

COMMUNITY UPDATE

POOWONG LOCH & NYORA SEWERAGE SCHEME

South Gippsland Water has completed the review of the Poowong, Loch and Nyora Sewerage Scheme. The scheme is required to address existing public health and environment issues.

The review outcomes are:

- Wastewater transferred under agreement to South East Water for treatment and re-use.
- A pressure sewer system to be installed for all three towns.
- Much of the area originally proposed to be sewered will now be serviced, albeit, under a tiered structure encompassing two service areas.
- Scheme completion remains on track for 2016/17 with potential for earlier completion.

Treatment & Re-Use

Three treatment and disposal options were shortlisted and reviewed with a joint agreement between South Gippsland Water and South East Water identified as the most efficient and cost effective option.

Treatment will be via South East Water's treatment facility at Lang Lang (subject to commercial arrangements).

This joint agreement will bring scalable benefits to the project and savings for both Water Corporations with treated wastewater being beneficially re-used within South East Water's recycled water network.

- Customers connected to the Poowong, Loch and Nyora Sewerage system will remain customers of South Gippsland Water and will be billed by South Gippsland Water.

Collection System: Pressure Sewer System

Three collection systems were short listed and further analysed during the review of the scheme. A pressure sewer has been identified as being the most efficient and cost effective, option for providing sewer services to all three townships.

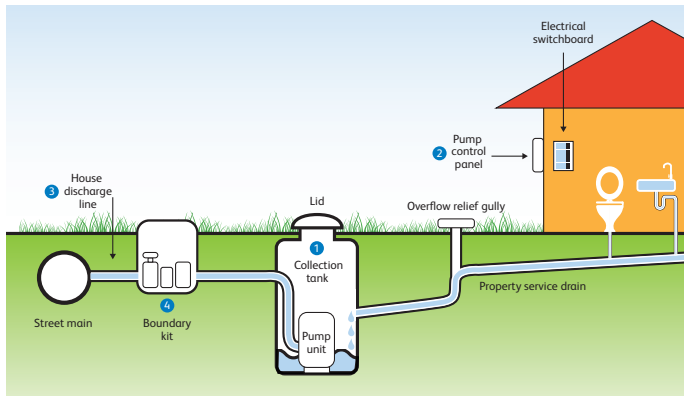
About Pressure Sewers

Pressure sewer systems are an economical and environmentally-friendly way of collecting, transporting and disposing of wastewater from households. Pressure sewers are generally smaller diameter pipelines and are not laid as deep, given there is no need for sewer mains to allow for land contours. Individual pumps are installed on owner's properties, with a central pump station transferring wastewater to the treatment facility.

Pressure Sewer Systems comprise of four main components:

1. Collection Tank & Pump Unit

The pump unit is located within the collection tank (slightly smaller than a standard septic tank) that will be buried on each property. Made of robust polyethylene the only part of the tank unit visible above ground will be the lid which sits approximately 120mm above ground. The pump unit has a grinder that breaks down solids prior to pumping all wastewater out into the sewer system.



2. Pump Control Panel

Each system features an electrical control system that automatically operates the pump unit. This incorporates an alarm and electrical panel which needs to be located on the side of your house.

3. House Discharge Line

The house discharge line (pipe) will be installed on each property (approximately 600mm below ground level). This pipe will be constructed from the collection tank on each property, and lead out to the road frontage connecting into the main sewer system.

4. Boundary Kit

A property connection valve is located inside a boundary kit, a small covered pit near the fence along the property boundary. Once installed the only visible parts of the pressure sewer system are the tank lid and the control panel.

Ongoing Maintenance & Responsibilities

South Gippsland Water will be responsible for all on-going maintenance and management of the pump units and sewer system. This will be covered by South Gippsland Water's annual wastewater service charge levied to each property.

Current Tariffs (2013/14) are: developed property, \$453.90 and vacant land, \$266.40.



