

Itasca County Septic Initiative Q&A

The Itasca County Septic Initiative encourages eligible property owners to request a septic compliance inspection, then offers a **10-year-term interest-free-loan** to help property owners pay for septic replacement for those systems that fail inspection.

What is a Septic Compliance Inspection?

The soil underneath your septic system drain-field acts like a filter, filtering your effluent before it runs into the water table and lake. Over a long period of time, 20-30 or more years, that "filter" can become saturated. When the soil filter becomes ineffective, pathogens, phosphorus, and nutrients can run into the water table and Itasca County lakes and rivers, driving growth of green algae and undesirable weeds and reducing water clarity. Since clean and clear Itasca County lakes and rivers are a key component of our local economy, it's in our best interests to conserve fishing and family enjoyment in clean water.

A septic compliance inspection simply determines whether your soil continues to filter effluent effectively. A properly constructed and maintained septic system can last a long time when owners follow best practices. (For more information about best practices, please see <https://www.pca.state.mn.us/sites/default/files/wq-wwists6-14.pdf>, <https://septic.umn.edu/publications/taking-care-septic-system> and <https://septic.umn.edu/publications/owner-guide>). A good rule of thumb is for property owners whose septic systems are 20+ years old to request a septic compliance inspection every 5-10 years.

How does a Voluntary Septic Compliance Inspection Work?

When you place a request for a septic compliance inspection, the inspector calls you to schedule time to come to your property. You don't have to be home when the inspector performs the inspection, but you can be present if you want to. The inspector checks your septic tank for leaks, checks to see if the system is operating properly, and then performs hand-drawn soil borings both near your tanks and near your drain-field. The borings near the tanks will determine whether your tanks are leaking. The borings near the drain-field will determine whether the soil underneath your septic drain-field is properly filtering effluent.

Inspection is required by law when you sell your property or apply for certain zoning (building) permits, but waiting until you apply for a permit or sell your property may cause your sale or building project to be delayed while you remedy. **Best to act now.**

Property owners choose their own licensed inspector, negotiate their own rate, contract for inspection service, then pay the inspection fee directly. Itasca County can supply property owners a list showing all certified inspectors and licensed septic professionals working in Itasca County. Your inspector completes a form at the end of the inspection, and indicates whether your septic system passes or fails. You receive a copy of the form. The inspector also sends Itasca County a copy of the form. Your inspector sends to you an invoice for the cost of your inspection. You pay your inspector. Inspection fees vary by inspector, but generally run about \$500.

As an added incentive, the cost for the first 14 inspections requested from eligible shoreland property owners through this Initiative and performed by ICOLA's contracted independent inspector will be paid for by a generous grant from Itasca Waters.

A septic compliance inspection is different than a tank pumping. Tank pumping is performed by a septic service. Examples of firms that pump septic tanks include Scooters Septic Service and Bunes Septic Service. Septic professionals generally recommend that property owners have their septic tank pumped every three years or so, depending on use. A \$500 septic compliance inspection does **NOT** include a tank pumping. If your septic tank has not been pumped for three years or more, you may also want to pump your septic tank. If you aren't sure whether you need to have your tank pumped, your inspector can likely look at your tank during inspection and help you make a decision.

Which Itasca County Property Owners are Eligible to Participate?

Eligible property owners:

- own property in Itasca County that includes a septic system installed in 1996 or earlier
- where that system has not undergone a septic compliance inspection during the past five years
- whose property is not currently for sale and won't be listed for sale until inspection and, if necessary, until septic replacement has been completed
- who have not submitted an application for a zoning (building) permit and won't do so until inspection and, if necessary, septic replacement has been completed
- who are not otherwise under legal obligation to replace their septic system
- and whose property tax payments for that or other Itasca County property are current
- Residential, seasonal, and commercial property owners are eligible

What happens if my septic system passes? What if it fails inspection?

If your septic system passes the compliance inspection, great! You can rest easy knowing that your septic system is not contributing to the greening of Itasca County lakes and rivers. If your system does not pass inspection, that means some or all of your effluent may be deteriorating the water quality of your lake.

