



City of Grand Island

Tuesday, September 25, 2012

Council Session

Item G12

**#2012-265 - Approving Amending the 2012/2013 Fee Schedule –
Wastewater Rates**

Staff Contact: Terry Brown, Interim Public Works Director

Council Agenda Memo

From: Marvin Strong, Waste Water Treatment Plant Engineer

Meeting: September 25, 2012

Subject: Approving Changes to the 2012 / 2013 Fee Schedule
Relative to Wastewater Cost of Service Based Rate Study
Report

Item #'s: G-12

Presenter(s): Terry Brown, Interim Public Works Director

Background

On May 12, 2009 City Council approved resolution 2009-116 for cost of service rates presented in the May 5, 2009 study session to incorporate Anaerobic Digestion and expanded Aeration Systems in providing industrial extra strength capacity.

On April 26, 2011 City Council approved resolution 2011-100 for cost of service rates in the decision to not build the anaerobic digester complex, JBS Swift's decision to build its own wastewater treatment facility, and the completion of the May, 2010 comprehensive study that highlighted the need to address the collection system presented in the April 5, 2011 study session. The rate structure revenue will provide replacement of segments of the interceptors in the collection system and several capital items at the wastewater facility.

It has been recommended that the first year of rate adjustments will come into effect January 1, 2012 with the second and third commencing on October 1, 2012 and October 1, 2013 in the following years, and will be considered by the council along with other city rates as part of the normal budget process.

On September 11, 2012 City Council approved resolution 2012-256 for Consideration of Approving 2012 / 2013 Fee Schedule.

Discussion

The fee schedule presented on September 11, 2012 City Council meeting was inadvertently represented by a May 2009 rate table fee structure.

City staff needs the April 2011 presented rate structure in place to generate revenue requirements for continued progress in the replacement of interceptor collection system segments, and several capital items at the wastewater facility.

The rate structure summary is as follows:

Proposed Fee Schedule for 2013				Council Approved 9/11/2012	WWTP Corrections 9/25/2012
	2010	2011	2012	2013	2013
FLOW CHARGES (Changes effective 1-1-2012) *					
Cost per 100 Cubic feet of Flow (customers discharging directly into City's Treatment Plant)	1.29	1.20	1.18*	1.0200	1.1800
Cost per 100 Cubic feet of Flow (customers using City's collection system)	1.45	1.68	1.78*	2.1300	2.0800
Cost per 100 Cubic feet of Flow (low strength customers using City's collection system)	0.5800	0.7770	0.7800*	1.1300	1.0300
INDUSTRIAL WASTE SURCHARGES (Changes effective 1-1-2012) *					
BOD Charge \$/lb over 250 mg/l	0.2806	0.3042	0.3633*	0.3385	0.3844
SS Charge \$/lb over 250 mg/l	0.2180	0.2180	0.245*	0.2180	0.2533
Oil & Grease \$/lb over 100 mg/l	0.1465	0.1465	0.077*	0.2050	0.0819
Total Kjeldahl Nitrogen (TKN) (\$/lb over 30 mg/l)	0.1465	0.1465	0.077*		
Ammonia (over 30 mg/l)			0.5701*	0.7256	0.5701
LOW STRENGTH INDUSTRIAL SERVICE FOUR-PART CHARGES (Changes effective 1-1-2012) *					
BOD Charge \$/lb over 0 mg/l	0.2806	0.3042	0.3633*	0.3385	0.3844
SS Charge \$/lb over 0 mg/l	0.2180	0.2180	0.2450*	0.2180	0.2533
Oil & Grease \$/lb over 0 mg/l	0.1465	0.1465	0.0770*	0.2050	0.0819
Total Kjeldahl Nitrogen (TKN) (\$/lb over 30 mg/l)	0.5539	0.5701	0.5701*		
Nitrates (over 25 mg/l)			1.8372*		1.8739
HYDROGEN SULFIDE CHARGES					
Total Sulfide charges for industrial discharging directly into City's Treatment Plant + \$9160.00 per month, plus total sulfide \$/lb over 0 mg/l	0.3569	0.3899	0.3899	0.4868	Delete
Total Sulfide \$/lb over 0 mg/l (for customer's using City's collection system)	0.3569	0.3899	0.3899		Delete

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

Public Works Administration recommends that the Council approve changes to the 2012 / 2013 Fee Schedule relative to Wastewater Division.

Sample Motion

Move to approve changes to the 2012 / 2013 Fee Schedule relative to Wastewater Division.

RESOLUTION 2012-265

WHEREAS, it is necessary to amend the 2012/2013 fee schedule to correct the Wastewater rates that were presented at the September 11, 2012 City Council meeting; and

WHEREAS, it would be beneficial to the City of Grand Island to implement the amendments to the 2012/2013 fee schedule; and

WHEREAS, it is recommended that such amendment be approved and adopted.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF GRAND ISLAND, NEBRASKA, that the Fee Schedule for the 2012/2013 fiscal year is hereby amended to implement the fees identified in Exhibit "A" attached hereto.

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Adopted by the City Council of the City of Grand Island, Nebraska, September 25, 2012.

Jay Vavricek, Mayor

Attest:

RaNae Edwards, City Clerk

Approved as to Form	☐ _____
September 21, 2012	☐ City Attorney