

Hem # 21c

**City of Carson City
Agenda Report**

Date Submitted: August 7, 2009

Agenda Date Requested: August 20, 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 12.03.030, SCHEDULE OF CONNECTION FEES AND HOOK-UP CHARGES, BY DECREASING CONNECTION CHARGES; AND OTHER MATTERS PROPERLY RELATED THERETO. (Burnham)

Staff Summary: Staff recommends the modification of the current method of calculating connection fees which results in a significant reduction in connection fees.

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

Does This Action Require A Business Impact Statement: () Yes, Completed (XX) 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 12.03.030, SCHEDULE OF CONNECTION FEES AND HOOK-UP CHARGES, BY DECREASING CONNECTION CHARGES; AND OTHER MATTERS PROPERLY RELATED THERETO.

Explanation for Recommended Board Action: Staff recommends the modification of the current method of calculating connection fees which results in a significant reduction in connection fees. Justifications: (1) The current expansions for both water and sewer are for the most part quality driven - almost none of the work would add additional capacity to our water and/or sewer system. Because of changing quality requirements the significant portion of the expansions is the cost of the existing user. We add capacity because of economy's of scale and timing; (2) Because there is no new growth to speak of, the bonds are sold based on the water and sewer rates; and (3) The City has not budgeted more than \$250,000 water and sewer connection fees for the last several years. Additionally, the nature of the location of the infrastructure for Carson City throughout the entire City is different than most communities which grow outward. New growth within the City is in-fill and does not require extension of infrastructure. Whenever projects are proposed, staff will evaluate them and recommend measures as needed to serve the project.

Fiscal Impact: Minimal Impact

Funding Source: NA

Explanation of Impact: Slight decrease in revenue from connection fees.

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

Prepared By: Ken Arnold, Deputy Public Works Director

Reviewed By: Ken Arnold
(Department Head) Date: 8/11/09

Concurrences: Delaine Bunkley
(City Manager) Date: 8/4/09

Delaine Bunkley
(District Attorney) Date: 8-11-09

Mark P. Thompson
(Finance Director) Date: 8-11-09

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 12.03.030, SCHEDULE OF CONNECTION FEES AND HOOK-UP CHARGES, BY DECREASING CONNECTION CHARGES; AND OTHER MATTERS PROPERLY RELATED THERETO.

Fiscal Impact: Minimal

THE BOARD OF SUPERVISORS OF CARSON CITY DO HEREBY ORDAIN:

SECTION I:

That Section 12.03.030 of the Carson City Municipal Code is hereby amended as follows:

12.03.030 Schedule of sewer connection and hook-up charges.

1. The sewer connection charges shall be as follows:

TABLE INSET:

| | SERC |
|------------------------------|------|
| Single-family residence | 1.0 |
| Duplex (each living unit) | 1.0 |
| Apartment (each living unit) | 0.5 |
| Mobilehome-individual lot | 1.0 |
| Mobilepark- (each pad) | 0.5 |

For the purpose of determining sewer connection charges, the sewer equivalent residential customer value, or portion thereof, shall be based on a fee of five [thousand seven] hundred [seventy seven] dollars [(\$5,777.00) per one] (\$500.00) for the initial SERC [for the first SERC] for every connection made after [June 1, 2003] August 21, 2009. For all other sewer connections not specified above, the connection charge will be based on the "total SERCs" of the proposed development. The utilities director or his designee will assign a total SERC value to each development based on water usage information provided to the city through completion and submittal of water usage information data or from previously supplied data generated through the review of similar or like uses and/or developments. After the total SERC has been determined, an additional fee of five dollars (\$5.00) per additional SERC above the first SERC will be charged.

2. [On or after January 1, 1989,] If [if] physical connection to the system is required then the total hook-up fee shall be collected prior to issuance of any building permit for construction.

3. The board may by resolution establish for specific geographical areas conditions for the waiver of the sewer connection fee created by this section where public health would be benefitted thereby. If an application for a waiver meets the requirements set forth in the resolution, the waiver may be approved by the director of the department. (Ord. 2003-12 § 3, 2003: Ord. 1995-15 § 1, 1995: Ord. 1994-61 § 4, 1994: Ord. 1993-44 § 13, 1993: Ord. 1991-11 § 4, 1991: Ord. 1988-28 § 1, 1988: Ord. 1988-15 § 2, 1988: Ord. 1987-5 § 2, 1987: Ord. 1985-16 § 3, 1985: Ord. 1980-30 § 2, 1980: 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 _____ (month) _____ (day), 2009.

PROPOSED BY _____

PASSED _____ (month) _____ (day), 2009.

VOTE: AYES: SUPERVISORS: _____

NAYS: SUPERVISORS: _____

ABSENT: SUPERVISORS: _____

Robert L. Crowell, Mayor

ATTEST:

ALAN GLOVER, CLERK/RECORDER.

This ordinance shall be in force and effect from and after the _____ day of the month of _____ of the year, 2009.