Property owners whose inspections do not pass are legally bound to repair or replace their septic system. Itasca County recommends property owners take immediate action to repair or replace a failing system, but legally owners have up to two years to complete the work, unless the inspection results in findings indicating that the system is an imminent public health threat in which case the system must be repaired or replaced within 10 months of the inspection report. Septic replacements require a permit and permit fee. Contractors or property owners pay the cost of the septic permit fee.

What Support is Itasca County offering Property Owners whose septic systems fail voluntary inspection?

Septic systems can be expensive to replace. Itasca County is offering **ZERO-INTEREST 10-year-term loans** for eligible property owners to help pay for septic replacement resulting from a voluntary inspection. This loan requires a \$200 application fee but **no interest** is added to your payment during the 10-year loan-term if you make payments on time. The application for these loans do not require you to submit personal income or assets information, but you must have a history of paying your property taxes on time and you must meet the other eligibility requirements described above. The loan itself is secured by your Itasca County property. The loan balance is added to your property tax statement, similar to an assessment. You are billed and make loan payments via the May and October property-tax billing-and-payment process. Penalty for non-payment is similar to penalty for non-payment of property taxes. Interest and penalties could apply to late payments or non-payment.

For example, if your loan is \$10,000, you would be billed and pay \$500 in each May and October for 10 years. This option could save you up to **\$3000** or more in interest payments compared to conventional loans.

Loan funds are limited in numbers and amounts. Loan amounts are limited to \$25,000 for seasonal and residential property, and to \$50,000 for business properties including resorts, camps, and campgrounds.

Important **If you think you may be interested in a zero-interest loan, notify Itasca County that you are interested in a loan at the time you order your septic inspection.** (There's space on the attached form to do so). Itasca County will add your name to the Loan List. If your inspection fails, and your septic system and requires replacement, your name must be on the loan list in order for you to be assured that these limited funds are not depleted by the time your contractor completes your septic replacement. Itasca County will inform you of the available loan balance and your position on the Loan List. Otherwise Itasca County makes no assurance that adequate loan funds will be available. By indicating your interest in a loan, you are not committing to accept a loan, you are simply indicating that you are considering a loan.

Itasca County Septic Zero-Interest 10-Year-Term Loan Offer – How Does it Work?

1. Eligible property owners:
 - own property in Itasca County that includes a septic system installed 1996 or earlier
 - where that system has not undergone a septic compliance inspection during the past five years
 - whose property is not currently for sale and won't be listed for sale until inspection and, if necessary, until septic replacement has been completed
 - who have not submitted an application for a zoning (building) permit and won't do so until inspection and, if necessary, until septic replacement has been completed
 - who are not otherwise under legal obligation to replace their septic system
 - and whose property tax payments for that or other Itasca County property are current
2. Eligible property learns of zero-interest loan offer and makes decision to order septic inspection
3. Interested property owners may direct questions about the Itasca County Septic Loan Initiative to Katie Benes, Environmental Services Dept. 218-327-2857 or Katie.benes@co.itasca.mn.us
4. Property owner notifies Itasca County by submitting the attached Inspection Participation Form
5. Itasca County confirms whether property owner is eligible to participate
6. Itasca County sends property owner list of licensed septic inspectors
7. Property owner requests septic compliance inspection directly from owner's chosen certified inspector. Property owner may choose any licensed inspector.
8. Septic inspection is completed by licensed inspector. Property owner pays inspector's fee (usually around \$500). **Exception**-- the first 14 voluntary inspections for eligible shoreland property owners performed by ICOLA's contracted independent licensed inspector will be paid for by a generous grant from Itasca Waters.
9. Inspector provides inspection results to property owner and Itasca County.
10. If septic passes inspection, great! Property owner can rest assured that his/her septic system is not contributing pathogens, phosphorus, or other nutrients to Itasca County lakes and rivers. If septic fails inspection, property owner has two years from inspection date to complete repair or replacement as indicated on inspection result form. (In rare cases the failure is determined to be significant and designated as an "imminent public health threat". In that case, the property owner has 10 months to complete the replacement. Imminent public health threats are a priority).
11. If inspection result indicates septic replacement is necessary, property owner obtains two or more bids for septic replacement from a licensed septic installation contractor
12. Property owner selects septic replacement contractor
13. Property owner makes final decision to apply for loan
14. Property owner applies for septic loan from Itasca County Environmental Services office, completing loan application, and paying \$200 loan application fee
15. Septic replacements require a septic permit and payment of a septic permit fee. Property owner or Contractor applies for septic permit, paying the applicable current septic permit fee
16. Contractor performs and completes the work
17. Itasca County Environmental Services department reviews zero-interest Loan application. Environmental Services will simply look to see if property owner's tax payments are current. Itasca County will not consider income or assets when reviewing applications and the application does not ask for this information. If application is approved, once the work has been completed satisfactorily to the property owner and Itasca County, Itasca County writes check to contractor and adds loan balance as an assessment to property. Zero-interest, 10-year-term.
18. Property owner billed for loan-repayment on Itasca County property tax statements due May and October over 10-year term of loan
19. Penalty for non-payment of the loan is similar to penalty for non-payment of property taxes. Interest and penalties could apply to late payments or non-payment.
20. At property sale, loan comes due and is paid-off at closing from sale proceeds.

