

City of Carson City
Agenda Report

Item # 9E

Date Submitted: February 22, 2008

Agenda Date Requested: March 6, 2008
Time Requested: 10 minutes

To: Mayor and Supervisors

From: Public Works Department

Subject Title: Action to adopt on second reading, Bill # 107, an ORDINANCE AMENDING TITLE 12, WATER, SEWERAGE AND DRAINAGE, CHAPTER 12.01, WATER CONNECTION CHARGES AND USE RATES, SECTION 12.01.010, DEFINITIONS, SECTION 12.01.050, WAIVER OF CONNECTION AND TAPPING CHARGES, SECTION 12.01.090, PROTESTS TO RATES AND CHARGES AND METER TESTS, SECTION 12.01.105, DELINQUENT CHARGES AS LIENS, SECTION 12.01.120, WASTE OF WATER PROHIBITED, SECTION 12.01.130, LIMITATIONS ON IRRIGATION, SECTION 12.01.170, APPLICATION FOR SERVICE, SECTION 12.01.180, NOTICES AND SECTION 12.01.210, MAIN EXTENSIONS, BY CHANGING VARIOUS REFERENCE TO THE UTILITIES DIRECTOR AND THE UTILITIES DEPARTMENT TO REFERENCES TO THE PUBLIC WORKS DIRECTOR AND PUBLIC WORKS DEPARTMENT; AMENDING SECTION 12.01.020, SCHEDULE OF RATES, BY INCREASING ALL RATES 6% EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2008 AND CHANGING REFERENCES TO UTILITIES DIRECTOR TO REFERENCES TO THE PUBLIC WORKS DIRECTOR; AMENDING SECTION 12.01.030, SCHEDULE OF WATER CONNECTION CHARGES, LATERAL AND METER BOX SETS, AND METER SET FEES, BY INCREASING ALL CHARGES AND FEES, EXCEPT WATER CONNECTION CHARGES, 6% ON BILLS DATED ON OR AFTER JULY 1, 2008 AND CHANGING CERTAIN REFERENCES TO UTILITIES DIRECTOR TO REFERENCE TO PUBLIC WORKS DIRECTOR; AMENDING SECTION 12.01.160, DESCRIPTION OF SERVICE, BY PROVIDING THAT CARSON CITY MAY PROVIDE WATER SERVICE OUTSIDE OF CARSON CITY AT RATES ESTABLISHED BY THE BOARD OF SUPERVISORS; AND OTHER MATTERS PROPERLY RELATING THERETO.

Staff Summary: The proposed rate increase of 6% is necessary for debt service (4%) and to provide for increased operations and maintenance costs (2%) which include power costs, chemicals, and water sampling costs.

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

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

Recommended Board Action: I move to adopt on second reading, Bill No. 107, an ORDINANCE AMENDING TITLE 12, WATER, SEWERAGE AND DRAINAGE, CHAPTER 12.01, WATER CONNECTION CHARGES AND USE RATES, SECTION 12.01.010, DEFINITIONS, SECTION 12.01.050, WAIVER OF CONNECTION AND TAPPING CHARGES, SECTION 12.01.090, PROTESTS TO RATES AND CHARGES AND METER TESTS, SECTION 12.01.105, DELINQUENT CHARGES AS LIENS, SECTION 12.01.120, WASTE OF WATER PROHIBITED, SECTION 12.01.130, LIMITATIONS ON IRRIGATION, SECTION 12.01.170, APPLICATION FOR SERVICE, SECTION 12.01.180, NOTICES AND SECTION 12.01.210, MAIN EXTENSIONS, BY CHANGING VARIOUS REFERENCE TO THE UTILITIES DIRECTOR AND THE UTILITIES DEPARTMENT TO REFERENCES TO THE PUBLIC WORKS DIRECTOR AND PUBLIC WORKS DEPARTMENT; AMENDING SECTION 12.01.020, SCHEDULE OF RATES, BY INCREASING ALL RATES 6% EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2008 AND CHANGING REFERENCES TO UTILITIES

DIRECTOR TO REFERENCES TO THE PUBLIC WORKS DIRECTOR; AMENDING SECTION 12.01.030, SCHEDULE OF WATER CONNECTION CHARGES, LATERAL AND METER BOX SETS, AND METER SET FEES, BY INCREASING ALL CHARGES AND FEES, EXCEPT WATER CONNECTION CHARGES, 6% ON BILLS DATED ON OR AFTER JULY 1, 2008 AND CHANGING CERTAIN REFERENCES TO UTILITIES DIRECTOR TO REFERENCE TO PUBLIC WORKS DIRECTOR; AMENDING SECTION 12.01.160, DESCRIPTION OF SERVICE, BY PROVIDING THAT CARSON CITY MAY PROVIDE WATER SERVICE OUTSIDE OF CARSON CITY AT RATES ESTABLISHED BY THE BOARD OF SUPERVISORS; AND OTHER MATTERS PROPERLY RELATING THERETO.

Explanation for Recommended Board Action: 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, however the 4% is now necessary for debt service.

This ordinance was approved without change on first reading by the Board on February 21, 2008.

Applicable Statue, Code, Policy, Rule or Regulation: N/A

Fiscal Impact: Approval of second reading, will see an increase in revenues.

Explanation of Impact: Less debt financing will be required.


Funding Source: NA

Alternatives: Do Not Approve; Modify; Give additional direction to staff.

Supporting Material: Revised CCMC Chapter 12.01

Prepared By: Ken Arnold, Public Works Operations Manager

Reviewed By:




(Department Head)

Date:

2/26/08

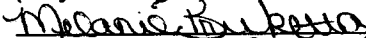
Concurrences:



(City Manager)

Date:


2/26/08



(District Attorney)

Date:

2-26-08



(Finance Director)

Date:

2-26-08

Board Action Taken:

Motion: _____

- 1) _____
- 2) _____

Aye/Nay

(Vote Recorded By)

ORDINANCE NO. _____

BILL NO. 107

AN ORDINANCE AMENDING TITLE 12, WATER, SEWERAGE AND DRAINAGE, CHAPTER 12.01, WATER CONNECTION CHARGES AND USE RATES, SECTION 12.01.010, DEFINITIONS, SECTION 12.01.050, WAIVER OF CONNECTION AND TAPPING CHARGES, SECTION 12.01.090, PROTESTS TO RATES AND CHARGES AND METER TESTS, SECTION 12.01.105, DELINQUENT CHARGES AS LIENS, SECTION 12.01.120, WASTE OF WATER PROHIBITED, SECTION 12.01.130, LIMITATIONS ON IRRIGATION, SECTION 12.01.170, APPLICATION FOR SERVICE, SECTION 12.01.180, NOTICES AND SECTION 12.01.210, MAIN EXTENSIONS, BY CHANGING VARIOUS REFERENCE TO THE UTILITIES DIRECTOR AND THE UTILITIES DEPARTMENT TO REFERENCES TO THE PUBLIC WORKS DIRECTOR AND PUBLIC WORKS DEPARTMENT; AMENDING SECTION 12.01.020, SCHEDULE OF RATES, BY INCREASING ALL RATES 6% EFFECTIVE ON BILLS DATED ON OR AFTER JULY 1, 2008 AND CHANGING REFERENCES TO UTILITIES DIRECTOR TO REFERENCES TO THE PUBLIC WORKS DIRECTOR; AMENDING SECTION 12.01.030, SCHEDULE OF WATER CONNECTION CHARGES, LATERAL AND METER BOX SETS, AND METER SET FEES, BY INCREASING ALL CHARGES AND FEES, EXCEPT WATER CONNECTION CHARGES, 6% ON BILLS DATED ON OR AFTER JULY 1, 2008 AND CHANGING CERTAIN REFERENCES TO UTILITIES DIRECTOR TO REFERENCE TO PUBLIC WORKS DIRECTOR; AMENDING SECTION 12.01.160, DESCRIPTION OF SERVICE, BY PROVIDING THAT CARSON CITY MAY PROVIDE WATER SERVICE OUTSIDE OF CARSON CITY AT RATES ESTABLISHED BY THE BOARD OF SUPERVISORS; AND OTHER MATTERS PROPERLY RELATING THERETO.

