City of Carson City
Agenda Report

Date Submitted: April 18, 2008 **Agenda Date Requested:** May 1, 2008
Time Requested: 10 minutes

To: Mayor and Supervisors

From: Public Works Department

Subject Title: Action to introduce, on first reading, Bill No. ______ 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 DECREASING THE COMMERCIAL LAUNDRY USER CHARGE PER THOUSAND GALLONS BY 20 PERCENT EFFECTIVE JULY 1, 2008, AND OTHER MATTERS PROPERLY RELATED THERETO.

Staff Summary: The proposed decrease of the Commercial Laundry user charge per thousand gallons reflected in Chapter 12.03 is an adjustment for the significant amount of water used that is lost to evaporation and does not impact the sewer system.

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

Does This Action Require A Business Impact Statement: (__) Yes (_X_) No

Recommended Board Action: I move to introduce, on first reading, Bill No. ______, 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 DECREASING THE COMMERCIAL LAUNDRY USER CHARGE PER THOUSAND GALLONS BY 20 PERCENT EFFECTIVE JULY 1, 2008, AND OTHER MATTERS PROPERLY RELATED THERETO.

Explanation: The proposed decrease of the Commercial Laundry user charge per thousand gallons reflected in Chapter 12.03 is an adjustment for the significant amount of water used that is lost to evaporation and does not impact the sewer system.

During the process of increasing the sewer rates that were approved March 20, 2008, the issue of evaporative loss at commercial laundries was discussed. Staff met with Charles Giese from Mission Industries on two occasions. Staff agreed to review industry standard calculations defining the loss of water through evaporation which in turn does not have a sewer impact. On March 25, 2008, Mr. Giese provided us with study performed for Mission Industries by TRSA (Textile Rental Services Association of America), a nation wide industry representative. TRSA applied site specific data to their model to determine evaporate loss. The study indicates Mission Industries loses 24% of the water they use through evaporation from various processes. Staff has reviewed the study and agrees that there is significant evaporative loss. We arrived at the 20% figure as a more conservative approach to the issue and Mission agreed.

Mission Industries is the only business in Carson City that is categorized as a Commercial Laundry. They differ from coin operated laundries due to being a federally recognized industry, regulated as a Significant Industrial User requiring a pretreatment program.

Fiscal Impact: Reduction in future, unrealized revenue
Funding Source: N/A
Explanation of Impact: N/A
Alternatives: Do not approve; modify; and/or give additional direction to staff.

Prepared By: Ken Arnold, Public Works Operations Manager

Reviewed By: ______ For AB ______ Date: 4-22-08
(Department Head)

Concurrences: Walter Sullivan ______ Date: 4-22-08
(City Manager)

Melanie Bukotta ______ Date: 4-22-08
(District Attorney)

Nancy Paulson ______ Date: 4-22-08
(Finance Director)

Board Action Taken:

Motion: ______________________ 1) ______________ Aye/Nay
2) ______________ ________
____
____
____
____

____
(Vote Recorded By)

ORDINANCE NO. _______

BILL NO. ____

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 DECREASING THE COMMERCIAL LAUNDRY USER CHARGE PER THOUSAND GALLONS BY 20 PERCENT EFFECTIVE JULY 1, 2008, AND OTHER MATTERS PROPERLY RELATED THERETO.

Fiscal Impact: No Impact to Current Revenues in the Sewer Fund

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 therefor 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 (eff. 7/01/08)	$0.02	$2.43 (eff. 7/01/08)	No Maximum
Commercial Multifamily	$6.09 (eff. 7/01/08)	$0.02	$2.43 (eff. 7/01/08)	Winter Sewer Average/Actual
Residential	$6.09 (eff. 7/01/08)	$0.02	$2.43 (eff. 7/01/08)	Winter Sewer Average/Actual
Quasi-Residential	$6.09 (eff. 7/01/08)	$0.02	$2.43 (eff. 7/01/08)	Winter Sewer Average/Actual
Wholesale Bakery	$6.09 (eff. 7/01/08)	$0.04	4.70 (eff. 7/01/08)	No Maximum [1]
Motel with Dining Facilities	$6.09 (eff. 7/01/08)	$0.02	$3.11 (eff. 7/01/08)	No Maximum
Commercial Laundry	$6.09 (eff. 7/01/08)	$0.02	[$2.86] $2.29 (eff. 7/01/08)	No Maximum
Mortuaries	$6.09 (eff. 7/01/08)	$0.05	$4.74 (eff. 7/01/08)	No Maximum
Restaurants	$6.09 (eff. 7/01/08)	$0.04	$4.01 (eff. 7/01/08)	No Maximum

Septic haulers shall be charged thirty-one dollars and twenty-seven cents ($31.27) effective July 1, 2008 for the first one thousand (1,000) gallons or fraction thereof plus $0.031 effective July 1, 2008 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. 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).

SECTION II:

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

PROPOSED this__ day of________, 2008

PROPOSED by Supervisor

PASSED on the ___ day of ___________, 2008

VOTES: AYES: ______________

____

____

____

____

NAYES: ______________

ABSENT: ______________

____

Marv Teixeira, Mayor

ATTEST:

____

ALAN GLOVER, Clerk-Recorder

This ordinance shall be in force and effect from and after the ___ day of __________, 2008.

MISSION
INDUSTRIES

March 25, 2008

Ken Arnold
Assistant Director Public Works
Carson City, Nevada

Ken,

Mission Industries would like to request a reduction in sewer fees to compensate for the loss of water coming into our plant at 1161 Fairview Drive due to evaporation.

