CITY OF GRAND JUNCTION, COLORADO

MEMORANDUM

Reply Requested
Yes ☐ No ☐

Date
Jan. 16, 1980

To: (From:) Jim Wysocki From: (To:) Jim Patterson

We have had several contacts, or complaints, recently about the new monthly sewer rates. The reason we are getting the complaints now is that the customers are now getting their first bills with the new rate. Of all the utility rate increases the sewer rate change is the hardest to understand. It was also the hardest to determine what type of increase to expect because the whole rate structure was changed rather than increased by a percentage. With trash, for example, the same rate structure was kept and all rates were increased 88%. The customers knew to expect an 88% increase from their previous bills. With the sewer, however, no specific amount of increase was given and the customers had to wait to get their first bill to know what the increase actually was. In some cases the increase was several times the old bill. On page 13 of my October 1, 1979, report to you and the Council (copy attached) I stated that there would be wide ranges in the increases among different customers. The reason for the wide ranges in the increases is because the old structure was not fair and equitable (page 8 of the Oct. report) and that a new fair and equitable structure must be developed (introduction to the Oct. report). Examples are shown on pages 12 and 13 of the Oct. report that show the inequities of the old rate structures and the effects of the new rate structure on these customers used in the examples.

The new rate structure is based on average amounts of sewage to be expected from the different classes of customers. The most accurate and fair method would be to meter the flow from each customer and establish a cost per gallon. It is not feasible to meter the sewage flows individually, however. Water meter readings were used previously, but there is more variation between water meter readings and sewage flow than there is between calculated average flows and actual flows. The EPA has also determined that water meter readings cannot be used to determine sewage flows (page 8 of the Oct. report).

To establish the residential rate, an analysis of 547 single family residences in Grand Junction was made, and it was determined that the average sewage flow was 7,000 gallons per month. The actual cost of treating a thousand gallons of sewage was determined and the cost of treating 7,000 gallons was set as the single family residence rate (page 10 of the Oct. report).

The actual sewage flow from different single family residences will vary according to use and size of families. It would be impossible to determine each individual residence actual flow each month and bill accordingly.

The non-residential users rates are determined as multiples of the single family rate or EQU (page 10 of the Oct. report). Average flows from different types of users (example copies attached) were examined and compared to some actual users in Grand Junction (copy attached)

CITY OF GRAND JUNCTION, COLORADO

MEMORANDUM

Reply Requested
Yes ☐ No ☐

Date
Jan. 16, 1980

To: (From:) Jim Wysocki From: (To:) Jim Patterson

and average flows for different types of users in Grand Junction determined (page 11 of the Oct. report). A small advantage was given users in that in calculating the average flow rates a national average of 280 gallons per day (page 12 of the Oct. report) was used rather than the actual 233 gallons per day (7,000 ÷ 30) found in Grand Junction. This gives a lower multiple of the base rate to determine the non-residential user rates.

In summary, we have used the EPA guidelines to help set up what we believe is the most fair and equitable rate structure that we can make work. Exceptions can always be found. Some provision for dealing with gross inequities has been provided in the new structure (page 12 of the Oct. report).

Attachments