THE BOARD OF SUPERVISORS OF CARSON CITY DO ORDAIN:

SECTION I:

That Section 12.01.010 of the Carson City Municipal Code is hereby amended as follows:

12.01.010 Definitions.

The following terms have the meaning ascribed to them in this section unless the context requires otherwise:

1. "Applicant" means the person, firm, association, corporation, or government agency applying for water service.
2. "Average month" means 30 days.
3. "Billing period" means the time interval between two consecutive actual or estimated meter readings that are made for billing purposes.
4. "Branch service" means a service that is not directly connected to a water main and has as its source of supply from another water service.

5. "Building permit" means the written authorization issued by Carson City allowing the initiation of construction of structures or the connection of any building, mobilehome, structure, or vehicle with the Carson City water system.
6. "City" means Carson City, a consolidated municipality and its authorized employees.
7. "Commercial, commercial enterprise" means any establishment or business operating for profit, whether or not a profit is in fact realized, except as may be modified by this chapter.
8. "Connection charges" means the charge levied for the pro rata share of the physical water system.
9. "Customer" means the person in whose name service is rendered as evidenced by the signature on the application or contract for that service, or in the absence of a signed instrument, by the receipt and payment of bills regularly issued in his/her name regardless of the identity of the actual user of the service.
10. "Customer's service line": see "Yard line."
11. "Date of presentation" means the date upon which a bill or notice is mailed (as postmarked) or delivered to the customer by the city.
12. "Department" means the Carson City utilities department.
13. "Director" means the [utilities] public works director or his/her designee.
14. "House piping" means all piping and fittings installed within a house, structure, building, mobile home, up to and including the last fitting inside or outside the wall.
15. "Main extension" means the extension or replacement of water distribution mains and necessary facilities beyond existing service facilities up to but not including the mains within a development. Exception: Where the city has required service through the development for future developments, the city will specifically identify such mains.
16. "Metered service" means service for which charges are computed on the basis of measured quantities of water.
17. "Minimum charge": see "Service charge."
18. "Permanent service" means service which, in the opinion of the city, is of a permanent and established character. The use of water may be continuous, intermittent, or seasonal in nature.
19. "Permit" means the permit issued by the city for the connection of a parcel or facility to the city's water system.
20. "Person" means an individual, partnership, corporation, governmental agency, or other organization operating as a single business entity.
21. "Point of delivery" means the point where pipes owned, leased, or under license by a customer contact the city water system, notwithstanding the fact that metering may take place beyond (i.e., on the customer's side of) that point.
22. "Private fire protection service": see "Service classification."
23. "Quasi-residential" means a commercial enterprise which is conducted in a residential zone as a secondary use to a primary residential use, provided:
 - A. Both the primary and the secondary use are contained within the same structure; and
 - B. The secondary use is an allowable use within the list of permitted uses for the underlying land use zone. Specifically prohibited from this classification are motels,

hotels, boardinghouses, nursing homes, and all residential uses located on any parcel of land classified as commercial or industrial on the current land use map for Carson City.

24. "Service charge" means the amount the customer must pay the city for the availability of each metered water service, irrespective of whether any water is used. The meter size shall determine the service charge for each service.

25. "Service classification" means the terms as defined below:

A. Commercial service: The service to customers engaged in selling, warehousing, or distributing a commodity, in some business activity, or in a profession, or in some form of economic or social activity (office, stores, triplexes, clubs, motels, hotels, boardinghouses, etc.) or for governmental activities or for service provided to a builder or developer during the construction phase of any structure(s), and for the purposes that do not come under another classification of service.

B. Private fire protection service: Service to customers supplied for fire protection of specific facilities.

C. Residential service: Service to a customer supplied for residential purposes in a single-family dwelling, mobile home, or in an individual flat or individual unit in a multifamily building or portion thereof occupied as the home, residence or sleeping place for one or more persons, provided each such dwelling, flat or unit is owned separately, and churches.

26. "Service connection" means the point of connection of the customer's piping with the city's facilities (i.e., meter or service pipe).

27. "Service pipe/lateral" means the connection between the city's mains and the service connection, including all of the pipe, fittings, and valves necessary to make the connection.

28. "Tapping fee" means the calculated average cost incurred by Carson City in making the physical connection between the customer's service line and the water system, including both direct and indirect costs.

29. "Temporary service" means service to premises where it is known in advance that the service will be of limited duration.

30. "Total WERCs" means a value calculated by dividing the average daily total water consumption by the WERC quantity of 550 gallons per day.

31. "Water equivalent residential customer (WERC)" means the average daily water usage of a residential unit and is based on a quantity of 550 gallons per day.

32. "Yard line" means all piping between the building or structure and service connections. (Ord. 1999-14 § 2, 1999: Ord. 1993-44 § 1, 1993: Ord. 1991-67 § 1, 1991: Ord. 1991-12 § 1, 1991: Ord. 1990-29 § 1, 1990: Ord. 1982-8 § 2 (part), 1982).

SECTION II:

That Section 12.01.020 of the Carson City Municipal Code is hereby amended as follows:

12.01.020 Schedule of rates.

1. The schedule of rates for the water facilities and service furnished by the Carson City water system, which rates are based upon the costs of financing, constructing, operating, maintaining, repairing and replacing the system, 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:

DOMESTIC/RESIDENTIAL SERVICE

Applicability:

Applicable to water service to commercial, quasi-residential and residential customers as defined in this chapter.

Monthly service charge:

Meter Size	Amount	
5/8" x 3/4"	[\$ 9.52 (eff. 2/01/07)]	\$10.85
	[10.85 (eff. 7/01/07)]	\$11.50 (eff. 7/01/08)
1"	[\$ 15.99 (eff. 2/01/07)]	\$18.23
	[18.23 (eff. 7/01/07)]	\$19.32 (eff. 7/01/08)
1-1/2"	[\$ 25.50 (eff. 2/01/07)]	\$29.07
	[29.07 (eff. 7/01/07)]	\$30.81 (eff. 7/01/08)
2"	[\$ 31.97 (eff. 2/01/07)]	\$36.45
	[36.45 (eff. 7/01/07)]	\$38.64 (eff. 7/01/08)
3"	[\$ 47.97 (eff. 2/01/07)]	\$54.69
	[54.69 (eff. 7/01/07)]	\$57.97 (eff. 7/01/08)
4"	[\$ 63.97 (eff. 2/01/07)]	\$72.93
	[72.93 (eff. 7/01/07)]	\$77.31 (eff. 7/01/08)
6"	[\$ 95.91 (eff. 2/01/07)]	\$109.34
	[109.34 (eff. 7/01/07)]	\$115.90 (eff. 7/01/08)
8"	[\$153.47 (eff. 2/01/07)]	\$174.96
	[174.96 (eff. 7/01/07)]	\$185.46 (eff. 7/01/08)
10"	[263.12 (eff. 2/01/07)]	\$279.92
	[279.92 (eff. 7/01/07)]	\$296.72 (eff. 7/01/08)

Monthly commodity charge:

First 5,000 gallons per month	[\$ 0.64 per 1,000 gallons (eff. 2/01/07)]
	0.73 per 1,000 gallons
	[0.73 per 1,000 gallons (eff. 7/01/07)]
	0.77 per 1,000 gallons (eff. 7/01/08)
Next 10,000 gallons per month	[\$ 0.95 per 1,000 gallons (eff. 2/01/07)]
	\$1.08 per 1,000 gallons

	[1.08 per 1,000 gallons (eff. 7/01/07)] \$1.14 per 1,000 gallons (eff. 7/01/08)
Next 35,000 gallons per month	[\$ 1.32 per 1,000 gallons (eff. 2/01/07)] \$1.51 per 1,000 gallons (eff. 7/01/08)
	[1.51 per 1,000 gallons (eff. 7/01/07)] \$1.60 per 1,000 gallons (eff. 7/01/08)
Next 50,000 gallons per month	[\$ 2.06 per 1,000 gallons (eff. 2/01/07)] \$2.35 per 1,000 gallons
	[2.35 per 1,000 gallons (eff. 7/01/07)] \$2.49 per 1,000 gallons (eff. 7/01/08)
Over 100,000 gallons per month	[\$ 2.37 per 1,000 gallons (eff. 2/01/07)] \$2.70 per 1,000 gallons
	[2.70 per 1,000 gallons (eff. 7/01/07)] \$2.86 per 1,000 gallons (eff. 7/01/08)

WATER TRUCK WATER SERVICE

Applicability:

Applicable to all users who are permitted to take water from hydrants or standpipes, excluding city.

Commodity charge:

The charge shall be [\$21.00 (eff. 2/01/07)] \$23.00; [\$23.00 (eff. 7/01/07)] \$24.38 (eff. 7/01/08) per month service charge plus a commodity rate equal to the highest commodity charge for water service for each 1,000 gallons.

FIRE FLOW TESTING

Applicability:

Applicable to all requests for fire flow information, as defined in this chapter.

Cost to perform fire flow testing:	[\$ 59.00 (eff. 2/01/07)]	<u>\$67.00</u>
	[67.00 (eff. 7/01/07)]	<u>\$71.02 (eff. 7/01/08)</u>

WATERLINE HOT TAP FEES

Applicability:

Applicable to water maintenance hot tap services for the tapping of water mains ranging in size from 4 inches to 12 inches.

Waterline hot tap fees shall be:	
Each hot tap, including tap machine, one hour of work and related equipment	[<u>\$522.00</u> (eff. 2/01/07)] <u>\$595.00</u>
	[<u>595.00</u> (eff. 7/01/07)] <u>\$630.70</u> (eff. 7/01/08)
Man hours Additional:	
2-Man crew—per hour	[<u>\$75.00</u> (eff. 2/01/07)] <u>\$86.00</u>
	[<u>86.00</u> (eff. 7/01/07)] <u>\$91.16</u> (eff. 7/01/08)
Standby—2 Man crew-per hour	[<u>\$75.00</u> (eff. 2/01/07)] <u>\$86.00</u>
	[<u>86.00</u> (eff. 7/01/07)] <u>\$91.16</u> (eff. 7/01/08)
Equipment hours Additional:	
Per piece of equipment	[<u>\$21.00</u> (eff. 2/01/07)] <u>\$23.00</u>
	[<u>23.00</u> (eff. 7/01/07)] <u>\$24.38</u> (eff. 7/01/08)
Mileage, round trip, to service out-of-city customers-per mile	The charge will be based on the IRS standard mileage rate for business miles driven
Return trip-Minimum fee per trip (not including mileage and equipment)	[<u>\$149.00</u> (eff. 2/01/07)] <u>\$170.00</u>
	[<u>170.00</u> (eff. 7/01/07)] <u>\$180.20</u> (eff. 7/01/08)

3. The directors of the [utilities] public works and finance departments shall conduct an annual review of the water system contribution of users and user classes, the total costs of operation and maintenance of the water system, the schedule of rates and the schedule of water connection charges and tapping fees set forth in Section 12.01.030, and submit a report to the board with the annual budget, but no later than April 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 and user classes;

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 water system. (Ord. 2007-3 § 1, 2007: Ord. 2005-6 § 1, 2005: Ord. 2003-11 § 1, 2003: Ord. 1999-14, 1999: Ord. 1993-44 § 2, 1993: Ord. 1991-67 § 2, 1991: Ord. 1991-12 § 2, 1991: Ord. 1988-16 § 1, 1988: Ord. 1986-42 § 1, 1986: Ord. 1984-39 § 1, 1984: Ord. 1983-11 § 1, 1983: Ord. 1982-8 § 2 (part), 1982).

SECTION III:

That Section 12.01.030 of the Carson City Municipal Code is hereby amended as follows:

12.01.030 Schedule of water connection charges, lateral and meter box sets, and meter set fees.

1. The water connection charges are as follows:

	WERC
Single-family residence	1.0
Duplex (each living unit)	1.0
Apartment (each living unit)	0.5
Mobilehome individual lot	1.0
Mobilehome park (each pad)	0.5

For the purpose of determining water connection charges, the water equivalent residential customer value, or portion thereof, is based upon a fee of \$4,543.00 effective October 7, 2005 per one WERC for every connection. For all other water connections not specified above, the connection charge is based on the "total WERCs" of the proposed development. The [utilities] public works director or his/her designee will assign a total WERC value to each development based on water usage information provided to the city through completion and submittal of water usage information data or from previously supplied data generated through the review of similar or like uses and/or developments.

2. All fees for connection to the city water system will be collected at the time application is made for water service, unless otherwise required by this chapter.

CITY INSTALLED SERVICE

Applicability:

All connections to the city water system by the city will include all piping, connectors, trenching, backfill and resurfacing necessary to install a service lateral and make its connection to an adjacent and acceptable main waterline. The city will also furnish, install and connect a water meter box or pit setter to the service lateral, and furnish and install a radio frequency water meter of the size ordered by the customer, in accordance with the following fee schedule:

Lateral and Meter Size	City Installed Service
5/8" x 3/4"	[\$1,127.00 (eff. 2/01/07)] \$1,285.00
	[1,285.00 (eff. 7/01/07)] <u>\$1,362.10 (eff. 7/01/08)</u>
1"	[\$1,324.00 (eff. 2/01/07)] \$1,509.00 (eff. 7/01/08)
	[1,509.00 (eff. 7/01/07)] <u>\$1,599.54 (eff. 7/01/08)</u>

Lateral and Meter Size	City Installed Service	
1-1/2"	[\$2,077.00 (eff. 2/01/07)]	\$2,368.00
	[2,368.00 (eff. 7/01/07)]	<u>\$2,510.08 (eff. 7/01/08)</u>
2"	[\$2,721.00 (eff. 2/01/07)]	\$3,102.00
	[3,102.00 (eff. 7/01/07)]	<u>\$3,288.12 (eff. 7/01/08)</u>
3"	[\$4,355.00 (eff. 2/01/07)]	\$4,964.00
	[4,964.00 (eff. 7/01/07)]	<u>\$5,261.84 (eff. 7/01/08)</u>
4"	[\$7,179.00 (eff. 2/01/07)]	\$8,184.00
	[8,184.00 (eff. 7/01/07)]	<u>\$8,675.04 (eff. 7/01/08)</u>
6"	[\$10,521.00 (eff. 2/01/07)]	\$11,994.00
	[11,994.00 (eff. 7/01/07)]	<u>\$12,713.64 (eff. 7/01/08)</u>

CITY INSTALLED DUAL PIT SETTER

Applicability:

The city will install water service to supply 2 separate customers through a dual pit setter connected to an adjacent and acceptable main waterline by a 1-inch service lateral. This service will include all connectors, trenching, backfill and resurfacing necessary to accomplish the installation to supply the 2 adjoining customers, parcels or developments. The fee for this installation is [\$1,188.00 effective February 1, 2007] \$1,354.00; [\$1,354.00 effective July 1, 2007] \$1,435.24 effective July 1, 2008. Each 5/8-inch by 3/4-inch water meter furnished and installed in the dual pit setter will cost an additional [\$300.00 effective February 1, 2007] \$342.00; [\$342.00 effective July 1, 2007] \$362.52 effective July 1, 2008.

