

NOTICE BY THE CITY OF HENDERSON OF PROPOSED CHANGES TO UTILITY RATES, FEES AND CHARGES

The City of Henderson ("City" or "Henderson") is responsible for providing potable water, wastewater, raw water and reclaimed water services to residents and businesses within the City's service area. The City currently serves a population of approximately 332,000 residents, with approximately 103,000 customer accounts. The City operates and maintains an extensive water distribution system which delivers potable water from the Henderson Water Treatment Plant as well as Southern Nevada Water Authority (SNWA) treatment facilities. The City also operates and maintains a wastewater collection system and two reclamation facilities and delivers reclaimed water via a reclaimed distribution system for outdoor irrigation.

Pursuant to the Henderson City Council's ratemaking authority under Article II, Sections 2.270 and 2.280 of the Henderson City Charter, the City is proposing an average annual 3.0% rate increase for the years 2021 – 2025 to provide necessary utility services, maintain sufficient funds to cover operating and maintenance expenses and necessary capital improvements, and meet required debt service coverage for existing Utility Services Bonds. The effective increase January 1, 2021 is 0% and rate increases will begin January 1, 2022. For the 2021 – 2025 timeframe, the City is proposing to change utility rates, charges, and fees, within the City generally as follows:

- a. Rates, charges and fees for potable water, raw water, reclaimed water, and wastewater services will increase an average of 3.0%.
- b. Single-family residence and commercial potable water tier sizes for meters larger than a single-family residence $\frac{3}{4}$ " meter will be reduced by 10% annually to encourage conservation.
- c. Potable Water System Development Charges will increase \$100 per Equivalent Dwelling Unit for three consecutive years.
- d. Wastewater System Development Charges will increase \$135 per Equivalent Residential Unit for five consecutive years.

The current rates are in the column labeled "2021" and effective until December 31, 2021. The proposed rates are in the columns labeled "2022" through "2025" (effective January 1 of the particular year).

Monthly Water Service Charge - Metered Customers					
Meter Size	2021	2022	2023	2024	2025
Single Family Residential (SFR) $\frac{3}{4}$ " or less	\$13.47	\$14.21	\$14.85	\$15.52	\$16.22
Commercial 1" or less/SFR 1" and MFR	\$27.66	\$29.18	\$30.49	\$31.87	\$33.30
1 $\frac{1}{2}$ "	\$52.99	\$55.90	\$58.42	\$61.05	\$63.80
2"	\$82.41	\$86.94	\$90.85	\$94.94	\$99.22

3"	\$158.97	\$167.71	\$175.26	\$183.15	\$191.39
4"	\$253.15	\$267.07	\$279.09	\$291.65	\$304.77
6"	\$494.52	\$521.72	\$545.20	\$569.73	\$595.37
8"	\$794.75	\$838.46	\$876.19	\$915.62	\$956.82
10"	\$1,147.98	\$1,211.12	\$1,265.62	\$1,322.57	\$1,382.09
12"	\$1,689.59	\$1,782.52	\$1,862.73	\$1,946.55	\$2,034.15

Monthly Water Service Charge - Residential Fire Meters					
Meter Size	2021	2022	2023	2024	2025
3/4" (flow requirement 3/4")	\$13.47	\$14.21	\$14.85	\$15.52	\$16.22
1" (flow requirement 3/4")	\$13.47	\$14.21	\$14.85	\$15.52	\$16.22
1" (flow requirement 1")	\$27.66	\$29.18	\$30.49	\$31.87	\$33.30
1 1/2" (flow requirement 1")	\$27.66	\$29.18	\$30.49	\$31.87	\$33.30
1 1/2" (flow requirement 1 1/2")	\$52.99	\$55.90	\$58.42	\$61.05	\$63.80
2" (flow requirement 1 1/2")	\$52.99	\$55.90	\$58.42	\$61.05	\$63.80
2" (flow requirement 2")	\$82.41	\$86.94	\$90.85	\$94.94	\$99.22

