

Carson City Board of Supervisors approves water and sewer rate increase

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The Board of Supervisors Thursday voted to raise Carson City's water and sewer rates.

The proposal, based on a study of the current rates which have not changed since 2017, was to raise all water rates by 3 percent and waste water rates by 3.5 percent annually for five years in order to meet financial goals set for the utility funds and pay for needed capital improvement projects.

But, the supervisors decided it was important to move up plans to upgrade the Quill Water Treatment Plant in 2021 or 2022 rather than in 2024 or 2025.

The proposal to rehab the plant earlier could have precipitated a 4.5 percent rate hike, but the board directed staff to reduce spending on other projects or postpone them in order to keep the rate increase as close to 3 percent as possible.

"Do we have the bandwidth to do the line replacements or could we move some of that forward, reduce it by \$1 million?" in order to keep the rate increase lower, asked Supervisor Lori Bagwell.

Public Works was planning to spend \$2 million annually replacing aged and deteriorating water lines, but Darren Schulz, director, agreed the pipes could be replaced on a slower schedule in order to keep the rates lower.

If rates are increased 3 percent, the base rate for residential users will go from the current \$27.39 monthly fee to:

\$28.21 starting in July for fiscal year 2021

\$29.06 for 2022

\$29.93 for 2023

\$30.83 for 2024

\$31.79 for 2025.

The tiered volume rates per thousand gallons up to 5,000 gallons would go from \$1.76 to \$1.81, \$1.87, \$1.92, \$1.98 and \$2.04.

“I believe the Quill plant is a must do. Interest rates will only increase and by 2024 or 2025 we won’t be able to do it. Right now we can get as close as possible to free money,” based on current interest rates, said Supervisor Brad Bonkowski. “And 3 percent looks pretty simple to do by reducing the amount of pipeline replaced.”

Upgrading the Quill plant is important for several reasons. The plant is not equipped to treat water from Ash Creek or from Marlette Lake or Hobart Reservoir due to recent Environmental Protection Agency regulations. An upgrade would allow treatment and give the city more options for water, specifically surface water, which is less expensive to deliver than pumped groundwater.

At the same time, the city could be jeopardizing some water rights if it doesn’t take the water it cannot currently treat, and those rights could be snapped up by another entity.

“I think its important to do the plant and use the water,” said Supervisor Stacey Giomi. “Reno is trying to take Marlette water.”

The Marlette Lake Water System, run by the state of Nevada, had a budget shortfall after Carson City could no longer treat water from it due to new regulations.

In 2018, the state the began talking to Truckee Meadows Water Authority about an agreement for roughly 3,000 acre feet of water.

Last year, Carson City agreed to keep paying for the water in order to hold on to it and now the state, Carson City and TMWA are working on a new agreement that will presumably serve the needs of all three entities.

Several people spoke during public comment in opposition to the rate hikes, including Martin Snodgrass, who said he was speaking for several people on fixed incomes, and Nathaniel Killgore, a candidate for mayor.

Killgore said he saw the need to upgrade the plant, but wanted the rate increase, if necessary, to be lower.

At the same time, the board is funding a \$10,000 Utility Rate Payer Assistance Program to assist qualified low-income residents with their utility bills.

The waste water rates will go from \$40.45 monthly to \$41.87 in 2021, and \$43.33, \$44.85, \$46.42 and \$48.04 in subsequent years.

The board also approved increases based on either the consumer price index or a construction index starting after the five-year increases end.

Carson City's combined water and sewer rates, currently and as proposed in 2025, are lower than current rates in Dayton and Mound House, Douglas County, Fernley and Virginia City, and higher than rates in Fallon, Reno, and Sparks.

Marijuana retailers hours expanded

The board also voted to increase allowed hours of operation at the city's two marijuana retailers and dispensaries as recommended by the Planning Commission. The current hours are 7 a.m. to 8 p.m. and the new hours are 8 a.m. to 11 p.m.

The vote was 3-2 with Supervisors John Barrette and Bonkowski voting no.