



**PUBLIC WORKS DEPARTMENT
MEMORANDUM #2017-02**

DATE: February 13, 2017
TO: Honorable Mayor Joyce Downing and City Council Members
FROM: James A. Hayes, AICP, City Manager 
David H. Willett, Director of Public Works 
SUBJECT: **CR – 11**
Lab Analysis Fee Adjustments

PURPOSE

The City Council will be considering adjusting Lab Analysis Fees.

BACKGROUND

The Northglenn Water Quality Laboratory (Northglenn Lab) prides itself on its commitment to excellence and currently maintains certification for 36 drinking water analytes. For over 25 years, Northglenn Lab has provided laboratory services to neighboring communities. Currently, Northglenn Lab's regular clients consist of 6 small municipalities and water districts, and one small business. The Lab analyzes approximately 350 coliform, 5 nitrate, and 2 fluoride samples per year for these clients. Profits are not generated from fees charged to clients, but the Lab does attempt to recover some of the labor and reagent costs. It has been ten years since Northglenn Lab has adjusted any analysis fees (via Resolution 06-38, attached), and some of the current fees are far below cost recovery and region-wide averages. An adjustment to three analytes is suggested for fluoride, nitrate, and total coliform.

After discussion with City Council in December 2016, it is recommended to adjust prices at this time based upon the cost analysis performed by the Laboratory Supervisor. Total Coliform analysis will increase from \$10.00 to **\$14.00** (with a positive confirmation for regulatory samples at \$10.00). Fluoride and nitrate analysis via EPA method 300.0 will each be set at **\$24.00** per analysis.

BUDGET IMPLICATIONS

Based on the number of analyses mentioned above, an additional \$1500.00 could be generated per year from the Lab to the Utility Fund to support the work effort associated with the analyses.

SCHEDULE/TIME IMPLICATION

Lab customers will be notified immediately and price increases will become effective April 1, 2017. Staff is also recommending that an assessment be performed every five years for all charged analyses, including a cost analysis and price comparison, to be reviewed by Laboratory and Council, to ensure fees remain equitable. The next review will be completed in 2023.

RECOMMENDATION

Staff recommends approval of the price increases for the three analytes.

STAFF REFERENCE

Raymond Reling – Utilities Manager
Evelyn Rhodes – Laboratory Supervisor

rreling@northglenn.org or 303.450.4049
erhodes@northglenn.org or 303.450.4074

ATTACHMENTS

- A) Cost Analysis spreadsheet
- B) Price Comparison

SPONSORED BY: MAYOR NOVAK

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-40
Series of 2006


06-38
Series of 2006

A RESOLUTION ESTABLISHING LAB SERVICE FEES FOR THE WATER TREATMENT PLANT

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN, COLORADO, THAT:

The fee schedule attached hereto as **Exhibit A** is hereby adopted and approved as the established lab service fee schedule for the services and documents set forth therein. The Lab Service Fees previously established by Resolution No. 04-73 Series of 2004 are hereby repealed.

DATED at Northglenn, Colorado, this 9th day of February, 2006.


KATHLEEN M. NOVAK
Mayor

ATTEST:


DIANA L. LENTZ, CMC
City Clerk

APPROVED AS TO FORM:

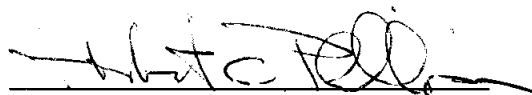

HERBERT C. PHILLIPS
City Attorney

EXHIBIT A

LAB SERVICE FEE POLICY

<u>ANALYSIS NAME</u>	<u>CURRENT PRICE</u>	<u>PROPOSED PRICE</u>
Fluoride	\$10.00	\$12.00
HAA5	New Fee	\$140.00
Heterotrophic Plate Count (HPC)	\$15.00	\$15.00
Nitrates	\$10.00	\$12.00
Metals by ICP (group of 7)	New Fee	\$75.00
Metals by ICP (Individual metal)	New Fee	\$11.00
Total Coliform (Presence/Absence)	\$8.50	\$10.00
TTHM	\$60.00	\$65.00

