

Considerations for Adding Connections to the Division 12 STEP Association System

Canterwood Division 12 STEP Association Board (2-21-2025)

Issue

A household within Canterwood but outside of Division 12 inquired about possibly connecting to the Division 12 STEP Association system. Since the initial contact, the household is pursuing other options.

In this short paper, we examine the governing factors and other necessary considerations in the event the issue arises again.

Synopsis

The Division 12 STEP Association's governing documents do not consistently deal with additional connections. However, there are circumstances when homes outside of Division 12 could be connected to our system. The easement granted by the Canterwood Homeowners Association (HOA) specifies the terms and conditions governing this process. It is important to note that other agencies have critical roles, and they must be included in the approval process. Additionally, new easements may be needed along with modifications to existing agreements with the City of Gig Harbor.

Background

The single house in question is reported to have a failing onsite drain field, and the owners are looking at potential wastewater treatment options. In this specific example, the home is located a significant distance from the Canterwood STEP system pretreatment lines yet relatively near (less than 200 feet from) the Division 12 STEP post-treatment discharge line to the Gig Harbor City sewerage line. The potential connection point to this discharge line is roughly 2,000 feet downstream from the STEP treatment building on Foxglove and 4,000 feet from the terminal flow meter vault near the Baker Gate.

Precedence

This is the first such inquiry to have been made to the Division 12 STEP Board.

Governing Documents

To varying degrees, the nine documents that govern the Canterwood Division 12 STEP Association address the topic of additional connections to our system. For completeness, the Board reviewed these nine governing documents (available at <https://canterwooddiv12step.org>) and present our findings here:

- Articles of Incorporation
- Bylaws
- CC&Rs
- Canterwood Development Corporation Sewerage Easement
- Canterwood HOA Sewerage Easement
- Canterwood Golf and Country Club Sewerage Easement
- STEP System Fees and Procedure
- STEP System Management Agreement with Gig Harbor City
- Utility Extension Capacity Agreement with Gig Harbor City

Since each of the documents listed above is generally standalone, the issue of additional connections has several considerations—some perhaps conflicting—that require examination below.

Articles of Incorporation

The Articles of Incorporation clearly state that the system is only for use by the 71 households in Division 12: Article III (Purposes) establishes that the STEP Association is formed to provide services and benefits to the owners of “Covered Property” as detailed in the Sewerage Declaration (i.e. CC&Rs). While Article XIII (Members) defines and limits the members of the Association to owners of Dwelling Units that are subject to the Sewerage Declaration (again, the CC&Rs)—and that there shall be no other members.

Bylaws

Interestingly, the Bylaws do not address additional connections. The only tangentially related Article III, Section 7(c) states that a member's right to vote is vested immediately upon the date their Dwelling Unit is connected to the system, which would imply that any property outside of Division 12 that connects to our system is automatically annexed into the Division 12 STEP Association, after agreeing and being subject to the Sewerage Declaration, as noted in the Articles of Incorporation.

CC&Rs

In Article I, Section 1.12 and Article II, Section 2.1, the CC&Rs reiterate in Exhibit A that only lots 1–71 are members of the Association. However, Article II, Section 2.2(a) then states that additional properties may be subject to the Sewerage Declaration upon connection to the system and satisfaction of all other conditions in the Sewage Declaration. Note also that in Article II, Section 2.2(b), the sewer line easement granted by Canterwood HOA allows for an additional 15

connections if they have documented proof of onsite septic system failure and no options. If this remedy is invoked, it notes that all costs associated with STEP system modification and the connections will be borne by the Canterwood HOA. Article II, Section 2.2(c) makes similar allowances for the golf course, but they bear the costs. Article III, Section 3.1 allows that anyone connected to the system is a member of the Association—contradicting the Articles of Incorporation declarations that members are confined to the 71 Division 12 homes.

Canterwood Development Corporation Sewerage Easement

There is no language in this easement document that pertains to the issue of additional sewerage connections.

Canterwood HOA Sewerage Easement

Section 5 of this easement notes that the Grantor, the Canterwood HOA, provides the easement and requires up to 15 home connections as consideration. The Grantor will pay for professional fees, permitting costs, utility extension fees, and construction in the event Tacoma Pierce County Health (TPCH) Department deems that connection to the STEP system is required to solve a public health situation.

Canterwood Golf and Country Club Sewerage Easement

Section 5 of this easement notes that the Grantor, the Canterwood Golf and Country Club, can connect to the Division 12 STEP infrastructure in their easement area for any Golf and Country Club facilities present or future. The Grantor will pay for professional fees, permitting costs, utility extension fees, and construction.