Potable Water Volume Charge and Golf Course Irrigation Potable Water Volume Charge					
	Rate Per 1,000 Gallons				
Rate Block	2021	2022	2023	2024	2025
First	\$1.46	\$1.54	\$1.61	\$1.68	\$1.76
Second	\$2.30	\$2.43	\$2.54	\$2.65	\$2.77
Third	\$3.25	\$3.43	\$3.58	\$3.74	\$3.91
Fourth	\$5.07	\$5.35	\$5.59	\$5.84	\$6.10

Raw Water Volume Charge					
	Rate Per 1,000 Gallons				
Customer Class/Description	2021	2022	2023	2024	2025
All raw water customers	\$1.41	\$1.46	\$1.51	\$1.56	\$1.62

Reclaimed Water Volume Charge					
	Rate Per 1,000 Gallons				
Customer Class/Description	2021	2022	2023	2024	2025
All reclaimed water customers	\$1.20	\$1.24	\$1.29	\$1.33	\$1.38

Single Family Residential Potable Water Monthly Use Threshold						
		Avg. Monthly Use in 1,000 of gals (based on 30 day/month)				
Meter Size	Tier	2021	2022	2023	2024	2025
3/4" or less	First	6	6	6	6	6
	Next	10	10	10	10	10
	Next	14	14	14	14	14
	Over	30	30	30	30	30
1"	First	6	6	6	6	6
	Next	42	37	33	29	25
	Next	42	38	34	31	28
	Over	90	81	73	66	59
1 1/2"	First	6	6	6	6	6
	Next	67	60	53	47	42
	Next	67	60	54	49	44
	Over	140	126	113	102	92
2"	First	6	6	6	6	6
	Next	172	154	138	124	111
	Next	172	155	139	125	112
	Over	350	315	283	255	229

Commercial and Golf Course Potable Water Monthly Use Threshold						
		Avg. Monthly Use in 1,000 of gals (based on 30 day/month)				
Class/Meter Size	Tier	2021	2022	2023	2024	2025
5/8"	First	24	22	20	18	16
	Next	108	97	87	78	70
	Next	268	241	217	196	177
	Over	400	360	324	292	263
3/4"	First	24	22	20	18	16
	Next	108	97	87	78	70
	Next	268	241	217	196	177
	Over	400	360	324	292	263
1"	First	36	32	29	26	23
	Next	132	119	107	96	87
	Next	332	299	269	242	218
	Over	500	450	405	364	328

1 1/2"	First	72	65	58	52	47
	Next	384	345	311	280	252
	Next	944	850	765	689	620
	Over	1,400	1,260	1,134	1,021	919
2"	First	120	108	97	87	78
	Next	480	432	389	350	315
	Next	1,200	1,080	972	875	788
	Over	1,800	1,620	1,458	1,312	1,181
3"	First	180	162	146	131	118
	Next	870	783	704	634	570
	Next	2,150	1,935	1,742	1,568	1,412
	Over	3,200	2,880	2,592	2,333	2,100
4"	First	600	540	486	437	393
	Next	1,500	1,350	1,215	1,094	985
	Next	3,900	3,510	3,159	2,843	2,559
	Over	6,000	5,400	4,860	4,374	3,937
6"	First	960	864	778	700	630
	Next	2,520	2,268	2,041	1,837	1,653
	Next	6,520	6,868	7,181	7,463	7,717
	Over	10,000	10,000	10,000	10,000	10,000
8"	First	1,500	1,350	1,215	1,093	984
	Next	3,750	3,375	3,037	2,734	2,460
	Next	9,750	8,775	7,898	7,108	6,556
	Over	15,000	13,500	12,150	10,935	10,000
10"	First	3,000	2,700	2,430	2,187	1,968
	Next	4,500	4,050	3,645	3,280	2,952
	Next	12,500	11,250	10,125	9,113	8,202
	Over	20,000	18,000	16,200	14,580	13,122
12"	First	4,200	3,780	3,402	3,062	2,756
	Next	6,900	6,210	5,589	5,030	4,527
	Next	18,900	17,010	15,309	13,778	12,400
	Over	30,000	27,000	24,300	21,870	19,683

