



City of Grand Island

Tuesday, October 8, 2013

Council Session

Item I-2

#2013-336 - Consideration of Approving Wastewater Rates for Non-Resident Customers

Staff Contact: John Collins, P.E. - Public Works Director

Council Agenda Memo

From: Marvin Strong PE, Wastewater Plant Engineer

Meeting: October 8, 2013

Subject: Consideration of Approving Wastewater Rates for Non-Resident Customers

Item #'s: I-2

Presenter(s): John Collins PE, Public Works Director

Background

On September 24, 2013 City Council approved new wastewater rates, through Resolution No. 2013-331, which went into effect October 1, 2013.

The City Council directed staff to present an increased rate for non-resident customers within 2 months.

Discussion

At the September 24, 2013 council meeting a discussion occurred regarding setting higher rates for non-resident wastewater customers to encourage annexation.

There are currently five (5) suburban sanitary sewer accounts being served by the Wastewater Treatment Plant.

- Grand Island Kennel Club (1 account)
- The Diamond Engineering Company (2 accounts)
- Hornady Tool Company (1 account)
- Hornady Manufacturing (1 account)

Due to the small amount involved the fee will have no significant impact on revenue. Therefore we are recommending that we match the Utility Department's practice of charging 20% over the rate for non-resident water customers. This will generate approximately \$2,625.30 annually. The charge for each customer will be determined by using the approved fee schedule to calculate the non-resident customer fee and multiply by 1.2.

Alternatives

It appears that the Council has the following alternatives concerning the issue at hand. The Council may:

1. Move to approve.
2. Refer the issue to a Committee.
3. Postpone the issue to a future date.
4. Take no action on the issue.

Recommendation

City Administration recommends that the Council approve the non-resident sanitary sewer customer rates for the Wastewater Treatment Plant.

Sample Motion

Move to approve the resolution.

RESOLUTION 2013-336

WHEREAS, at the September 17, 2013 City Council Study Session, representatives from the engineering consulting firm Black & Veatch Corporation of Kansas City, Missouri presented tables and allocations for a wastewater cost of services based rate study; and

WHEREAS, at the September 24, 2013 City Council meeting the final wastewater cost of service based rates were approved through Resolution No. 2013-331; and

WHEREAS, City Council directed staff to recommend increased rates for non-resident wastewater customers within 2 months to encourage annexation.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that non-resident wastewater customers shall be charged 120% of the rates, to emulate the non-resident water rates, stated in the City's approved fee schedule.

- - -

Adopted by the City Council of the City of Grand Island, Nebraska, October 8, 2013

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	▣ _____
October 4, 2013	▣ City Attorney