



City of Nampa Business Item

TO:	Mayor and Council
FROM:	Daniel Badger
NUMBER:	{{section.number}}-5
DATE:	November 4, 2024
SUBJECT:	Action Item: Authorize Mayor to sign Resolution implementing changes in the service rates and fees charged by the City of Nampa outlined in the City of Nampa Equivalent Dwelling Unit and Strength Class Guide used to determine user classification for Wastewater and Water Services, revising the restaurant category and adding an RV park category.

Background Summary:

- The Engineering Division utilizes the Equivalent Dwelling Unit (EDU) and Strength Class Guide to determine both the anticipated demand/discharge rates and waste strength for the calculation of connection and impact fees for water and wastewater fees
- The values in the guide have been developed utilizing the water meter usage data from the various business types

Reason for Project:

- The City has received several concerns over the high cost of connection fees for restaurants
- In reviewing the way that various cities within the Treasure Valley calculate connection fees we have found a wide variety of methods. These methods are described below
 - Nampa
 - Charged based on waste strength class and an Equivalent Dwelling Unit (EDU) count calculated as 20 gallons per day per seat, and 262 gallons per day per EDU
 - Caldwell

- Charged based on the square footage of service area (area available to customers)
- Meridian
 - Charged based on plumbing fixture count
- Boise
 - Charged based on square footage of customer service area and type of restaurant (full service, fast food, low impact)
- The various methodologies create a wide range of fee amounts between the various jurisdictions, with Nampa being the highest
- The attached table (Exhibit A) shows the comparison of connection fee and rate costs for three restaurants for Nampa, Caldwell, Meridian and Boise under their existing fees
- In addition to the adjustment to the restaurant category, Engineering added a new category for RV parks based on an evaluation performed by staff in 2020 that looked at existing RV Parks in the City and evaluated the demand/discharge for water and sewer respectively.
 - The evaluation showed a rate of 7.25 gallons per day per RV space at an SE 2 waste strength.
 - Staff has been assessing this rate since the evaluation was done based on staff's authority to utilize meter data to establish anticipated flows for specific projects or uses not listed on the table

Funding/Project Costs:

N/A

Staff Recommendation:

- October 7, 2024, staff presented the information regarding our restaurant utility fees to the Board of Appraisers (BOA) and they recommended City Council adopt a revised City of Nampa EDU (Equivalent Dwelling Unit) and Strength Class Guide with the restaurant usage at 30% of the current value. This equates to a 6 gallons per day per seat assessment in lieu of the current 20 gallons per day per seat assessment
- This change in assessment equates to a 70% reduction in the connection fees for restaurants
- In addition, the BOA recommended adopting a code and policy that would allow restaurants to pay their utility connection and impact fees over and up to 10-year period. The City of Boise currently allows for this process and we are working to identify the code changes necessary to allow this

within Nampa's Code. This item will come forward at a future Council meeting for consideration

- The city currently allows payment over time of industrial connection fees through the industrial wastewater policy
- The City Attorney has expressed concerns over both the reduced EDU Assessment and payment over time based on case law and state statutes
- Staff understands the City Attorney's concerns; however, we feel the risk of these actions is low and recommend approval of the Resolution (Exhibit B)
- The addition of the RV category was not reviewed by the BOA, but based on the analysis by staff and that it is what is being currently assessed Staff recommend this addition.

Attachments:

Exhibit A – Restaurant Fee Comparison

Exhibit B – Resolution