

**City of Carson City  
Agenda Report**

**Date Submitted:** August 19, 2011

**Agenda Date Requested:** September 1, 2011

**Time Requested:** 10 minutes

**To:** Mayor and Supervisors

**From:** Public Works Department

**Subject Title:** For Possible Action; Action to adopt, on second reading, Bill No. 115, AN ORDINANCE AMENDING TITLE 12. WATER, SEWERAGE AND DRAINAGE, CHAPTER 12.03, SEWER CONNECTION CHARGES AND USE RATES, SECTION 12.03.020, SCHEDULE OF RATES, BY INCREASING ALL RATES 14% ON BILLS DATED ON OR AFTER OCTOBER 1, 2011, AND OTHER MATTERS PROPERLY RELATED THERETO. (Andy Burnham)

**Staff Summary:** The proposed increase of sewer rates reflected in Chapter 12.03 provide for the necessary revenue requirements to operate, maintain and meet debt obligations. More specifically, the changes provide for an across the board 14% increase to sewer use fees effective on or after October 1, 2011 to the monthly rates for each property and septic haulers.

**Type of Action Requested:** (check one)  
 Resolution  Ordinance  
 Formal Action/Motion  Other (Specify)

**Does This Action Require A Business Impact Statement:** () Yes, Completed () No

**Recommended Board Action:** I move to adopt, on second reading, Bill No. 115, AN ORDINANCE AMENDING TITLE 12. WATER, SEWERAGE AND DRAINAGE, CHAPTER 12.03, SEWER CONNECTION CHARGES AND USE RATES, SECTION 12.03.020, SCHEDULE OF RATES, BY INCREASING ALL RATES 14% ON BILLS DATED ON OR AFTER OCTOBER 1, 2011, AND OTHER MATTERS PROPERLY RELATED THERETO.

**Explanation:** In order to fund capital projects for the Waste Water System, staff recommends a 14% increase to sewer rates as of October 1, 2011. The 14% rate increase requested is principally to fund capital program debt service (13%) for the utility relocations for Phase 2B of the Carson City Freeway and for sewer main extension on Conti Drive and to support on-going maintenance costs (1%) such as for fuel, electricity, and chemicals.

Staff gave notice to the public on July 13, 2011, 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.

**Fiscal Impact:** Increased revenues of approximately \$680,000.

**Funding Source:** Sewer Rates


**Explanation of Impact:** To support debt financing of capital projects.

**Alternatives:** Do not approve; modify; and/or give additional direction to staff.

Sewer Rates, continued

Prepared By: Ken Arnold, Environmental Manager

Reviewed By:  Date: 8-23-11  
(Department Head)

Concurrences:  for HW Date: 8-23-11  
(City Manager)

 Date: 8/23/11  
(District Attorney)

 Date: 8/23/11  
(Finance Director)

Board Action Taken:

Motion: \_\_\_\_\_ 1) \_\_\_\_\_ Aye/Nay  
2) \_\_\_\_\_ \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
(Vote Recorded By)

ORDINANCE NO.

BILL NO. 115

AN ORDINANCE AMENDING TITLE 12, WATER, SEWERAGE AND DRAINAGE, CHAPTER 12.03, SEWER CONNECTION CHARGES AND USE RATES, SECTION 12.03.020, SCHEDULE OF RATES, BY INCREASING ALL RATES 14% EFFECTIVE ON BILLS DATED ON OR AFTER OCTOBER 1, 2011, AND OTHER MATTERS PROPERLY RELATED THERETO.

Fiscal Impact: Increased Revenues to the Sewer Funds

THE BOARD OF SUPERVISORS OF CARSON CITY DO HEREBY ORDAIN:

SECTION I:

That Section 12.03.020 of the Carson City Municipal Code is hereby amended as follows:

**12.03.020 Schedule of rates.**

1. The following schedule of rates for the sanitary sewer facilities and services furnished by or through, or for the use of, the Carson City sanitary sewer system, which rates are found and declared to be reasonable and just, taking into account and consideration the cost and value of the system and cost of maintaining and operating the system, and the proper and necessary allowances for the depreciation thereof and the amount necessary for the retirement of all bonds and other securities payable from revenues of the system, the accruing interest on all such securities, and reserves therefore are fixed, established, levied, imposed and otherwise prescribed in subsection (2) of this section.

2. The monthly rate for each property shall be computed as detailed in Schedule A of this section, unless otherwise required by this chapter.