CUSTOMER INSTALLED SERVICE

Applicability:

All connections to the city 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 water meter if requested by the customer, will be furnished by Carson City.

Meter Size	Contractor Installed Service	
5/8" x 3/4"	[\$ 300.00 (eff. 2/01/07)]	\$342.00
	[342.00 (eff. 7/01/07)]	\$362.52 (eff. 7/01/08)
1"	[\$ 359.00 (eff. 2/01/07)]	\$409.00
	[409.00 (eff. 7/01/07)]	\$433.54 (eff. 7/01/08)
1-1/2"	[\$ 488.00 (eff. 2/01/07)]	\$556.00
	[556.00 (eff. 7/01/07)]	\$589.36 (eff. 7/01/08)
2"	[\$ 600.00 (eff. 2/01/07)]	\$684.00
	[684.00 (eff. 7/01/07)]	\$725.04 (eff. 7/01/08)
3"	[\$1,726.00 (eff. 2/01/07)]	\$1,968.00
	[1,968.00 (eff. 7/01/07)]	\$2,086.08 (eff. 7/01/08)
4"	[\$2,929.00 (eff. 2/01/07)]	\$3,339.00
	[3,339.00 (eff. 7/01/07)]	\$3,539.34 (eff. 7/01/08)
6"	[\$5,433.00 (eff. 2/01/07)]	\$6,194.00
	[6,194.00 (eff. 7/01/07)]	\$6,565.64 (eff. 7/01/08)

3. The applicable meter and meter set fees described above include 1 trip by the [utilities] public works department to set the meter. If additional trips are required as a result of failure by the customer to complete all requirements of the permit for installation of the water service, the customer will be assessed a [\$65.00 effective February 1, 2007] \$74.00; [\$74.00 effective July 1, 2007] \$78.44 effective July 1, 2008 fee on the building permit for each return trip, extenuating circumstances as approved by the [utilities] public works director or designee may be cause for exemption of this requirement.

4. The connection charges described above do not apply for service under "private fire protection" provided no other service or connections are made to that line. (Ord. 2007-3 § 2, 2007: Ord. 2005-6 § 2, 2005: Ord. 2003-11 § 2, 2003: Ord. 1997-61 § 1, 1997: Ord. 1997-52 § 1, 1997: Ord. 1996-12 § 1, 1996: Ord. 1994-60 § 1, 1994: Ord. 1993-44 § 3, 1993: Ord. 1991-12 § 3, 1991: Ord. 1990)

SECTION VI:

That Section 12.01.050 of the Carson City Municipal Code is hereby amended as follows:

12.01.050 Waiver of connection and tapping charges.

1. When, after due inquiry and in the opinion of the [utilities] public works director, a residential, commercial or industrial structure being served by a domestic well as defined by N.R.S. Chapter 534, is adversely affected by pumping from a city owned well, the director shall report to the board who shall hold a hearing on the matter at the next regularly scheduled meeting of the board. At the hearing, the board shall, in its discretion, decide whether to waive connection and tapping fees. The board shall consider among other relevant information, the size, age, depth, and mechanical soundness of the domestic well and its location to city wells. If, based upon all of the evidence presented, the board finds that the domestic well is being adversely affected by pumping from a city well, the board may authorize the waiver of connection and tapping fees.

2. The board may also waive connection and tapping fees where Carson City would be benefited thereby. It is the intent of this section to authorize the board to waive connection and tapping fees as part of the consideration or total consideration given in a valid contract with another person. The board may grant such a waiver only after a public hearing on the matter and after a finding that the contract is beneficial to Carson City. (Ord. 1993-44 § 4, 1993: Ord. 1982-8 § 2 (part), 1982).

SECTION V:

That Section 12.01.090 of the Carson City Municipal Code is hereby amended as follows:

12.01.090 Protests to rates and charges and meter tests.

1. If any customer shall be dissatisfied with any water charge imposed, he/she may file a written protest with the public works director [of utilities] setting forth his/her objections provided such protest is filed within 15 days of receipt of the bill being protested.

2. Upon receipt of any such protest, the director shall, within 15 days, make a determination in writing as to the correctness of the bill. Should the director determine that the bill was incorrect, he/she may cause the corrections to be made.

3. The [utilities] public works director may extend the final 2 years of the 5 year audit of water usage to determine connection charges scheduled to be imposed or reimbursed. Said extension may be justified by factual evidence such as leaks or operational delays that have sufficiently skewed the results of the final audit. Therefore, the [utilities] public works director may determine that, based on the water usage information exhibiting the occurrence of an irregular pattern of usage since the initial operation began, an additional time frame for audit review is necessary.

4. If the protester is dissatisfied with the director's decision, he/she may appeal to the board of supervisors, provided such appeal is filed within 10 days of receipt of the director's decision.

5. The board, upon receipt of a protest, shall fix a time and place for a hearing of said protest which shall not be later than 30 days after receipt of same and cause the protester to be notified thereof.

6. Upon the hearing, the board may adjust the water charge if it is satisfied with the reasons and basis of the protest. Action taken on any protest shall be entered in the minutes of the board.

7. The protester shall have fifteen (15) days after determination of the protest by the board within which to pay his/her water charge before any penalty or interest shall attach or be imposed, notwithstanding any other provision of this chapter concerning the imposition of penalty and interest charges.

8. A customer may require the city to test the meter serving his property. The customer will be required to make a deposit with the city prior to the test being performed. Should the meter be found to be defective, the deposit shall be returned. If the meter is found to be accurate, in accordance with accepted American Water Works Association methods, the deposit shall be kept by the city.

Meter Size	Deposit
1" or smaller	\$25.00
Larger than 1"	\$35.00

9. The customer or his representative may be present at the time of the test which shall be set at the time and date mutually agreed upon. In any case, the test shall be performed within ten (10) days of the request. A report showing the results of the test will be furnished within fifteen (15) days after completion of the test.

A. Fast Meters. When upon test, any meter is found to be registering more than two percent (2%) fast, the city will refund to the customer the amount of the at the customer's premises, but not to exceed the preceding six (6) months, whichever is shorter.

B. Slow Meters. When upon test, a meter is found to be registering more than two percent (2%) slow, the city may bill the customer for the amount of the undercharge based on corrected meter readings for the period the meter was in use at the customer's premises, but not to exceed the preceding six (6) months, whichever is shorter.

C. Nonregistering Meters. When upon test, a meter is found to be nonregistering, the city may bill the customer for water consumed while the meter was nonregistering for a period not exceeding three (3) months at an estimate of the consumption based upon the customer's prior use during the same season of the year or upon another customer of the same class. In all cases, if it is found that the error in a meter is due to some cause, the date of which can be fixed, the overcharge or undercharge will be computed back to but not beyond such date. (Ord. 1997-36 § 1, 1997: Ord. 1993-44 § 6, 1993: Ord. 1991-12 § 7, 1991: Ord. 1982-8 § 2 (part), 1982).

SECTION VI:

That Section 12.01.010 of the Carson City Municipal Code is hereby amended as follows:

12.01.105 Delinquent charges as liens.

1. Pursuant to NRS 244.36605, delinquent charges for water may be placed on the tax roll, or collected with the property taxes due on mobile or manufactured homes that do not meet the requirements of NRS 361.244, in the same manner, by the same persons, and at the same time as, together with and not separately from, Carson City's general taxes. The late payment penalty charges will cease when the amount due is transferred to the tax receiver for collection.