System Development Charges (SDC) Potable Water - Residential						
EDU %	Customer Class/Description	2021	2022	2023	2024	2025
1.0	Residential - Eight or fewer units per acre and mobile homes individually metered 1,2	\$1,600	\$1,700	\$1,800	\$1,900	\$1,900
0.60	Residential - More than eight units per acre, multi-family, mobile home estates & mobile home park 2	\$960	\$1,020	\$1,080	\$1,140	\$1,140

0.30	Hotel/Motel 2	\$480	\$510	\$540	\$570	\$570
0.40	Hotel/Casino 2	\$640	\$680	\$720	\$760	\$760
0.30	Recreational Vehicle Resort 2	\$480	\$510	\$540	\$570	\$570
1 Density determination shall be based on the units per acre as reflected on the approved tentative map.						
2 Fee is calculated based on each dwelling unit, space, or meter size, whichever is greater. If based on meter size, all charges shall be made in accordance with the "commercial and industrial" table.						

System Development Charges (SDC) Potable Water - Commercial and Industrial

(includes commercial, industrial, fraternal organizations, recreational vehicle parks, public facilities, and schools)

When a combination fire and domestic systems is utilized the fees shall be based on a) the size of the domestic meter, b) the size of the meter that would be required in order to accommodate all non-fire flow demands, or c) the AWWA Standards for sizing meters or other nationally recognized method as approved by the Director.

Meter Size	2021	2022	2023	2024	2025
3/4"	\$1,600	\$1,700	\$1,800	\$1,900	\$1,900
1"	\$2,672	\$2,839	\$3,006	\$3,173	\$3,173
1 1/2"	\$5,328	\$5,661	\$5,994	\$6,327	\$6,327
2"	\$8,528	\$9,061	\$9,594	\$10,127	\$10,127
3"	\$18,672	\$19,839	\$21,006	\$22,173	\$22,173
4"	\$33,600	\$35,700	\$37,800	\$39,900	\$39,900
6"	\$74,672	\$79,339	\$84,006	\$88,673	\$88,673
8"	\$128,000	\$136,000	\$144,000	\$152,000	\$152,000
10"	\$202,672	\$215,339	\$228,006	\$240,673	\$240,673
12"	\$266,672	\$283,339	\$300,006	\$316,673	\$316,673

System Development Charges (SDC) Wastewater

ERU%	Customer Class/Description	Billing Unit (each)	2021	2022	2023	2024	2025	2026
1	Bar/taverns (with food sales)	fixture	\$1,800	\$1,935	\$2,070	\$2,205	\$2,340	\$2,475
0.65	Bar/taverns (without food sales)	fixture	\$1,170	\$1,258	\$1,346	\$1,433	\$1,521	\$1,609
0.25	Beauty/barber/nail/day spa/spa shop	fixture	\$450	\$484	\$518	\$551	\$585	\$619
0.65	Car wash (with water recycling facilities)	fixture	\$1,170	\$1,258	\$1,346	\$1,433	\$1,521	\$1,609
1	Car wash (without water recycling facilities)	fixture	\$1,800	\$1,935	\$2,070	\$2,205	\$2,340	\$2,475
1.5	Casino	fixture	\$2,700	\$2,903	\$3,105	\$3,308	\$3,510	\$3,713
0.1	Care Center/Child Adult	student	\$180	\$194	\$207	\$221	\$234	\$248