Tiered Pricing Structure & Service Areas

- Based on savings identified in the review, much of the area originally proposed to be seweraged will now be serviced, albeit, under a tiered pricing structure.
- There will be two service areas: an \$800 Service Area incorporating the central town areas to address the public health and environment issues and a \$5,000 Voluntary Service Area which generally reflects the wider township area including larger sized allotments.
- The wider network of sewer pipelines will enable connection of most township properties.
- The Voluntary Service Area is only possible as a result of the savings identified by the review and is in response to stakeholder and community feedback.

Service Areas

Two service areas have been identified for the Poowong, Loch and Nyora Sewerage Scheme:

\$800 Service Area

The \$800 Service Area reflects the centralised location and size of the land and is generally comprised of those small township allotments that do not have the capacity to treat and contain their own effluent.

As a general rule properties within the \$800 Service Area are:

- Within the central township area; and/or
- Developed lots, not able to retain effluent onsite; and/or
- Less than 2,000m²; and/or
- Public lands and community facilities such as schools and recreation reserves

Some may be larger than 2,000m², but are surrounded/bordered by lots smaller than 2,000m²

Voluntary Service Area

The Voluntary Service Area reflects land that is fronted by a sewer main, but has the land capacity to treat its own effluent – generally greater than 2,000m². South Gippsland Water has extended the reticulated sewer network to capture many of the properties identified in the original scheme area. Properties with Council non-compliant waste systems will be able to connect.

As a general rule properties within the Voluntary Service Area are:

- Outside the central township area; and/or
- Larger than 2,000m²; and/or
- Fronted by sewer mains

There have been some cases where properties have been left out of both the \$800 Service Area and the Voluntary Service Areas. This may be due to the fact that the properties are:

- Large allotments greater than 4,000m²; and/or
- Not fronted by a sewer main; and/or
- Undeveloped on the edge of other developed areas or past the end of sewer mains; and/or
- Difficult and costly to service.

Pricing Principles

Pricing Principles for connection to the Poowong, Loch and Nyora Sewerage Scheme are:

\$800 Service Area (excluding owner property connection costs*)

- All property owners will pay a once off scheme capital contribution of \$800
- All developed properties are required to connect
- Vacant land developed prior to construction completion will fall under the \$800 scheme contribution
- Vacant land developed after construction completion will pay a further on-property connection charge currently estimated at \$7,500
- All properties (developed/vacant land) will be required to pay annual wastewater tariffs from the scheme commissioning date (currently \$453.90 for a developed property and \$266.40 for vacant land)
- Owners property connection costs are in addition to the above charges

Voluntary Service Area (excluding owners property connection costs*)

- Property owners wishing to connect before construction completion will pay a once off scheme capital contribution of \$5,000
- Property owners wishing to connect after construction completion will pay a higher charge currently estimated at some \$10,000
- All connected properties in the Voluntary Service Area will pay the same annual wastewater tariffs as the \$800 Service Area (currently \$453.90 for a developed property). No annual wastewater tariffs apply for vacant or properties not connected.
- Owner property connection costs are in addition to the above charges

All Others i.e. Outside Service Areas (excluding owners property connection costs*)

- New Customer Contribution and the on-property cost recovery applicable at the time of connection (currently estimated at some \$10,000). Costs are variable dependent on property & length of sewer main required.
- South Gippsland Water tariffs apply on connection.

Indicative Cost table:

Indicative connection costs to homeowners	
Plumbing Costs (re-arranging)	\$1,000 –\$2,500
Decommissioning Septic tank	\$1,500
Total Indicative*	\$2,500 – \$4,000*

*Indicative estimates only, individual properties will vary dependant on age, size and location of existing plumbing components. Electrical switchboards must comply with Australian Standards and meet safety requirements; some homes will require electrical switchboard upgrades for safety reasons.

What Service Area Does My Property Fall Into?

Service Area Maps are shown over the page. For larger copies the township maps showing the service areas go to www.sgwater.com.au under the 'wastewater' tab found along the top bar. Scroll down to the heading 'Poowong, Loch & Nyora Sewerage Scheme'. There are maps for each town. The Blue shaded area designates the \$800 Service Area and the Green shaded area designates the Voluntary Service Area.

