

Date: May 14, 2024
To: Environmental Quality Commission
From: Leah Feldon, Director
Subject: Agenda item H, Action item: Lazy Days Water Pollution Control Facility Findings
May 23, 2024, EQC meeting

Why this is important The Three Basin Rule (OAR 340-041-0350) requires the Oregon Environmental Quality Commission's review and approval for issuance of a new or modified Water Pollution Control Facility permit where the proposed sewage design flow will exceed 5,000 gallons per day within the Santiam, McKenzie or Clackamas river basins. The Lazy Days Mobile Home Park, as part of the redevelopment of its facility following the 2020 wildfires, has applied for a permit that exceeds this threshold.

Prior EQC involvement On May 19, 2023, DEQ staff presented an informational item to the commission, titled Onsite Program Wildfire Recovery and the Three Basin Rule. This presentation provided an overview of the onsite septic program's work to assist property owners and communities impacted by the historic 2020 wildfires. Those efforts included providing technical assistance, prioritizing permit applications for rebuilding, funding septic system repairs and replacements with pass-through federal grants and issuing a new guide for Oregon counties to plan and prepare for future natural disasters. The presentation also provided an overview of the Three Basin Rule (OAR 340-041-0350), which now applies to the current WPCF permit modification application received from Homes for Good Housing Agency for the Lazy Days Mobile Home Park facility, located within the McKenzie River Subbasin. This is the first Three Basin Rule action item DEQ has brought before the EQC since the 2020 wildfires.

Background The Three Basin Rule, initially adopted by the EQC in 1976, protects and preserves the Santiam, Clackamas and McKenzie River basins by limiting new and increased wastewater discharges. These rules were adopted to protect these basins as the primary sources of drinking water for downstream users including the cities of Eugene, Salem and several cities in Clackamas and Washington Counties, as well as to preserve recreational and aquatic life uses in these basins. Redevelopment in a significant portion of the 2020 wildfire impacted area overlaps the area covered by the Three Basin Rule, including communities in the Santiam Canyon and the Blue River areas. The Three Basin Rule restricts new or increased discharges and requires EQC review of proposals for onsite septic WPCF-permitted facilities that treat 5,000 gallons per day or more of wastewater. DEQ's fact sheet on the Three Basin Rule Protection is provided as Attachment C.

Homes for Good Housing Agency opted to redevelop the Lazy Days Mobile Home Park after the 2020 wildfires by taking a phased approach. The existing WPCF-Onsite permit for the facility includes a design flow limit of 4,850 and did not trigger the need for EQC review due to the system being under the 5,000 gpd threshold. The applicant is now pursuing the second phase of the development to return to a capacity that existed before the 2020 wildfire. This phase increases the design flow to 6,100 gpd, which requires a modification to the WPCF-Onsite permit and EQC review and approval.

As part of the WPCF-Onsite permit modification process, DEQ Onsite Program staff coordinated with agency hydrogeologists to evaluate potential groundwater impacts and found that the permit modification represents a low potential to negatively impact nearby ground or surface waters (Attachment D). DEQ determined that the type of onsite wastewater system and technology proposed is a significant improvement from the older systems that existed at this facility prior to the 2020 wildfire events.

To approve a WPCF permit for a new or expanded onsite system with sewage flows greater than 5,000 gpd, DEQ and the commission must find that:

- There is no discharge to surface water;
- The new treatment system or facility will protect groundwater including a groundwater monitoring plan, treated wastewater concentration limits and plans to restore conditions if groundwater quality is adversely affected; and
- That the new treatment system or facility improves protection relative to the current treatment system. The permitting process can take up to two years and there is no guarantee that the proposed permit will be approved by the commission.

DEQ Onsite Program staff have drafted the modified permit (Attachment A) and the permit evaluation (Attachment B), which were sent out for a simultaneous 30-day public notice for comments and applicant review on Jan. 24, 2024. No comments were received during the comment period. The draft modification permit includes strict monitoring, sampling, and reporting requirements for this facility, which also includes groundwater monitoring from nearby installed monitoring wells. The WPCF-Onsite permit may also be reopened should performance of the system be inadequate, or ground or surface water concerns arise. DEQ Onsite Program staff are ready to issue the WPCF-Onsite modification permit pending EQC approval as required by the Three Basin Rule.

Key issues

DEQ will present information regarding:

- **Redevelopment of the Lazy Days Mobile Home Park.** This facility was impacted by the 2020 wildfires and seeks to rebuild back to original capacity, including an upgraded onsite wastewater treatment system.
- **Onsite wastewater systems with sewage flows of 5,000 gpd or more must comply with the Three Basin Rule.** The WPCF permit modification from 4,850 to 6,100 gpd requires EQC review and approval.
- **To comply with the Three Basin Rule, DEQ and the commission must find that:**
 - There is no discharge to surface water;
 - Wastewater from the facility will be discharged to a subsurface drainfield, which is not considered functionally equivalent to a direct discharge to surface water.
 - The new treatment system or facility will protect groundwater including a groundwater monitoring plan, treated wastewater concentration limits and plans to restore conditions if groundwater quality is adversely affected; and
 - A DEQ hydrologist reviewed the proposal and drafted a memo (Attachment D) with options to protect groundwater and meet the requirements of the Three Basin Rule. The draft WPCF-Onsite permit includes limits on treated wastewater concentration parameters as well as groundwater monitoring requirements using three monitoring wells. Additionally, the draft permit includes language, if warranted, for requiring a full assessment of the facility's impact on groundwater quality with the option for DEQ to reopen the permit for amended groundwater monitoring parameters.
 - That the new treatment system or facility improves protection relative to the current treatment system. The permitting process can take up to two years and there is no guarantee that the proposed permit will be approved by the commission.
 - Prior to the 2020 wildfires, the facility was not on a DEQ WPCF-Onsite permit and wastewater was treated through the use of three to five standard onsite septic systems. The proposed wastewater treatment system incorporates technology that is expected to see a 70-80% reduction in total nitrogen of the wastewater effluent that discharges to the subsurface drainfields, when compared to the previous standard septic systems that were in place.

**DEQ
recommendation
and proposed
EQC motion**

DEQ recommends that the Oregon Environmental Quality Commission approve issuance of the WPCF permit modification for the Lazy Days Mobile Home Park facility for a sewage design flow of up to 6,100 gpd.

Proposed EQC motion:

“I move that the Oregon Environmental Quality Commission approve, under the Three Basin Rule, the Water Pollution Control Facility permit modification for the Lazy Days Mobile Home Park for a wastewater design flow of up to 6,100 gallons per day.”

Approval of this WPCF permit modification allows for redevelopment of this facility to its previous capacity prior to the 2020 wildfires, but with significantly improved wastewater treatment and ongoing groundwater monitoring.

**Supporting
materials**

- A. Draft WPCF-Onsite Permit Modification for Homes for Good Housing Agency
- B. Draft WPCF-Onsite Permit Evaluation for Homes for Good Housing Agency
- C. [Three Basin Rule Protection Fact Sheet](#)
- D. Report: *Groundwater Impact Evaluation, Nitrate Balance, Lazy Days Community Redevelopment*

*Report prepared by Sean Rochette
Water Quality Division, Onsite Program Manager*

Translation or other formats

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800-452-4011 | TTY: 711 | deqinfo@deq.oregon.gov

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