

## MINUTES - ENVIRONMENTAL COUNCIL COMMITTEE MEETING 04/11/2013

The meeting was called to order @ 5:48 PM, Thursday, April 11, 2013, in the North Conference Room @ 21630 11<sup>th</sup> Avenue South, Des Moines with the following in attendance:

### Council Members

Dave Kaplan, Chair  
Melissa Musser

### Guests

John Ghilarducci, FCS Group  
Nihat Dogan, FCS Group

### City Staff

Tony Piasecki, City Manager  
Dan Brewer, Acting PW Director  
Loren Reinhold, Enviro/Utilities Engineer  
Lorri Ericson, Asst City Manager  
Peggy Volin, Admin Asst II

### **AGENDA:**

1. Approve minutes of March 14, 2013
2. SWM Rate Structure Study Consultant Briefing

### **MEETING:**

1. Minutes of March 14, 2013, were unanimously approved.
2. SWM Rate Structure Study Consultant Briefing: Loren Reinhold handed out a sheet that listed the Private Street Rate Options and briefly went over the current SWM Rate Structure and options using Huntington Park as an example. Tony pointed out that with this example, although the overall revenue from Huntington Park is reduced with the tiered system, when including the impervious area of the private street with the parcel, a large number of the small parcels become medium sized parcels and are not able to take advantage of the small parcel size. Loren then introduced both John Ghilarducci and Nihat Dogan, consultants with the FCS Group. John took the Committee through the preliminary draft results starting with the revenue neutral rate analysis which had two points, to recalculate the equivalent billing unit (EBU) value and resulting total EBU'S; and to develop rate structure alternatives incorporating outcomes of the policy decision. He outlined the rate structure recommendations to include:
  - Maintain the impervious rate basis
  - Update the EBU definition to reflect the current average impervious surface area of single family residential customers
  - Recalculate the water quality and water quantity rate components based on the utility's current program costs
  - Charge multi-family residential customers based on impervious surface area for both the water quality and water quantity components – similar to commercial customers. Eliminate per dwelling unit approach for multi-family customers
  - Private streets and public right-of-ways
  - Rate credits/discounts

John also went over the EBU definition update which broke it down by a sample of 126 single family homes divided into groups by the number of square feet of impervious surface area. He went over the results of the measured single family parcels that have been completed thus far by city staff, which was about half done. He mentioned that the measured EBU of 3,700 matched very closely to the sampled EBU of 3,713. Loren mentioned that the remaining measurements will be done by the end of the month. Using the staff provided measurements, the single family properties were then put into categories of small (less than 2,500 square feet of impervious), medium (2,500 to 5,000 square feet of impervious), and large (5,000 to 10,000 square feet of impervious) with anything over 10,000 sq feet being considered extra large and measured and billed on the actual amount of impervious similarly to commercial properties.

The Committee requested staff to also look at dividing the small, medium and large categories into equal portions, whereby the number of properties within each category would represent 1/3 of the total. Staff was also directed to reduce the maximum impervious for the large category.

John then went over the rate design and the use of credits. He emphasized that the shown EBU rate of \$14.34/month is very preliminary and assumes that 5% of the non-single family properties would benefit by the use of credits. The rate design showed that of the \$14.34 EBU, a maximum credit of \$2.00 for water quality and a maximum credit of \$2.30 for water quantity may be allowed, based on the potential reduction of direct impacts to the city system for on-site mitigation made above city requirements.

John provided a table showing a comparison of rates of other jurisdictions. The Committee asked that more adjacent jurisdictions be added to the table.

Committee directed staff to bring this to the Council meeting of May 23, 2013.

Adjourned @ 6:51 PM

Submitted by: Peggy Volin, Administrative Assistant II