



City of Nampa

Wastewater Treatment and Disposal Upgrade

Industry Working Group

Meeting #8 Summary

June 26, 2012 ♦ 3 – 5 p.m.
Nampa Civic Center
311 3rd Street South
Nampa, Idaho 83651



**Nampa Wastewater Industry Working Group
Meeting #8 Summary
June 26, 2012**

Overview

The City of Nampa must implement an extensive program to upgrade its treatment and disposal of wastewater in order to meet upcoming National Pollutant Discharge Elimination System (NPDES) permit requirements.

Over the past two years the City has been working with a group of representatives from Nampa's major industries to gather input about how to best upgrade Nampa's wastewater treatment and disposal system.

In addition to upgrading the wastewater system, Nampa would like to develop comprehensive policies regarding industrial connection fees for wastewater capacity reservation. The City would like to develop these policies with input from the Industry Working Group.

The Industry Working Group meetings will work with the City of Nampa to develop these comprehensive policies. The goals of the process are to develop policies that are:

- Complimentary with Nampa's economic development strategy;
- An incentive for industrial development and existing industry expansion; and
- Designed to maintain the financial integrity of the Sewer Fund.

Meeting Agenda and Format

The City of Nampa hosted the eighth Industry Working Group meeting on Tuesday, June 26, 2012 at the Nampa Civic Center. This was the third time the Industry Working Group met to discuss comprehensive industrial wastewater policies.

The meeting objectives were to:

- Review and discuss draft sections of the City of Nampa Wastewater Fund Industrial Incentive Policies
- Discuss next steps

Agenda:

- Welcome and workshop objectives – Bill Jarocki, Public Policy and Economic Consultant, Voltaic Solutions
- Draft City of Nampa Wastewater Fund Industrial Incentive Policies – Bill Jarocki
- Next Steps – Steve Burgos, Senior Associate, Brown and Caldwell

The following handouts were provided:

- Agenda for Industry Working Group Meeting #8 (Policy Meeting #3)
- PowerPoint presentation
- Draft City of Nampa Wastewater Fund Industrial Incentive Policies
- Comment form

Meeting Attendees

Representatives from the largest industries in Nampa were invited to participate in the Industry Working Group. Five members attended the meeting.

- Shane Brown, Micron
- Bob Braun, Amalgamated Sugar Company
- Glen Patrick, Amalgamated Sugar Company
- Steve Youngblood, ABC Sanitation
- Ted Comstock, Pepsi Bottling Ventures

Staff

- Michael Fuss, City of Nampa Public Works Director
- Greg Pearce, City of Nampa Wastewater Superintendent
- Cliff Long, City of Nampa Economic Development Director
- Bill Jarocki, Voltaic Solutions
- Steve Burgos, Brown and Caldwell
- Rosemary Curtin, RBCI
- Kara Veit, RBCI

Review of draft policies and open discussion with Industry Working Group members

An open discussion was held so Industry Working Group members could share their thoughts and opinions about the draft policies information presented.

The group reviewed the policies line by line with Bill Jarocki during the meeting. Members were asked to give input about what needs to be added, removed or changed in the policies. During this meeting, the working group got through sections 1-4. The rest of the draft policies document will be reviewed at the next Industry Working Group meeting.

Below is a summary of the discussion and suggested revisions:

- A purpose statement needs to be added to the draft policies document. The purpose statement should describe why, and for whom, the City would provide these incentive policies. It was suggested that the purpose statement be placed above the introduction.
- Section 4 should be moved so it is above Section 2.
- The document needs to clearly explain that these policy incentives are only for industry.
- It should be mentioned early in the document that the City is developing these incentive policies as a step to encourage industrial expansion in Nampa.
- A concern was raised that the policies should not “set the bar so high.” The policies should not make it hard for companies to come to Nampa.
- Ensure the policies are consistent, broadly applicable and reward the type of jobs that Nampa wants to see.
- Section X1 should reference Nampa’s existing economic development policies.
- On page 3, line 18 – it was suggested that the term "a period of two years" be changed to "a cumulative period of two years." After discussion the committee decided to leave the language as “a period of two years.”
- In Section 7B, the lease should be rewritten as an operational lease rather than a capital lease.
- The recall provision should be removed from Section 7B.

Questions

What kind of industry would be interested in receiving a loan of capacity?

Businesses that want capacity for a short-term window or have potential for contract manufacturing on a short-term basis would benefit from a loan of capacity. This allows them to ramp-up production and discharge wastewater accordingly. Should that “short-term” manufacturing situation evolve to a longer-term need, then other incentive policies (if appropriate) could be exercised.

Why would someone lease as opposed to purchase?

Acquiring capacity through an operating lease has potential tax benefit for some companies. The intent would be to give companies the option to make wastewater costs an operational expense versus a capital expense.

Will a policy be developed to cover the issue of selling capacity back to the City?

Yes, the section that has been reserved for the “Industrial Customer Capacity Exchange” mechanism will likely include provisions for the City of Nampa to acquire capacity from existing industrial customers.

What is the definition of ERU? How is ERU calculated? How do you establish a unit relative to a specific effluent coming from an industrial source?

An ERU is an Equivalent Residential Unit. It represents the flow and strength of wastewater that is produced from a typical household. The value of the ERU is determined through the cost-of-service analysis and is relative to the investment in the wastewater system so that a new residential customer, requiring an ERU, contributes fairly to the system. Industrial customers seeking wastewater capacity pay for the ability to join the customer base and to discharge based on a calculable number of ERUs based on the specific characteristics of their wastewater stream (flow and constituents).

Next steps – Steve Burgos, Senior Associate, Brown and Caldwell

- Between now and the next meeting, Bill Jarocki will incorporate the revisions from the Industry Working Group members.
- The Industry Working Group members are highly encouraged to read the policy document and provide input. If you would like to submit edits electronically, you can email them to Bill Jarocki at voltaicsolutions@gmail.com.
- The goal of this process is to present the Industry Working Group’s policy recommendations to the Nampa City Council by the end of summer.
- This will be an iterative process. After the policies are developed, they will continue to be reviewed and evaluated to determine if the outcomes are as intended.
- You can email comments to kate@rbc.net or mail your comment form to 1945 Wildwood, Boise, ID 83713.