·ten# 110

# CARSON CITY, NEVADA REQUEST FOR BOARD ACTION

Date Submitted: February 8, 2008

Date Requested: February 21, 2008

Time Requested: 10 Minutes

To: Mayor and Supervisors

From: Public Works

Subject Title: Action to introduce, on first reading, Bill No. \_\_\_\_\_\_AN ORDINANCE AMENDING TITLE 12, WATER, SEWERAGE AND DRAINAGE, CHAPTER 12.10, RECLAIMED WATER USE RATES, SECTION 12.10.020, SCHEDULE OF RATES, BY DECREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, FROM \$0.21 PER THOUSAND GALLONS TO \$0.10 PER THOUSAND GALLONS EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2008 AND THEN INCREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, BY \$0.10 PER THOUSAND GALLONS EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2009 AND THEN INCREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, BY AN ADDITION \$.010 PER THOUSAND GALLONS EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2010 AND THEN INCREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, BASED UPON THE ALL URBAN CONSUMER PRICE INDEX ANNUALLY BEGINNING JULY 1, 2011 AND EACH YEAR THEREAFTER AND INCREASING THE CONTRACTOR INSTALLED SERVICE FEES AND OTHER MATTERS PROPERLY RELATED THERETO.

**Staff Summary:** The Carson City Board of Supervisors approved Carson City Municipal Code in 1996 which provided for a rate charge of \$0.21 per thousand gallons of reclaimed water delivered to the customer. However, through User Agreements, the rate has not been charged to date. Staff recommends phasing in the rate over three years beginning at \$0.10 per 1,000 gallons effective July 1, 2008 until \$0.30 per 1,000 gallons is reached, then applying a CPI increase thereafter beginning on July 1, 2011.

Type of Action Requested: (Check One)	
( ) Resolution	(XX) Ordinance
( ) Formal Action/motion	( ) Other (Specify)

Does this Action Require a Business Impact Statement: (XX) Yes ( ) No

Recommended Board Action: I move to introduce, on first reading, Bill No. \_\_\_\_\_\_, ORDINANCE AMENDING TITLE 12, WATER, SEWERAGE AND DRAINAGE, CHAPTER 12.10, RECLAIMED WATER USE RATES, SECTION 12.10.020, SCHEDULE OF RATES, BY DECREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, FROM \$0.21 PER THOUSAND GALLONS TO \$0.10 PER THOUSAND GALLONS EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2008 AND THEN INCREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, BY \$0.10 PER THOUSAND GALLONS EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2009 AND THEN INCREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, BY AN ADDITION \$.010 PER THOUSAND GALLONS EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2010 AND THEN INCREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, BASED UPON THE ALL URBAN CONSUMER PRICE INDEX ANNUALLY BEGINNING JULY 1, 2011 AND EACH YEAR THEREAFTER AND INCREASING THE

CONTRACTOR INSTALLED SERVICE FEES AND OTHER MATTERS PROPERLY RELATED THERETO.

**Explanation for Recommended Board Action:** The Carson City Board of Supervisors approved Carson City Municipal Code in 1996 which provided for a rate charge of \$0.21 per thousand gallons of reclaimed water delivered to the customer. However, through User Agreements, the rate has not been charged to date. Staff recommends phasing in the rate over three years beginning at \$0.10 per

## CARSON CITY, NEVADA REQUEST FOR BOARD ACTION

1,000 gallons effective July 1, 2008 until \$0.30 per 1,000 gallons is reached, then applying a CPI increase thereafter beginning on July 1, 2011. The revenue generated in the first year is estimated to be \$80,000. The additional funds will help to off-set a portion of the operational cost to deliver reclaimed water to the users.

Staff gave notice to the public on January 5, 2008, through the Nevada Appeal, in addition to providing the proposed ordinance revisions and Business Impact Statement to the Builder's Association of Western Nevada, Manufacturer's Association, and the Chamber of Commerce. Staff provided a report on all utility budgets and capital improvement programs to the Board of Supervisors on January 3, 2008, a portion of which explained the need for a rate increase for the sewer budget for the reclaimed water program.

Fiscal Impact: Additional revenue to Sewer account for Reclain	ned Wat	ter Prograr	n.
Explanation of Impact: N/A			
Funding Source: Rates			
Alternatives: Disapprove and provide direction otherwise.			•
Prepared by: Ken Arnold, Public Works Operations Manager			
Reviewed By:		_ Date:	21_14_8
Andrew Burnham, Public Works Director Reviewed By: (C/M)		Date: <u>C</u>	21 <u>1208</u> 21 <u>12108</u>
Reviewed By (Finance Dir) Which Phrounds			2/2/08
Reviewed By: (DA) Mulan in Bulbatta		Date: <u>a</u>	<u> 1218</u>
Reviewed By: (Public Works)		Date:	_//
BOARD ACTION:			
Motion	1:		(Aye)
	2:		:(Nay)
		_	
(Vote Recorded By)		_	

ORDINANCE NO.	
BILL NO.	

