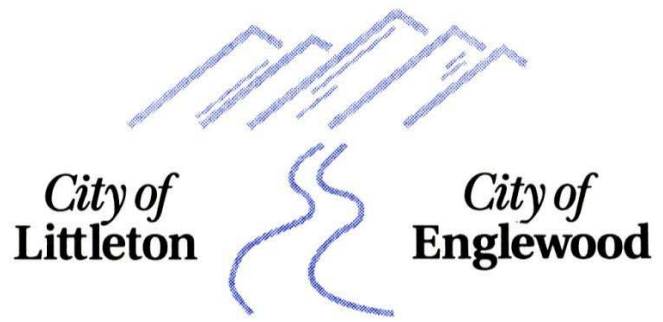


LITTLETON/ENGLEWOOD WASTEWATER TREATMENT PLANT

2900 S. Platte River Drive
Englewood, Colorado 80110
(303) 762-2600
FAX 762-2620



Littleton/Englewood Wastewater Treatment Plant Pretreatment Division Fee Evaluation Study (April 2016, updated March 2017)

Per Littleton City Code 7-5-25 (K) & Englewood Municipal Code 12-2-5 (J) “Recovery of Costs”:

1. *It is the purpose of this section to provide for the recovery of costs from users of the City's wastewater disposal system for the implementation of the program established herein. These fees relate solely to the matters covered by these Industrial Pretreatment Program Regulations and are separate from all other fees chargeable by the City.*
2. *The City may adopt charges and fees that may include:*
 - a. *Fees for reimbursement of costs of setting up and operating the POTW's pretreatment program;*
 - b. *Fees for monitoring, inspections and surveillance procedures;*
 - c. *Fees for reviewing spill prevention and control procedures and construction;*
 - d. *Fees for permit issuance, including public notice costs;*
 - e. *Fees for filing appeals;*
 - f. *Fees for consistent removal of pollutants otherwise subject to Federal Pretreatment Standards;*
 - g. *Fees for the cost of publication in the newspaper for annual Significant Non-Compliance notifications; and*
 - h. *Other fees as the City may deem necessary to carry out the requirements contained herein.*

The Littleton/Englewood Wastewater Treatment Plant (L/E WWTP) Industrial Pretreatment Division (Division) has prepared this document to provide information pertaining to proposed fee revisions applicable to commercial businesses, sanitation districts, and septic waste haulers in the L/E WWTP service area. The purpose of the proposed fees and unit rate increase for septic haulers is to provide an equitable distribution of costs to fully cover the expenses incurred by the cities to treat hauled wastes and the costs of implementing the pretreatment program.

The Division has identified the following as proposed changes/additions to current programs or policies:

1. Evaluating current fees for the treatment of hauled wastes and implementation of the L/E WWTP Septic Waste Program.
2. Adding a fee structure including penalties to cover the costs of re-inspections for industrial users failing to remedy violation(s) identified during sector control inspections.

3. Adding a fee structure for providing sector control inspection services for sanitation districts located outside of Littleton and Englewood City boundaries
4. Expand the existing surcharge program to recover costs of treating excess strength wastewater from industrial users.

Septic Waste Fees and Charges:

The current unit rate of \$0.06/gallon was established in 1996 and was based on treatment costs of normal strength domestic wastewater times a multiplier based on pollutant concentrations in hauled septage.

Wastewater treatment costs have increased from \$0.64/1000 gallons in 1996 to \$1.59/1000 gallons in 2015, an increase of approximately 150 percent (operations and maintenance only).

Septic receiving station rate structures for area municipalities include the following:

- L/E WWTP – \$0.06 / gallon
- Colorado Spring Utility - \$0.0725 / gallon
- City of Fort Collins - \$0.113 /gallon
- Metro Wastewater - \$0.10 /gallon

Recommendation:

A proposed unit rate increase from \$0.06/gallon to \$0.09/gallon will recover additional costs and still be consistent with rates charged by other large wastewater utilities on the Colorado front range.

Re-inspection Fee:

Proposal to establish a \$100 re-inspection fee for non-compliant commercial and industrial users.

The Division performs approximately 800 inspections per year at locations including food establishments, automobile service and repair shops, and car or truck washes. The purpose of these sector control inspections is to minimize the loading of animal/vegetable fats, oils, and grease (FOG) or the loading of petroleum oil, grease, and sand (POGS) from entering the collection system and the wastewater treatment plant at the source. FOG and POGS can contribute to sewer blockages, interfere with equipment and processes at the wastewater treatment, or cause pass-through of pollutants into the South Platte River and municipal sewage sludge.

Approximately 25% of inspections result in required corrective actions such as the requirement to pump out a grease or sand/oil interceptor or adherence to best management practices such as chemical storage.

