

From: [Catherine Topor](#)
To: [Public Comment](#)
Subject: For upcoming agenda August 6
Date: Monday, August 3, 2020 8:44:57 PM

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Hello,

As a resident of Carson City, please do not raise the stormwater rates in this way. This is over a 50 percent increase. I do not care that this would be graduated over time. I do care that with the current economic climate, no one can reasonably predict how we will be, and I think raising rates at this time is unwise.

Catherine Topor Diaz

From: [Esummo](#)
To: [Public Comment](#)
Subject: Stormwater raise increase
Date: Monday, August 3, 2020 7:09:29 PM

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Why would anyone in their right mind even think about any raise increase of any kind of utility right now. The virus has put a lot of people out of employment, closed a lot of businesses. Time to stop making things worse than they already are.

Sent from my Verizon 4G LTE Smartphone

From: [Shellie](#)
To: [Public Comment](#)
Subject: Water rate increases
Date: Tuesday, August 4, 2020 12:55:08 PM

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Good afternoon,

I am appalled that once again you want to raise the residential rate. We pay \$75.00 BASE a month, which I would estimate is one of the highest in the country. The last rate hike was for the construction of the facility, which to my knowledge has been completed. We should be getting a REDUCTION in rates, not another increase.

I have been told by several that the water fund is secretly used for general purposes . When was the last accounting or audit? I think before raising the rates we need to see the figures to tell why we need an increase, and why the rate did not go back down after the last project was completed.

Regards,

Shellie Shannon
Carson City

Sent from my iPhone

From: tbalyenterprises@gmail.com
To: [Public Comment](#)
Cc: tbalyenterprises@gmail.com
Subject: Water/Sewer rates
Date: Tuesday, August 4, 2020 12:33:17 PM

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Your discussing raising water/sewer – storm water rates. When is enough enough? I ride my bike past the sewage plant a lot and it looks like it could take care of Reno!! HUGE!
Your profligate price gouging is causing major damage to a lot of peoples budgets
I had a small rental home that was empty and for sale. The water bill was \$75.00 a month (and the toilet may have flushed twice) SEVENTY FIVE BUCKS!

Are you charging all the developers building new apartments, condos and houses appropriate amounts to cover the load that they will put on the system?

It may be time for a recall campaign against the committees that continue the endless price increases.....

Sincerely.

Toby Baly

***T. Baly Enterprises
Carson City, Nevada
775/461-0884***

From: [Mary Siders](#)
To: [Public Comment](#)
Subject: Proposed increase to stormwater flat-rate fee
Date: Wednesday, August 5, 2020 1:57:20 PM
Attachments: [Comment on Proposal to Raise Stormwater Fee.docx](#)

This message originated outside of Carson City's email system. Use caution if this message contains attachments, links, or requests for information.

Dear Board Members,

Attached is a letter providing comments on the proposed increase to the flat-rate fee for stormwater; specifically, the 64% increase proposed for single-family homes.

Please keep in mind that many of us have not had salary increases that have kept pace with inflation since 2009. In addition, many of us are experiencing pay cuts under the current COVID crisis.

Please see attached comment letter.

Sincerely,

Mary A. Siders

Comment on Proposal to Raise Stormwater Fee

Proposal

The proposal to raise the flat-rate stormwater fee on single-family homes recommends a 64% increase, from \$5.69 to \$9.43. However, rather than increasing yet another flat-rate fee, I have a proposal that is more equitable and will raise more money for the utility.

Based on an analysis using 2014-2015 water usage data for 13,543 single family homes (5/8" line) in Carson City, I recommend revising sewer rates to be based on actual usage rather than a flat rate. In 2013, the city went from a sewer rate based on actual usage for winter months (approximating indoor-only use) to a flat fee for sewer. That current flat rate is \$40.45, based on an average wintertime use of approximately 5,000 gallons per month for single-family homes.

Use of flat rates has the perverse effect of making conservative users pay too much (i.e., it penalizes those who should be rewarded) and benefits those who are extravagant users (i.e., it rewards those who should be penalized for excessive use).

