

# Staff Report

for the Board of Directors of January 13, 2016

**TO:** Board of Directors

**FROM:** Gary King, Engineering Manager  
Chip Close, Operations Manager

**DATE:** December 24, 2015

**SUBJECT:** Revisions to Schedule 4-A of Treated Water Rates (Consent)

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***ENGINEERING***

**RECOMMENDATION:**

Approve a revision to Schedule 4-A of the Treated Water Capacity Fee Rates as recommended by the Administrative Practices Committee on November 3, 2015.

**BACKGROUND:**

The Multi-Unit 2/ Residential Development section of Schedule 4-A is used to estimate capacity fee costs on an array of different development types. However, this system does not consider the numerous variables in calculating capacity costs for commercial, recreational and industrial facilities and residential and multifamily master metered facilities. Staff is requesting modifications of areas in this section that is attached to this memorandum.

Capacity fees for all future commercial, recreational and industrial facilities and residential and multifamily master metered facilities will be based on an engineering analysis. The property owner or developer will have a professional engineer provide an analysis based on peak day capacity (2014 Capacity Fee Study, p. 12) which will be reviewed approved by District staff. The approved analysis will be used for calculation of capacity fees based using current rates. As an informational item, a procedure for managing the use of capacity fees for staff's use is attached to this memorandum.

Also, staff is recommending removing the gallons per minute (GPM) on the schedule since it creates confusion over gallons per day and meter capacity.

It is the recommendation of staff and the Administrative Practices Committee to approve this revision to Schedule 4-A. Projects currently underway that have a signed letter agreement and approved plans will remain under the 2013 adopted 4-A schedule.

**BUDGETARY IMPACT:**

No budget impact  
GDK

**RECOMMENDED CHANGES FOR ADMINISTRATIVE PRACTICES**

SCHEDULE OF RATES AND CHARGES  
BY NEVADA IRRIGATION DISTRICT

SCHEDULE 4-A  
EFFECTIVE APRIL 1, 2015

**TREATED WATER SYSTEM  
STANDBY CHARGES AND CONNECTION FEES**

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**STANDBY CHARGES** - \$6.00 per month for each parcel.

**CONNECTION FEES** Single family residence, ~~commercial, industrial, and municipal.~~

**\*\*DROP-IN TO AN EXISTING METER BOX AND WATER SERVICE LATERAL\*\***

----- Capacity Charge -----

	<u>Max Rated</u>	<u>Installation</u>	<u>Parcels in District</u>	<u>Parcels Annexed to</u>
<u>Meter Size</u>	<u>Capacity</u>	<u>Charge</u>	<u>Prior to 3/1/07</u>	<u>District after 3/1/07</u>
5/8"	20 gpm	581.00	\$9,516.00	\$12,762.00
3/4"	30 gpm	614.00	13,703.00	18,377.00
1"	50 gpm	654.00	24,360.00	32,672.00
1 1/2"	100 gpm	893.00	54,810.00	73,511.00
2"	160 gpm	1,071.00	97,440.00	130,686.00
Over 2"			DETERMINED BY DISTRICT	

**\*\*INSTALLATION REQUIRING TAP TO WATER MAIN\*\***

----- Capacity Charge -----

	<u>Max Rated</u>	<u>Installation</u>	<u>Parcels in District</u>	<u>Parcels Annexed to</u>
<u>Meter Size</u>	<u>Capacity</u>	<u>Charge</u>	<u>Prior to 3/1/07</u>	<u>District after 3/1/07</u>
5/8"	20 gpm	\$1,553.00	\$9,516.00	\$12,762.00
3/4"	30 gpm	1,589.00	13,703.00	18,377.00
1"	50 gpm	1,636.00	24,360.00	32,672.00
1 1/2"	100 gpm	2,831.00	54,810.00	73,511.00
2"	160 gpm	4,025.00	97,440.00	130,686.00
Over 2"			DETERMINED BY DISTRICT	

**CAPACITY FEES: COMMERCIAL, INDUSTRIAL, AND MUNICIPAL METERS, AND MULTIUNIT MASTER METERS**

Fees will be based on an engineering analysis of expected peak day water capacity provided by the developer's engineer. The District will review the report for acceptance. If accepted, the District will utilize the report to calculate capacity fees based on peak daily capacity in Equivalent Residential Units (5/8 inch meter). The 2014 Adopted Capacity Fee Study indicates a peak day capacity of 1,250 gpd per 5/8 inch meter or equivalent (p. 12). An example of a calculation is as follows:

Approved Master Meter Capacity by developers engineer is 6250 gpd  
 Equivalent ERU Calculation 6250 gpd /1250 gal per ERU = 5 ERU  
 Capacity Fee Calculation 5 ERU X \$9,516 / ERU = \$47,580 for capacity fees

SCHEDULE OF RATES AND CHARGES \_\_\_\_\_ SCHEDULE 4-A  
 BY NEVADA IRRIGATION DISTRICT \_\_\_\_\_ EFFECTIVE JANUARY 1, 2015

**TREATED WATER SYSTEM CONNECTION FEES – CONTINUED**

**MULTI-UNIT 2/ RESIDENTIAL DEVELOPMENT** for which a master meter is required.

<u>Meter Size</u>	<u>Connection Fees</u>
5/8"	\$ 581.00 + unit charge/unit
3/4"	614.00 + unit charge/unit
1"	654.00 + unit charge/unit
1 1/2"	893.00 + unit charge/unit
2"	1,071.00 + unit charge/unit
over 2	Actual cost of installation plus unit charge/unit

<u>Type Development</u>	<u>Unit</u>	<u>Unit charge</u>
Mobile Home Park	Pad	\$ 3,325.00
Apartments	Dwelling	4,658.00
Senior Apartments 3/	Dwelling	1,981.00
Motels, Hotels	Dwelling	2,178.00
Campgrounds	Pad	3,680.00
Hospitals	Licensed Bed	3,567.00
Convalescent Hospitals & Resthomes:		
Skilled nursing	Licensed Bed	2,109.00
Board and care	Licensed Bed	1,135.00

- 1/ Varies with type of development
- 2/ Multi-unit is defined as three or more.
- 3/ Proof must be provided that apartments are being developed under county ordinances relating to senior apartments or senior independent living centers.

## **Procedure for Capacity Fee Calculation (October 23, 2015)**

1. All requests for treated water meter service will be reviewed by Customer Service. Any water service request for commercial, industrial, municipal, or master metered facilities will be forwarded to the Business Services Technician (BST). Single family or multifamily requests with no accessory structure do not require review of the estimate of demand (EOD).
2. The BST will identify property that requires an EOD for the District.
3. A professional civil engineer hired by the person requesting service shall analyze the project for expected average day and peak day demand. The civil engineer shall use standard for the industry such as a Uniform Building Code, Metcalf & Eddy, 10 state standards, or wastewater analysis. The District will also consider a historical analysis of existing facilities.
4. The engineer shall sign and seal the analysis as a representative of the developer.
5. The analysis shall be provided to the BST for review by the Engineering Department.
6. The engineering department will review and approve an estimate or provide comments over clarity for input. Engineering staff will make every effort to review promptly.
7. Once approved, the engineering staff will indicate the number and size of water meters required for the specific project and provides the ERU calculation.
8. The BST will be provided the approved estimate demand for this facility. The BST will provide the cost estimate to connect to the Districts system to the developer.
9. The cost will be paid by the Developer before connection.