



Lake Havasu City

Lake Havasu City
Municipal Courthouse
Council Chambers
92 Acoma Boulevard
Lake Havasu City, Arizona
86403
www.lhcaz.gov

Legislation Text

File #: ID 17-1124, Version: 1

COUNCIL COMMUNICATION

TO: Honorable Mayor and Council

FROM: Kevin Morin, Customer Service Supervisor

SUBJECT:

Adopt Resolution No. 17-3142 Revising Resolution No. 10-2484 To Amend Wastewater Fees for Reuse of Treated Effluent to Reduce Commercial Effluent Rates Effective July 1, 2017

FUNDING SOURCE:

N/A

PURPOSE:

To reduce the Effluent Commercial Rate while encouraging the use of effluent water instead of potable water at greenspaces in Lake Havasu City.

BACKGROUND:

The City's current effluent rate was based on a market price. A statewide rate review was performed to determine if the current rate charged by the City was comparable to rates charged in other similar communities. It was found that rates varied significantly from city to city and did not provide a solid conclusion, or even comparable rate. We then reviewed the cost to produce effluent water to determine if our rates were in line with actual production costs. The current charge to a commercial customer is \$329.31 per acre ft. The proposed commercial effluent rate is \$228 per acre ft.

The alternative to selling effluent to the public is to inject the treated water into wells which results in a substantial cost increase to the City and does not encourage organizations to use treated water as an alternative to potable water.

The current commercial effluent customers that will benefit from this rate reduction are the following:

Island Golf Club @ The Nautical
Nautical Estates
Havasus Marina
Islander RV Resort
Evergreen Alliance Golf Club
City Center Executive Plaza

COMMUNITY IMPACT:

The use of effluent increases greenspace and recreational opportunities for residents and visitors to our community.

FISCAL IMPACT:

Effluent revenue is estimated at \$740,000 for the fiscal year 2016-17, the rate reduction is estimated to reduce revenue in fiscal year 2017-18 by \$245,000 to \$495,000.

ATTACHMENTS:

Resolution No. 17-3142

SUGGESTED MOTION:

I move to adopt Resolution No. 17-3142 revising Resolution No. 10-2484 amending wastewater fees for reuse of treated effluent to reduce Commercial Effluent Rates effective July 1, 2017.