This is an opportunity to rectify that perverse incentive and promote water conservation by returning to a fee structure based on actual use for sewer. The summary statistics provided in the attached table show that charging single-family homes a rate of \$10.00 per kgal water used per winter month (based on the assumption that use during winter months = indoor only use), has the following benefits:

1. Produces a more equitable system that rewards conservation instead of disincentivizing it.
2. Provides the city with approximately \$75,000 more income per month than the current flat-fee for sewer (based on data for these 13,543 homes).
3. Produces approximately \$25,000 more per month than the proposed stormwater rate increase would (based on this analysis using data for 13,543 single-family homes vs. an increase in stormwater fees for these 13,543 homes).

Review of the 2013 Water & Sewer Rate Study

In November 2012, Carson City awarded a \$99,595 contract (Contract 1213-122) to FCS Group. The contracted goal of the water and sewer rate study was to "*equitably generate adequate revenues.*" The staff summary in the contract stated that the study would evaluate "*possibly eliminate winter averaging for residential sewer.*" This summary also stated that the "*rate study is proposed as revenue neutral; overall rates will not be raised as a result of this study.*"

The final report for the **Water & Sewer Rate Study** was released in October 2013. The goals of the study were stated as (1) maintaining financial stability of the Utility, and (2) promoting a fair and equitable allocation of water & sewer system costs to customers. Additional goals were (3) promoting conservation and (4) making development pay for itself (i.e., fair connection fees for new construction).

Connection Fees

In 2009, connection fees for water and sewer were slashed 90%, from \$4,543 to \$454 for water and from \$5,770 to \$577 for sewer. The final report for the **Water & Sewer Rate Study** recommended increasing fees for water from \$454 to \$2,198 and fees for sewer from \$577 to \$4,244 for single-family homes. Those recommendations were not adopted. The current connection fees for single-family homes seem to be \$3,440 for water and \$3,130 for sewer, as of May 2020.