Follow-up inspections are performed to verify that the corrective actions have been completed. A majority of the follow-up inspections result in the facility being in compliance. Issues arise when facilities choose to neglect the requirements and sometimes result in multiple follow-up inspections and escalated enforcement actions.

Currently the following sanitation districts charge re-inspection fees to industrial users located within their districts (note that these sanitation districts hire contractors to perform inspection services):

South Arapahoe Sanitation District - \$75 re-inspection fee
Grant Water & Sanitation District - \$150 fee for failed inspection

Recommendation:

The Division would like to implement a fee/penalty structure to recover the costs of performing re-inspections and promote compliance, as follows:

- Violation of Sector Control Policy – Initial Violation, Notice of Non-Compliance with compliance deadline per sector control policy.
- Follow-up Inspection if failure to correct violation after Issuance of Initial Notice of Non-Compliance, 2nd Notice of Non-Compliance with compliance deadline per sector control policy.
- Failure to correct Violation after 2nd Notice of Non-Compliance , Notice of Violation issued plus additional \$100 Re-Inspection Fee may be assessed. Re-Inspection Fees may be assessed for each inspection required until completion of violation remedy.

The intent of the re-inspection fee is to motivate the business owner to be self-compliant, protect the wastewater treatment plant, cover the costs to the city for labor and equipment expenses, and eliminate the economic benefit gained by the business owner by not performing corrective actions.

Inspection Fees Charged to Sanitation Districts:

Proposal to establish a fee of \$50 per sector control inspection performed by the City on behalf of a connecting sanitation district.

Per the ADDENDUM TO WASTEWATER CONNECTOR’S AGREEMENT for Sanitation Districts with Industrial Users,

The City shall have the right to charge a reasonable inspection fee to District for any inspection related to industrial users within the District.

In the event that the District does not perform FOG or POGS programs the parties agree that the City shall perform and be responsible for the administration of these programs, as well as the remaining Sector Control Programs. The City shall have the right to charge a reasonable inspection fee to District for any inspection related to industrial users or nondomestic users within the District.

The proposed fee establishes a reasonable fee to cover typical labor and equipment costs incurred by the City when performing inspections.

The following sanitation districts charge inspection fees to industrial users located within their districts (note that these sanitation districts hire contractors to perform inspection services):

South Arapahoe Sanitation District - \$150 annual Inspection fee
Grant Water & Sanitation District - \$60 fee per inspection

The Division attempts to group inspections by geographic areas to reduce travel time and vehicle costs. A normal inspection involves removing manhole lids on pretreatment devices such as gravity grease interceptors and sand/oil interceptors and measuring the waste contents versus device capacity. A facility walk-through occurs with the owner/manager and best management practices are observed and discussed. The goal is to minimize the amount of or reduce the risk of obstructive or destructive waste material from entering the sanitary sewer system. Inspection results are provided to the business owner/manager. A typical inspection takes approximately 45 minutes not including inspection preparation time. Average labor rates for an inspector, including benefits are \$40 - \$50/hour.

Recommendation:

The Division would like to implement the inspection fee to recover the labor and equipment costs of performing re-inspections and to establish the fee to an amount to motivate the sanitation districts to self-perform the inspections.

Industrial Surcharge Wastewater Treatment Cost Recovery:

Currently the City implements a surcharge program applicable to industries that are permitted as Significant Industrial Users for the treatment of wastewater with BOD, COD and/or TSS in excess of normal domestic strength wastewater. The cost of handling treatment of these wastes calculated based upon the net excess loading. The surcharge program allows for an equitable means of distributing the costs of wastewater treatment.

The current surcharge program only allows the city to surcharge permitted Significant Industrial Users (SIUs). SIUs fall under the requirements of 40 CFR part 403 including extensive reporting, monitoring, treatment, and permitting requirements.

The L/E WWTP has proposed adding to the municipal codes a lower tier control mechanism (Wastewater Control Permit) applicable to industrial users that discharge high strength wastewater that would not subject the industrial user to 40 CFR Part 403 requirements. The L/E WWTP also has proposed municipal code language changes that would allow for the ability to surcharge facilities operating under the lower tier permit.

With the newly established nutrient regulations established by the State, additional treatment and expense will be required to remove phosphorous, ammonia, nitrate, and nitrates from the wastewater prior to discharge from the L/E WWTP. The L/E WWTP is evaluating the inclusion of these nutrients into the surcharge formula.

The Pretreatment Division is performing additional sampling throughout the service area to determine point sources of high nutrient loading into the sanitary sewer system including

conventional pollutants such as BOD, COD, and TSS along with nutrient loading. Once industrial users have been identified as being sources of high strength wastewater a lower tier permit can be issued and a surcharge for the recovery of treatment costs can be applied.

Recommendation:

The Division would like to revise the Municipal Code to include the ability to surcharge Industrial Users who are not considered to be SIUs. Surcharge rates would be assessed consistent with rates charged to SIUs.