If you are still unsure, please call South Gippsland Water to discuss on 1300 851 636.

Integrated Water Cycle Management

As part of the review, the Scheme has also examined broader integrated water cycle management initiatives.

As a result, there may be opportunities to incorporate such elements which have the potential to reduce on-going operating cost via water demand management and lower wastewater volumes.

Next Steps:

February 2014 – South Gippsland Water Board will finalise the review process.

March 2014 – South Gippsland Water to lodge revised scheme business case with the Department of Treasury and Finance for approval.

May 2014 – Business case approval

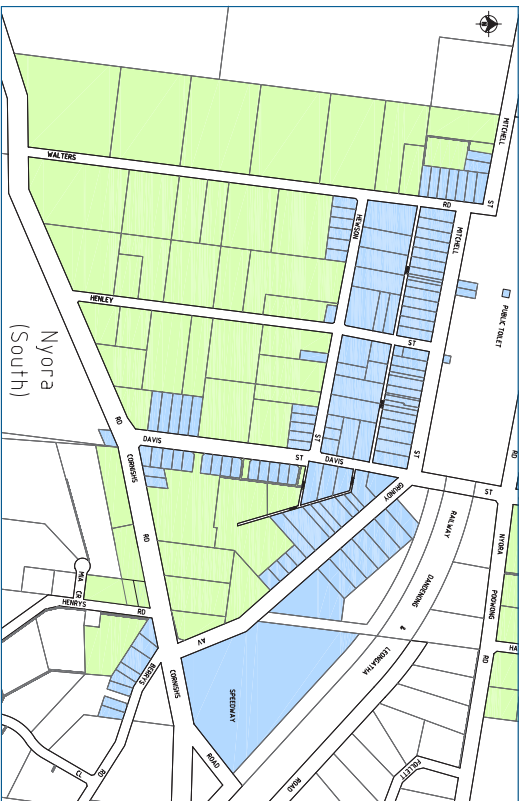
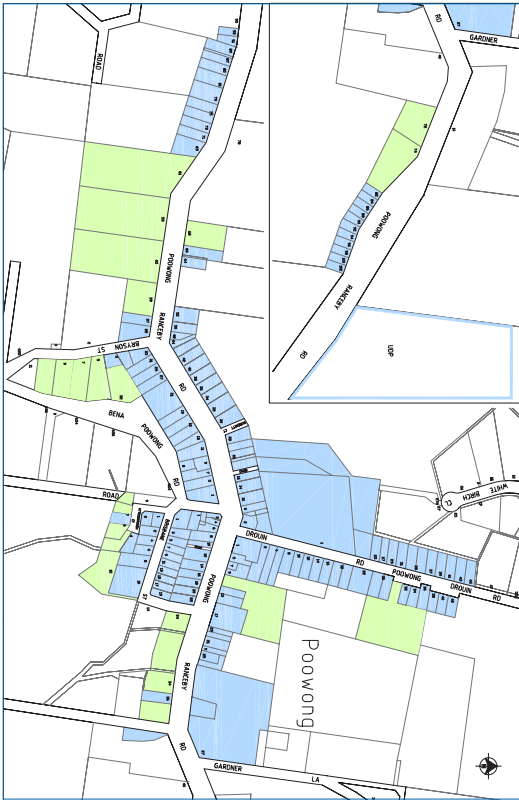
June 2014 – Commence delivery of the scheme

Scheme completion remains on track for 2016/17 with potential for earlier completion

Owners Property Connection Costs

Home owners will be responsible for paying the plumbing costs of connecting their dwelling to the pump unit. This includes sourcing and contracting a plumber to decommission the existing septic tank and to re-arrange and connect plumbing to the pump unit. Household electrical switchboards must comply with Australian standards and safety requirements – additional costs may be incurred if an electrical switchboard upgrade is required. Pumping will generally occur for a few minutes at a time and it is estimated that electrical pumping costs are in the vicinity of \$20-\$30 annually.

SERVICE AREA MAPS



\$800 Service Area

Voluntary Service Area



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