A special session of the Carson City Board of Supervisors was held on Thursday, November 29, 1990, at the Community Center Sierra Room, 851 East William Street, Carson City, Nevada, beginning at 6 p.m.

PRESENT:	Marv Teixeira	Mayor
	Ron Swirczek	Supervisor, Ward 1
	Tom Fettic	Supervisor, Ward 2
	Tom Tatro	Supervisor, Ward 3
	Kay Bennett	Supervisor, Ward 4
STAFF PRESENT:	John Berkich	City Manager
	Mary Walker	Administrative Services Director
	Dan O'Brien	Public Works Director
	Charles P. Cockerill	Chief Deputy District Attorney
	Dorothy Timian-Palmer	Utility Manager
	Margaret Robinson	Administrative Assistant to the Public Works Director
	Katherine McLaughlin	Recording Secretary
	(B.O.S. 11/29/90 Tape 1-0181)	

Mayor Teixeira called the meeting to order at 6 p.m. Supervisor Bennett lead the Pledge of Allegiance. Roll call was taken and a quorum was present although Supervisor Swirczek had not yet arrived.

PUBLIC HEARING REGARDING WATER AND SEWER RATE STUDY - DISCUSSION AND ACTION ON WATER AND SEWER RATES (1-0205) - Mr. Berkich's introduction requested Board direction on the City's current sewer winter average methodology (Option No. 1), Guastello's proposed methodology of charging for 8,000 gallons (Option No. 2), or a compromise to the current methodology which used a seven month average based on a five month actual usage period (Option No. 3). Written evaluations of each methodology were distributed to the Board and Clerk and discussed among the Board and staff. **Supervisor Fettic moved that the Board not consider Option No. 2. Supervisor Tatro seconded the motion. Motion carried 4-0.**

Mr. Berkich then requested direction on the connection fees. Guastello's proposal indicated the fee should be $1600. The present connection fee is $2,226. Staff's proposal would set the $626 difference aside for plant expansion or rate subsidy. (Supervisor Swirczek arrived at this point--6:15 p.m. A quorum was present as noted earlier.) Ms. Timian-Palmer's Plant Expansion Schedule was discussed. (A copy was given to both the Clerk and Board.) If the $626 is reserved for expansion, the funds would be adequate to address the planning needs required when 85 percent of the plant is utilized or in 1995. Ms. Walker then explained her sewer rate study which would result in an 11.1 percent increase in rates in 1991, a 5.5 percent increase in 1992, and a 5.5 percent increase in 1993 if a subsidy is eliminated. If the subsidy is authorized, there would a 3.8 percent increase in 1991, a 5.9 percent increase in 1992, and a 5.9 increase in 1993. The 11.1 percent increase amounted to $1.91 per month on the average user's bill. The service charge would increase from $3.30 to $5. The proposals would meet the EPA requirements. Clarification noted that the connection fee base may not remain at $1600 due to plant improvements and inflationary impacts. The Board's ability to reserve funding for expansion on a long-term basis was included in the discussion. Mr. Cockerill explained that the Board could assess more than the current costs if the figures are based on projected costs. Mayor Teixeira expressed his feeling that this funding would reduce the impact but would not be adequate to meet the entire expansion need. Ms. Walker also noted that population growth is projected to be met within 20 years and that bonding is for 30 years. This gap in funding will be a burden placed upon the users. The projected $1.5 million would only cover design and construction management services and not actual expansion, which is projected at $11 million.

(1-1241) May Ruth French supported using the connection fees to subsidize expansion and cited a news article to support her feelings that it should be the developers' responsibility.

(1-1318) Dwaine Winsor questioned the designated use of the funds. Mayor Teixeira responded by explaining the desire to use it for plant expansion. Mr. Winsor felt this was a valid use and cautioned the Board against using the funds for another unused, unnecessary study.

(1-1381) Richard Waiton felt that the users would eventually be paying the expansion costs and that the new home buyers should pay the increased connection costs. Clarification indicated the cost would be approximately $2.02 per thousand gallons for the user. He urged the Board to maintain the present fee and reserve the $626 for future expansion.

Mr. Cockerill then explained the need to have the Federal EPA office review any changes to the Ordinance, etc. Supervisor Bennett suggested a one or two cent increase in the base residential/commercial rates and reserve this increase along with the connection fee reserve for the expansion. Ms. Walker explained that EPA would not allow this increase to the base rate. EPA has been working with staff on the proposed rate increase. **Supervisor Fettic moved that the Board approve Scenario No. 1 which provides: A. The use of Guastella's rate structure with modification to include the winter averaging as directed by the Board; B. Connection fees would remain the same at $2,226 with $626 being set aside for future expansion; and, C. That the implementation of the user fee, which is to be implemented over a three year period, would amount to an 11.1 percent broken down to 1991 - 5.5 percent, 1992 - 5.5 percent.** Following discussion with Ms. Walker and Mayor Teixeira, **Supervisor Fettic continued the motion to include in 1993.** Following further discussion, **Supervisor Fettic amended his motion to include and direct the District Attorney's office to prepare an ordinance for the set aside. Supervisor Tatro seconded the motion.** Discussion ensued with staff and Supervisor Swirczek on the winter average proposal and whether the percentages should be included at this time. **Supervisor Tatro then withdrew his second and Supervisor Fettic withdrew his motion. Supervisor Fettic then moved that the Board keep connection fees at $2226 and that $626 be used as a set aside for future expansion and direct the District Attorney's office to prepare the proper ordinance. Supervisor Tatro seconded the motion. Motion carried 5-0.**

