource or existing permit holders. The amount of water used for irrigation shall be further limited to one acre-foot per acre per year. Permits may be extended for additional five-year periods if the Director finds that the groundwater resource can probably support the extended use. Applications may be rejected or permit or certificate extensions may be denied if the aquifer displays any of the adverse impacts defined in OAR 690, division 008.

(2) The Chehalem Mountain Groundwater Limited Area is as described and shown in Exhibit 8. The Eola Hills Groundwater Limited Area is as described and shown in Exhibit 10. The South Salem Hills Groundwater Limited Area is as described and shown in Exhibit 11.

(3) Groundwater applications pending on October 4, 1991 shall be processed according to the classifications in effect on the date the application was filed. Permits may be issued for a period not to exceed five years and shall contain the Special Permit Conditions specified in OAR 690-502-0250. Permits may be extended for additional five-year periods if the Director finds that the groundwater resource can probably support the extended use. Applications submitted after October 4, 1991 shall be processed according to the requirements of these rules and classifications. Within two years of permit issuance, the applicant shall prepare a plan for the Water Resources Commission which shall indicate the steps for obtaining an alternate long-term water supply.

660-011-0060

Sewer Service to Rural Lands

(1) As used in this rule, unless the context requires otherwise:

(a) "Establishment of a sewer system" means the creation of a new sewage system, including systems provided by public or private entities;

(b) "Extension of a Sewer System" means the extension of a pipe, conduit, pipeline, main, or other physical component from or to an existing sewer system in order to provide service to a use, regardless of whether the use is inside the service boundaries of the public or private service provider. The sewer service authorized in section (8) of this rule is not an extension of a sewer;

(c) "No practicable alternative to a sewer system" means a determination by the Department of Environmental Quality (DEQ) or the Oregon Health Division, pursuant to criteria in OAR chapter 340, division 71, and other applicable rules and laws, that an existing public health hazard cannot be adequately abated by the repair or maintenance of existing sewer systems or on-site systems or by the installation of new on-site systems as defined in OAR 340-071-0100;

(d) "Public health hazard" means a condition whereby it is probable that the public is exposed to disease-caused physical suffering or illness due to the presence of inadequately treated sewage;

(e) "Sewage" means the water-carried human, animal, vegetable, or industrial waste from residences, buildings, industrial establishments or other places, together with such ground water infiltration and surface water as may be present;

(f) "Sewer system" means a system that serves more than one lot or parcel, or more than one condominium unit or more than one unit within a planned unit development, and includes pipelines or conduits, pump stations, force mains, and all other structures, devices, appurtenances and facilities used for treating or disposing of sewage or for collecting or conducting sewage to an ultimate point for treatment and disposal. The following are not considered a "sewer system" for purposes of this rule:

(A) A system provided solely for the collection, transfer and/or disposal of storm water runoff;

(B) A system provided solely for the collection, transfer and/or disposal of animal waste from a farm use as defined in ORS 215.303.

(2) Except as provided in sections (3), (4), (8), and (9) of this rule, and consistent with Goal 11, a local government shall not allow:

(a) The establishment of new sewer systems outside urban growth boundaries or unincorporated community boundaries;

(b) The extension of sewer lines from within urban growth boundaries or unincorporated community boundaries in order to serve uses on land outside those boundaries;

(c) The extension of sewer systems that currently serve land outside urban growth boundaries and unincorporated community boundaries in order to serve uses that are outside such boundaries and are not served by the system on July 28, 1998.

(3) Components of a sewer system that serve lands inside an urban growth boundary (UGB) may be placed on lands outside the boundary provided that the conditions in subsections (a) and (b) of this section are met, as follows:

(a) Such placement is necessary to:

(A) Serve lands inside the UGB more efficiently by traversing lands outside the boundary;

(B) Serve lands inside a nearby UGB or unincorporated community;

(C) Serve lands subject to a Goal 14 exception approved pursuant to OAR 660-014-0090;

(D) Connect to components of the sewer system lawfully located on rural lands, such as outfall or treatment facilities; or

(E) Transport leachate from a landfill on rural land to a sewer system inside a UGB;

(b) The local government:

(A) Adopts land use regulations to ensure the sewer system shall not serve land outside urban growth boundaries or unincorporated community boundaries, except as authorized under section (4) of this rule; and

(B) Determines that the system satisfies ORS 215.296(1) or (2) to protect farm and forest practices, except for systems located in the subsurface of public roads and highways along the public right of way.