2. The [utilities] public works department shall cause a description of each lot or parcel of real property or each mobile or manufactured home with respect to which the charges are delinquent on May 1st and the amount of the delinquent charge to be prepared and submitted to the tax receiver of the county, in a form approved by the tax receiver, no later than June 1st.

3. The amount of any such delinquent charge constitutes a lien against the lot or parcel of land or mobile or manufactured home against which the charge has been imposed as of the time when the lien of taxes on the roll or on mobile or manufactured homes attach.

4. Except as otherwise provided in subsection (6), the tax receiver of the county shall include the amount of the delinquent charges on bills for taxes levied against the respective lots and parcels of land or mobile or manufactured homes, as applicable. Thereafter the amount of the delinquent charges must be collected at the same time and in the same manner and by the same persons as, together with and not separately from, the general taxes for the county.

5. All laws applicable to the levy, collection and enforcement of general taxes of the county, including, but not limited to, those pertaining to the matters of delinquency, correction, cancellation, refund, redemption and sale, are applicable to delinquent charges for water services that are authorized by this section.

6. The tax receiver of the county may issue separate bills for delinquent charges that are collected in the manner authorized by this section and separate receipts for collection on account of those charges. (Ord. 2003-19 § 2 (part), 2003).

SECTION VII:

That Section 12.01.120 of the Carson City Municipal Code is hereby amended as follows:

12.01.120 Waste of water prohibited.

It is unlawful for anyone connected to the city water system to waste water. For the purpose of this section, "waste" means any excessive usage which causes water to run into or along any street, alley, storm drainage system, or into or upon another's property; provided nothing in this section shall be construed as to apply to the accidental breaking of any hose, water pipe, or other irrigation device unless same is not abated within two (2) hours after personal notice of such break is given the person owning, controlling or maintaining the same or having any pecuniary interest therein. If such breaks are not repaired or the water turned off within the specified time, it shall be the duty of the utilities director or his/her designee to cause the water to be shut off, and it is unlawful for any person to again turn on such water until proper repairs have been made. If personal notice is unable to be given, the water shall be immediately shut off by the [utilities] public works director or his/her designee and a notice shall be placed on the front door stating the reason(s) for said shutoff. Each and every request for the water to be turned on will require the payment of twenty-five dollars (\$25.00) which the city will add to the monthly bill.

Exception: Car washing by civic or philanthropic groups may receive written approval from the [utilities] public works director or his/her designee when it is determined that said usage will not be detrimental to the city's water situation. (Ord. 1999-14 § 5, 1999: Ord. 1991-12 § 8, 1991: Ord. 1987-18 § 1, 1987: Ord. 1982-8 § 2 (part), 1982).

SECTION VIII:

That Section 12.01.130 of the Carson City Municipal Code is hereby amended as follows:

12.01.130 Limitations on irrigation.

1. From June 1st to October 1st of each year it is unlawful for any person to use water from public mains for the purpose of irrigating, regardless of method, lawns, gardens, trees, grass, shrubbery or other vegetation from ten a.m. to six p.m. or on any Monday. The board of supervisors may, by resolution, set a different length of limitation period and hours for restricted watering should circumstances so dictate. For the purposes of this section, a calendar day is defined as a twenty-four (24) hour period, beginning at 12:01 a.m. and ending at midnight. Additionally, the following restrictions apply:

A. The irrigation of lawns, gardens, trees, grass, shrubbery or other vegetation located on premises having an odd-numbered address shall be limited to Tuesday, Thursday and Saturday effective June 1, 2005;

B. The irrigation of lawns, gardens, trees, grass, shrubbery or other vegetation located on premises having an even-numbered address shall be limited to Sunday, Wednesday and Friday effective June 1, 2005;

C. If unlawful irrigation is observed as noted under this section, and personal notification cannot be made, the utilities director or his/her designee may cause the water to be shut off and a notice shall be placed on the front door stating the reason for said shutoff.

2. Exempted from this section are the following:

- A. Carson City licensed commercial gardeners or caretakers who are on the premises at the time watering is taking place;
 - B. Vegetable gardens, flower beds, trees within two (2) months of planting;
 - C. New lawns, for twenty-one (21) days from planting or installation date, that have been planted or sodded prior to June 15th or after August 15th;
 - D. Complexes that file for and receive approval of an irrigation plan.
 - E. Residential customers adjusting and repairing their irrigation system during the non-watering times for a not to exceed time frame of one (1) hour.
3. Special exemptions from this section may be granted by the [utilities] public works director or his/her designee subject to filing an appropriate application and the determination that the special request shall not be detrimental to the city's water situation. (Ord. 2004-16 § 1, 2004: Ord. 1999-14 § 6, 1999: Ord. 1993-44 § 8, 1993: Ord. 1991-12 § 9, 1991: Ord. 1990-9 § 1, 1990: Ord. 1988-8 § 1, 1988: Ord. 1987-18 § 2, 1987: Ord. 1982-8 § 2 (part), 1982).

SECTION IX:

That Section 12.01.160 of the Carson City Municipal Code is hereby amended as follows:

12.01.160 Description of service.

- 1. Quantities. The city will supply water at the customer's service connection line, dependably and safely in adequate quantities to meet the reasonable needs and requirements of the customer except that in no event should flowing pressures at the city's distribution main, under normal conditions, fall under twenty-five (25) pounds per square inch gauge nor should the static pressure exceed one hundred twenty-five (125) pounds per square inch gauge. However, during the period of hourly maximum demand at the time of peak seasonal load, the flowing pressure may not be less than twenty (20) pounds per square inch gauge and the static pressure may not be more than one hundred fifty (150) pounds per square inch gauge.
- 2. Quality. The city will provide water that conforms to applicable state and federal regulations established for the particular use.
- 3. Area Served. The city will provide water service to Carson City and other areas as authorized and approved by the board. The board may contract to serve other areas outside of Carson City from time to time and establish rates therefore. [, which rates shall not be less than the rates charged to Carson City customers.] (Ord. 1982-8 § 2 (part), 1982).

SECTION X:

That Section 12.01.170 of the Carson City Municipal Code is hereby amended as follows:

12.01.170 Application for service.

The application is merely a written request for service and does not bind the applicant to take service for a period longer than that upon which the monthly service charge is based; neither does it bind the city to serve except under reasonable conditions.

1. Each applicant for service shall be required to sign, on a form provided by the city, an application which shall set forth:
 - A. Date of application;
 - B. Name and social security number of applicant;
 - C. Location of premises to be served;
 - D. Size and location of water service;
 - E. Date applicant will be ready for service;
 - F. Whether the premises have been heretofore supplied with water by the city or its predecessors;
 - G. Purposes for which water service is to be used, including the number of dwelling units, if any, being served;
 - H. Address to which bills are to be mailed or delivered;
 - I. Whether the applicant is the owner or agent for the premises and if agent, the name of the property owner;
 - J. Such information as the city may reasonably require;
 - K. The application or the depositing of any sum of money by the applicant shall not require the city to render service until the expiration of such time as may be [reason- ably] reasonably required by the city to determine if the applicant has complied with this chapter and as may be reasonably required to install the required service facilities.
2. Two (2) or more parties who join in one application for service shall be jointly and severally liable for payment of bills and shall be billed by means of single periodic bills.
3. A customer making any material change in the size, character or extent of the equipment or operations for which the city's service is utilized shall immediately file a new application for additional service. A change in a customer's service which requires the installation of a different or additional meter, when made at the customer's request, shall be made by the city at the customer's expense. (Ord. 1999-14 § 8, 1999; Ord. 1982-8 § 2 (part), 1982).

