



STAFF REPORT

Report To: Board of Supervisors **Meeting Date:** November 19, 2020

Staff Contact: Darren Schulz, Public Works Director

Agenda Title: For Possible Action: Discussion and possible action regarding a business impact statement concerning a proposed ordinance amending Title 12 of the Carson City Municipal Code ("CCMC") to revise various provisions relating to water, wastewater and storm water utility rates, and concerning a proposed "Carson City Public Works Utility Rate Schedule" or "Rate Schedule," which together would increase water, wastewater and storm water utility rates and authorize contributions to the Utility Ratepayer Assistance Program from the water, wastewater and storm water utility funds. (Darren Schulz, DSchulz@carson.org; Eddy Quaglieri, EQuaglieri@carson.org; and Andy Hummel, AHummel@carson.org)

Staff Summary: NRS 237.080 requires that Carson City prepare a business impact statement when a new ordinance or a new rule that imposes a fee that is paid by businesses is proposed. This Business Impact Statement concerns a proposed ordinance which, if adopted, would raise water, wastewater, and storm water utility rates and permit contributions to the Utility Ratepayer Assistance Program from the water, wastewater and storm water utility funds, and concerns the proposed adoption of the "Rate Schedule," which establishes a schedule of utility rates and fees. The proposed Business Impact Statement finds that the proposed ordinance and "Rate Schedule" will not impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business.

Agenda Action: Formal Action / Motion **Time Requested:** 15 minutes

Proposed Motion

I move to approve the Business Impact Statement as presented.

Board's Strategic Goal

Sustainable Infrastructure

Previous Action

On February 7, 2019, the Board of Supervisors approved a contract with Farr West Engineering to do a refresh update of the water, wastewater, and storm water rates.

On January 13, 2020, the Utility Finance Oversight Committee (UFOC) was presented with the results and recommendations of the water and wastewater study. The UFOC recommended proceeding to the Board of Supervisors with the results and recommendations.

On March 5, 2020, the Board of Supervisors was presented with the results and recommendations of the study. The Board approved proceeding with the process to implement a 5-year water and wastewater user rate increase to support water and wastewater fund expenses.

On May 20, 2020, the UFOC was presented with the results and recommendations of the stormwater study. The UFOC recommended proceeding to the Board of Supervisors with the results and recommendations.

On August 6, 2020, the Board of Supervisors was presented with the results and recommendations of the wastewater study. The Board approved proceeding with the process to implementing a revised rate structure and 4-year storm water user rate increase to support storm water fund expenses.

On September 24, 2020, certified mailers were sent to the Carson City Area Chamber of Commerce and the Nevada Builders Alliance.

On November 5, 2020, the Board of Supervisors further considered the storm water rates and the Rate Schedule.

Background/Issues & Analysis

Beginning in early 2019, and in conjunction with Farr West Engineering, the City has conducted a utility rate update study of the water, wastewater, and storm water utility rates. This study has culminated in direction from the Board of Supervisors to implement water, wastewater, and storm water utility rate increases, to establish provisions for contributions to the Utility Ratepayer Assistance Program from the water, wastewater and storm water utility funds, and to establish the "Rate Schedule."

The proposed ordinance and the Rate Schedule, which identified a flat and tiered alternative for the storm water rates, were distributed on September 24, 2020, via direct mailings to the Carson City Area Chamber of Commerce and the Nevada Builders Alliance. The mailers included copies of the prior water, wastewater, and storm water presentations, a draft of the proposed ordinance, and the proposed "Rate Schedule," together with options for a flat or tiered residential storm water rate schedule. It was requested that any data or arguments as to whether the proposed rule will impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business be provided to Carson City by October 26, 2020.

The City has not received any written comments to date about the ordinance or "Rate Schedule" in response to the notice to the Chamber of Commerce and the Nevada Builders Alliance. Staff did receive one phone call, from an apartment building manager, asking if the utility rates are changing for calendar year 2021 so that the apartment complex could budget accordingly. Based on the above, staff requests that the Board of Supervisors find that the changes to CCMC do not impose a direct and significant economic burden on businesses or directly restrict the formation, operation, or expansion of a business.

A copy of the Business Impact Statement, along with the appeal petition form, is available at the public counter of the Public Works Department, 3505 Butti Way, Carson City, Nevada. A copy of the appeal petition form can also be obtained at the Carson City Clerk-Recorder's office.

Applicable Statute, Code, Policy, Rule or Regulation

NRS Chapter 237 (Business Impact Statements)

Financial Information

Is there a fiscal impact? No

If yes, account name/number: N/A

Is it currently budgeted? No

Explanation of Fiscal Impact: N/A

Alternatives

Do not approve the business impact statement or provide alternative direction to staff.

Attachments:

[BOS Nov 19 2020 Utility Rate Adjustments BIS Presentation.pdf](#)

[BIS_-_Utility_Increase_Ordinance_-_Final_with_summary_and_Exhibit_A.pdf](#)

[Water Wastewater Stormwater BIS Letters.pdf](#)

Board Action Taken:

Motion: _____

1) _____

2) _____

Aye/Nay

(Vote Recorded By)



**BOARD OF SUPERVISORS
NOVEMBER 19, 2020**

Utility Rate Adjustment – Business Impact Statement Process

Overview

- ▶ Farr West awarded contract to perform an update of the water, wastewater, and stormwater rates by the Board of Supervisors on February 7, 2019.
 - ▶ Effort included evaluation and update of stormwater rate structure
- ▶ Stormwater Rate Structure update and utility rates vetted through Utility Finance Oversight Committee at numerous meetings.
 - ▶ January 13, 2020 recommended proceeding to BOS with Water and Wastewater Study
 - ▶ May 20, 2020 recommended proceeding to BOS with Stormwater Study
- ▶ Water and Wastewater Rates were presented to and approved by the Board of Supervisors to begin the process of implementation on March 5, 2020
- ▶ Stormwater Rates and Structure were presented to and approved by the Board of Supervisors to begin the process of implementation on August 6, 2020
- ▶ Business Impact Statement packages sent to the Carson City Area Chamber of Commerce and the Nevada Builders Alliance on September 24, 2020. Package also placed on the Carson City Public Works website.
- ▶ Tiered residential stormwater rate structure and Utility Rate Schedule presented to and approved by the Board of Supervisors to include in final Ordinance on November 5, 2020