Exhibit 3-4: Single Family Water and Sewer Connection Charge Comparisons

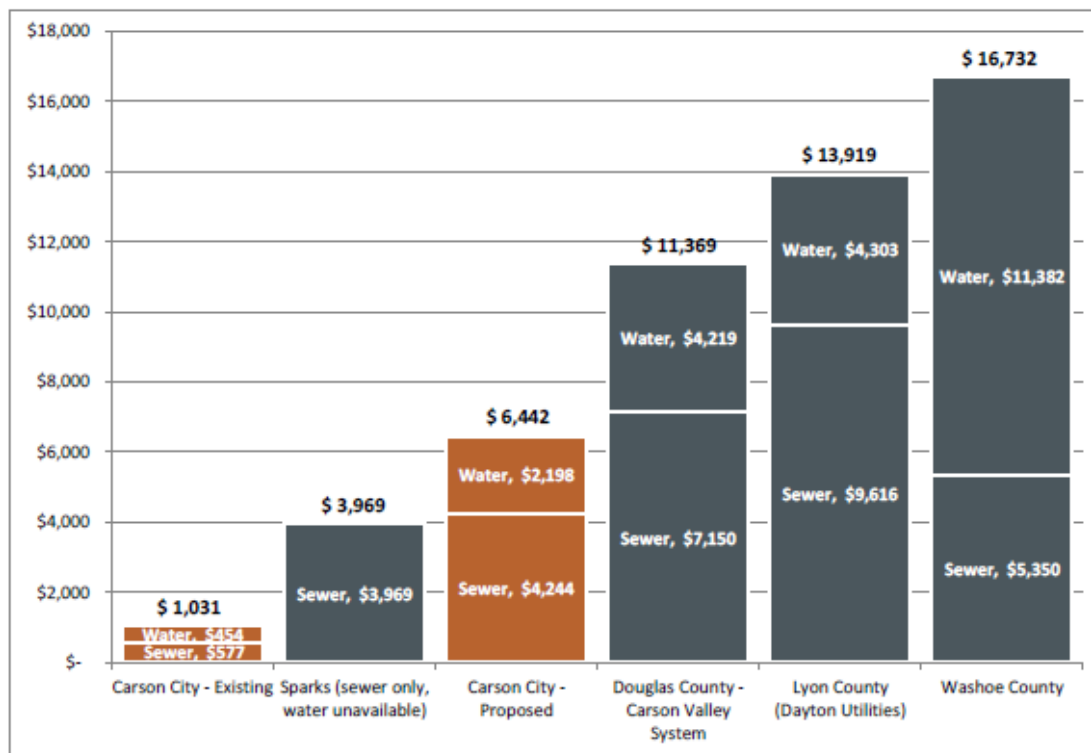


Figure from the Water & Sewer Rate Study (October 2013)

The recommendations provided in the 2013 **Water & Sewer Rate Study** were not adopted when it came to connection fees. Fees rose gradually from 2013-2020; however, it appears that connection fees for single-family homes are still less than they were in 2008. It appears that connection fees offer an additional funding mechanism. Even if rates were to return to 2008 levels, this would provide additional funds to the utility, and be entirely reasonable.

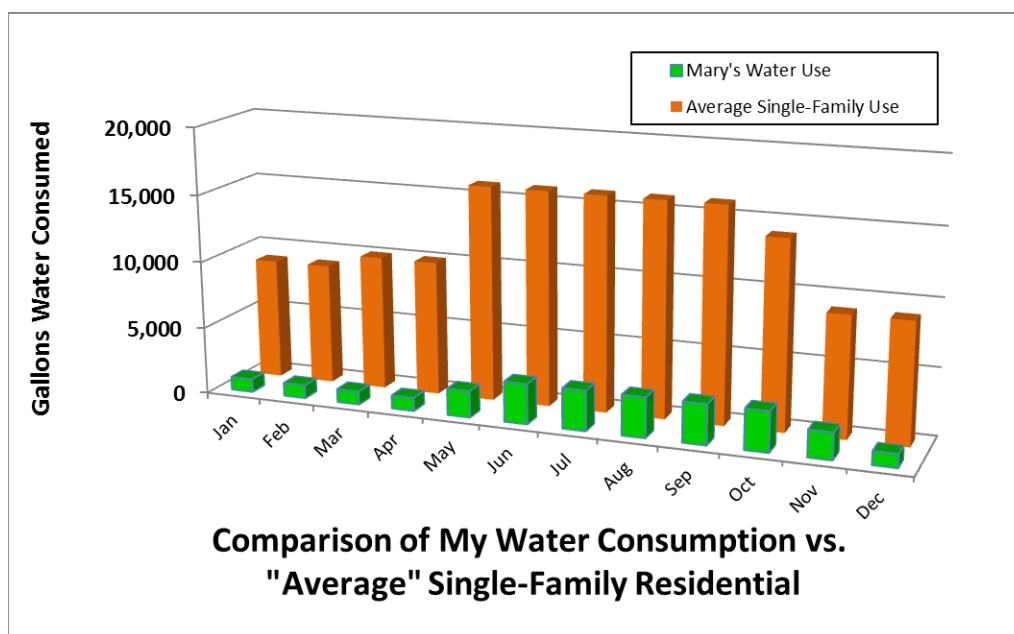
Water and Sewer Connection Fees in Carson City

Type	2008 Fees	2009 Fees	2013 Water & Sewer Study Recommended	2020 Fees
Water	\$4,543.00	\$454.00	\$2,198.00	\$3,440.00
Sewer	\$5,770.00	\$577.00	\$4,244.00	\$3,130.00

Proposed Modification Based on Data Evaluation

Table 1 attached after the text of this letter provides an analysis and summary of data from 13,543 single-family homes in Carson City, based on actual water usage. This table clearly shows why a flat fee for sewer is highly inequitable and why an adjustment based on actual usage (four winter months) provides a fair way to generate additional revenues. It also shows why such an adjustment generates more funds than an increase of yet another flat-rate fee (i.e., stormwater fee).

