



PUBLIC WORKS & UTILITIES

Having been duly posted on the 8th day of December, 2004 and the public having the opportunity to comment on the propriety of the following regulation it will be duly promulgated and become effective on the 15th day of December, 2004.

RE: ADMINISTRATIVE REGULATION NO. 14-04
Public Works and Utilities
City of Grand Junction

ISSUED BY: /s/ Mark Relph 12/8/04
Mark Relph, Public Works & Utilities Director Date
RECOMMENDED BY /s/ Greg Trainor 12/8/04
Greg Trainor, Utility Manager Date

WASTEWATER LIFT STATIONS IN NEW DEVELOPMENT

In accordance with the City Zoning and Development Code, the Sewer Regulations and other applicable laws and regulations of the City, new development within the Persigo 201 sewer service area must provide suitable facilities for the collection, conveyance and disposal of wastewater. It is the policy of the City, as manager of the Persigo sewer system to reduce, when and where physically feasible, the number of existing and new wastewater lift stations. The City recognizes that some circumstances, such as the grade of existing lines and/or the topography of developing property, require the use of lift stations. In order to interpret, clarify, construe and uniformly apply the Code and regulations and as a statement of policy, the City does hereby promulgate this Administrative Regulation.

Administrative Interpretation

It is the policy of the City to carefully review decisions to allow or eliminate lift station construction and compare options for the collection and delivery of wastewater flows. In general terms, because of lower long term cost and better service life of gravity sewer, it is the preference of the City and therefore the direction to staff, to apply the City's regulations so that most if not all development is designed to be served by gravity sewer. Exceptions to this policy shall be justified in writing and approved by the Public Works and Utilities Director ("Director").

The Persigo sewer system will not share in the cost of construction of improvements necessitated by development, such as sewer lift station(s), unless there is a larger benefit to the Persigo system as determined by the Director. The "Trunkline Extension Policy" details

circumstances in which the Persigo sewer system has agreed to participate in development costs under certain, limited conditions. That policy is not amended by this Administrative Regulation and remains applicable, by its terms, to certain development related improvements.

In order for a lift station to be approved, the Director shall find in writing that:

- 1) gravity sewer is not an option due to topography of the developing parcel. The cost of providing sewer (either in comparison to the cost of a lift station(s) or as a total dollar cost to the project) is insufficient to justify approval of a lift station(s).
- 2) the developer has entered into a written agreement that the lift station(s), when constructed, will be designed, inspected and approved according to the standards of the Persigo sewer system then in effect.
- 3) the lift station shall be given at no charge to the Persigo sewer system for long-term maintenance if it is allowed/found to meet the applicable approval criteria.
- 4) the Developer shall assign any and all warranties to the Persigo sewer system.
- 5) the cost of the design, inspection and construction of the lift station(s) shall be paid by the developer. The Developer shall provide a lien waiver(s) if the City requires following construction.
- 6) the Director has conducted a present value analysis of the lift station(s), the replacement and long-term maintenance costs and compared those costs (in total) to the cost of constructing gravity sewer.
- 7) costs shall be balanced between the higher capital costs/ lower maintenance cost of gravity sewer and the lower capital costs/higher maintenance costs of the lift station. (Because the initial capital costs are paid by the developer, the City's determination of whether to allow the lift station(s) will be the long-term maintenance costs and whether those costs can be recovered by the rate payers benefited over the life of the facility(ies) all as determined by the City in its sole and absolute discretion.)
- 8) the Developer has assessed (will assess as a function of an irrevocable covenant running with the land) the present value of the cost of long-term maintenance (50 years) and replacement after 25 years) among the lots served or all the lots in the development. The value of that assessment shall be paid to the City at the time the property owner or his builder obtains sewer clearance for the building permit. The cost shall be payable with the plant investment fees to the Persigo sewer system. <sup>1</sup>
- 9) the Developer shall not obligate the City to collect any assessment, other than the monthly sewer fee, from the owners or owners association.
- 10) The owner's association shall not be allowed to undertake the responsibility and the burden of lift station maintenance via a surcharge on their utility bills or through association fees. Lift stations, when constructed within any of the special sanitation districts, will be owned and maintained by the district, unless the Persigo sewer system agrees in writing to ownership and long-term maintenance.

---

<sup>1</sup> The lift station replacement fee or recapture fee for the long-term maintenance and replacement of the lift station would be the calculated present value of the maintenance and replacement costs divided by the number of lots benefited or the total number of lots in the development. The *PV* analysis calculates a 50-year life of the lift station with replacement after 25 years. Electrical costs, annual labor, maintenance parts and equipment replacement are also calculated. Six (6%) percent is currently used as the inflation factor. This percentage will be periodically reevaluated and will be the average interest earned on City investments over a rolling ten-year average.