

MINUTES OF THE SPECIAL MEETING OF THE AMES CITY COUNCIL

AMES, IOWA

APRIL 15, 2014

The Ames City Council met in special session at 7:00 p.m. on the 15th day of April, 2014, in the City Council Chambers in City Hall, 515 Clark Avenue, pursuant to law with Mayor Ann Campbell presiding and the following Council Members present: Gloria Betcher, Amber Corrieri, Tim Gartin, Matthew Goodman, Chris Nelson, and Peter Orazem.

FATS, OILS AND GREASE PROGRAM: Brian Phillips, Management Analyst, and Kris Evans, Environmental Engineer, briefed the Council on a Fats, Oils and Grease Control Program Proposal. The City maintains over 200 miles of sanitary sewer lines that convey wastewater to the Water Pollution Control Facility (WPC) south of Ames. When fats, oils and greases (FOG) are introduced into sewer lines, they can solidify and create blockages. The result of a FOG blockage is typically a backup of untreated sewage into sewer customers' homes or establishments. FOG causes challenges for City operations, as well. The City spent \$22,200 this past year on routine and emergency cleaning of sanitary sewer mains specific to fats, oils and grease. The staff at WPC spends many hours clearing grease blockages at the treatment plant. FOG is an environmental and health concern. The sewer blockages it causes can allow untreated sewage to enter the storm water system and ultimately the local watershed. Blockages can be very expensive and time-consuming for the City to fix. The environmental concerns have led the EPA to impose its own control over the sewer programs in some communities without a FOG control program.

According to Mr. Phillips, Food Service Establishments (FSEs) are the primary source of FOG. This is why the *Uniform Plumbing Code* requires installation of grease interceptors (grease traps) to reduce the possibility of FOG entering the sanitary sewer. The FOG can come from food particles, oils, sugars, dairy products, and other solids. Grease interceptors can be one of two primary types. Gravity-flow grease interceptors, which are larger, outdoor devices, or hydromechanical grease interceptors, which are typically smaller, indoor devices. Grease interceptors of either type are not effective without routine maintenance and cleaning. If the level of grease and solids exceeds 25% of the total unit depth, the grease interceptor is full. Beyond that level, grease can begin to escape into the sanitary sewer. Cleaning and maintenance of interceptors is the key challenge, since the Plumbing Code specifies installation requirements, but not how to maintain them. Several communities within and outside of Iowa have FOG control programs and were discussed in brief.

After further research from October 2010 to January 2014, City staff has had discussions with the City Council, restaurant operators, Food Service Establishments (FSEs) and grease haulers and identified several key components for a FOG program proposal, including:

- FSEs are major FOG producers, but all customers should be responsible
- FOG production varies among FSEs. FSEs that already do the right things should not be punished
- Keep burdens of recordkeeping and reports to a minimum
- Keep costs low
- Avoid adding City staff

City staff proposed a two-pronged approach to address FOG:

1. The first component would apply to all sewer customers, including residential and commercial, who cause sanitary blockages. Currently, *Municipal Code* Section 28.306 (2) states: “No utility customer shall place, throw, dump, empty, or deposit into the municipal sewerage system [...] solid or viscous substances which may cause obstruction to the flow in the sewer or other interference with the operation of the treatment facility.” Violation of this section is a municipal infraction of up to \$1,000 for the first and each subsequent offense. Although this penalty seems substantial, it does not address the actual costs of the cleanup associated with a sanitary sewer overflow. It is believed by City staff that a higher potential for penalties may encourage customers to develop better procedures to avoid causing a blockage.
2. The second prong to the approach involves FSEs specifically. City staff proposes the creation of a new sewer rate class called a “Restaurant Rate.” This rate hasn’t been established yet, but would apply to any state-licensed FSE connected to the City’s sewer system. Several exemptions have been proposed by staff. City staff also proposed adding FOG as a measured criterion to the Non-Domestic Waste Pretreatment Program (NDWPP).

Because staff’s proposal would implement a variety of limits that have not been in place before, City staff proposes that the first year of implementation should be a data collection period. No changes in fees or rates would be imposed during that period, but FSEs would be asked to provide the required documentation as if the program was in effect. This would allow City staff to adjust the proposed numerical limits and costs to best match the goals of the program. It would also provide FSEs a year to understand the program.

Suggestions were also raised by FSE representatives, but City staff believes it would be worthwhile to pursue those suggestions after the program has been in place for at least two years. City staff would also like to investigate the effect of using emulsifiers to the wastewater. During the open forums, implementation of a grant program was suggested to help FSEs install more effective FOG control equipment. City staff would need to evaluate the costs of such a program and whether it may qualify for state or federal funding. Finally, City staff would like to evaluate the fees for FOG disposal at the WPC facility; however, this would require further study.

