

NOTICE

This pamphlet is intended to inform the reader about the process of testing existing sewage disposal systems for private contractual purposes.

It is based on the accumulated knowledge of the Dingman Township Sewage Department and observations of the problems experienced by township residents.

This pamphlet should not be considered, in any way, to be legal advice and readers are strongly encouraged to discuss the pamphlet with their attorney prior to contracting with a testing company.

The reader is furthermore warned that there may be other relevant issues or concerns not addressed in this pamphlet and that the reader should not rely solely on the information provided herein.

Inspections of
Existing Sewage Systems
for
Real Estate Sales
or
Refinancing Purposes



Dingman Township receives many questions concerning the inspection of existing sewage disposal systems for real estate sales and refinancing purposes. This document is designed to assist property sellers, buyers, and people in the real estate and finance businesses to better understand the process and avoid the pitfalls of private sewage system inspections.

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Background

In the past, sewage systems were often of minor concern when purchasing real estate. A vast majority of the nation's housing market was located in the cities and suburbs and was served by central sewage. Rural properties were usually larger and should there be a problem with the sewage system, a new one could be cheaply and easily installed.

The late 1960's produced two significant changes. People started gravitating to rural areas with large tracts of land being subdivided into small lots. The environmental movement brought about sewage laws that made it more difficult and more expensive to install new sewage systems.

Lending institutions soon noticed a problem. People would occasionally purchase houses with failing sewage systems. In many cases, it was not possible to repair or replace the sewage system in a financially feasible manner. The property owners would sometimes abandon the house leaving the financial institution with a "white elephant". To avoid such problems, lending institutions started requiring borrowers to have the sewage system inspected prior to the approval of the mortgage.

Why inspect an existing sewage disposal system?

Aside from it usually being a requirement in order to obtain a mortgage or to refinance a house, many home buyers have inspections performed to determine whether the sewage system is failing or to predict the possibility of failure in the near future.

No township inspections

While some municipalities may perform inspections for real estate transfers/refinancing, the practice is frowned upon by the Department of Environmental Protection as such inspections fall outside the parameters of the Pennsylvania Sewage Facilities Act. Like most municipalities, Dingman Township does not perform inspections of existing systems for real estate transfers/refinancing purposes. Parties needing such inspections must obtain the services of a private testing firm.

In the past, some out-of-state lending institutions have made it their policy to deny mortgages if the municipality does not perform the inspection. In such cases the borrower will have to find another lending institution that does not have such a policy.

Finding private inspectors

There are numerous private testing firms available to inspect existing sewage systems for real estate transfers/refinancing purposes. The names of such firms may be found in the telephone book, and registries maintained by the Chamber of Commerce, Builder's Association, etc. The Dingman Township staff is prohibited from providing names, or recommending private testing firms.

When hiring a private testing firm, you should be wary about hiring one that is recommended by a person who would benefit from the sale or refinance (e.g. the seller, real estate agent, title company etc.) as they may be putting profit before your best interests. Recently, television news magazines investigating firms in Florida found that parties with a financial interest in a sale often promote private inspecting firms that approve all but the worst sewage disposal systems. A house is an expensive investment. You should not hire anyone who won't look out for your interests.

Unregulated industry

In Pennsylvania, the private sewage inspection business is an unregulated industry. That is, there are no State or Federal Laws governing how they may test a sewage system. Each individual firm may determine its own methodology and determine what it considers a passed or failed system. Some firms maintain strictly adhered to protocols. Others will just "wing it".

Be cautious of private inspection firms that claim to be certified. There is no state recognized certification program in Pennsylvania. Private certification programs range from multiple day classroom and field training courses to correspondence courses conducted by out-of-state companies. Also be cautious of firms that claim they are "SEO certified". The Pennsylvania SEO certification program does not involve the inspection of existing systems.

Know the testing protocols

Before hiring a private inspection firm, you should request information about the testing protocols the firm will be using. Overly aggressive testing can destroy a perfectly good sewage system. In fact, aggressive testing has ruined many systems. Conversely, some private inspection firms employ protocols as simple as walking around the system to look for leaks. Finding none they approve the system. These latter firms do a great disservice to those relying on their report.

Improper testing should be a concern to both the seller and the buyer. Obviously, the seller does not want the system destroyed by the inspection firm as it would often result in the buyer backing out of the deal and the seller being left with expensive repair bills. Improper testing does not always destroy the system immediately. Often it sets forth a chain of events that results in failure a week, months, or even a year after testing. Therefore the house buyer should also be concerned with the problem of overly aggressive testing.

At minimum, the inspection protocol should include the following:

[Note: The sewage system may not have all the components listed below]

Septic Tank – How much check the scum and sludge is the tank.

