

**By Tim Linscott**

*Managing Editor*

After some questions by a local business owner, the Grant City Council may be taking a hard look at how businesses are charged for water usage.

At the Oct. 8 city council meeting Justin Coats had some questions about his water bill. Owner of Grant Packing, Coats wasn't questioning the amount of the bill, which has almost tripled when water rates were increased last month, but the classification of his business.

"I believe my business is in an incorrect category," Coats said, citing local regulations that categorize large commercial businesses (which is what his business is billed under) as businesses that use one million gallons of water or more a year.

His business at one time had a meter, but it has not been active for years.

With no means of metering his water intake per month, Coats called similar businesses out of the Grant area of similar size and asked about their water usage per month. One business used 80,000 gallons on average per year.

Coats also compared rates based on average usage. A business in Wallace paid \$70 per month and in Valentine the bill was \$65. Coats claimed his last bill was \$272.

"When I look at the different rates, I can see how I use more water than say, the drug store, to that effect, because we clean up and use water about an hour a day and the days we butcher four to five hours," Coats said. "I just want a rate reflective of the water I use."

Coats asked the council to re-categorize his business.

The city has several tiers of classification for businesses for water use monthly.

There are three rates: residential and commercial (\$38.23 per month), commercial dependent on water (\$54.58 per month) and commercial large water users (\$272.95 per month).

A commercial large user is defined as a business that uses one million gallons of water a year or more or is deemed a large user by the council.

"We tried to figure out how these were determined. With not all of us being here at that time, what we figured out is the meters were working about 10 years ago and they were put in categories based on that," Dana Harris, Grant city administrator, said. "We never use the meters for billing so whatever they were categorized at the time is what was used."

Within city limits there are nine commercial large users and two outside of town billed monthly.

Some of the users have large lines going to the service hook-up, some do not at the moment.

"There are some places that have larger lines that are not paying the large commercial rate and some with smaller lines that are paying the large commercial rate," Harris said. "Again, that was set up about 10 years ago when the meters were being monitored."

The cost of a new meter on a business with the size of water line at Grant Packing, will be roughly \$1,500. The meter would have to be read manually.

"There are some, in our opinion, that have rather large lines going to them that are not being billed as commercial users," Harris said.

Coats wanted to know the number of gallons, on average used, versus what is billed out.

"What those two numbers, divided into themselves, what you can figure per gallon. Take that number per 1,000 gallons on what our water should be billed out at and take that number times approximately what I feel like using and see if that comes out," Coats suggested.

Grant Mayor Michael Wyatt explained that the city uses a method of billing that will help support the overall water system and keep equipment maintained, keep testing regulations in

order, etc.

“Basically, we look at what it takes to operate the system, we say here is a gentlemen’s agreement, we will have a 15 percent margin, so we make sure there is a 15 percent margin,” Wyatt said. “Then we adjust the rates and away we go.”

Mayor Wyatt’s solution was to hook back up the meter at Coats’ business and get an average of water usage over a time period to re-evaluate the category it is being billed.

“My answer, personally, we fix the meter, we find out what the gallons are and then you know,” Wyatt said. “The real answer is fix the meter and see what it looks like.”

Wyatt felt all large water consumers should have meters.

“Take a look at what they consume. I know someone paying \$272 a month and using a lot more than that, why should everyone else subsidize one person, not picking on anyone, but I just know they should be paying more,” Wyatt said.

If meters were installed a rate would be established based on usage.

“Even though we would know our consumption, we need to maintain a profitability, so we’d have to look at it from that standpoint,” Wyatt said. “Our expenses keep going up, so our rates would have to keep going up.”

In order to make headway in the situation, Wyatt suggested to Coats stay a ‘squeaky wheel.’

“Make sure we are held to task if we are going to take time to consider some remedy. If we are not going to give you an answer, how are we going to give you some resolve?” Wyatt said.

The council decided to discuss the matter at the next council meeting (Oct. 22) and a report will follow in next week’s edition of the Tribune-Sentinel.