

City of Carson City
Agenda Report

Item # 17B

Date Submitted: May 21, 2010

Agenda Date Requested: June 3, 2010

Time Requested: 10 minutes

To: Mayor and Supervisors

From: Public Works Department

Subject Title: Action to adopt, on second reading, Bill No.106 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% AND OTHER MATTERS PROPERLY RELATED THERETO. (Ken Arnold)

Staff Summary: The proposed increase of 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 July 1, 2010 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. 106, 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% AND OTHER MATTERS PROPERLY RELATED THERETO.

Explanation: The sewer rates were increased a total of 5% as of July 1, 2009. That increase was necessary to simply meet existing debt service obligations and operational costs. Due to the need to fund certain capital projects at the Waste Water Reclamation Plant and to replace aging sewer mains, staff recommends a 14% increase as of July 1, 2010. The 14% rate increase requested is principally for a capital program debt service (13%) to cover costs for the North Lift Station Upgrades at the Waste Water Reclamation Plant (WWRP), Roop Street Sewer Line, pumps and motors for the WWRP and to cover increased operations and maintenance costs (1%) such as for fuel, electricity, and chemicals.

Fiscal Impact: Upon adoption of second reading, revenues will increase.

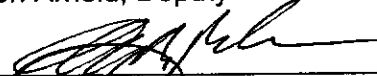
Funding Source: Rates

Explanation of Impact: Less debt financing will be required.

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

Sewer Rates, continued

Prepared By: Ken Arnold, Deputy Public Works Director

Reviewed By:  Date: 5-25-10
(Department Head)

Concurrences:  Date: 5/25/10
(City Manager)

Melanie Buketa Date: 5.25.10
(District Attorney)

Wally Paulson Date: 5/25/10
(Finance Director)

Board Action Taken:

Motion: _____ 1) _____ Aye/Nay
2) _____ _____

(Vote Recorded By)

ORDINANCE NO.

BILL NO. 106

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 EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2010, 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	[\$6.09] \$6.39 [(eff. 7/01/09)] <u>\$7.30 (eff. 7/01/10)</u>	\$0.02 <u>\$0.03 (eff. 7/01/10)</u>	[\$2.43] \$2.55 [(eff. 7/01/09)] <u>\$2.90 (eff. 7/01/10)</u>	No Maximum
Commercial Multifamily	[\$6.09] \$6.39 [(eff. 7/01/09)] <u>\$7.30 (eff. 7/01/10)</u>	\$0.02 <u>\$0.03 (eff. 7/01/10)</u>	[\$2.43] \$2.55 [(eff. 7/01/09)] <u>\$2.90 (eff. 7/01/10)</u>	Winter Sewer Average/Actual
Residential	[\$6.09] \$6.39 [(eff. 7/01/09)] <u>\$7.30 (eff. 7/01/10)</u>	\$0.02 <u>\$0.03 (eff. 7/01/10)</u>	[\$2.43] \$2.55 [(eff. 7/01/09)] <u>\$2.90 (eff. 7/01/10)</u>	Winter Sewer Average/Actual
Quasi-Residential	[\$6.09] \$6.39 [(eff. 7/01/09)] <u>\$7.30 (eff. 7/01/10)</u>	\$0.02 <u>\$0.03 (eff. 7/01/10)</u>	[\$2.43] \$2.55 [(eff. 7/01/09)] <u>\$2.90 (eff. 7/01/10)</u>	Winter Sewer Average/Actual
Wholesale Bakery	[\$6.09] \$6.39 [(eff. 7/01/09)] <u>\$7.30 (eff. 7/01/10)</u>	\$0.04 <u>\$0.05 (eff. 7/01/10)</u>	[\$4.70] \$4.94 [(eff. 7/01/09)] <u>\$5.60 (eff. 7/01/10)</u>	No Maximum
Motel with Dining Facilities	[\$6.09] \$6.39 [(eff. 7/01/09)] <u>\$7.30 (eff. 7/01/10)</u>	\$0.02 <u>\$0.03 (eff. 7/01/10)</u>	[\$3.11] \$3.27 [(eff. 7/01/09)] <u>\$3.75 (eff. 7/01/10)</u>	No Maximum
Commercial Laundry	[\$6.09] \$6.39 [(eff. 7/01/09)] <u>\$7.30 (eff. 7/01/10)</u>	\$0.02 <u>\$0.03 (eff. 7/01/10)</u>	[\$2.29] \$2.40 [(eff. 7/01/09)] <u>\$2.75 (eff. 7/01/10)</u>	No Maximum
Mortuaries	[\$6.09] \$6.39 [(eff. 7/01/09)] <u>\$7.30 (eff. 7/01/10)</u>	\$0.05 <u>\$0.06 (eff. 7/01/10)</u>	[\$4.74] \$4.98 [(eff. 7/01/09)] <u>\$5.70 (eff. 7/01/10)</u>	No Maximum

Restaurants	[\$6.09] \$6.39 [eff. 7/01/09] <u>\$7.30 (eff. 7/01/10)</u>	\$0.04 <u>\$0.05 (eff. 7/01/10)</u>	[\$4.01] \$4.21 [eff. 7/01/09] <u>\$4.80 (eff. 7/01/10)</u>	No Maximum
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Septic haulers shall be charged ~~[thirty one dollars and twenty seven cents (\$31.27); thirty two dollars and eighty three cents (\$32.83) effective July 1, 2009]~~ \$32.83; \$40.00 (eff. 7/01/10) for the first one thousand (1,000) gallons or fraction thereof plus ~~[\$0.031; \$0.033 effective July 1, 2009]~~ \$0.033; \$0.040 (eff. 7/01/10) 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, § 1, 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 ____ day of _____, 2010

PROPOSED by Supervisor _____

PASSED on the ____ day of _____, 2010

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 _____,

2010.