Hen#9F

City of Carson City Agenda Report

Date Submitted: January 25, 2008 Agenda Date Requested: February 7, 2008

Time Requested: 10 minutes

To: Mayor and Supervisors

From: Public Works Department

Subject Title: Action to approve the Implementation Plan to Provide Financial Stability to the Water Fund for Fiscal Year 2007/08 and direct staff to proceed with an amendment to Carson City Municipal Code Chapter 12.01, providing a 6% increase in water rates to be presented for first reading on February 21, 2008.

Staff Summary: Staff recommends the approval of the Implementation Plan to Provide Financial Stability to the Water Fund for Fiscal Year 2007/2008 and a 6% increase to water rates.

Type of Action Requested:	(check one)
() Resolution	() Ordinance
(X_) Formal Action/Motion	() Other (No action)
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Does This Action Require A Busines	ss Impact Statement: () Yes (x) No

Recommended Board Action: I move to approve the Implementation Plan to Provide Financial Stability to the Water Fund for Fiscal Year 2007/08 and direct staff to proceed with an amendment to Carson City Municipal Code Chapter 12.01, providing a 6% increase in water rates to be presented for first reading on February 21, 2008.

Explanation for Recommended Board Action: Public Works staff was directed to present its capital improvement programs to the Board of Supervisors to allow the Board to decide and direct staff regarding the continuation of all or part of the planned improvements as they relate to the proposed rate increases.

As the Board is aware last year water rates were increased 14% for March and 14% again in July. The rates were principally to support a capital program for the next five years in the range of \$41 million. The proposed rate increase of 6% was predicted last year to continue the capital program (4%) and to provide for increased operations and maintenance costs (2%) which include power costs, chemicals, and water sampling costs. Due to the steep decline in connection fees, the capital improvement program for water will be postponed as much as possible for the next year for non-bonded capital projects and revised going forward. At the direction of the Board, staff will postpone any new Water Fund bond issuance for at least one year until the economy begins to recover. However, funding will be needed and an additional increase may be required next year to provide the funding necessary to comply with federal mandates regarding water quality.

Applicable Statue, Code, Policy, Rule or Regulation: NA

Fiscal Impact: NA

Explanation of Impact: NA

Funding Source: NA	
Alternatives: Direct Staff.	
Supporting Material: NA	
Prepared By: Ken Arnold, Public Works Oper	erations Manager
Reviewed By:	Date: 1/29/68
(Department Head) Concurrences:	Date: 1/29/08 Date: 1-29-08
(City Manager) We have the west of	Date: 1-29-08
(District Attorney) (Finance Director)	Date: 1-29-08
Board Action Taken:	
Motion:	1) Aye/Nay 2)
(Vote Recorded By)	

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