Enclosed is a report based on specific information of poundage, water use and equipment at, Mission Carson City, from Bill Mann. It is addressed to you and outlines the results of the evaporative water loss study for our plant, resulting in a 24% evaporation of the water coming into our plant.

As Bill stated in his letter on March the 7th, this study is based on hundreds of hours by research engineers, funded by the Textile Rental Association of America. Evaporation figures can vary from plant to plant for a variety of reasons, including product mix and equipment differences. Therefore to have the ability to tailor the information to a plants individual specifications, our membership authorized this very expensive an extensive study in different types of plants with various types of equipment, standard to the industry, throughout our industry to insure accurate information for the model and give the research, backed by a National Organization, credibility across the United States.

Thank you for your consideration in this matter.

Charles Giese

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Phone: 775-882-9330 • Fax: 775-882-8990

1800 Diagonal Road
Suite 200, Alexandria, VA 22314
(877) 770-9274 • (703) 519-0029
Fax: (703) 519-0026
http://www.trsa.org

TRSA *Textile Rental Services Association of America*

Representing the Textile Services Industry: Linen Supply, Uniform Service, Healthcare, Dust Control and COG

March 18, 2008

Mr. Ken Arnold
Assistant Director Public Works
3505 Butti Way
Carson City, Nevada 89701

Dear Mr. Arnold:

I was asked by Mr. Charles Geise, General Manager, of Mission Industries in Carson City, to provide you with some background information concerning the water evaporative losses at his plant. This is not a bad idea for many reasons; I have information on laundry operations at over a thousand plants located throughout the United States and I can attest to how these industry averages have developed over my fifty year career in this business.

Mr. Geise reports a clean pound production average of 2,300,000 pounds per month. Considering and industry average of 10% for soil and, what we call rewash, the pounds processed currently are 30,360,000 per year. He also reported that he uses 60,000,000 gallons of water per year. A simple calculation indicates an average usage of 1.98 gallons for every pound processed. This is a very good average for the type of equipment he has in the plant and the types of soil that he processes. This average is better than the industry average which is almost 2.5 gallons per pound.

The next calculation that I needed to study was a breakdown of the different types of linens and garments that he was processing. Mr. Geise agreed that his breakdown would be:

> 18,216,000 pounds of flat goods (sheets, pillow cases, & table napery)
> 10,626,000 pounds of terry rough dry (cotton towels, bar mops, wash cloths)
> 1,518,000 pounds of uniform & kitchen apparel

Each of the above types has an industry evaporative loss of water used for washing but not returned to the sewer. Flat goods have a loss of 10%, terry rough dry goods have a loss of 30%, and apparel has an evaporation loss of 9%. Based on the true mix of these three types of items processed, we can calculate that the moisture retention in the fabrics after washing and extraction is 13.5% (based on a mix of 60%, 35%, & 5%).

Now, we only have to total the water losses at Mission Industries' plant.
·Water used to make steam in the plant is 5%.
·There is also in use a waste water treatment unit with a shaker screen and there are wet lint collectors on the dryers that have at least an evaporative amount of 3%.
·200 employees washing hands, using bathrooms, and drinking the water along with the water that is used in chillers will account for another ½% loss.
·Mission Industries is proud of their fleet, keeping vehicles clean by washing them weekly. This accounts for almost a 1% use of water not sent to the sewer.
·There is always some amount of water that is not contained in the washers. This splashing of water onto the floors in the washroom accounts for another ½% loss as it is drying on the machines or on the floors.

Based on the above reported pounds, types of soil and mix breakdown, the "fair share" evaporative loss credit that I asked you to consider in my last letter to you would be 24%

On behalf of Mr. Charles Giese, TRSA is asking you to initiate the process for awarding a 24% evaporative loss credit for Mission Industries, Carson City. As previously communicated to you, I can be reached at 877/770-9274. We look forward to answering any question you may have concerning this letter.

Sincerely,

William C Mann

William (Bill) C. Mann
Director of Industry Affairs
E-mail: bmann@trsa.org
Cell: 610-751-0771

Water Evaporation Study - Mission Industries Carson City Nevada	
2,300,000	Clean pounds per month
27,600,000	clean pounds per year
30,360,000	soil & rewash pounds per year
60,000,000	water
1.98	gal/pound (better than indusrty average)
18,216,000	Lbs. Flatwork & Table Napery
10,626,000	Lbs. Terry Rough Dry
1,518,000	Lbs. Uniform & Kitchen
10.00%	Gal % evap Flat work
30.00%	Gal % evap Terry Rough Dry work
9.00%	Gal % evap Uniform & Kitchen work
13.50%	Average of above based on mix of 60%, 35%, & 5%
5.00%	Gal. % Boiler Feed water
3.00%	Gal % evap Waste Water Treatment inc. Shaker & Lint
0.50%	Gal % evap. 200 emps drinking water evap in bathrooms & chillers
1.00%	Gal % evap Weekly truck washing and cart washing
0.50%	Gal % evap. Washroom floors
24%	Total Evaporation (water not to sewer)

Equipment	
1	250 Hp Boiler
1	Direct Contatt Hot Water Heater
1	Shaker Screen System
1	Waste Water System Tricellerator
1	Sludge Press
2	Water Cooled Air Comprssors
6	900 lb Ellis Washer Extractors
4	450 Braun Washer Extractors
1	110 lb American Washer Extractors
2	80 lb Speed Queen Washer Extractors
5	450 lb Gas fired Dryers
2	6 Roll Hypro Dryers
2	8 Roll American Ironers
17	Swamp Coolers
1	Water Cooled Air Dryer
5	Tractors
4	Liftgate Trucks
11	Stepvans
5	Vans
2	Cars