AN ORDINANCE AMENDING TITLE 12, WATER, SEWERAGE AND DRAINAGE, CHAPTER 12.10, RECLAIMED WATER USE RATES. SECTION 12.10.020, SCHEDULE OF RATES, BY DECREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, FROM \$0.21 PER THOUSAND GALLONS TO \$0.10 PER THOUSAND GALLONS EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2008 AND THEN INCREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, BY \$0.10 PER THOUSAND GALLONS EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2009 AND THEN INCREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, BY AN ADDITION \$.010 PER THOUSAND GALLONS EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2010 AND THEN INCREASING ALL RATES, EXCEPT THE MONTHLY METER SERVICE CHARGE, BASED UPON THE ALL URBAN CONSUMER PRICE INDEX ANNUALLY BEGINNING JULY 1, 2011 AND EACH YEAR THEREAFTER AND INCREASING THE CONTRACTOR INSTALLED SERVICE FEES AND OTHER MATTERS PROPERLY RELATED THERETO.

THE BOARD OF SUPERVISORS OF CARSON CITY DO ORDAIN:

## **SECTION I:**

That Section 12.10.020 of the Carson City Municipal Code is hereby amended as follows:

- 12.10.020 Schedule of rates. 1. The schedule of rates for the reclaimed water facilities and service furnished by Carson City utilities, which rates are based upon a portion of the costs of operating and maintaining reclaimed water systems, are set forth in subsection 2 of this section.
- 2. The monthly rate for each service shall be computed as follows, unless otherwise required by this chapter:

### **RECLAIMED WATER SERVICE**

### Monthly service charge:

Meter Size	Amount
5/8" - 3/4"	\$ 11.28
1"	18.02
1-1/2"	26.96

2"	44.98
3"	90.02
4"	112.49
6"	180.01
8"	224.99
10"	281.24

[Monthly commodity charge:]	[\$.21 per 1,000 gallons per month]
Monthly commodity charge: From July1, 2008 until June 30, 2009	\$.10 per 1,000 gallons per month
Monthly commodity charge: From July1, 2009 until June 30, 2010	\$.20 per 1,000 gallons per month
Monthly commodity charge: From July1, 2010 until June 30, 2011	\$.30 per 1,000 gallons per month
Monthly commodity charge: From July 1, 2011 and annually thereafter	At a minimum the cost per thousand gallons per month will increase by the Consumer Price Index for All Urban Consumers - Water and Sewerage Maintenance and will never be less than 1%.

<sup>3.</sup> The directors of the utilities and finance departments shall conduct an annual review of the reclaimed water system total costs of operation and maintenance, the schedule of rates, and submit a report to the board by [January] <u>April</u> 1st each calendar year summarizing the review and containing recommendations for rate adjustments as necessary to:

A. Maintain the proper proportionate distribution of operation and maintenance costs among users;

B. Assure generation of sufficient revenue to pay the total operation and maintenance

costs necessary to the proper operation and maintenance (including replacement) of the reclaimed water system.

4. All connections to the city reclaimed water system by persons other than city will be performed by persons properly licensed by the state of Nevada and Carson City to accomplish the type of work contemplated, and all work performed and all materials placed will be in accordance with the Carson City Code of standard specifications for public works construction. Prior to placement of a customer-installed service, the applicable meter and meter set fee under the following schedule must be remitted. Under this fee schedule, no other work will be performed and no materials other than the prescribed reclaimed water meter, will be furnished by Carson City.

Meter Size	Contractor-Installed Service
5/8"-3/4"	\$ [90.00] <u>342.00</u>
1"	[135.00] 409.00
1-1/2"	[224.00] <u>556.00</u>
2"	[310.00] <u>684.00</u>
3"	[1,160.00] <u>1,968.00</u>
4"	[2,082.00] 3,339.00
6"	[3,983.00] 6,194.00

(Ord. 1999-13 § 3, 1999).

#### **SECTION II:**

That no other provisions of the Carson City Municipal Code are affected by this ordinance.

PROPOSED on		(month)	(day), 2008.	
PROPOSED by Supervisor Pete Livermore				
PASSED		(month)	(day), 2008.	
VOTE:	AYES:	SUPERVISORS: _		
		_		
		_		
		_		

	NAYS: SUPERVISORS: _		
	ABSENT: SUPERVISORS:		
	Marv Te	eixeira, Mayor	
ATTEST:			
ALAN GLOVER, CLERK/F	RECORDER.		
This ordinance shall month of of the ye	be in force and effect from a ear, 2008.	nd after the	_ day of the