Business Impact Statement

- ▶ Governed by NRS 237
 - ▶ Does a proposed ordinance or rule impose a direct and significant economic burden upon a business, or directly restrict the formation, operation or expansion of a business.
- ▶ Review package included:
 - ▶ Cover letter summarizing rate increases
 - ▶ Staff Report and Water and Wastewater Rate Study from March 5, 2020 BOS meeting
 - ▶ Staff Report and Stormwater Rate Study from August 6, 2020 BOS meetings
 - ▶ Proposed Ordinance
 - ▶ Proposed Rate Schedule
- ▶ 15 working day period required; 30 calendar days provided for review period
- ▶ One phone call received during review period
 - ▶ Apartment complex manager inquiring as to upcoming rate increases for budgeting purposes.

Business Impact Statement

- ▶ Section 1 – Manner of notice and summary of comments received
 - ▶ Outreach and Noticing
 - ▶ Summary of Comments
- ▶ Section 2 – Estimated economic effect of proposed ordinance
 - ▶ Adverse effects
 - ▶ Beneficial effects
 - ▶ Direct effects
 - ▶ Indirect effects
- ▶ Section 3 – Methods considered to reduce impact of the proposed ordinance
- ▶ Section 4 – Estimate of annual cost for enforcement of the proposed ordinance

Business Impact Statement

- ▶ Section 5 – Total annual amount of money expected to be collected and manner in which it will be used
- ▶ Section 6 – Statement regarding duplication or provisions more stringent than Federal, State, or local standards regulating the same activity
- ▶ Section 7 – Reasons for conclusions regarding impact
- ▶ Section 8 – Determination of impact
 - ▶ Proposed ordinance does not impose a direct and significant economic burden upon a business, and
 - ▶ Does not directly restrict the formation, operation or expansion of a business

Questions and Discussion



BUSINESS IMPACT STATEMENT

This Business Impact Statement was prepared in accordance with the provisions of NRS (Nevada Revised Statutes) 237.030 to 237.150, inclusive, as a statutory prerequisite to the adoption of any rule***, as that term is defined in NRS 237.060, by the Carson City Board of Supervisors.

*** A "rule" may include an ordinance, or an action taken by the Board, that imposes, increases or changes the basis for the calculation of a fee which is paid in whole or in substantial part by businesses. A "rule" **does not** include actions that impose, increase or change the basis for the calculation of: (1) special assessments imposed pursuant to NRS chapter 271; (2) impact fees imposed pursuant to NRS chapter 278B; (3) fees for remediation imposed pursuant to NRS chapter 540A; (4) taxes ad valorem; (5) sales and use taxes; or (6) a fee that has been negotiated pursuant to a contract between a business and Carson City. A "rule" also **does not** include: an action taken by the Board that approves, amends or augments the annual budget of Carson City; an ordinance adopted by the Board pursuant to a provision of NRS chapter 271, 271A, 278, 278A, 278B or 350; an ordinance adopted or action taken by the Board that authorizes or relates to the issuance of bonds or other evidence of debt of Carson City; or any rule for which Carson City does not have the authority to consider less stringent alternatives, including, for example, a rule that Carson City is required to adopt pursuant to a federal or state statute or regulation or to a contract into which Carson City has entered.

ORDINANCE OR ACTION PROPOSED FOR ADOPTION

The following ordinances and polices are proposed for adoption:

1. An ordinance revising various provisions relating to water, wastewater and storm water utility rates; and
2. The Carson City Public Works Utility Rate Schedule.

1. *The manner in which notice was provided to the applicable trade associations and officers of businesses likely to be affected by the proposed ordinance or action, and a summary of any data, arguments or comments received from those recipients:*

a. Notice

On February 7, 2019, the Board of Supervisors approved a contract with Farr West Engineering to perform a review and update of the water, wastewater, and stormwater rates. On January 13, 2020, the Utility Finance Oversight Committee (UFOC) was presented with the results and recommendations of the water and wastewater study. On March 5, 2020, the Board of Supervisors was presented with the results and recommendations of the study. On May 20, 2020, the UFOC was presented with the results and recommendations of the stormwater study. On August

6, 2020, the Board of Supervisors was presented with the results and recommendations of the study. On November 5, 2020, the Board of Supervisors further considered the stormwater rates and the rate schedule.

In order to meet the requirements of NRS 237.080, on September 24, 2020, direct mailings were sent to the Carson City Area Chamber of Commerce and the Nevada Builders Alliance. The mailings included copies of the prior water, wastewater, and stormwater presentations, a draft of the proposed ordinance, and the proposed Utility Rate Schedule, together with options for a flat or tiered residential stormwater rate schedule. It was requested that any data or arguments as to whether the proposed rule will impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business be provided to Carson City by October 26, 2020.

A copy of this Business Impact Statement, along with the appeal petition form, is available at the Carson City Public Works Department, 3505 Butti Way, Carson City, Nevada, 89701. A copy of the appeal petition form can also be obtained at the Carson City Clerk/Recorder's office.

b. Summary of comments

The City did not receive any written comments about the ordinance or rate schedule in response to the notice to the Chamber of Commerce and the Nevada Builders Alliance.

Staff received one phone call, from an apartment building manager, asking if the utility rates are changing for calendar year 2021 so that the apartment complex could budget accordingly.

2. The estimated economic effect of the proposed ordinance or rule on businesses, including both adverse and beneficial effects, and both direct and indirect effects:

a. Adverse effects:

Effective January 1, 2021, July 1, 2021 and July 1 of each year thereafter through 2024, water rates will be increased 3% annually and wastewater rates will be increased 3.5% annually. Effective January 1, 2021, and January 1 of each year thereafter through 2024, the stormwater user rates will be increased annually as indicated within the phased fee schedule.