- Are baffles intact?

- Is the tank structurally sound?
- Is there any sign of groundwater infiltration?

Aerobic Tank – same as septic tank, plus...

- Is the electrical/mechanical system operating correctly?

Dosing Tank – Is there any sign of sludge or grease in the tank?

- Is there any sign of groundwater infiltration?
- Is the tank structurally sound?
- Are the pump and floats operating correctly?
- Is the pump pumping the effluent at the proper speed based on the pump performance chart and the absorption area configuration?

Distribution box – Is the box structurally sound?

- Is the box level?
- Are all the laterals receiving an equal volume of effluent?
- Is there any sign of groundwater leakage?

Absorption Area – Is there any sign of effluent leakage?

- Is there erosion or soil settling?
- Is the bed covered with inappropriate vegetation?
- Is there sludge/grease in the aggregate?
- Is there effluent ponding within the aggregate?

Electrical – All wiring and electrical components should be inspected by a competent electrical inspector.

The inspection protocol should require that the sewage system have been under normal usage for the previous 14 days. If the house is vacant, the protocol should include running water into the system of the amount and frequency that would simulate normal use. At no time should the sewage system receive water in an amount greater than the system's intended daily flow nor should the water be introduced all at one time. Avoid any firm that wants to "shock load" the system in excess of the daily design flow.

Remember – running faucets can result in a lot of water in a very short time period. A bathtub faucet running at 20 gallons a minute would produce 1200 gallons in just one hour!

Contracts

The sewage inspection is a snapshot of the system at the time in which it was inspected. Based on the inspection, certain assumptions may be made toward the likelihood of a future malfunction. No sewage testing firm is going to offer a guarantee that the system will not fail in the future and the customer should not expect such a guarantee. However, some inspection firms prepare contracts that exempt themselves from a liability should they perform inferior work or destroy the system. You are advised to have your attorney review the contract prior to signing.

Dye testing

Dye testing is commonly required by lending institutions to be part of the sewage system inspection. The term has spread throughout the financial community with very few lenders understanding what a dye test is. Many believe that you introduce dye and magically it will tell you if the system is functioning or not.

The purpose of dye testing is to determine the source of observed sewage effluent. That is, when sewage is found in a stream or running on the ground, the dye is used to determine which sewage system is responsible. As such, there must be known or suspected sewage leakage that can be observed prior to injecting the dye. Obviously, should a private inspection firm observe an area of effluent leakage from the sewage system, the inspection should be failed and a dye test unnecessary.

Dye testing can result in the destruction of the sewage system when excessive water is used to flush the dye through the system. Dye testing also commonly results in bad systems being approved when dye fails to exit the system. This occurs when the private inspection firm uses the wrong type of sewer dye. Some dyes bind with the organic matter in the system. In such situations, the absence of dye in the effluent leak may result in the leakage being incorrectly considered groundwater leakage. Despite this, many private testers continue to use the wrong product when testing.

All-in-all, whenever possible, it is best to avoid dye testing. If a dye test must be performed, caution must be taken to ensure the tester does not introduce an excessive amount of water into the sewage system.

Interpreting test results

Since, private inspection of existing sewage disposal systems is an unregulated industry there is no standardization in the interpretation of the inspection results. Two testing companies may observe the same test and come to differing conclusions. Often the conclusions are weighted by the purpose of the test. A test may be considered acceptable for a long term resident attempting to refinance a home, but considered failed when trying to protect the buyer of the house.

It is important to remember that a failed test report does not necessarily mean there is anything **legally** wrong with the system. The failed report often **means that in the private inspector's opinion, the system would not satisfy the long-term needs of the buyer**. Sometimes, the problems may be corrected. For example, a septic tank that is not structurally sound could be replaced. Other times (for example, minor effluent ponding within the aggregate) the situation is subjective and the property owner has two choices – replace the system or lose the sale of the house.

Repairing/replacing a sewage disposal system

Pennsylvania has regulations and procedures for repairing and replacing sewage systems that leak or otherwise violate state law. If the existing system cannot be repaired and a new site cannot be found to construct a proper sewage disposal system, there are procedures that may allow a sewage system to be modified to meet the site conditions. However, the repair procedures only apply to systems that meet the state's definition of a malfunction. If a private inspection firm declares that a system failed their inspection but the system does not meet the state's definition of a malfunction, any replacement system must meet all the requirements for a new sewage system.

We are here to help

If after reading this brochure, you have any questions or concerns, please feel free to call the Dingman Township Sewage Office at 570-296-9260 Monday through Friday from 9:00am until 10:30am.