0.5	Church	fixture	\$900	\$968	\$1,035	\$1,103	\$1,170	\$1,238
0.75	Convalescent/assisted living facilities/rehab center (rooms only)	bed	\$1,350	\$1,451	\$1,553	\$1,654	\$1,755	\$1,856
0.75	Convalescent/assisted living facilities/rehab center (fixtures outside rooms)	fixture	\$1,350	\$1,451	\$1,553	\$1,654	\$1,755	\$1,856
0.25	Dental	fixture	\$450	\$484	\$518	\$551	\$585	\$619
1	Dry cleaner	fixture	\$1,800	\$1,935	\$2,070	\$2,205	\$2,340	\$2,475
0.65	Food sales (without cooking facilities)	fixture	\$1,170	\$1,258	\$1,346	\$1,433	\$1,521	\$1,609
1.2	Hospital (rooms only)	bed	\$2,160	\$2,322	\$2,484	\$2,646	\$2,808	\$2,970
1.5	Hotels/motel (fixture outside of rooms)	fixture	\$2,700	\$2,903	\$3,105	\$3,308	\$3,510	\$3,713
0.6	Hotel/motel (rooms only)	room	\$1,080	\$1,161	\$1,242	\$1,323	\$1,404	\$1,485
0.45	Laundromat	fixture	\$810	\$871	\$932	\$992	\$1,053	\$1,114
0.45	Maintenance/repair	fixture	\$810	\$871	\$932	\$992	\$1,053	\$1,114
0.25	Medical/dental (physician on staff)	fixture	\$450	\$484	\$518	\$551	\$585	\$619
0.65	Miscellaneous business not separately rated	fixture	\$1,170	\$1,258	\$1,346	\$1,433	\$1,521	\$1,609
1	Mobile home estates & mobile home park	dwelling unit, lot, space	\$1,800	\$1,935	\$2,070	\$2,205	\$2,340	\$2,475
0.7	Multi-family residential	dwelling unit	\$1,260	\$1,355	\$1,449	\$1,544	\$1,638	\$1,733
0.45	Office/warehouse	fixture	\$810	\$871	\$932	\$992	\$1,053	\$1,114
0.25	Pet grooming	fixture	\$450	\$484	\$518	\$551	\$585	\$619
0.65	Public facility	fixture	\$1,170	\$1,258	\$1,346	\$1,433	\$1,521	\$1,609
0.6	RV Space	dwelling unit, lot, space	\$1,080	\$1,161	\$1,242	\$1,323	\$1,404	\$1,485
0.6	RV non-space fixtures	fixture	\$1,080	\$1,161	\$1,242	\$1,323	\$1,404	\$1,485
1.33	Restaurant (sit down service) See note below	fixture	\$2,394	\$2,574	\$2,753	\$2,933	\$3,112	\$3,292
1	Restaurant (carry out only) See note below	fixture	\$1,800	\$1,935	\$2,070	\$2,205	\$2,340	\$2,475
0.65	Retail sales (including markets, shopping centers)	fixture	\$1,170	\$1,258	\$1,346	\$1,433	\$1,521	\$1,609
0.1	School (public or private)	student	\$180	\$194	\$207	\$221	\$234	\$248
0.65	Service station	fixture	\$1,170	\$1,258	\$1,346	\$1,433	\$1,521	\$1,609
1	Single family residence	dwelling unit	\$1,800	\$1,935	\$2,070	\$2,205	\$2,340	\$2,475
0.25	Tanning salon	fixture	\$450	\$484	\$518	\$551	\$585	\$619
0.45	Theater	fixture	\$810	\$871	\$932	\$992	\$1,053	\$1,114
0.7	Townhouse, condominium	dwelling unit	\$1,260	\$1,355	\$1,449	\$1,544	\$1,638	\$1,733
0.25	Veterinarian	fixture	\$450	\$484	\$518	\$551	\$585	\$619

Restaurant Categories: Sit down service shall refer to all restaurant establishments that employ waiters/waitresses to serve customers in a seating environment. Carry out service shall refer to all restaurant establishment whose primary business operation caters to take home business and that do not employ waiters/waitresses to service customers.

Student count figures include all full and part time students and shall be based on the maximum enrollment anticipated for each respective school. Such figures shall be verified by the City on an annual basis. At the sole discretion of the Director, additional SDC's may be applied.