SECTION XI:

That Section 12.01.180 of the Carson City Municipal Code is hereby amended as follows:

12.01.180 Notices.

Notice to a customer will normally be in writing and will be delivered or mailed to the customer's last known address. In emergencies, or when circumstances warrant, the city will endeavor to promptly notify the customer affected and may make such notification orally, either in person or by telephone. A customer may make notification in writing to the city at its billing office or at the public works department [of utilities]. (Ord. 1993-44 § 9, 1993; Ord. 1982-8 § 2 (part), 1982).

SECTION XII:

That Section 12.01.210 of the Carson City Municipal Code is hereby amended as follows:

12.01.210 Main extensions.

1. General Requirement. Water main lines shall be extended by the applicant from the city's existing system to the proposed place of water use if:

A. Adequate fire protection can only be provided by connection to the city system, in the judgment of the city; or

B. The proposed place of use is an industrial or commercial type of development that is within four hundred feet (400') of the existing water system. Industrial or commercial developments utilizing over four (4.0) water equivalent residential customer (WERC) values shall extend the water main a distance equal to the WERC value times one hundred feet (100'), but shall not be required to extend beyond the property line(s) farthest from the existing main, unless fire flow or pressure requirements require looping of the system; or

C. The proposed place(s) of residential use is (are) within the following distance(s) from the existing water system:

(1) A residential development utilizing from one-half (0.5) to four (4.0) water equivalent residential customer (WERC) values within four hundred feet (400') of an existing water main; or

(2) Residential developments utilizing over four (4.0) WERCs shall extend the water main a distance equal to the WERC value times one hundred feet (100'), but shall not be required to extend beyond the property line(s) farthest from the existing main, unless fire flow or pressure requirements require looping of the system.

D. An industrial, commercial or residential development shall extend the main(s) the full frontage of the parcel such that the extension shall be along the full frontage of the parcel when only a portion of the property is currently served by existing mains.

2. Location. Wherever possible, the line shall be located in paved streets within public rights-of-way and as directed by the city. Where it is not possible to locate the line in a public right-of-way, the applicant shall provide all necessary easements for the proper operation and maintenance of the line. The location and dimensions of such easements shall be as determined by the city. Easements for mains shall be a minimum of twenty feet (20') unless otherwise approved; an all weather maintenance road may be required by the [utilities] public works director or designee for the purpose of

maintenance and operation access. A minimum road width of eight feet (8') with four inches (4") compacted aggregate base is required.

3. Size. The size of the line shall be as determined by the city but in no case shall the line be less than that necessary to provide adequate fire protection for the property being served. At the option of the city, the applicant may be required to have his proposal analyzed to determine system capability to provide such fire protection. Any costs for such analysis shall be borne by the applicant. In any case, the minimum water main size shall be no less than six inches (6") in diameter. Mains shall be replaced along the full frontage of a parcel to be developed when existing mains do not meet the minimum size.

4. System Capability. Water mains shall be extended to serve a parcel when it is determined by the [utilities] public works director or designee that the existing system does not have sufficient capacity to [property] properly serve the proposed development. The [utilities] public works department will identify possible locations of insufficient capacity to be addressed by the developer's engineer. The developer will be responsible for main extensions when the design capacity of existing mains is less than that required to serve a development. Mains shall be extended when existing mains are physically inaccessible to maintenance crews and equipment, as determined by the [utilities] public works director or designee. Water mains shall be analyzed by the applicant to determine system capability to provide adequate flows with the analysis and calculations provided to the [utilities] public works department for review and approval. Water mains shall be designed to deliver a minimum of sixty (60) psi at the meter during peak demand periods and to provide adequate fire flow as required by the fire department. If project is an infill development where the existing system is incapable of providing sixty (60) psi, the [utilities] public works director may waive the existing requirements. Developments having a significant impact on the city water system as determined by the [utilities] public works director or designee shall provide an update of the city water model at the expense of the applicant. Mains and services shall be replaced along the full frontage of the parcel to be developed when it is determined by the [utilities] public works director or designee that existing mains and services do not meet the minimum fire flow or capacity requirements or are in a deteriorated condition and require replacement. Mains in a deteriorated condition shall be replaced by the developer at the expense of the [utilities] public works department. Deteriorated services shall be replaced at the expense of the developer. Where an analysis of the system shows that existing portions of the system are not capable of providing adequate flow or storage, the applicant may be required to correct the deficiencies as part of the main line extension.

5. Participation. The applicant shall be responsible for the construction of the waterline system (or the waterline system costs) along any of the property sides or frontage of the property along which a waterline is needed for the overall completeness and continuity of the city's water main system. The applicant shall also be responsible for the necessary and required system of waterlines within the interior of the tract of land.

The applicant shall construct all needed waterlines (of approved sizes) within and along all sides or frontages of any piece of property prior to final approval of the

development and/or the issuance of any certificate of occupancy. "Phased" construction of the waterline system may also be specifically allowed if provided for in a development agreement between the applicant and the city. In lieu of actually constructing said required waterline system, the applicant shall obtain a bond in a form acceptable to the city to fully cover one hundred fifty percent (150%) of the estimated cost of the waterline system. The applicant may also present a cash deposit, letter of credit, or similar method of financing the costs, but in the event the estimated costs shall be based upon one hundred fifty percent (150%) of city's cost of construction which would include statutorily required wage rates.

Whenever an applicant is required to construct a waterline from the applicant's respective property to the nearest waterline outside of the applicant's respective property, and where, in the opinion of the utilities director it is necessary that a waterline be constructed of a larger size than the minimum size such property and that such extended waterline will be or can be used in the transmission of water from adjacent properties, the [utilities] public works director shall require the applicant to construct the larger size waterline in accordance with the plans and specifications as submitted and approved by the director. Should the city require an oversized waterline the city will reimburse the applicant for the costs of the additional waterline size as long as said line is greater than eight inches (8") in diameter, as set forth in a waterline extension agreement or a development agreement. The applicant shall be responsible for the costs of the size of main required to serve the property or an eight-inch (8") main, whichever is greater.

When the city agrees to pay for an increase in waterline size, at least three (3) proposals, signed and prepared by a contractor, shall be required which show the comparable cost of the incremental increase requested by the city. The city shall select the proposal most beneficial to it. In no event shall city pay more than the lowest proposal presented. Prior to construction, the applicant shall submit three (3) bids from qualified contractors attached to the application for participation, unless due to extraordinary circumstances three (3) bids are not available due to specialized construction. The bids shall be itemized and include cost differentials for all items to be included in the participation. The city shall participate in the amount of the bid most beneficial to the city. The city reserves the right to reject the bids if the cost differentials exceed prices paid by the city on similar installations. Failure to provide the itemized bids will exempt the installation from participation.

6. Extension. If the applicant must extend the waterline system through another's property or along the frontages of various intermediate property owners, and if said properties are not currently served by the city's water system, then said intermediate and benefiting property owners shall be responsible when development commences or connection is made for a pro rata share of the costs of the waterline extension.

When the applicant is required to extend a waterline, he shall "front-end" the entire cost of the waterline construction and shall be responsible for the actual construction of said waterline. Any owners of properties to be served by the extended waterline will thereafter be responsible for reimbursing the first property owner for a pro

rata share of the costs of the waterline system at the time said subsequent owners begin to plat, parcel, develop or build upon their parcels.