Effective July 1, 2025 and July 1 each year thereafter, the water, wastewater, and stormwater rates will be increased by an amount equal to the Consumer Price Index-All Urban Consumers (CPI-U) for the west urban area, as published by the Bureau of Labor Statistics. The adjustment is

based on the CPI-U index published in December of the preceding year, with a minimum increase of zero percent and a cap of a three percent increase per year.

These rates are detailed in the Utility Rate Schedule, which is attached as Exhibit A to this business impact statement.

b. Beneficial effects:

This proposed ordinance and the rate schedule creates financial stability in the water, wastewater, and stormwater utility funds for at least the next 5 years. The rate increases provide the revenue necessary to fund the operating and maintenance expenses, debt service, capital program, maintain operating and capital reserves, and fully funding system reinvestment. The capital investments made possible by these rate increases will provide a more robust and stable water system, reinvestment and upgrades to the wastewater system, and expansion of the stormwater system that will help alleviate flooding in Carson City during storm events. The proposed stormwater portion of the rate schedule also provides a new rate structure that improves equity among customer classes.

This proposed ordinance creates the requirement, and in certain circumstances mandates, that the utility funds provide up to \$10,000 annually per fund to the Utility Ratepayer Assistance Program to assist low income ratepayers in paying their utility bills.

This proposed ordinance and rate schedule also creates the Utility Rate Schedule which moves utility rates from CCMC Title 12 into the Utility Rate Schedule. The Utility Rate Schedule will be a single document outlining water, wastewater, and stormwater user rates and connection fees to make it easier for customers and businesses to understand and find applicable rates. Future revisions to the Utility Rate Schedule will require a public review and ultimate approval by the Board of Supervisors, but will likely not require revision of the CCMC.

c. Direct effects:

WATER

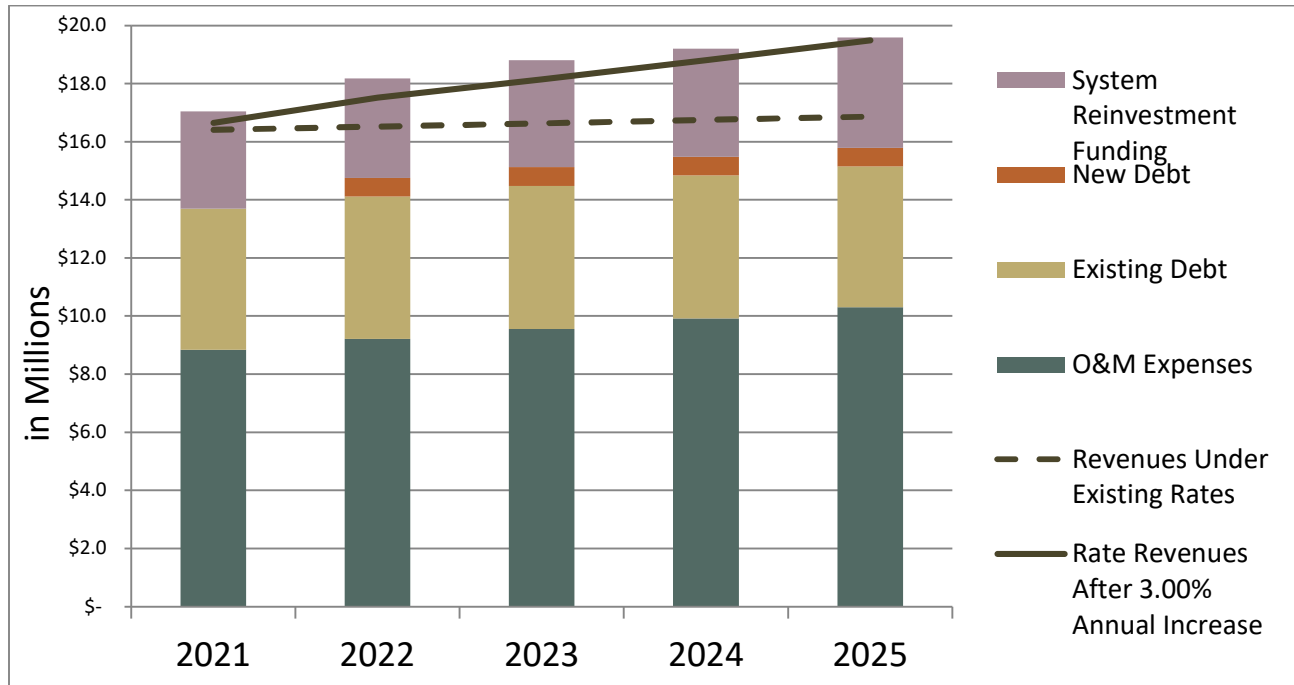
With the passage of this ordinance:

- Water utility user rates will increase a total of approximately 16% over 5 years, 3.0% steps over a 4-year period. Once user rates are fully implemented, allows for the rates to be adjusted annually for inflation based on the Consumer Cost Index-All Urban Consumers for the west urban area, as published by the Bureau of Labor Statistics. The adjustment is based on the

CPI-U index published in December of the preceding year, with a minimum increase of zero percent and a cap of a three percent increase per year.

- The user rate revenue will provide funding for operating, maintenance, and debt service coverage, and system reinvestment (See Exhibit 1).
- System Reinvestment Funding will remain 100% to 2025.

