

City of Carson City
Agenda Report

Item # 280

Date Submitted: May 22, 2009

Agenda Date Requested: June 4, 2009

Time Requested: 15 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 INCREASING ALL RATES 5% EFFECTIVE JULY 1, 2009 AND OTHER MATTERS PROPERLY RELATED THERETO.

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 5% increase to sewer use fees effective July 1, 2009 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 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 INCREASING ALL RATES 5% EFFECTIVE JULY 1, 2009 AND OTHER MATTERS PROPERLY RELATED THERETO.

Explanation: The sewer rates were increased a total of 24% as of July 1, 2008. That increase was necessary to simply meet existing debt service obligations and operational costs. Due to the continuing decline in connection fees this past year, staff is recommends a 5% increase as of July 1, 2009. The 5% rate increase requested is principally for a small capital program debt service (4%) to cover costs for the Edmonds Drive sewer realignment necessary for Phase 2 of the freeway and to cover increased operations and maintenance costs (1%) such as for fuel, electricity, and chemicals.

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

Funding Source: Rates

Explanation of Impact: Less debt financing will be required.

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

Prepared By: Ken Arnold, Deputy Public Works Director-Operations

Reviewed By: [Signature] Date: 5-26-09
(Department Head)
Concurrences: [Signature] Date: 5/26/09
(City Manager)
Melanie Bunketta Date: 5-26-09
(District Attorney)
Nancy Paulson Date: 5/26/09
(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 INCREASING ALL RATES FIVE PERCENT EFFECTIVE JULY 1, 2009, 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 [(eff. 7/01/08)] <u>\$6.39 (eff. 7/01/09)</u>	\$0.02	\$2.43 [(eff. 7/01/08)] <u>\$2.55 eff. 7/01/09)</u>	No Maximum
Commercial Multifamily	\$6.09 [(eff. 7/01/08)] <u>\$6.39 (eff. 7/01/09)</u>	\$0.02	\$2.43 [(eff. 7/01/08)] <u>\$2.55 eff. 7/01/09)</u>	Winter Sewer Average/Actual
Residential	\$6.09 [(eff. 7/01/08)] <u>\$6.39 (eff. 7/01/09)</u>	\$0.02	\$2.43 [(eff. 7/01/08)] <u>\$2.55 eff. 7/01/09)</u>	Winter Sewer Average/Actual
Quasi-Residential	\$6.09 [(eff. 7/01/08)] <u>\$6.39 (eff. 7/01/09)</u>	\$0.02	\$2.43 [(eff. 7/01/08)] <u>\$2.55 eff. 7/01/09)</u>	Winter Sewer Average/Actual
Wholesale Bakery	\$6.09 [(eff. 7/01/08)] <u>\$6.39 (eff. 7/01/09)</u>	\$0.04	4.70 [(eff. 7/01/08)] <u>\$4.94 (eff. 7/01/09)</u>	No Maximum
Motel with Dining Facilities	\$6.09 [(eff. 7/01/08)] <u>\$6.39 (eff. 7/01/09)</u>	\$0.02	\$3.11 [(eff. 7/01/08)] <u>\$3.27 (eff. 7/01/09)</u>	No Maximum
Commercial Laundry	\$6.09 [(eff. 7/01/08)] <u>\$6.39 (eff. 7/01/09)</u>	\$0.02	\$2.29 [(eff. 7/01/08)] <u>\$2.40 (eff. 7/01/09)</u>	No Maximum
Mortuaries	\$6.09 [(eff. 7/01/08)] <u>\$6.39 (eff. 7/01/09)</u>	\$0.05	\$4.74 [(eff. 7/01/08)] <u>\$4.98 (eff. 7/01/09)</u>	No Maximum
Restaurants	\$6.09 [(eff. 7/01/08)] <u>\$6.39 (eff. 7/01/09)</u>	\$0.04	\$4.01 [(eff. 7/01/08)] <u>\$4.21 (eff. 7/01/09)</u>	No Maximum

Septic haulers shall be charged thirty-one dollars and twenty-seven cents (\$31.27) [effective July 1, 2008]; thirty-two dollars and eighty-three cents (\$32.83) effective July 1, 2009 for the first one thousand (1,000) gallons or fraction thereof plus \$0.031 [effective July 1, 2008]; \$0.033 effective July 1, 2009 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 _____, 2009

PROPOSED by Supervisor _____

PASSED on the ___ day of _____, 2009

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 _____,
2009.