Schedule A

Class	Fixed Capitalization Charge	Variable Capitalization Charges \$/Thousand Gallons of Water Usage (Debt Service and Capital Maintenance or Depreciation)	User Charges \$/Thousand Gallons of Water Usage (Operation Maintenance and Replacement Operating Components)	Maximum Water Usage For Applying Commodity Charge
Commercial	<del>[\$6.39]</del> \$7.30 [(eff. 7/01/10)] <u>\$8.32 (eff. 10/01/11)</u>	<del>[\$0.02]</del> \$0.03 [(eff. 7/01/10)] \$0.03 (eff. 10/01/11)	<del>[\$2.55]</del> \$2.90 [(eff. 7/01/10)] <u>\$3.31 (eff. 10/01/11)</u>	No Maximum
Commercial Multifamily	<del>[\$6.39]</del> \$7.30 [(eff. 7/01/10)] <u>\$8.32 (eff. 10/01/11)</u>	<del>[\$0.02]</del> \$0.03 [(eff. 7/01/10)] \$0.03 (eff. 10/01/11)	<del>[\$2.55]</del> \$2.90 [(eff. 7/01/10)] <u>\$3.31 (eff. 10/01/11)</u>	Winter Sewer Average/Actual
Residential	<del>[\$6.39]</del> \$7.30 [(eff. 7/01/10)] <u>\$8.32 (eff. 10/01/11)</u>	<del>[\$0.02]</del> \$0.03 [(eff. 7/01/10)] \$0.03 (eff. 10/01/11)	<del>[\$2.55]</del> \$2.90 [(eff. 7/01/10)] <u>\$3.31 (eff. 10/01/11)</u>	Winter Sewer Average/Actual
Quasi-Residential	<del>[\$6.39]</del> \$7.30 [(eff. 7/01/10)] <u>\$8.32 (eff. 10/01/11)</u>	<del>[\$0.02]</del> \$0.03 [(eff. 7/01/10)] \$0.03 (eff. 10/01/11)	<del>[\$2.55]</del> \$2.90 [(eff. 7/01/10)] <u>\$3.31 (eff. 10/01/11)</u>	Winter Sewer Average/Actual
Wholesale Bakery	<del>[\$6.39]</del> \$7.30 [(eff. 7/01/10)] <u>\$8.32 (eff. 10/01/11)</u>	<del>[\$0.04]</del> \$0.05 [(eff. 7/01/10)] <u>\$0.06 (eff. 10/01/11)</u>	<del>[\$4.94]</del> \$5.60 [(eff. 7/01/10)] <u>\$6.38 (eff. 10/01/11)</u>	No Maximum
Motel with Dining Facilities	<del>[\$6.39]</del> \$7.30 [(eff. 7/01/10)] <u>\$8.32 (eff. 10/01/11)</u>	<del>[\$0.02]</del> \$0.03 [(eff. 7/01/10)] \$0.03 (eff. 10/01/11)	<del>[\$3.27]</del> \$3.75 [(eff. 7/01/10)] <u>\$4.28 (eff. 10/01/11)</u>	No Maximum
Commercial Laundry	<del>[\$6.39]</del> \$7.30 [(eff. 7/01/10)] <u>\$8.32 (eff. 10/01/11)</u>	<del>[\$0.02]</del> \$0.03 [(eff. 7/01/10)] \$0.03 (eff. 10/01/11)	<del>[\$2.40]</del> \$2.75 [(eff. 7/01/10)] <u>\$3.14 (eff. 10/01/11)</u>	No Maximum
Mortuaries	<del>[\$6.39]</del> \$7.30 [(eff. 7/01/10)] <u>\$8.32 (eff. 10/01/11)</u>	<del>[\$0.05]</del> \$0.06 [(eff. 7/01/10)] \$0.07 (eff. 10/01/11)	<del>[\$4.98]</del> \$5.70 [(eff. 7/01/10)] <u>\$6.50 (eff. 10/01/11)</u>	No Maximum
Restaurants	<del>[\$6.39]</del> \$7.30 [(eff. 7/01/10)] <u>\$8.32 (eff. 10/01/11)</u>	<del>[\$0.04]</del> \$0.05 [(eff. 7/01/10)] \$0.06 (eff. 10/01/11)	<del>[\$4.21]</del> \$4.80 [(eff. 7/01/10)] <u>\$5.47 (eff. 10/01/11)</u>	No Maximum

Septic haulers shall be charged [~~\$32.83~~]; \$40.00 [(~~eff. 7/01/10~~)]; \$45.60 (eff. 10/01/11) for the first one thousand (1,000) gallons or fraction thereof plus [~~\$0.033~~]; \$0.040 [(~~eff. 7/01/10~~)]; \$0.047 (eff. 10/01/11) per gallon for each gallon in excess of the first one thousand (1,000) gallons.

3. This user charge system is in accordance with CFR Section 35.2140 (February 17, 1984) which is incorporated herein by this reference. (Refer to Section 12.03.010 (9), Definitions.)  
(Ord. 2008-20 § 1, 2008: Ord. 2008-14 § 1, 2008: Ord. 2003-12 § 1, 2003: Ord. 1994-61 §2, 1994: Ord. 1993-44 §12, 1993: Ord. 1992-29 §2, 1992: Ord. 1991-11 §2, 1991: Ord. 1988-15 §1, 1988: Ord. 1986-34 §1, 1986: Ord. 1986-17 §1, 1986: Ord. 1985-16 §1, 1985: Ord. 1983-10 §1, 1983: Ord. 1982-9 §1, 1982: Ord. 1981-18 § 1,2,3, 1981: Ord. 1980-22 §3 (part), 1980).  
(Ord. No. 2009-10, § I, 6-18-2009)

SECTION II:

That no other provisions of Title 12 of the Carson City Municipal Code are affected by this ordinance.

PROPOSED this 4<sup>th</sup> day of August, 2011

PROPOSED by Supervisor McKenna

PASSED on the \_\_\_\_\_ day of \_\_\_\_\_, 2011

VOTES: AYES: \_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAYES:

\_\_\_\_\_  
\_\_\_\_\_

ABSENT:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Robert L. Crowell, Mayor

ATTEST:

\_\_\_\_\_

ALAN GLOVER, Clerk-Recorder

This ordinance shall be in force and effect from and after the \_\_\_ day of \_\_\_\_\_,  
2011.