The pro rata shares for the applicant and all subsequent owners benefited by the extended waterline shall be determined prior to the city entering into the reimbursement agreement. The city shall collect a fifteen percent (15%) administrative fee from the applicant who front-ended the waterline construction upon reimbursement by deducting the fifteen percent (15%) administrative fee from the subsequent owners pro rata share prior to reimbursement to the applicant by the city.

The reimbursement agreement shall become null and void ten (10) years from the date of board of supervisors' approval.

In no event shall any owners of property to be served by such extended waterlines be permitted to connect thereto without first paying to the applicant or the city the pro rata share of the costs described above as well as all other fees required by the city.

The applicant shall submit three (3) bids prior to construction from qualified contractors attached to the application for reimbursement unless due to extraordinary circumstances three (3) bids are not available due to specialized construction. The bids shall be itemized and include costs for all items to be installed (i.e., pipe, valves, hydrants, manholes, etc.). Failure to provide the itemized bids will exempt the installation from reimbursement. Construction costs eligible for reimbursement are limited to engineering, contractor's bid, construction staking by an engineer or surveyor, permit, inspection and testing fees. The applicant's administration costs are not eligible for reimbursement. Upon approval of a reimbursement agreement by the board of supervisors, the agreement will be administered by the public works department.

Single-family homes on property zoned single-family and existing at the time of application for a reimbursement agreement shall be exempt from the provisions of the agreement. When an existing single-family home is on a parcel which has adequate area to be divided per the current zoning or master plan designation of the parcel, the area which could be divided for new development will be required to be included in the reimbursement agreement.

The area of parcels not currently adjacent to a main shall be utilized to determine percentage of reimbursement required.

7. Any facilities installed pursuant to this section become the property of the city upon inspection and approval of the city.

8. In the event that provisions of this chapter require the owner to extend the city water main, then the water main(s) shall be extended the entire frontage(s) of the parcel unless engineering analysis determines it is physically impossible to do so or it is determined by the utilities department that further extension of the main beyond the parcel can never occur or it is not necessary for continuity of the system, or the extension of the main is to accommodate a failed well. In such cases, extension will be determined by the utilities director or designee.

Construction of a single-family residence on a parcel not associated with a subdivision, PUD or parcel map development and currently served by an existing main will not require extension of the main(s).

Construction of a single-family residence on a corner lot not associated with a subdivision, PUD or parcel map development will require extension along one (1) street frontage only. (Ord. 1995-36 § 2, 1995: Ord. 1993-44 § 10, 1993: Ord. 1988-6 § 1, 1988: Ord. 1986-24 § 1, 1986: Ord. 1982-8 § 2 (part), 1982).

SECTION XIII:

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

PROPOSED on February (month) 21st (day), 2008.

PROPOSED by Supervisor Robin Williamson.

PASSED _____ (month) _____ (day), 2008.

VOTE: AYES: SUPERVISORS: _____

NAYS: SUPERVISORS: _____

ABSENT: SUPERVISORS: _____

Marv Teixeira, Mayor

ATTEST:

ALAN GLOVER, CLERK/RECORDER.

This ordinance shall be in force and effect from and after the _____ day of the month of _____ of the year, 2008.

MANDATED REQUIREMENTS FOR CARSON CITY WATER UTILITIES

Carson City must be in full compliance with Federal/State Arsenic Standards by January 21, 2009. The old limit for Arsenic was 50 parts per billion (ppb) and it is now 10 ppb. Currently, Carson City is operating its water system under an Arsenic Exemption which allows us to produce water under the old limit until January 21, 2009, after which the water must be treated and/or blended (or the source turned off) to ensure that we are in compliance. The City must also now comply with the new Uranium standards, lowered and imposed by EPA. Public Works has postponed any additional bonding for water facilities for FY 2008/2009. We are still proceeding with currently bonded projects.

Currently, there are nine wells that are impacted by arsenic to a certain degree. The wells and strategy is as follows:

1. Wells 4 and 49 are being tied together via a dedicated pipeline. The flow from the two wells will be sent to a treatment plant off of 5th Street that will be under construction as of May of 2008. Plant start up is scheduled for January 2009. This will allow Utilities time to ensure proper operation prior to the 2009 peak demand season.
2. Well 24 (East 5th Street) can be managed through blending only when the river wells are available. However, this option is unacceptable due to the Alpine Decree, which renders these wells unavailable for the majority of the year. This requires that a treatment plant be constructed.
3. Wells 7, 11, 45, 47, 53, and 54 contain varying levels of arsenic that can be managed through blending and annual averaging at this time. However, management of these wells does require Public Works to shut them down for much of the year to ensure a running annual average that complies with the regulatory limit.
4. Federal standards for Uranium were imposed, affecting Wells 6, 10, 12, 46, 51, 55, and the Ash Creek surface water source. Again, our water quality hasn't changed; the standard has been lowered by EPA. Currently, there are no exemptions for compliance with the new Uranium standard. Public Works has contracted with Black and Veatch to evaluate and determine management options, to include treatment. Blending options are extremely limited for these wells due to their close proximity to each other (west side) and the high levels of uranium.

WATER RATE COMPARISON

CUSTOMER TYPE	SIZE	CARSON CITY			MINDEN	GARDNERVILLE	DOUGLAS COUNTY EAST VALLEY	INDIAN HILLS	DAYTON	MOUNDHOUSE	TMWA
		CONSUMPTION (1000 gal)	CURRENT COST	COST +8%							
Single-Family Home	5/8"	12	\$ 15.96	\$ 16.92	\$ 27.55	\$ 24.36	\$ 16.72	\$ 29.79	\$ 33.56	\$ 53.79	\$96.00
Small Commercial	5/8"	30	\$ 47.95	\$ 50.83	\$ 66.40	\$ 53.80	\$ 52.57	\$ 64.89	\$ 73.52	\$ 172.77	\$80.74
Large Commercial Examples											
Mission Lihen	4'	5,898	\$ 15,912.33	\$ 16,967.07	\$ 9,979.86	\$ 9,437.88	\$ 8,585.83	\$ 11,507.49	\$ 13,202.49	\$ 30,412.01	\$15,473.85
Carson Nugget	2" + 1 1/2"	1,249	\$ 3,267.42	\$ 3,483.47	\$ 2,129.78	\$ 1,971.44	\$ 1,851.94	\$ 2,441.94	\$ 2,809.47	\$ 6,475.87	\$3,446.92
Carson-Tahoe Hosp	6" + 6"	981	\$ 2,782.18	\$ 2,949.11	\$ 1,768.47	\$ 1,815.36	\$ 2,215.50	\$ 1,919.34	\$ 2,796.71	\$ 6,444.15	\$1,624.73
Casino Fandango	2" + 2"	952	\$ 2,558.10	\$ 2,711.59	\$ 1,633.79	\$ 1,508.12	\$ 1,433.34	\$ 1,862.79	\$ 2,339.75	\$ 5,286.14	\$2,585.62
Chromalloy 176 Units	3"	654	\$ 1,735.29	\$ 1,839.41	\$ 1,194.56	\$ 1,221.24	\$ 1,124.96	\$ 1,281.89	\$ 1,598.04	\$ 3,693.62	\$1,451.80
Parkway Manor Apts	4"	599	\$ 1,605.03	\$ 1,701.33	\$ 1,130.53	\$ 1,171.44	\$ 941.94	\$ 1,174.44	\$ 1,400.46	\$ 3,238.83	\$1,004.92
Evergreen	2"	576	\$ 1,506.45	\$ 1,596.84	\$ 1,005.87	\$ 921.56	\$ 909.74	\$ 1,129.59	\$ 1,366.47	\$ 3,154.37	\$1,485.22
Carson Station 152 Units	3"	478	\$ 1,260.09	\$ 1,335.70	\$ 900.66	\$ 946.68	\$ 878.56	\$ 938.49	\$ 1,315.41	\$ 3,036.84	\$747.10
Catalina Apartments	3" + 3"	468	\$ 1,287.78	\$ 1,365.05	\$ 883.98	\$ 931.08	\$ 864.56	\$ 918.99	\$ 1,050.06	\$ 2,620.52	\$722.80

Carson City
Overview of Implementation Plan to Provide Financial Stability to the City's
General Fund, Sewer Fund, Water Fund, Building Permit Fund
and Street Maintenance Fund
For Fiscal Year 2007-2008

At the January 17th Board of Supervisors meeting, the Board heard details of the revenue shortfalls in the City's General Fund, Sewer Fund, Water Fund, Building Permit Fund and Street Maintenance Fund for Fiscal Year 2007-2008. The Board directed staff to return to the Board on February 7th with a plan to implement corrective action to stabilize the City's finances.