Mr. Berkich then requested Board direction on winter sewer averaging. Staff's proposal would average the water usage bills for the period November 1 through March 31. This figure would be used for the balance of the year and eliminate the potential for users to pay for irrigation. Any new accounts or accounts which do not generate a consumption figure would be automatically assigned 7,000 gallons. Reasons for these procedure modifications were discussed. Discussion also included reasons for using Guastello's proposed 8,000 gallons, staff's recommended 7,000 gallons, approximate amount of the increase, and the examples.

(1-2229) Mayor Teixeira explained for Ms. French that she would have a $12 a year increase in her rates.

(1-2407) Mayor Teixeira explained for Charles Larkin that the issues considered at this meeting were only the sewer rates and the fee changes for water which had been made at the last meeting. Mr. Larkin then expressed his feeling that large users should not be given a break in their rates.

(1-2544) It was explained for Mr. Winsor that he would not have to pay a connection fee as his home had already been constructed nor would he be affected by the sewer fee as he is on a septic system.

Discussion ensued among the Board and staff on a proposal which would remove high and low usage months from the figures used to determine the average, reasons for making the changes at this time, and the pros and cons of having a $25 administrative fee for anyone requesting a sewer fee modification.

(2-0061) Mr. Winsor felt that if the process was more efficient it would not be necessary to charge the $25 administration fee.

Ms. Robinson explained the present utility billing program including computer problems and research necessitated to modify the fees. She felt that there are more than a thousand requests per year with only 200 proving to be valid. Discussion included improved response time if the computer program is upgraded and that the actual costs incurred per adjustment totalled more than the suggested $25. As a majority of the Board opposed the program, the proposal was abandoned.

(2-0385) Staff clarified for Mr. Larkin that the $25 would not be assessed. He then expressed his feeling that he was already paying for this service and that computerization should be utilized to provide the information.

(2-0425) Mr. O'Brien explained for Mr. Waiton the increase for a residence on 9,000 gallons. Mr. Waiton felt that the Board should remember the increased taxes created by the recent electorate approved bond issues and questioned whether the cost of living in Carson City could be maintained by the senior citizens. Mr. Larkin felt that the water and sewer rates should have been considered before the election.

Supervisor Bennett moved that the Board adopt Option No. 3, Combination of Winter-Sewer-Average and Actual Usage, as proposed by staff. Following discussion with staff, **Supervisor Bennett continued the motion to include with the rates in Scenario No. 1.** Following clarification by Mr. Cockerill, **Supervisor Bennett again continued the motion to include and direct that an ordinance come back to the Board for first reading. Supervisor Fettic seconded the motion.** Clarification noted that the $25 administrative fee was eliminated. Mr. Berkich noted that Scenario No. 1 established the methodology to be utilized and the rates for 1991 only. Future rates would be established by the Board during its annual review. **The motion to adopt Option 3, Scenario 1, and direct staff to bring back an ordinance as outlined was voted by roll call with the following result: Ayes - Swirczek, Tatro, Bennett, Fettic, and Mayor Teixeira. Nayes - None. Motion carried 5-0.**

Discussion ensued concerning action required by the Board to adopt the modifications. The ordinance may become effective in mid-January.

Mr. Berkich requested direction from the Board concerning whether staff should actively pursue long-term financing to make capital improvements. This issue was not agendized and discussion was terminated. It was felt the issue should be discussed during the goals and objectives session(s).

Discussion then ensued concerning whether to require commercial sewer users to install water meters on their wells. They then would be charged on their actual usage rather than under the present fixture unit process now utilized. Mayor Teixeira requested the 50 commercial users be notified of the proposal to change the procedure and have it agendized for a specific meeting.

Mr. Berkich then explained issues to be considered on December 6th and that the water alternative analysis would be considered in January.

(2-0755) Mayor Teixeira briefly explained the actions taken on the sewer rates for Robert W. Schultz. Water rates had not been changed.

There being no other matters for consideration, Supervisor Bennett moved to adjourn. When a second was not made, Mayor Teixeira passed the gavel to Mayor Pro-Tem Swirczek and seconded the motion. Motion carried 5-0. Mayor Pro-Tem Swirczek adjourned the meeting at 8 p.m.

The Minutes of the Special November 29, 1990, Carson City Board of Supervisors meeting

ARE SO APPROVED ON___December_20_____, 1990.

_/s/_______________________________________
Marv Teixeira, Mayor

ATTEST:

_/s/_________________________________
Alan Glover, Clerk-Recorder