Exhibit 1: Revenue vs. Expenses Water Utility



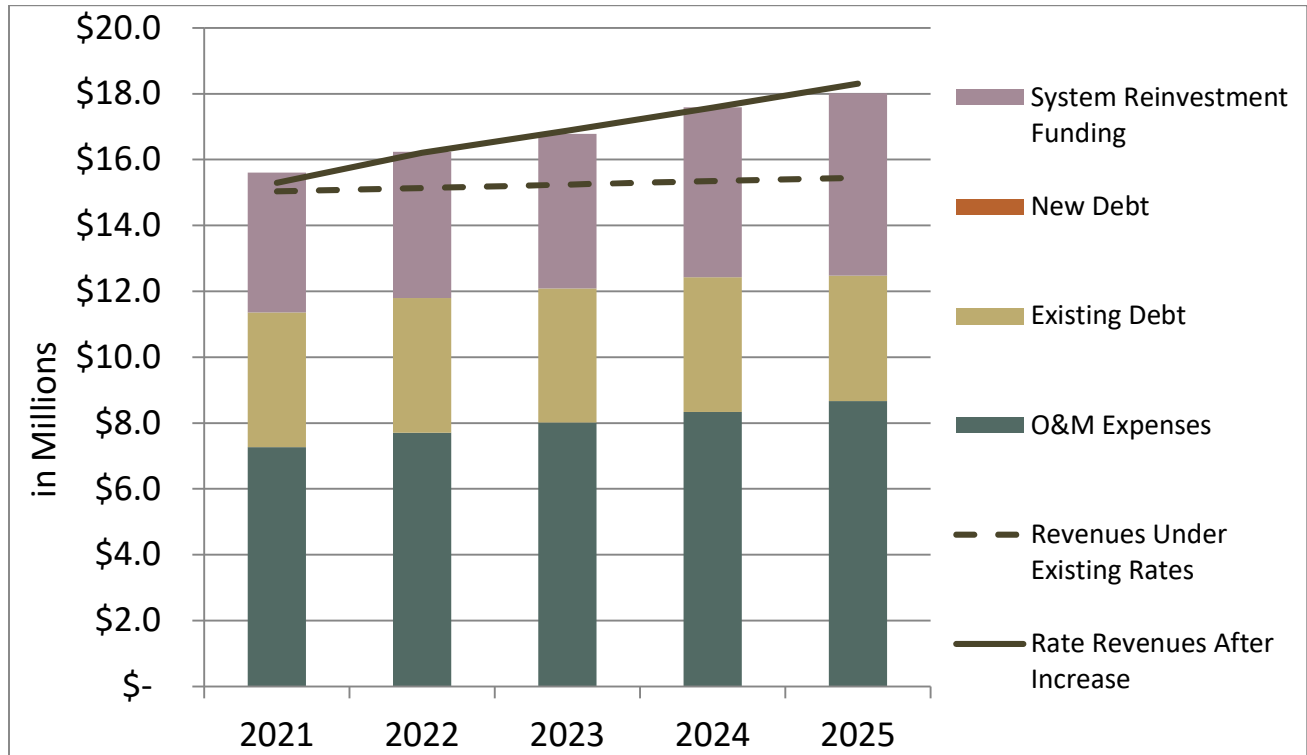
WASTEWATER

With the passage of this ordinance:

- Wastewater utility user rates will increase a total of 18.8% over 5 years, 3.5% steps over a 4-year period. Once user rates are fully implemented, allows for the rates to be adjusted annually for inflation based on the Consumer Cost Index-All Urban Consumers for the west urban area, as published by the Bureau of Labor Statistics. The adjustment is based on the CPI-U index published in December of the preceding year, with a minimum increase of zero percent and a cap of a three percent increase per year.
- The user rate revenue will provide funding for operating, maintenance, and debt service coverage, and system reinvestment (See Exhibit 2).

- **System Reinvestment Funding will increase from 80% to 100% by 2025.**

Exhibit 2: Revenue vs. Expenses Wastewater Utility

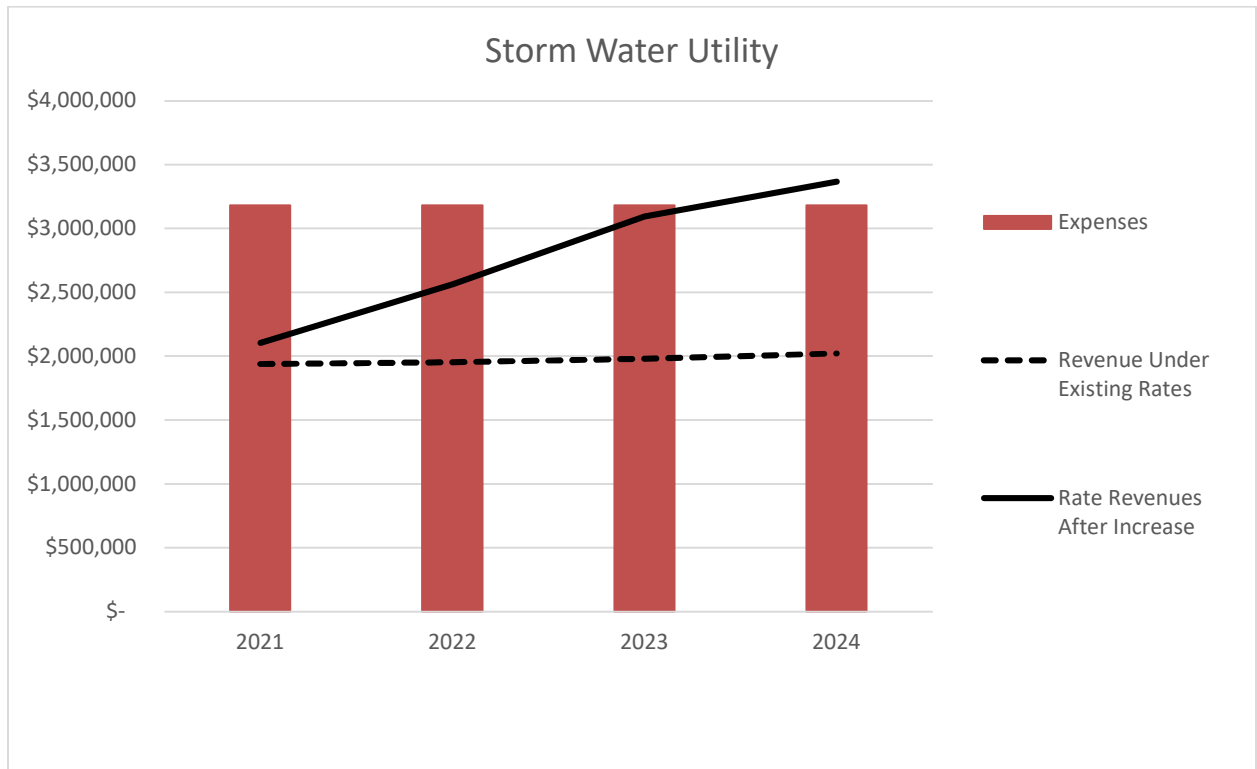


STORMWATER

With the passage of this ordinance:

- **Stormwater utility user rates will increase over a 4-year period as indicated within the phased fee schedule. Once user rates are fully implemented, allows for the rates to be adjusted annually for inflation based on the Consumer Cost Index-All Urban Consumers for the west urban area, as published by the Bureau of Labor Statistics. The adjustment is based on the CPI-U index published in December of the preceding year, with a minimum increase of zero percent and a cap of a three percent increase per year.**
- **The user rate revenue will provide funding for operating, maintenance, capital projects and debt service coverage. Revenue requirement is estimated to be \$3,181,000 annually (See Exhibit 3).**

Exhibit 3: Revenue vs. Expenses Stormwater Utility



UTILITY RATEPAYER ASSISTANCE PROGRAM

If the ordinance is approved, the water, wastewater, and stormwater utility funds will provide up to \$10,000 annually per fund to the Utility Ratepayer Assistance Program to assist low income ratepayers in paying their utility bills.

d. Indirect effects:

The approval of the proposed ordinance and the rate schedule will permit capital investment in Carson City's water, wastewater, and stormwater infrastructures. Among other things, this will increase the capacity of the water system, upgrade the reliability of the wastewater system, and upgrade the capacity of the stormwater system to handle runoff. This will enable a safe and secure water supply that will handle increased population for years to come, will provide a reliable wastewater system, and will more effectively mitigate flooding from storms. The ordinance is sure to have other indirect effects that are not ascertainable at this time.

3. *The methods considered by the Carson City Board of Supervisors to reduce the impact of the proposed ordinance or action on businesses and whether any of those methods were used:*

The Carson City Board of Supervisors considered delaying the implementation of the rate increases, phasing in the rate increases, and adopting a tiered residential rate structure for stormwater. The implementation was scheduled for January 1, 2021, a phase in strategy was adopted, as reflected in Exhibit A, and tiered rate classes are proposed for residential stormwater rates.

4. *Estimate of the annual cost to Carson City for enforcement of the proposed ordinance or action:*

For the utility rate increases, there should be no increase in costs, as Carson City already has billing and collection mechanisms in place that addresses rates and customer charges. For the Utility Ratepayer Assistance Program, the ordinance will increase the costs to the water, wastewater, and stormwater utility funds by up to \$10,000 per fund depending on the fiscal stability of the fund and the amount available in the Utility Ratepayer Assistance account.

5. *The total annual amount of money expected to be collected as a result of the new fee or increase in fee proposed by the ordinance or action, and the manner in which the money will be used:*

WATER

The total incremental revenue expected each fiscal year (FY) is estimated to be:

**FY 21: \$240,781
FY 22: \$984,413
FY 23: \$1,509,370
FY 24: \$2,057,279
FY 25: \$2,629,019**

The money will be used to fund operation and maintenance costs, debt service, project costs, and system reinvestment.

WASTEWATER

The total incremental revenue expected each FY is estimated to be:

**FY 21: \$ 259,447
FY 22: \$1,063,339**

FY 23: \$1,634,442
FY 24: \$2,233,356
FY 25: \$2,861,279

The money will be used to fund operation and maintenance costs, debt service, project costs, and system reinvestment.

STORMWATER

The total incremental revenue expected each FY is estimated to be:

FY 21: \$ 164,272
FY 22: \$ 608,429
FY 23: \$1,111,973
FY 24: \$1,345,365

The money will be used to fund operation and maintenance costs, debt service, and capital project costs.

UTILITY RATEPAYER ASSISTANCE PROGRAM

The ordinance itself will not generate any funds for Carson City; however, through the Utility Ratepayer Assistance Program, assistance will be provided to low income families and individuals.

6. *The proposed ordinance or action [] DOES [X] DOES NOT include any provisions which duplicate or are more stringent than Federal, State or local standards regulating the same activity.*

7. *The reasons for the conclusions regarding the impact of the proposed ordinance or action:*

The proposed ordinance and the water, wastewater, and storm water rate increases as indicated in the rate schedule will have direct impact on residences and businesses. However, the City has not received feedback that the 3 percent annual increase in water rates, the 3.5 percent annual increase in wastewater rates, and the restructured stormwater rates will constitute a significant economic burden upon Carson City businesses, and it does not appear that the rate increases will be a significant economic burden or will restrict the formation, operation, or expansion of any businesses.

8. *Based on the information considered, it has been determined that this proposed ordinance or rule:*

DOES DOES NOT impose a direct and significant economic burden upon a business.

DOES DOES NOT directly restrict the formation, operation or expansion of a business.

Pursuant to NRS 237.090(3), this Business Impact Statement was prepared and made available for public inspection by Carson City Public Works at the time the agenda notice on which the proposed ordinance or rule described in this statement is included was posted.

Pursuant to NRS 237.090(2), I, Nancy Paulson, the City Manager of Carson City, hereby certify that to the best of my knowledge and belief the information contained herein was properly prepared and is accurate.

Nancy Paulson
Signature

11/10/20
Date

Nancy Paulson
Printed Name



**Carson City Public Works
Utility Rate Schedule
Effective: _____, 2020**

1.0 PURPOSE:

The following utility rate schedules establish the utility rates for the water, wastewater, and stormwater utilities for all customer classifications, and fees charged to any person or customer utilizing the specified services provided by Carson City. The following rates are found and declared to be reasonable and just, taking into consideration: the cost and value of the systems; the cost of maintaining and operating the systems; the necessary allowances for depreciation; the amount necessary for the retirement of all bonds and other securities payable from revenues of the systems; the interest accruing on all such securities; and necessary and appropriate reserves.

2.0 WATER RATE SCHEDULES

The following rates are calculated as provided in sections 12.01.020 and 12.01.030 of the Carson City Municipal Code (CCMC).