Listed below is an overview of the recommended implementation plan to stabilize the City's finances for these funds. After this agenda item, staff has prepared specific stand alone Board agenda items for Board action to implement the stabilization plan on a fund by fund basis.

1) General Fund. The City's General Fund is experiencing a projected \$3 million loss of revenue in FY 07-08. In order to compensate for this loss, it is recommended the City implement the following financial stabilization measures:

1) With the City moving the Landfill operations into the General Fund, it is recommended the City use the \$1,172,252 on-going net income in the Landfill to cover a portion of the revenue loss.

2) Eliminate the \$722,735 Capital Acquisition Fund transfer from the General Fund for FY 07-08.

3) Economic Development. Any future economic development programs be funded only through the Carson City Redevelopment Authority incentive programs. This does not include the already agreed to Burlington Coat Factory incentives or the car dealer incentives.

4) Increase Business License Fees now and in November of 08 in order to help the City keep up with inflationary costs. The Business License Fee is allowed to increase by 3.4% which won't generate much revenue or impact the businesses this fiscal year, but would add to the business license fee revenue for FY 08-09. Next year, this will generate approximately \$26,000 to the City's General Fund and will cost the average business \$3.84 per year.

5) Retain the FY 07-08 City staff General Fund cuts in the amount of \$848,224. City staff will provide detail of these General Fund cuts.

6) Increase the Landfill Fees to keep more in line with comparable market rates.

Summary of General Fund Financial Stabilization Measures
in the Amount of \$3,000,000.

General Fund Revenue Shortfall	(\$3,000,000)
Add: Landfill Net Income	1,172,252
Cut Capital Acquisition Transfer	722,735
Increase Business License Fees	
Now and in November, 2008	0
(Little effect in 07-08 but will increase revenues for FY 08-09)	
Retain City Staff Budget Cuts	848,224
Increase Landfill Fees	<u>85,000</u>
Net Decrease in Fund Balance	(171,789)

2) Sewer Fund \$1.6 Million Revenue Shortfall.

To compensate for the \$1.6 million projected FY 07-08 revenue shortfall in the Sewer Fund, it is recommended the City implement the following financial stabilization measures:

- 1) Raise the amount of the proposed rate increase from 10% as of March 1, 2008 and 5% as of July 1, 2008 to 12% as of March 1, 2008 and 12% as of July 1, 2008 in order to insure the Sewer Fund is financially stable and able to meet its bond covenants.
- 2) Postpone the budgeted \$7.8 million bond issuance for at least one year.
- 3) Postpone as much of the Sewer Fund capital improvement programs as possible at least for one year until the economy begins to recover.
- 4) Base the timing of future rate increases on the financial requirements of the fund. Another Sewer rate increase may be necessary as of July 1, 2009 if the economy does not begin to recover by then.

3) Water Fund \$500,000 Revenue Shortfall.

To compensate for the \$500,000 revenue shortfall in the Water Fund, it is recommended the City implement the following financial stabilization measures:

- 1) Raise the Water rates by 6% as of July 1, 2008.
- 2) Postpone any new Water Fund bond issuance for at least one year.
- 3) Postpone as much of the Water Fund non-bonded capital improvement projects as possible at least for one year until the economy begins to recover.
- 4) Base the timing of future rate increases on the financial requirements of the fund in order to insure the City's ability to meet its bond covenants.

4) Building Permit Fund \$575,000 Revenue Shortfall.

Building permit revenue is projected to decrease by 20% in FY 07-08. This decrease will cause a negative net assets balance in the amount of approximately (\$405,000) in the Building Permit Fund. This will cause a cash and fund deficit in the Fund this fiscal year if not immediately mitigated. It is recommended the City implement the following financial stabilization measures in the total amount of \$444,917 which will create an estimated positive net assets of \$39,509 as of June 30, 2008:

1) Cut the General Fund Internal Service Charges by 20% to compensate for less work performed based on the percentage decrease in the projected building permit revenue. In addition, cut the General Fund Internal Service Charge by an additional \$10,000 in recognition of services the Building Permit Fund provides to the Planning Department. This will save the Building Permit Fund \$90,000 but will cause a corresponding shortfall in the General Fund which is anticipated with the projection noted above.

2) Transfer \$211,000 from the Capital Facilities Fund back to the Building Permit Fund. The Capital Facilities monies were slated for Building Permit Fund capital projects.

3) Implement Building Permit Fund Budget Cuts for FY 07-08 in the amount of \$143,917 as recommended by staff. This includes \$31,917 in salary savings, \$102,000 cut in services and supplies and \$10,000 cut in the depreciation.

4) Once the fund is stabilized where revenues generally equal expenditures, the Board may wish to consider moving the Building Permit Fund back into the General Fund. However, wherever the building permit fund is placed, it should be self supporting.

5) Give direction to staff to return with budget cuts/revenue enhancements in the Building Permit Fund for FY 08-09 in order to assure a self-supporting enterprise status and the fund's financial stability for FY 08-09.

Summary of Building Permit Fund Financial Stabilization Measures
For FY 07-08

1) Cut the General Fund Internal Service Charges	90,000
2) Transfer \$211,000 from Capital Facilities Fund	211,000
2) Building Permit Fund FY 07-08 Budget Cuts	<u>143,917</u>
Total Financial Stabilization Measures	\$444,917

5) Street Maintenance Fund \$650,000 Revenue Shortfall.

The loss of Street Maintenance Fund revenues in the amount of \$650,000 for FY 07-08 will cause a cash and fund deficit in the Street Maintenance Fund at the current budgeted expenditures. To compensate for this revenue shortfall, it is recommended the City implement the following financial stabilization measures:

1) Cut the Street Maintenance Fund carryover from prior year by \$650,000 in FY 07-08 in order to compensate for this revenue shortfall.

2) Direct staff to return to the Board during the FY 08-09 budget process to look at long-term financial strategies which best serve the public's transportation needs by working with RTC and gathering public input on a long-term transportation financial strategy. This would include a discussion and recommendation from the RTC and City Staff whether the 1/8th cent Infrastructure Sales Tax is necessary to be used for Street Maintenance.

SUMMARY

General Fund:

The financial stabilization measures listed above will correct the impacts of the City's current economic decline for FY 07-08 for the General Fund. There is a second financial plan for the FY 2008-2009 in a separate agenda item for the February 7, 2008 Board meeting.

Other funds:

The financial stabilization measures listed above will provide for the financial stabilization of the Sewer Fund, Water Fund and Street Maintenance Fund for FY 07-08 and FY 08-09. There is no other financial stabilization measures needed for these funds at this time. The Building Permit Fund will have to return with a financial stabilization plan for the Fund for FY 08-09.

The action items to implement this Financial Stabilization Plan are in the ensuing Board agenda items on a fund by fund basis.