(4) A local government may allow the establishment of a new sewer system, or the extension of an existing sewer system, to serve land outside urban growth boundaries and unincorporated community boundaries in order to mitigate a public health hazard, provided that the conditions in subsections (a) and (b) of this section are met, as follows:

(a) The DEQ or the Oregon Health Division initially:

(A) Determines that a public health hazard exists in the area;

(B) Determines that the health hazard is caused by sewage from development that existed in the area on July 28, 1998;

(C) Describes the physical location of the identified sources of the sewage contributing to the health hazard; and

(D) Determines that there is no practicable alternative to a sewer system in order to abate the public health hazard; and

(b) The local government, in response to the determination in subsection (a) of this section, and based on recommendations by DEQ and the Oregon Health Division where appropriate:

(A) Determines the type of sewer system and service to be provided, pursuant to section (5) of this rule;

(B) Determines the boundaries of the sewer system service area, pursuant to section (6) of this rule;

(C) Adopts land use regulations that ensure the sewer system is designed and constructed so that its capacity does not exceed the minimum necessary to serve the area within the boundaries described under paragraph (B) of this subsection, except for urban reserve areas as provided under OAR 660-021-0040(6);

(D) Adopts land use regulations to prohibit the sewer system from serving any uses other than those existing or allowed in the identified service area on the date the sewer system is approved;

(E) Adopts plan and zone amendments to ensure that only rural land uses are allowed on rural lands in the area to be served by the sewer system, consistent with Goal 14 and OAR 660-004-0018, unless a Goal 14 exception has been acknowledged;

(F) Ensures that land use regulations do not authorize a higher density of residential development than would be authorized without the presence of the sewer system; and

(G) Determines that the system satisfies ORS 215.296(1) or (2) to protect farm and forest practices, except for systems located in the subsurface of public roads and highways along the public right of way.

(5) Where the DEQ determines that there is no practicable alternative to a sewer system, the local government, based on recommendations from DEQ, shall determine the most practicable sewer system to abate the health hazard considering the following:

(a) The system must be sufficient to abate the public health hazard pursuant to DEQ requirements applicable to such systems; and

(b) New or expanded sewer systems serving only the health hazard area shall be generally preferred over the extension of a sewer system from an urban growth boundary. However, if the health hazard area is within the service area of a sanitary authority or district, the sewer system operated by the authority or district, if available and sufficient, shall be preferred over other sewer system options.

(6) The local government, based on recommendations from DEQ and, where appropriate, the Oregon Health Division, shall determine the area to be served by a sewer system necessary to abate a health hazard. The area shall include only the following:

(a) Lots and parcels that contain the identified sources of the sewage contributing to the health hazard;

(b) Lots and parcels that are surrounded by or abut the parcels described in subsection (a) of this section, provided the local government demonstrates that, due to soils, insufficient lot size, or other conditions, there is a reasonably clear probability that onsite systems installed to serve uses on such lots or parcels will fail and further contribute to the health hazard.

(7) The local government or agency responsible for the determinations pursuant to sections (4) through (6) of this rule shall provide notice to all affected local governments and special districts regarding opportunities to participate in such determinations.

(8) A local government may allow a residential use to connect to an existing sewer line provided the conditions in subsections (a) through (h) of this section are met:

(a) The sewer service is to a residential use located on a parcel as defined by ORS 215.010(1), or a lot created by subdivision of land as defined in ORS 92.010;

(b) The parcel or lot is within a special district or sanitary authority sewer service boundary that existed on January 1, 2005, or the parcel is partially within such boundary and the sewer service provider is willing or obligated to provide service to the portion of the parcel or lot located outside that service boundary;

(c) The sewer service is to connect to a residential use located within a rural residential area, as described in OAR 660-004-0040, which existed on January 1, 2005;

(d) The nearest connection point from the residential parcel or lot to be served is within 300 feet of a sewer line that existed at that location on January 1, 2005;

