

**CARSON CITY UTILITY FINANCIAL OVERSIGHT COMMITTEE
REQUEST FOR COMMITTEE ACTION**

Date Submitted: June 22, 2015

Meeting Date: June 30, 2015

To: Utility Financial Oversight Committee

From: Darren Schulz, Director of Public Works

Subject Title: For Possible Action: Review and discussion of an implementation date and phase-in approach of connection fees, with possible action to provide recommendations to the Board of Supervisors.

Staff Summary: At the February 18, 2015 meeting of the Utility Financial Oversight Committee, the recommendation to the Board of Supervisors was to start the implementation on July 1, 2016 and phase the rates in over a 5-year period.

Type of Action Requested: (check one)

- None – Informational Only
- Formal Action/Motion

Recommended Commission Action: I move to recommend to the Board of Supervisors an implementation start date of January 1, 2016, for both water and sewer, with a 3-year phase in period.

Explanation for Recommended Commission Action: The methodology used to calculate connection charges is based on both the existing and future system costs defined in the 5-year capital improvement plan. By waiting until July 1, 2016 to start the implementation and phasing in over 5 years, the basis used to calculate the charges is outdated prior to full implementation.

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

Fiscal Impact: Increasing connection charges would positively benefit the utilities.

Alternatives:

- Evaluating start date options
- Evaluating phase in options

Supporting Material: NA

Prepared By: David Bruketta, Utility Manager