Itasca County Septic Initiative

Septic Compliance Inspection Volunteer Form

Itasca County is offering zero-interest 10-year-term loans as an incentive for eligible Itasca County property owners to volunteer for a septic compliance inspection. Eligible property owners:

- own property in Itasca County that includes a septic system installed in 1996 or earlier
- where that septic system has not undergone a septic compliance inspection during the past five years
- whose property is not currently for sale and won't be listed for sale until inspection and, if necessary, septic replacement has been completed
- who have not submitted an application for a zoning (building) permit and won't do so until inspection and, if necessary, septic replacement has been completed
- who are not otherwise under legal obligation to replace their septic system
- and whose property tax payments for that or other Itasca County property are current

Loan funds are limited. Property owners indicate their interest in a loan by completing the form below. Property owners should complete and submit this form when they make the decision to order a septic inspection. That assures the owner that the loan fund will not be depleted by the time he or she goes through the inspection and replacement process and applies for the loan. Don't worry, you are not committing to accept a loan when you complete this form, you are simply indicating you are interested in considering a loan.

Complete the form below to begin the process and make a reservation for your loan. Itasca County will reply with a list of licensed septic inspectors, confirm that your property is eligible for the Itasca County Septic Loan program, and confirm that you have been placed on the Loan List as described above.

By signing the form below, property owner certifies that he or she has read and understood the "Itasca Septic Initiative Q&A" and "Itasca County Septic Zero-Interest 10-Year-Term Loan Offer – How Does it Work?" publications.

Disclosures: Property owner hires and pays licensed septic inspector directly. You may choose any licensed inspector. Inspection fees vary, but average about \$500. Should your septic system fail inspection, you are legally bound to replace your septic system. You may choose any licensed septic contractor, but must obtain at least two bids. Septic replacements require a permit. You or your licensed contractor must apply for a septic permit and pay the then-current septic permit fee. If your inspection fails and you decide to apply for a zero-interest septic replacement loan, you must pay a \$200 loan application fee. The loan application does **not** require you to submit personal income or assets information, but you must have a history of paying your property taxes on time and you must meet the other eligibility requirements described above. When approved, the loan is secured by your Itasca County property. The loan balance is added to your property tax statement, similar to an assessment. You will be billed and make loan payments via the usual May and October property-tax billing-and-payment processes. **No interest** is added to your payment during the 10-year loan-term if you make payments on time. This option could save you up to **\$3000** or more in interest payments compared to conventional loans. Penalty for non-payment is similar to penalty for non-payment of property taxes. Interest and penalties could apply to late payments or non-payment. Loan amounts are limited to \$25,000 for seasonal and residential property, and to \$50,000 for business properties including resorts, camps, and campgrounds.

Property Owner Name _____

Property Address _____

eMail Address _____ Phone _____

Property Owner Signature _____ Date Signed _____

Please complete, sign, and return this form to: **Itasca County Septic Initiative, Itasca County Environmental Service Dept, 123 NE 4th St., Grand Rapids, MN 55744**

TO BE COMPLETED BY ITASCA COUNTY AFTER SEPTIC INSPECTION IS PERFORMED.

Inspection Date _____

Result _____

Imminent Public Health Threat? _____ (Y/N)