

Item # 8

**City of Carson City
Agenda Report**

Date Submitted: May 5, 2008

Agenda Date Requested: May 15, 2008

Time Requested: 5 minutes

To: Mayor and Supervisors

From: Public Works Department

Subject Title: Action to adopt, on second reading, Bill No. 118 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. This revision was approved by the Board on first reading on May 1, 2008.

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

Does This Action Require A Business Impact Statement: ☐ Yes ☒ No

Recommended Board Action: I move to adopt, on second reading, Bill No. 118, 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: _____

(Department Head)

Date: 5/6/08

Concurrences: _____

(City Manager)

Date: 5-6-08

Melanie R. Ketter
(District Attorney)

Date: 5-6-08

Walter J. Brown
(Finance Director)

Date: 5-6-08

Board Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)

ORDINANCE NO. _____

BILL NO. 118

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

<u>Class</u>	<u>Fixed Charge</u>	<u>Capitalization</u>	<u>Variable Capitalization Charges \$/Thousand Gallons of Water Usage (Debt Service and Capital Maintenance or Depreciation)</u>	<u>User Charges \$/Thousand Gallons of Water Usage (Operation Maintenance and Replacement Operating Components)</u>	<u>Maximum Water Usage For Applying Commodity Charge</u>
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 (1,000) gallons.

2 3. This user charge system is in accordance with CFR Section 35.2140 (February
3 17, 1984) which is incorporated herein by this reference. (Refer to Section 12.03.010 (9),
4 Definitions.) (Ord. 2003-12 § 1, 2003: Ord. 1994-61 §2, 1994: Ord. 1993-44 §12, 1993:
5 Ord. 1992-29 §2, 1992: Ord. 1991-11 §2, 1991: Ord. 1988-15 §1, 1988: Ord. 1986-34 §1,
6 1986: Ord. 1986-17 §1, 1986: Ord. 1985-16 §1, 1985: Ord. 1983-10 §1, 1983: Ord. 1982-9
7 §1, 1982: Ord. 1981-18 § 1,2,3, 1981; Ord. 1980-22 §3 (part), 1980).

8
9 SECTION II:

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

12 PROPOSED this 1 day of May, 2008

13 PROPOSED by Supervisor Pete Livermore.

14 PASSED on the ___ day of _____, 2008

15 VOTES: AYES: _____

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18 _____

19 _____

20 NAYES: _____

21 ABSENT: _____

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23 _____
24 Marv Teixeira, Mayor

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27 ATTEST:

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ALAN GLOVER, Clerk-Recorder

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