STEP System Fees and Procedure

Item 9 (Monthly Charges) of this document defines a Dwelling Unit as being connected to the system when it is inspected and approved by the City of Gig Harbor and final occupancy has been obtained.

System Management Agreement

In the STEP System Management Agreement between the City of Gig Harbor and the Canterwood Division 12 STEP Association, Section 8 lays out the treatment requirements and notes that the wastewater is to be treated at the source and not to exceed the capacity of the Agreement listed in Appendix A, which defines the service area as the 71 homes in Division 12.

Utility ExtensionCapacity Agreement

The Utility Extension Capacity Agreement notes that it is only for the Division 12 Plat listed in Appendix A, which provides the legal definition of the land that the 71 homes sit on. No allowance is made for individual homes in the Agreement. Further, Section 4 (Sewer Capacity Commitment) lists that we are given the right to discharge 71 ERUs (equivalent residential units)

to the City's sewerage system and that any additional discharge must be approved by the City of Gig Harbor and connection-related costs and fees satisfied.

Summary

The document review revealed issues related to the potential homeowner question and issues related to the Canterwood Golf and Country Club easement.

The exploratory inquiry from the Canterwood resident, about connecting to the Division 12 STEP Association system was mentioned in the Background section above. Essentially, running a line from the home on Old Stump to the STEP treatment house on Foxglove—some 2,000 feet away—likely isn't feasible. As such, their wastewater would need to be added downstream of the treatment facility.

Treatment Requirements

Assuming that the many administrative considerations were addressed and the connection were to be made downstream of the treatment house, there are two options for treating that home's wastewater:

1. Division 12 STEP could increase base chlorination injection levels at the treatment house to maintain a higher residual chlorine concentration within the distribution line to accommodate/offset added intermittent untreated flows from the house in question. This would negatively impact our flow-based injection system, which is required by the City Agreement, in that chlorination would no longer be flow-based. Such a change would increase overall operational costs for all Division 12 STEP members.
2. Alternatively, an in-home treatment option might be engineered and required. As with all homeowner system components, operation and maintenance depends on the homeowner. Operational requirements would need to be established and their status reported to the Division 12 STEP Board on a to-be-determined basis.

Jurisdictional Authority

TPCH has jurisdictional authority over onsite waste treatment systems, and any solution requires their approval. Although we have not consulted the TPCH in preparing this paper, the Division 12 STEP Association Board believes potential failures are considered in the county building permit process. All homes with onsite systems are supposed to have a reserve drain field area. The homeowner will likely need to consider the following: repair/rehabilitation of their current system, evaluating their reserve field for a replacement drain field, and/or the installation of an engineered onsite system. If these options are deemed unworkable and documented by TPCH, connection to the Division 12 STEP Association's system would then be formally approved. At that point, jurisdictional involvement expands to the Canterwood HOA, City of Gig Harbor, and

the Division 12 STEP Association. In particular, agreement/permitting/aspects with the City of Gig Harbor and perhaps Pierce County will have several components.

The specific role and process for the Canterwood HOA is currently unexplored but will be a factor, as the HOA is responsible for all connection costs, according to the Canterwood HOA Sewerage Easement and the Division 12 STEP CC&Rs.

Anticipated series of events:

- A resident outside of Division 12 with a failing/failed septic system works with TPCH. If TPCH issues a failure letter, then the resident approaches the Canterwood HOA for resolution.
- Canterwood HOA notifies Division 12 STEP Association of the need to exercise their easement rights on behalf of the affected resident.
- The resident agrees to the Division 12 STEP Association's CC&Rs.
- Division 12 STEP Board works with the City of Gig Harbor to determine if additional capacity/connection can/will be granted, any connection fees or other costs associated with such expansion, and the necessary treatment requirements for the additional wastewater.
- The Division 12 STEP Board forwards the requirements that are discovered in working with the City of Gig Harbor to the Canterwood HOA for incorporation into the engineering design, easement considerations, and permit applications.
- Canterwood HOA manages the easement acquisitions/reviews and engineering of the connection to our system.
- Division 12 STEP Board works with Canterwood HOA on administrative and legal review and document cleanup.
- Canterwood HOA makes arrangements for contractors, handles scheduling, and presents the plan for approval to Division 12 STEP Board, so the needed coordination can occur.
- Canterwood HOA manages and completes the physical connection to our system.
- Upon connection, the Division 12 STEP Board incorporates the new member into our Association and implements any new O&M requirements.

The easement to the Division 12 STEP Association granted by the Canterwood Golf and Country Club also allows connection to our system, but as it is a commercial entity, there are many additional considerations. The Division 12 STEP Board would need to undertake a separate analysis of those considerations if a future request is made.