

City of Scottsbluff, Nebraska

Monday, November 18, 2013

Regular Meeting

Item Reports4

Council discussion and instructions to staff regarding the request from Terrytown to purchase water from the City of Scottsbluff.

Staff Contact: Rick Kuckkahn, City Manager

**CITY OF TERRYTOWN
116 TERRY BLVD.
GERING, NEBRASKA 69341
308-632-7212**

Mayor and City Council
City of Scottsbluff
2525 Circle Drive
Scottsbluff, NE 69361

October 24, 2013

RE: Water Purchase

Dear Mayor and Members of City Council,

The City of Terrytown is applying for funds to be used in providing a new source of potable water. Three options have been proposed 1) obtain land and construct a new well field and 2) build a treatment plant 3) Locate a community with an approved water supply and obtain water from that community. In the past, the City of Scottsbluff has expressed an interest in supplying water to Terrytown. If this is still the case we would like for you to provide us with a wholesale price to purchase the water.

The City of Terrytown would install a meter at each connection to measure water supplied.

The City of Terrytown does not currently have water meters but they will be installed as part of the system improvements. The city estimates an average daily water demand of 456,820 gallons, projects a maximum day demand of 1,233,414 gallons

The City of Terrytown is willing to have a meeting in order to discuss any questions the City may have such as connection points, pressure differences and storage.

If you have any question or require any additional information to determine the proposed rate structure, please contact our engineer, Michael Olsen, at (308) 635-1926.

Sincerely,



Kent Greenwald
City of Terrytown

CC: Michael Olsen, M.C. Schaff & Associates
Jeff Wolfe, M.C. Schaff & Associates

Memo

Date: November 4, 2013
To: Rick Kuckkahn, City Manager
From: Jack Satur, Water Supervisor
CC: Mark Bohl, Public Works Director
Re: Terrytown Request for Water

We have looked at Terrytown's request for water and the impact it may have on our system. We do have the capacity to meet their demand; however, the following things should be factored into the City's decision.

Pumping Capacity

In the summer, we use around 60% of the City's current pumping capacity with Minatare included. One of the conditions for mandatory water restrictions in our Municipal Code is when the City reaches 70% of its pumping capacity.

Municipal Groundwater Transfer Permit

Our current permit with the Nebraska Department of Natural Resources (DNR) and the North Platte Natural Resource District (NPNRD) allows the City to pump a maximum of 2.1 billion gallons of water. Our highest year on record was 1.8 billion gallons, with our average at 1.4 billion. We also have an average daily use of 5,753,400 we're not to exceed.

Our permit currently has two mitigation issues that are being worked on.

- Minatare with the assistance of M.C. Schaff & Associates, are still working on a mitigation plan to increase the City of Scottsbluff's permit by 92 million gallons to cover their use. Until they reach an agreement and our permit is revised, their use is coming out of the 2.1 billion gallons we're allowed.
- The NPNRD has mitigation requirements added for use of Well #20 in the well field. Well #20 has been offline while we find a solution for the high Uranium levels and resolve the mitigation issue.

Adding Terrytown will place a third mitigation requirement under the City's permit. If Council desires to offer water to Terrytown, as with Minatare, Terrytown should be responsible for mitigation efforts placed on our permit. It's important to keep in mind that the DNR and NPNRD look at the City of Scottsbluff for compliance no matter who we're making responsible for it.

Council has the wholesale cost for Minatare at 67 cents per thousand gallons.

Lastly, the City of Gering also received a request for the cost of wholesale water for Terrytown. Terrytown is fortunate to be situated in an area where in this case, they have options.

Please let us know if you have questions or need more information.