



PUBLIC WORKS & UTILITIES

Having been duly posted on the 16th day of May, 2006 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 23rd day of May, 2006

RE: **ADMINISTRATIVE REGULATION NO. 04-06**

Public Works and Utilities
City of Grand Junction

ISSUED BY:	<u>/s/ Mark Relph</u>	<u>05/16/06</u>
	Mark Relph, Public Works & Utilities Director	Date
RECOMMENDED BY	<u>Greg Trainor</u>	<u>5-16/06</u>
	Greg Trainor, Utility Manager	Date

Plant Investment Fees for Septic Users

Background

The City has established a Plant Investment Fee (PIF) to be paid by all users of the Persigo Wastewater Treatment Facility. The purpose of the PIF is to ensure that all dischargers pay for the portion of plant capacity they are using. Currently the PIF charge is \$1,750 per single family equivalent unit (EQU). The PIF charge is in addition to the cost of treatment charge, which is currently \$13.90/month/EQU.

Administrative Interpretation

At present, customers using the Persigo Wastewater Treatment Plant for the disposal of septic wastes do not pay a Plant Investment Fee, although these wastes consume a portion of the plant's capacity for flow and strength of flow (Biochemical Oxygen Demand or BOD).

It is the administrative interpretation of the current administrative regulations to insure that all users of the Persigo system pay the appropriate, established Plant Investment Fee.

This will be done by recalculating the current disposal fee, based on the flow and strength assumptions included in the current calculation of the Plant Investment Fee. This application will result in the current disposal fee of \$0.03 cents per gallon

increasing to \$0.09 cents per gallon. It is estimated that the impact on an average customer, will be \$51 over the next 5-years.

Basis of Calculation:

One EQU equals a discharge of 280 gallons per day with a BOD concentration not to exceed 200 mg/l. Discharging at this flow and concentration results in a total flow contribution of 511,000 gallons per five years, and a BOD contribution of 852 pounds over the same time period. The discharge units are converted into five-year units for comparative purposes, as this is the average septic tank cleaning frequency.

The average septic tank discharge is 1000 gallons, which contains a BOD contribution of 25 pounds. The 1000 gallons equals 0.2% of one EQU contribution (511,000 gallons), and 25 pounds of BOD (which equals 2.9% of the EQU contribution 852 pounds). In an attempt to keep the Persigo charges equitable for all users, those discharging septic tanks should pay for the portion of the plant's capacity they are using.

Flow PIF = $\$1,750 \times 0.2\% = \$3.50/1000$ gallons.

BOD PIF = $\$1,750 \times 2.9\% = \$50.75/1000$ gallons.

Treatment Cost = $\$35/1000$ gallons.

Total Cost / 1000 gallons = \$89.25 or \$0.09/gallon.

Administrative note: This would result in an increase from \$0.03/gallon to \$0.09/gallon. Meetings were held with the haulers to explain the increase as well as time allowed for haulers to change their rates. The increase will ultimately be passed on to the customers who will be paying \$50.75 more over a five-year period.