A. **Monthly Base Rate**

A.1. Single Family Residential, Commercial, Industrial/Manufacturing and Large Commercial

Meter Size	Effective 1/1/21	Effective 7/1/21	Effective 7/1/22	Effective 7/1/23	Effective 7/1/24
5/8 inch	\$28.21	\$29.06	\$29.93	\$30.83	\$31.75
1 inch	\$42.93	\$44.22	\$45.55	\$46.92	\$48.33
1½ inch	\$64.09	\$66.01	\$67.99	\$70.03	\$72.13
2 inch	\$79.73	\$82.12	\$84.58	\$87.12	\$89.73
3 inch	\$116.53	\$120.03	\$123.63	\$127.34	\$131.16
4 inch	\$153.34	\$157.94	\$162.68	\$167.56	\$172.59
6 inch	\$226.94	\$233.75	\$240.76	\$247.98	\$255.42
10 inch	\$564.28	\$581.21	\$598.65	\$616.61	\$635.11

A.2. Multifamily Residential

Multifamily (per unit)	\$9.99	\$10.29	\$10.60	\$10.92	\$11.25
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A.3. Rate Increases. Beginning on July 1, 2025, each rate in section 2.0(A) will be adjusted annually on July 1 of each year based on the increase of the Consumer Price Index-All Urban Consumers (CPI-U) for the west urban area, as published by the Bureau of Labor Statistics. The adjustment is based on the CPI-U index published in December of the preceding year, with a minimum increase of zero percent and a cap of a three percent increase per year.

B. Monthly Commodity Rate

B.1. Single Family Residential

	1000s of Gallons	Effective 1/1/21	Effective 7/1/21	Effective 7/1/22	Effective 7/1/23	Effective 7/1/24
Volume Charge (per 1,000 gallons)	0–5	\$1.81	\$1.86	\$1.92	\$1.98	\$2.04
	6–30	\$3.16	\$3.25	\$3.35	\$3.45	\$3.55
	Over 30	\$5.06	\$5.21	\$5.37	\$5.53	\$5.70

B.2. Multifamily Residential

	Effective 1/1/21	Effective 7/1/21	Effective 7/1/22	Effective 7/1/23	Effective 7/1/24
Volume Charge (per 1,000 gallons)	\$2.05	\$2.11	\$2.17	\$2.24	\$2.31

B.3. Commercial

	Effective 1/1/21	Effective 7/1/21	Effective 7/1/22	Effective 7/1/23	Effective 7/1/24
Volume Charge (per 1,000 gallons)	\$3.64	\$3.75	\$3.86	\$3.98	\$4.10

B.4. Industrial/Manufacturing

	Effective 1/1/21	Effective 7/1/21	Effective 7/1/22	Effective 7/1/23	Effective 7/1/24
Volume Charge (per 1,000 gallons)	\$3.82	\$3.93	\$4.05	\$4.17	\$4.30

B.5. Large Commercial

	Effective 1/1/21	Effective 7/1/21	Effective 7/1/22	Effective 7/1/23	Effective 7/1/24
Volume Charge (per 1,000 gallons)	\$3.82	\$3.93	\$4.05	\$4.17	\$4.30

B.6. Rate Increases. Beginning on July 1, 2025, each rate in section 2.0(B) will be adjusted annually on July 1 of each year based on the increase of the Consumer Price Index-All Urban Consumers (CPI-U) for the west urban area, as published by the Bureau of Labor Statistics. The adjustment is based on the CPI-U index published in December of the preceding year, with a minimum increase of zero percent and a cap of a three percent increase per year.

C. Water Truck Service

Monthly Service Rate				\$27.30	
Commodity Rate (Equal to the Monthly Commodity Rate for Commercial Service. Beginning on July 1, 2025, this rate is subject to the rate increase in section 2.0(B)(6).)					
	Effective 1/1/21	Effective 7/1/21	Effective 7/1/22	Effective 7/1/23	Effective 7/1/24
Volume Charge (per 1,000 gallons)	\$3.64	\$3.75	\$3.86	\$3.98	\$4.10

D. Fire Flow Testing

Cost to perform fire flow testing:	\$79.80
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E. Waterline Hot Tap Fees

Each hot tap, including tap machine, one hour of work and related equipment	\$724.50
Man hours additional:	
2-Man crew—per hour	\$105.00
Standby—2-Man crew—per hour	\$105.00
Equipment hours additional:	
Per piece of equipment	\$27.30
Mileage, round trip, to service out-of-city customers—per mile	The charge will be based on the IRS standard mileage rate for business miles driven
Return trip—minimum fee per trip (not including mileage and equipment)	\$210.00

F. Water Connection Charge

F.1. Fees

Meter Size	Effective 7/1/2020
Meters up to 1 inch:	
5/8 inch	\$3,440.00
1 inch	\$8,600.00
Meters 1 ½ inch or larger:	
Charge per gallon per minute (GPM)	\$6,219.00
Multifamily	
Multifamily per unit:	\$1,032.00

F.2. Fee Increases. Beginning on July 1, 2021, the connection charges will be adjusted annually on July 1 of each year based on the increase of the Engineering News Record's Construction Cost Index. The adjustment is based on the index published in December of the preceding year, with a minimum increase of zero percent and a cap of a three percent increase per year.

G. Lateral and Meter Box Sets and Meter Set Fees**G.1. City Installed Service**

Lateral and Meter Size	City Installed Service
5/8 inch	\$1,522.50
1 inch	\$1,785.00
1½ inch	\$2,835.00
2 inch	\$3,675.00
3 inch	\$5,880.00
4 inch	\$9,754.45
6 inch	\$14,280.00

G.2. City Installed Dual Pit Setter

Fee	\$1,627.50
Additional fee for each 5/8 inch water meter	\$409.50

G.3. Customer Installed Service

Meter Size	Customer Installed Service
5/8 inch	\$409.50
1 inch	\$493.50
1½ inch	\$661.50
2 inch	\$819.00
3 inch	\$2,341.50
4 inch	\$3,990.00
6 inch	\$7,350.00

G.4. Additional Trips to Set a Water Meter

First trip	Free
Second and subsequent trips	\$89.25

3.0 WASTEWATER RATE SCHEDULES

The following rates are calculated as provided in CCMC 12.03.020 and 12.03.030.