EXHIBIT A

Northglenn Water Quality Laboratory
2016 Analysis Price Comparison

Analyte	CDPHE	Denver Water	Weld Cty DPHE	City of Golden	City of Longmont	City of Ft. Collins	Colorado Analytical	Median Price	NG Current Price*	NG Proposed Price*
Total coliform (P/A)	\$ 20.00	\$ 22.00	\$ 20.00	\$ 25.00	\$ 22.50	\$ 17.50	\$ 23.00	\$ 22.00	\$ 10.00	\$ 14.00
Nitrate - Anions	\$ 31.50	\$ 17.00	\$ 18.00	-	\$ 25.00	\$ 19.00	\$ 17.00	\$ 18.50	\$ 12.00	\$ 17.00
Fluoride - Anions	\$ 16.50	\$ 17.00	\$ 18.00	-	\$ 25.00	\$ 19.00	\$ 18.00	\$ 18.00	\$ 12.00	\$ 17.00

*Positive Total Coliform *regulatory* sample has an additional charge for E. coli confirmation and additional paperwork.

EXHIBIT B

2016 Analysis Cost Breakdown - Reagents & Labor

IC (F, NO3): EPA 300.0			
	Total/mo	Labor @\$40	Breakdown
Reagents*	24.33		\$ 2.03
QC (\$96/12)	8		\$ 0.67
PT (\$92/12)	8		\$ 0.67
Hours (analysis, data entry, reporting)	6	240	\$ 20.00
Samples per month (avg)	12	Cost/sample:	\$ 23.36
*Reagents breakdown for 1 run (month) at 30 samples (Cals, QC, samples)			
Reagent	Amount	Cost	Cost per run
Potassium Nitrate (KNO3)	18g	\$85/125g	8.21
Sodium Fluoride (NaF)	1.1g	\$181/125g	1.04
Elluent (AS22)	10 mL	\$89/250mL	3.56
Vials	30 ea	\$29/250	3.48
Caps	30 ea	\$67/250	8.04
Total:			24.33

Total Coliform: 9223 B			
	Total/mo	Labor @\$40	Breakdown
Reagents*	261.3		\$ 3.35
QC (\$134/12 plus \$180/3 plus 3x\$4 dilution water)	83		\$ 1.06
PT (\$248/12)	21		\$ 0.27
Hours (analysis, QC, data entry, reporting)	18	720	\$ 9.23
Samples per month (avg)	78	Cost/sample:	\$ 13.91
~For reg TC or EC positives, add \$10 for reporting.			
*Reagents breakdown for one month			
Reagent	Amount	Cost	Cost per sample
Colilert Media Packets	1	\$670/200	3.35

SPONSORED BY: MAYOR DOWNING

COUNCILMAN'S RESOLUTION

RESOLUTION NO.

No. CR-11
Series of 2017

Series of 2017

A RESOLUTION SETTING LAB SERVICE FEES FOR THE WATER TREATMENT PLANT

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTHGLENN,
COLORADO, THAT:

Section 1. The City Council hereby imposes the schedule of fees, attached hereto as **Exhibit A**, for laboratory analysis services performed at the Water Treatment Plant.

Section 2. Resolution No. 06-38, Series of 2006, is hereby repealed.

Section 3. This Resolution shall be effective on April 1, 2017.

DATED at Northglenn, Colorado, this ____ day of _____, 2017.

JOYCE DOWNING
Mayor

ATTEST:

JOHANNA SMALL, CMC
City Clerk

APPROVED AS TO FORM:

COREY Y. HOFFMANN
City Attorney

EXHIBIT A

NORTHGLENN WATER QUALITY LABORATORY SERVICE FEES

Type of Analysis:	Fee:
Fluoride – Anions	\$12.00 \$24.00
HAA5	\$140.00
Heterotrophic Plate Count (HPC)	\$15.00
Nitrate – Anions	\$12.00 \$24.00
Metals by ICP (Group of 7)	\$75.00
Metals by ICP (Individual metal)	\$11.00
Total Coliform (Presence/Absence)	\$10.00 \$14.00
TTHM	\$65.00