Council Member Gartin inquired about restaurant participation. Evans and Phillips noted that for the first initial meeting, 15-20 restaurants were involved. A survey was conducted and sent to all of the licensed food establishments in the community after the initial meeting and the City received 20-30 responses. With the specific proposal brought to the restaurants in January, there were two sessions with roughly 15-20 establishments attending each session. All establishments were notified about the January forum, as well as the Council meeting this evening.

Phillips and Evans emphasized that this program shouldn’t change too much of a restaurant’s day to day operations if they are already meeting compliance.

Council Member Orazem noted that there is a conflict of interest because haulers are being paid by restaurants to provide a service at the same time that they are also regulating the restaurant.

Evans responded by saying that they wouldn't be regulating because they already measure solids when they go to pump out the interceptors. The haulers would report to the City and the City would be responsible for enforcing the regulations. Mr. Orazem inquired as to whether or not there is a mechanism in place that ensures reporting will be accurate on the part of the haulers. Mr. Phillips said that if there are discrepancies between the reporting and the sewer lines that the City would have the authority to go to the restaurant and see if things match up to what is being reported. Mr. Orazem noted that if haulers are found not following compliance they could be debarred from all future contracts which should help deter haulers from not following compliance. John Dunn, Water and Pollution Control Director, noted that haulers should have an incentive to follow compliance because haulers will be telling restaurants that they need to visit more frequently rather than less frequently to ensure compliance is being followed correctly if they are routinely exceeding 25%.

Council Member Corrieri inquired about outreach with restaurant owners whose first language is not English. Ms. Evans responded that it has been a challenge; she has worked with two people thus far. She said it took more one on one communication but noted she and Mr. Phillips are very willing to work with them and communicate with them to help them understand the program.

Ryan Jeffrey, 2712 Lincoln Way, from the Arcadia Café noted that he is extremely pleased with the plan that Phillips and Evans have proposed and complimented them on a job well done.

Scott Griffin, 316 Main Street, from Olde Main Brewery inquired about restaurants that don't make food; he believes that restaurants who don't create food shouldn't be a part of the program because it would create less work for the City because they wouldn't have to work with those establishments. He also inquired about charges for multi-use buildings with one water line and one meter.

Council Member Goodman inquired about cost for staff to administer this program. Ms. Evans said that it is anticipated that this program will have no additional cost to staff.

STAFF REPORT ON WATER AND SEWER RATES: John Dunn, Director of Water and Pollution Control, gave an overview of the water and sewer rates for FY 2014/15 which reflects the staff recommendation to increase sewer rates by 8% effective July 1, 2014. Mr. Dunn discussed national and state-wide trends in rates for water and sewer, projected need for revenue increases in Ames, translating revenue increases to rate increases, fund reserve balances, customer perspective, and City Council direction. The proposed projects are a combination of the need to provide capacity for our growing community, the need to respond to new and anticipated regulatory requirements, and the need to re-invest in the infrastructure of these two utilities that are so essential.

Mr. Dunn recommended no rate increase for the Water Fund for FY 14/15. He also suggested that the COA stay with 10% of Annual Operating Expenses for the operating reserve through FY 17/18 and begin increasing by 2% per year until at 25% of Annual Operating Expenses, inclusive of debt service, in FY 18/19.

While discussing sewer funds, Mr. Dunn suggested an 8% sewer rate increase for FY 14/15 which will lead into an alternating yearly increase after FY 16/17. The recommended timeline

for rate adjustment would be adopted, increased, and effective after July 1, 2014. Dunn recommended that he be able to prepare an ordinance so it can be presented at the April 22 meeting.

Moved by Gartin, seconded by Goodman, to direct staff to prepare an ordinance increasing sewer rates by 8% effective July 1, 2014.

Vote on Motion: 6-0. Motion declared carried unanimously.

CITY COUNCIL COMMENTS: Council Member Betcher proposed that staff prepare a report on FS residential densities. Ms. Betcher would like more explanation of the context on City-wide comparison between the FS and the traditional residential zoning.

Moved by Betcher, seconded by Goodman, to ask staff to prepare a report comparing FS density to traditional residential densities.

Vote on Motion: 6-0. Motion declared carried unanimously.

Betcher also thanked the VEISHEA Central Committee for all of their hard work and efforts to keep things safe.

Moved by Orazem, seconded by Nelson, to put the Elwell Rueter L.C. Company Text Amendment request for a large real estate sign on a future agenda for additional discussion.

Vote on Motion: 6-0. Motion declared carried unanimously.

Council Member Goodman noted that Council received an email about a stop sign, but Council will be holding off on discussion until the next meeting so that everyone has a chance to read the email.

Council Member Gartin noted that he appreciates the hard work of City staff because it allows the Council to make thoughtful, informed decisions.

City Manager Steve Schainker thanked the City Council for their hard work during VEISHEA and announced that a new rep from GSB will be present at the next Council meeting.

ADJOURNMENT: Moved by Goodman to adjourn the meeting at 8:52 p.m.

Diane R. Voss, City Clerk

Ann H. Campbell, Mayor

Erin Cain, Recording Secretary