



**TO:** Board of Directors  
**THRU:** Mark Foree, General Manager  
**FROM:** John Enloe, John Erwin and Scott Estes  
**DATE:** September 6, 2014  
**SUBJECT:** **Introduction and first reading of adoption of new Rate Schedules FRMSGID – Former STMGID Customer Rates**

**RECOMMENDATION**

Staff recommends the Board move to refer for a second reading the proposed adoption of a new rate schedule FRMSGID which establishes customer rates to be charged by TMWA to former STMGID customers following completion of the pending merger with Washoe County.

Possible Motion: “I move to refer the proposed adoption of a new rate schedule FRMSGID for a second reading and possible adoption.”

**INTRODUCTION**

In preparation for the merger of Washoe County Community Services Department Water Utility (“WCWU”) and the South Truckee Meadows General Improvement District (“STMGID”), staff is recommending changes to TMWA’s existing rules and rates, by:

Agenda Item 6.c.i. Amending:

1. Table of Contents
2. Introduction to the Rules
3. Rule 1 Definitions
4. Rule 5 Water System Facilities
5. Rule 7 Dedication of Water Resources and Will-Serve Commitments
6. Rule 9 Service Area Boundaries – Retail
7. Rate Schedule Large Volume Service (LVS)
8. Rate Schedule Firm Standby Partial Requirements (FSPR)

Agenda Item 6.c.i Repealing:

Rule 10 Service Area Boundaries - Wholesale

Agenda Item 6.c.ii Amending:

1. Rate Schedule Water System Facility Charges (WSF)

Agenda Item 6.c.iii Adopting:

1. Rule 10 Mt Rose-Galena Fan Domestic Well Mitigation Program

Agenda Item 6.c.iv Adopting:

1. Rate Schedule FRMSGID – Former South Truckee Meadows General Improvement District Rates and Charges

Agenda Item 6.c.v Adopting:

1. Rate Schedule FRMWC – Former Washoe County Water Utility Rates and Charges

**This Agenda item involves only Agenda Item 6.c.iv -- the proposed adoption of a new customer rate schedule applicable to what will be former STMGID customers, referred to as rate schedule FRMSGID.**

The proposed amendments are subject to successful merger. Staff proposes that these changes be adopted now, but that they not become effective until the closing of the Merger, anticipated to occur December 31, 2014. Board review, pursuant to the tentative calendar presented below will lead to final approval of the revisions on October 15, 2014, with the revisions becoming effective with the actual close of merger, assumed to be January 1, 2015.

## **DISCUSSION**

Pursuant to the terms of the December 11, 2013 Interlocal Agreement Governing the Merger of the South Truckee Meadows General Improvement District and TMWA (“Merger”), TMWA agreed to adopt and apply STMGID customer rates for the delivery of water service to what will be former STMGID customers following the Merger. The proposed schedule FRMSGID includes rates for all active, billing service sizes and is identical to the rates these STMGID customers are currently charged.

Under the ILA, the STMGID rates are to remain in effect until (1) a sale of transfer of the Customer’s premise, excluding any transfer which is exempt from transfer tax under State law; or (2) the first billing cycle of 2035, at which time these customers transfer over to TMWA rates. STMGID Customer rates are subject to adjustments from time to time in an amount equal to the percentage increase or decrease of customer charges, usage charges and/or usage tiers, as applicable, adopted by the TMWA Board on equivalent TMWA customer rates. Pursuant to the

ILA, STMGID agreed that STMGID Customers would be subject to the Right of Way toll imposed by City or County ordinance following the merger.

Public notices were filed on August 28, 2014. The proposed revisions were presented to the TMWA Standing Advisory Committee for review and comment on September 2, 2014. The SAC did not have comments at that time, but requested the proposed revisions be brought back to the SAC at its October meeting in the event the TMWA Board had revisions or direction for the SAC. Additional public workshops were held on September 8, 2014, but no members of the public attended or provided comments. The proposed rate has been provided to STMGID for review and STMGID had no comments or objections to the proposed language.

# SCHEDULE FRMSGID

**Truckee Meadows Water Authority**

**RATE SCHEDULES**

**FRMSGID- FORMER STMGID RATES AND CHARGES**

**APPLICABILITY**

Rates contained in this Rate Schedule FRMSGID are applicable solely to the delivery of water service to Premise(s) receiving water service from, and located within the former retail service area of, the South Truckee Meadows General Improvement District as of December 31, 2014, subject to the Special Conditions set forth below in this rate schedule.

**RATES**

***RFWSS*** – Residential Unmetered Water Service for Residential and Irrigation Service

Customer Charge per Billing Period

\$ 44.91 for a Service Connection

Late Charge

5% of any amount in arrears from previous billings.

Other Charges

As specified in Rate Schedule OC and applied to total bill.

***RMWSS*** – Residential Metered Water Service

Customer Charge per Billing Period

<u>Meter Size</u>	<u>Per Meter</u>
Up to 3/4"	\$ 9.49
1"	\$ 11.61
1 1/2"	\$ 16.47

Commodity Charge per 1,000 Gallons for each Tier per Billing Period

Less than 2"

Tier 1	0	to	6,000	\$1.36
Tier 2	6,001	to	20,000	\$1.80
Tier 3	20,001	to	40,000	\$2.21
Tier 4	40,001	to	65,000	\$2.58
Tier 5	>65,001	to		\$2.73

Late Charge

5% of any amount in arrears from previous billings.