A. Monthly Rate

A.1. Rates

Customer Class	Effective 1/1/21	Effective 7/1/21	Effective 7/1/22	Effective 7/1/23	Effective 7/1/24
Flat Rates (per unit)					
Single Family Residential	\$41.87	\$43.34	\$44.86	\$46.43	\$48.06
Multifamily Residential	\$28.13	\$29.11	\$30.13	\$31.18	\$32.27
Metered Rates					
Low-Strength Commercial					
Base Charge	\$41.87	\$43.34	\$44.86	\$46.43	\$48.06
Volume Charge (per 1,000 gallons)	\$7.02	\$7.27	\$7.52	\$7.78	\$8.05
High-Strength Commercial					
Base Charge	\$41.87	\$43.34	\$44.86	\$46.43	\$48.06
Volume Charge (per 1,000 gallons)	\$12.40	\$12.83	\$13.28	\$13.74	\$14.22

A.2. Rate Increases. Beginning on July 1, 2025, each rate in section 3.0(A) will be adjusted annually on July 1 of each year based on the increase of the Consumer Price Index-All Urban Consumers (CPI-U) for the west urban area, as published by the Bureau of Labor Statistics. The adjustment is based on the CPI-U index published in December of the preceding year, with a minimum increase of zero percent and a cap of a three percent increase per year.

B. Connection and Hook-up Charges

B.1. Determination of Sewer Equivalent Residential Customer (SERC)

	SERC
Single-family residence	1.0
Duplex (each living unit)	0.75
Apartment (each living unit)	0.65
Mobile home—Individual lot	1.0
Mobile park—(Each pad)	0.65

B.2. Charge Per SERC

	Effective 7/1/2020
Charge per SERC:	\$4,493

B.3. SERC Fee Increase. Beginning on July 1, 2021, the charge per SERC will be adjusted annually on July 1 of each year based on the increase of the Engineering News Record's Construction Cost Index. The adjustment is based on the index published in December of the preceding year, with a minimum increase of zero percent and a cap of a three percent increase per year.

4.0 STORMWATER RATE SCHEDULES

The following rates are calculated as provided in CCMC 12.17.040.

A. Monthly Rate

Customer Class	Effective 1/1/21	Effective 1/1/22	Effective 1/1/23	Effective 1/1/24
Single Family Residential by residence square footage				
Single Story less than 1600; Multi-Story less than 2400	\$6.29	\$6.90	\$7.50	\$7.50
Single Story 1600 to 2400; Multi-Story 2400 to 3600	\$7.96	\$10.23	\$12.50	\$12.50
Single Story greater than 2400; Multi-Story greater than 3600	\$8.79	\$11.90	\$15.00	\$15.00
Grouped Impervious Area Properties Rates				
Small – less than 0.25 acre	\$30.00	\$30.00	\$30.00	\$30.00
Medium – 0.25 to 0.99 acre	\$45.00	\$60.00	\$60.00	\$60.00
Large – 1 to 4.99 acres	\$60.00	\$90.00	\$120.00	\$120.00
Very Large – 5 acres and larger	\$60.00	\$120.00	\$180.00	\$240.00

B. Rate Increases.

Beginning on July 1, 2025, each rate in section 4.0(A) will be adjusted annually on July 1 of each year based on the increase of the Consumer Price Index-All Urban Consumers (CPI-U) for the west urban area, as published by the Bureau of Labor Statistics. The adjustment is based on the CPI-U index published in December of the preceding year, with a minimum increase of zero percent and a cap of a three percent increase per year.



CARSON CITY NEVADA

Consolidated Municipality and State Capital PUBLIC WORKS

September 24, 2020

Ms. Ronni Hannaman
Carson City Area Chamber of Commerce
1900 South Carson Street, Suite 200
Carson City, NV 89701

Re: Proposed ordinance amending Chapter 12.01 WATER CONNECTION CHARGES AND USE RATES, Chapter 12.03 SEWER CONNECTION CHARGES AND USE RATES, Chapter 12.035 UTILITY RATEPAYER ASSISTANCE PROGRAM, and Chapter 12.17 STORM DRAIN SERVICE CHARGES of the Carson City Municipal Code.

Dear Ms. Hannaman:

On March 5, 2020, the Carson City Board of Supervisors initiated the process of increasing the user rates for Water and Wastewater services. Enclosed for your review is a copy of the Water and Wastewater Rate Studies that were presented to the Board of Supervisors on March 5, 2020, by Farr West Engineering. The Board of Supervisors directed staff to proceed with a proposed 5-year rate increase for the water and wastewater funds beginning on July 1, 2020; due to the Covid-19 pandemic the initial increase has been delayed until January 1, 2021. The following table summarizes the proposed percentage rate increase.

Fund	Effective Date of Percentage Increase				
	January 1, 2021	July 1, 2021	July 1, 2022	July 1, 2023	July 1, 2024
Water	3.0%	3.0%	3.0%	3.0%	3.0%
Wastewater	3.5%	3.5%	3.5%	3.5%	3.5%

On August 6, 2020 the Carson City Board of Supervisors initiated the process of increasing the user rates for Stormwater service. Enclosed for your review is a copy of the Stormwater Rate Study that was presented to the Board of Supervisors on August 6, 2020, by Farr West Engineering. The Board of Supervisors directed staff to proceed with a proposed new user rate structure based on amount of impervious area of all non-Single Family Residential parcels and a 4-year user rate increase for the stormwater fund. The following tables summarize the proposed stormwater user rate structure and implementation time frame. Please note that there are two proposed structures for the Board of Supervisors to consider. One that has a flat rate for the single family residential properties, and one that has a tiered rate structure based on the residence's square footage. The Grouped Impervious Area Rates for other properties are the same in both proposals.