(e) It is determined by the local government to be practical to connect the sewer service to the residential use considering geographic features or other natural or man-made constraints;

(f) The sewer service authorized by this section shall be available to only those parcels and lots specified in this section, unless service to other parcels or lots is authorized under sections (4) or (9) of this rule;

(g) The existing sewer line, from where the nearest connection point is determined under subsection (8)(d) of this rule, is not located within an urban growth boundary or unincorporated community boundary; and

(h) The connection of the sewer service shall not be relied upon to authorize a higher density of residential development than would be authorized without the presence of the sewer service, and shall not be used as a basis for an exception to Goal 14 as required by OAR 660-004-0040(6).

(9) A local government may allow the establishment of new sewer systems or the extension of sewer lines not otherwise provided for in section (4) of this rule, or allow a use to connect to an existing sewer line not

otherwise provided for in section (8) of this rule, provided the standards for an exception to Goal 11 have been met, and provided the local government adopts land use regulations that prohibit the sewer system from serving any uses or areas other than those justified in the exception. Appropriate reasons and facts for an exception to Goal 11 include but are not limited to the following:

- (a) The new system, or extension of an existing system, is necessary to avoid an imminent and significant public health hazard that would otherwise result if the sewer service is not provided; and, there is no practicable alternative to the sewer system in order to avoid the imminent public health hazard, or
- (b) The extension of an existing sewer system will serve land that, by operation of federal law, is not subject to statewide planning Goal 11 and, if necessary, Goal 14.

660-011-0065

Water Service to Rural Lands

(1) As used in this rule, unless the context requires otherwise:

- (a) "Establishment" means the creation of a new water system and all associated physical components, including systems provided by public or private entities;
- (b) "Extension of a water system" means the extension of a pipe, conduit, pipeline, main, or other physical component from or to an existing water system in order to provide service to a use that was not served by the system on the applicable date of this rule, regardless of whether the use is inside the service boundaries of the public or private service provider.
- (c) "Water system" shall have the same meaning as provided in Goal 11, and includes all pipe, conduit, pipeline, mains, or other physical components of such a system.

(2) Consistent with Goal 11, local land use regulations applicable to lands that are outside urban growth boundaries and unincorporated community boundaries shall not:

- (a) Allow an increase in a base density in a residential zone due to the availability of service from a water system;
- (b) Allow a higher density for residential development served by a water system than would be authorized without such service; or
- (c) Allow an increase in the allowable density of residential development due to the presence, establishment, or extension of a water system.

(3) Applicable provisions of this rule, rather than conflicting provisions of local acknowledged zoning ordinances, shall immediately apply to local land use decisions filed subsequent to the effective date of this rule.

Marion County Comprehensive Plan Rural Services Policies, Special District Policy #7

7. The creation or expansion of any water district as well as the extension of water services to lands outside an existing service district's boundaries, unincorporated community's boundaries, urban growth boundaries or city limits shall be discouraged unless the area to be served has demonstrated persistent health hazard problems confirmed by the County Health Department and the State Department of Environmental Quality and needs for which no other practical and reasonable alternative is available. Cost may be a factor in determining whether an alternative is practical and reasonable; however, cost shall not be the only factor or even the primary factor. Any extension shall require the approval of the Marion County Board of Commissioners.

198.010 “District” defined for chapter. As used in this chapter, except as otherwise specifically provided, “district” means any one of the following:

- (1) A people’s utility district organized under ORS chapter 261.
- (2) A domestic water supply district organized under ORS chapter 264.
- (3) A cemetery maintenance district organized under ORS chapter 265.
- (4) A park and recreation district organized under ORS chapter 266.
- (5) A mass transit district organized under ORS 267.010 to 267.394.
- (6) A metropolitan service district organized under ORS chapter 268.
- (7) A special road district organized under ORS 371.305 to 371.360.
- (8) A road assessment district organized under ORS 371.405 to 371.535.
- (9) A highway lighting district organized under ORS chapter 372.
- (10) A health district organized under ORS 440.305 to 440.410.
- (11) A sanitary district organized under ORS 450.005 to 450.245.
- (12) A sanitary authority, water authority or joint water and sanitary authority organized under ORS 450.600 to 450.989....