



CITY OF BRANDON
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December 18, 2013

Water/Sewer Update for Increased Rates for the City of Brandon - Beginning January, 1, 2014.

Resolution # 31-13

(For Water Meters 1" and Under)

(Water Rates - New)

Old Rates

Table comparing new and old water rates for 1" and under meters. New rates: Min Fee \$7.43, Plus Addn'l Gallonage \$4.35/th. gal. Old rates: Min Fee \$7.21, Plus Addn'l Gallonage \$4.22/th. gal.

Resolution # 30-13

(Sewer Rates - New)

Old Rates

Table comparing new and old sewer rates. New rates: Min Fee \$10.00, Plus Addn'l Gallonage \$8.00/th. gal. Old rates: Minimum \$7.21, Plus Addn'l Gallage \$4.22/th. gal.

For Larger Meters (1 1/2" - 4")Rate Changes - (Contact Brandon Utilities Dept.)

2014 RATE INCREASES

The Brandon City Council recently set new water and sewer rates effective for all water consumed after January 1, 2014. In 2013 the city completed comprehensive studies of our water and wastewater systems. The new rates reflect the findings and recommendations included in the two studies.

Water System

Improvements to the water system, identified in the study, fall into four categories. The four categories are water source or wells, water distribution, water storage and water treatment.

Water Source Improvements

Improvements to our water sources include the construction of three new wells to meet current and future peak demands on the system. The city council has included the construction of the wells in the 2014 budget. Total estimated cost for the new wells is \$3,500,000.

Water Distribution Improvements

The report identified several areas of the community that need new water mains either due to the type of pipe used or the size of the pipe. There is approximately 12,000 feet of asbestos cement pipe (ACP) that is in the system, approximately 3% of distribution system. This type of pipe needs to be replaced as it becomes brittle and breaks over time. Estimated cost to replace the ACP pipe is \$2,560,065 and will be done over the next 10-15 years. There are several locations in the distribution systems where the pipes either need to be enlarged or dead ends need to be looped to ensure proper water pressure. Total estimated cost for the upgrades to the distribution system are \$5,451,385. These improvements are to be made within the next five years.

Water Storage

The primary role of water storage is to maintain water pressure throughout the system as well as provide enough water for fire protection. The system currently has 750,000 gallons of water storage with 250,000 gallons in the elevated tank on Holly Boulevard. The requirement for storage in 2013 is 1,500,000 gallons with future storage requirements of 2,549,095 gallons. The report proposes the construction of two 1,250,000 gallon elevated storage tanks at a total cost of \$6,972,365. The towers will not be constructed until some of the water distribution improvements are completed.

Water Treatment

The city's water treatment plant currently has a peak capacity of 2,000 gallons per minute or 2,880,000 gallons per day. At this time no improvements to the plant are recommended. The report establishes triggers that will give the city adequate time to add additional treatment capacity to the system.

The rates for 2013 and 2014 are:	<u>2013</u>	<u>2014</u>
Monthly Base Fee		
1" or smaller meter	\$ 7.21	\$ 7.43
1" to 1.5" meter	14.42	14.86
1.5" to 2" meter	28.84	29.72
2" to 3" meter	64.89	66.87
Charge per 1,000 gallons used	4.22	4.35

Sewer System

The sewer system consists of a collection system and a treatment facility. The report evaluated several alternatives to improve the collection system and the treatment process.

Treatment Process

The current treatment facility was built in 1982 with a capacity to treat approximately 240,000 gallons per day. That is equal to a population of 3,076. Our current population estimate is 9,088 residents which equals approximately 708,000 gallons of sewage per day. Fortunately, we have pumped the excess flow to the Sioux Falls wastewater treatment plant since 1990. Sioux Falls recently undertook a regional wastewater study to look at the rates they charge their customers. This study conducted by Sioux Falls has resulted in the rate that we are charged to triple over the last two years as well as a new System Development Charge (SDC) to be placed on all new sewer connections. That SDC charge is currently \$2,391 per connection.

With this in mind, the report evaluated several alternatives including pumping all waste to Sioux Falls, expanding our existing facility or building a new treatment facility in a different location.

The city council has determined that the best option is to construct a new facility at a different location as that gives the city the best opportunity to control our own costs as well as ensure that we have adequate space to expand the new treatment facility in the future. The total estimated cost to construct the new facility and necessary piping is \$17,000,000. The city is currently evaluating locations for the new facility and will proceed with design and construction once a site is obtained.

Collection System

The collection system has several areas of deficiency that need to be addressed. A large area of Brandon is served by old clay pipes that are reaching the end of their useful life. The pipe will be replaced with PVC pipes which will improve flow as well as reduce root infiltration into the pipes. Estimated cost to replace all of the clay pipe is \$18,005,350. This will be done over the next 15-20 years.

The construction of new gravity sewer interceptor lines has been developed to eliminate the need for lift stations in the future. The estimated cost for the new sewer lines is \$4,500,000.

The report also outlines repairs and upgrades to the lift stations that will remain in place. Total estimated cost for repairs are \$500,000.

The rates for 2013 and 2014 are:

	<u>2013</u>	<u>2014</u>
Monthly Base Fee	\$ 7.21	\$ 10.00
Charge per 1,000 gallons used	4.22	8.00

If you have any questions feel free to contact City Hall at (605)582-6515.