Option 1: Flat Residential Rate

Customer Class	Effective 1/1/21	Effective 1/1/22	Effective 1/1/23	Effective 1/1/24
Flat Rates (per parcel)				
Single Family Residential	\$6.91	\$8.12	\$9.34	\$9.34
Grouped Impervious Area Properties Rates – all non-Single Family Residential				
Small – less than 0.25 acre	\$30.00	\$30.00	\$30.00	\$30.00
Medium – 0.25 to 0.99 acre	\$45.00	\$60.00	\$60.00	\$60.00
Large – 1 to 4.99 acres	\$60.00	\$90.00	\$120.00	\$120.00
Very Large – 5 acres and larger	\$60.00	\$120.00	\$180.00	\$240.00

Option 2: Tiered Residential Rate

Customer Class	Effective 1/1/21	Effective 1/1/22	Effective 1/1/23	Effective 1/1/24
Single Family Residential by residence square footage				
Single Story less than 1600; Multi-Story less than 2400	\$6.14	\$6.60	\$7.05	\$7.50
Single Story 1600 to 2400; Multi-Story 2400 to 3600	\$7.39	\$9.10	\$10.80	\$12.50
Single Story greater than 2400; Multi-Story greater than 3600	\$8.02	\$10.35	\$12.67	\$15.00
Grouped Impervious Area Properties Rates				
Small – less than 0.25 acre	\$30.00	\$30.00	\$30.00	\$30.00
Medium – 0.25 to 0.99 acre	\$45.00	\$60.00	\$60.00	\$60.00
Large – 1 to 4.99 acres	\$60.00	\$90.00	\$120.00	\$120.00
Very Large – 5 acres and larger	\$60.00	\$120.00	\$180.00	\$240.00

These changes are being implemented in a proposed ordinance and in a proposed rate schedule, drafts of which are enclosed for your review. Please be aware that the ordinance and the rate schedule may be further revised before being presented to the Board of Supervisors.

As required by NRS 237.080, before adopting an ordinance or changing a fee that is paid by businesses, Carson City must make a concerted effort to determine whether the proposed ordinance or fee change will impose a direct and significant economic burden upon a business or directly restrict the formation, operation, or expansion of a business. Please review the attached draft ordinance and submit to the City any comments that you may have and any data or arguments you may have as to whether the diesel tax and the proposed ordinance will impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business. Please provide any comments, data, or arguments to the City in writing by October 26, 2020, by email to Andy Hummel, Wastewater Utility Manager, at ahummel@carson.org, or to Eddy Quaglieri, Water Utility Manager, at equaglieri@carson.org, or by mail to the Carson City Public Works Department, 3505 Butti Way, Carson City, Nevada 89701. All comments, data, and arguments will be included in the presentation to the Carson City Board of Supervisors for their consideration of the required Business Impact Statement.

If you have any questions, please call either Andy Hummel at (775) 283-7357, or Eddy Quaglieri at (775) 283-7395.

Sincerely,



Darren Schulz, P.E.
Public Works Director

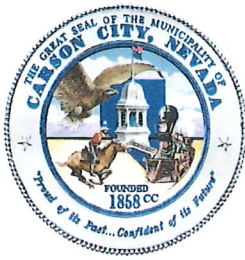
Enclosures

Water and Wastewater Rate Studies

Stormwater Rate Study

Proposed Ordinance

Proposed Rate Schedule



CARSON CITY NEVADA

Consolidated Municipality and State Capital PUBLIC WORKS

September 24, 2020

Mr. Aaron West
Nevada Builders Alliance
PO Box 1947
Carson City, NV 89702

Re: Proposed ordinance amending Chapter 12.01 WATER CONNECTION CHARGES AND USE RATES, Chapter 12.03 SEWER CONNECTION CHARGES AND USE RATES, Chapter 12.035 UTILITY RATEPAYER ASSISTANCE PROGRAM, and Chapter 12.17 STORM DRAIN SERVICE CHARGES of the Carson City Municipal Code.

Dear Mr. West:

On March 5, 2020, the Carson City Board of Supervisors initiated the process of increasing the user rates for Water and Wastewater services. Enclosed for your review is a copy of the Water and Wastewater Rate Studies that were presented to the Board of Supervisors on March 5, 2020, by Farr West Engineering. The Board of Supervisors directed staff to proceed with a proposed 5-year rate increase for the water and wastewater funds beginning on July 1, 2020; due to the Covid-19 pandemic the initial increase has been delayed until January 1, 2021. The following table summarizes the proposed percentage rate increase.

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Option 1: Flat Residential Rate

Customer Class	Effective 1/1/21	Effective 1/1/22	Effective 1/1/23	Effective 1/1/24
Flat Rates (per parcel)				
Single Family Residential	\$6.91	\$8.12	\$9.34	\$9.34
Grouped Impervious Area Properties Rates – all non-Single Family Residential				
Small – less than 0.25 acre	\$30.00	\$30.00	\$30.00	\$30.00
Medium – 0.25 to 0.99 acre	\$45.00	\$60.00	\$60.00	\$60.00
Large – 1 to 4.99 acres	\$60.00	\$90.00	\$120.00	\$120.00
Very Large – 5 acres and larger	\$60.00	\$120.00	\$180.00	\$240.00

Option 2: Tiered Residential Rate

Customer Class	Effective 1/1/21	Effective 1/1/22	Effective 1/1/23	Effective 1/1/24
Single Family Residential by residence square footage				
Single Story less than 1600; Multi-Story less than 2400	\$6.14	\$6.60	\$7.05	\$7.50
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As required by NRS 237.080, before adopting an ordinance or changing a fee that is paid by businesses, Carson City must make a concerted effort to determine whether the proposed ordinance or fee change will impose a direct and significant economic burden upon a business or directly restrict the formation, operation, or expansion of a business. Please review the attached draft ordinance and submit to the City any comments that you may have and any data or arguments you may have as to whether the diesel tax and the proposed ordinance will impose a direct and significant economic burden upon a business or directly restrict the formation, operation or expansion of a business. Please provide any comments, data, or arguments to the City in writing by October 26, 2020, by email to Andy Hummel, Wastewater Utility Manager, at ahummel@carson.org, or to Eddy Quaglieri, Water Utility Manager, at equaglieri@carson.org, or by mail to the Carson City Public Works Department, 3505 Butti Way, Carson City, Nevada 89701. All comments, data, and arguments will be included in the presentation to the Carson City Board of Supervisors for their consideration of the required Business Impact Statement.

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Sincerely,



Darren Schulz, P.E.
Public Works Director

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CARSON CITY NEVADA

Consolidated Municipality and State Capital PUBLIC WORKS

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As Posted to www.carson.org/government/departments-g-z/public-works/utility-billing-water-sewer

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