Added: 01/01/2015

**Truckee Meadows Water Authority**

**RATE SCHEDULES**

**FRMSGID- FORMER STMGID RATES AND CHARGES**

Other Charges

As specified in Rate Schedule OC and applied to total bill.

**GMWSG – Governmental Metered Water Service**

Customer Charge per Billing Period

<u>Meter Size</u>	<u>Per Meter</u>
Up to 3/4"	\$ 9.49
1"	\$ 11.61
1 1/2"	\$ 16.47
2"	\$ 22.23
3"	\$ 39.39
4"	\$ 57.57
6"	\$108.25
8"	\$181.38
10"	\$274.47

Commodity Charge per 1,000 Gallons for each Tier per Billing Period

Less than 2" meter:

Tier 1	0	to	30,000	\$1.47
Tier 2	30,001	to	50,000	\$1.82
Tier 3	>50,000			\$2.62

2" and larger meters:

Tier 1	0	to	200,000	\$1.48
Tier 2	200,001	to	700,000	\$2.09
Tier 3	>700,000			\$2.98

Added: 01/01/2015

**Truckee Meadows Water Authority**

**RATE SCHEDULES**

**FRMSGID- FORMER STMGID RATES AND CHARGES**

**GMWSS – Commercial and Industrial Metered Service**

**Customer Charge per Billing Period**

<u>Meter Size</u>	<u>Per Meter</u>
Up to 3/4"	\$ 9.49
1"	\$ 11.61
1 1/2"	\$ 16.47
2"	\$ 22.23
3"	\$ 39.39
4"	\$ 57.57
6"	\$108.25
8"	\$181.38
10"	\$274.47

**Commodity Charge per 1,000 Gallons for each Tier per Billing Period**

Less than 2" meter:

Tier 1	0	to	20,000	\$1.41
Tier 2	20,001	to	40,000	\$1.57
Tier 3	>40,000			\$1.76

2" and larger meters:

Tier 1	0	to	70,000	\$1.36
Tier 2	70,001	to	275,000	\$1.60
Tier 3	>275,000			\$3.20

**Late Charge**

5% of any amount in arrears from previous billings.

**Other Charges**

As specified in Rate Schedule OC and applied to total bill.

Added: 01/01/2015

**Truckee Meadows Water Authority**

**RATE SCHEDULES**

**FRMSGID- FORMER STMGID RATES AND CHARGES**

***MISS*** – Commercial or Governmental Irrigation Metered Water Service

<u>Customer Charge per Billing Period</u>	
<u>Meter Size</u>	<u>Per Meter</u>
Up to 3/4"	\$ 8.71
1"	\$ 10.83
1 1/2"	\$ 15.69
2"	\$ 21.45
3"	\$ 38.61
4"	\$ 56.79
6"	\$107.47
8"	\$180.60
10"	\$273.69

Commodity Charge per 1,000 Gallons \$1.99

Late Charge

5% of any amount in arrears from previous billings.

Other Charges

As specified in Rate Schedule OC and applied to total bill.

***FPSS*** – Private Fire Protection Service

<u>Customer Charge per Billing Period</u>	
<u>Meter Size</u>	<u>Per Meter</u>
Up to 3/4"	\$ 0.37
2"	\$ 4.34
3"	\$ 12.61
4"	\$ 26.86
6"	\$ 78.04
8"	\$166.30
10"	\$299.07

**MINIMUM CHARGE**

The Minimum Charge for delivery of water service under any rate identified in this schedule shall consist of the sum of the Customer Charge, late charge, right-of-way toll, and regional water management fee per Billing Period.

Added: 01/01/2015

**Truckee Meadows Water Authority**

**RATE SCHEDULES**

**FRMSGID- FORMER STMGID RATES AND CHARGES**

**SPECIAL CONDITIONS**

1. Conversion From FRMSGID Rate. Upon the Conversion Date applicable to a Premise, Rate Schedule FRMSGID shall no longer apply to such Premise and the delivery of water service to such Premise shall thereafter be subject to and billed in accordance with rates for comparable class and service size under Rate Schedule RMWS, RFWS, MRFS, MRIS, MIS, GMWS, or FPS, as applicable. "Conversion Date" shall mean the earlier of:
  - (a) The date of recordation of a sale, transfer or conveyance of the Premise then subject to the FRMSGID Rate Schedule, excluding any conveyance which is exempt from real property transfer tax under NRS 375.090; or
  - (b) The first billing cycle in January 2035.
2. Conversion to Metered Rates. Upon any change in the billing Customer of record at an existing RFWSS service Premise, which change does not otherwise qualify as a Conversion Date, or upon the request of the Customer at the Service Property, the delivery of water service to the Premise shall thereafter be subject to the metered rate under Rate Schedule RMWSS. Upon and following a Conversion Date applicable to a RFWSS service Premise, the delivery of water service to such Premise shall thereafter be subject to and billed under Rate Schedule RMWS.
3. Installation of Meters. The Authority will install Meter Facilities as soon as practicable on any Unmetered Service Property subject to the FRMSGID Rate, with costs to be borne by the Authority in accordance with Rule 6.
4. Closed Tariff. Rate Schedule FRMSGID is closed and shall not be applicable to any applications for the delivery of water to a new service.

Added: 01/01/2015