The highly inequitable increases previously adopted by the Board have resulted in unacceptable increases in the water and sewer bills for the most conservative consumers. By way of example, my conservative use of water, which averages 1,000 gallons per month during winter, places me at the 10th percentile of water users (single-family homes, 5/8" line) in Carson City. By adopting flat rates as the base rates for water and sewer, this resulted in a **250% increase** in my sewer bill and a **112.5% increase** in my water bill from January 2010 to January 2018. My base rate is now that of the "average user." This is highly inequitable and unfair, as clearly shown in the graph below.



The Board is reviewing a proposal to raise the flat-rate fee for stormwater by **64%** for single-family homes, from \$5.69 to \$9.43 per month. Flat fees always penalize the most conservative users, and are inherently inequitable. As proposed in this comment letter, there are better ways to generate more revenue for the utility and resolve inequitable charges at the same time. Table 1 provides a demonstration of a more equitable approach to sewer fees that will also generate more funds than the Board's proposed flat-rate increase to the stormwater fee. I urge you to reconsider increasing yet another flat-rate fee. Salaries have remained flat since 2009; so the constant increases in flat-rate fees for water and sewer charges are especially challenging for single-earner households.

Sincerely,

Mary A. Siders, 560 Summerfield Drive, Carson City, NV 89701, mary.siders@gmail.com

August 5, 2020

Table 1. An analysis of 2014-2015 data for single-family homes (5/8-inch line) in Carson City. Flat rate for sewer vs. charging for actual use (based on use for four winter months to approximate indoor-only use)

Statistic	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Units	Sewer (actual use)	Sewer (today)	
Average =	22.8	22.2	20.8	16.8	7.8	4.4	4.6	4.6	4.5	8.2	14.5	18.3	kgal			
Std Dev =	21.9	22.6	20.4	16.4	9.4	5.4	7.7	4.6	4.8	9.0	14.8	16.8	kgal			
Minimum =	0	0	0	0	0	0	0	0	0	0	0	0	kgal			
10% =	4	4	4	3	2	1	1	1	1	2	3	3	kgal	\$10.00	\$40.45	
20% =	7	8	7	6	3	2	2	2	2	3	5	6	kgal	\$20.00	\$40.45	
30% =	11	11	11	8	4	3	3	3	3	4	7	9	kgal	\$30.00	\$40.45	
40% =	15	15	14	11	5	3	3	3	3	5	9	12	kgal	\$30.00	\$40.45	
50% =	19	19	17	14	6	4	4	4	4	6	12	15	kgal	\$40.00	\$40.45	
60% =	23	22	21	17	7	4	4	5	4	7	14	18	kgal	\$40.00	\$40.45	
70% =	27	26	25	20	9	5	5	5	5	9	17	22	kgal	\$50.00	\$40.45	
80% =	34	32	30	25	11	6	6	6	6	12	21	27	kgal	\$60.00	\$40.45	
90% =	45	44	41	34	16	8	8	8	8	17	29	36	kgal	\$80.00	\$40.45	
91%	47	45	43	35	16	8	8	8	8	18	30	37	kgal	\$80.00		
92%	49	47	44	36	17	9	9	9	9	18	31	39	kgal	\$90.00		
93%	51	50	46	38	18	9	9	9	9	19	33	41	kgal	\$90.00		
94%	54	53	49	40	19	10	10	10	10	21	35	43	kgal	\$100.00		
95%	57	56	52	43	21	10	10	10	10	22	37	46	kgal	\$100.00		
96%	62	60	56	46	23	11	11	11	11	24	40	49	kgal	\$110.00		
97%	67	66	61	50	25	12	12	12	12	27	44	54	kgal	\$120.00		
98%	76	74	69	56	29	14	14	14	14	32	50	61	kgal	\$140.00		
99%	94	90	86	69	34	17	18	17	17	40	61.58	74	kgal	\$170.00		
100% =	1074	1543	1253	926	751	412	720	181	362	404	863	764	kgal	\$100.00	\$40.45	
Count (n) =	13543 homes															
														Avg sewer cost per home per month =	\$46.00	\$40.45
														times 13,543 homes =	\$622,978.00	\$547,814.35