All fee assessments shall be based on one of the customer classifications listed in the table above. However, where shared facilities are being proposed, the rate assessed for those fixtures shall be based on the highest possible ERU percentage for that facility. The Director reserves the right to determine the appropriate customer class to apply. Such determination shall be deemed final, with all SDC's assessed and collected accordingly.

Large commercial and/or industrial customers with estimated peak wastewater flows over one hundred thousand gallons per day (GPD) shall have the initial system development charge (SDC) based on wastewater flows for the estimated peak day times three hundred sixty-five days to determine the estimated annual peak wastewater flows. The estimated annual peak wastewater flows shall be divided by ninety thousand gallons to determine the estimated ERUs. The estimated ERUs shall be multiplied by the single-family resident ERU rate to derive the customer's initial SDC. The method of estimating peak wastewater flows shall be determined by the Director.

Formula:

$$\begin{aligned} \text{Estimated peak wastewater GDP} \times 365 \text{ days} &= \text{Estimated annual peak wastewater flows} \\ \text{Estimated annual peak wastewater flows} \div 90,000 \text{ gallons} &= \text{Estimated ERUs} \\ \text{Single-family ERU rate} \times \text{estimated ERUs} &= \text{Total initial wastewater SDC} \end{aligned}$$

The Convalescent/assisted living facilities/rehab category is used when a nurse is on staff to assist with basic and/or medical needs of a patient or occupant. The hospital category is used when a doctor is on staff and medical professionals are there to help with every need of a patient.

The Dry Cleaner category is used when dry cleaning and/or washing of clothing takes place at that location. The Laundromat category is used for self-serve coin operated washers and dryers.

Wastewater Service Charges Residential Units

Customer Class/Description	2021	2022	2023	2024	2025
Single Family Residential (per dwelling unit)	\$25.78	\$26.30	\$26.82	\$27.36	\$27.91
Mobile Home Estates (per mobile home)	\$25.78	\$26.30	\$26.82	\$27.36	\$27.91
Apartment House (per apartment house)	\$20.98	\$21.40	\$21.83	\$22.26	\$22.71
Multiple-Family (per unit)	\$20.98	\$21.40	\$21.83	\$22.26	\$22.71
Mobile Home Park (per mobile home)	\$17.98	\$18.34	\$18.71	\$19.08	\$19.46
Senior/Disability	\$20.93	\$21.35	\$21.78	\$22.21	\$22.66

Wastewater Usage and Service Charges Commercial and Industrial

Description	2021	2022	2023	2024	2025
Basic Service Charge	\$4.85	\$4.95	\$5.05	\$5.15	\$5.25
User Charge per 1,000 Gallons of Flow	\$2.36	\$2.41	\$2.46	\$2.50	\$2.55

The City will make the following information available at www.cityofhenderson.com/utilityrate: a copy of this notice; depiction of the City service area Department of Utility Services (DUS) budget; Adopted Capital Improvement Plan (DUS pages only); and, estimated impact on sample customer categories.

Interested persons, including trade associations and owners and officers of businesses that are likely to be affected, may submit data and arguments to the City as to whether the proposed increase of rates, charges and fees will:

1. Impose a direct and significant economic burden upon a business; or
2. Directly restrict the formation, operation, or expansion of a business.

The deadline for the City to receive responses to this Notice is 5:00 pm Pacific time on Thursday, June 3, 2021. City staff will use the responses received by the deadline to prepare a Business Impact Statement that will be presented to the Henderson City Council at a regularly scheduled meeting.

Responses must be submitted in writing to City of Henderson, Department of Utility Services, using one of the contact methods below, and must arrive and be received by the City no later than 5:00 pm Pacific time on Thursday, June 3, 2021.

Comments via City of Henderson website:

www.cityofhenderson.com/utilityrate



Comments via mail or other delivery service:

City of Henderson
Department of Utility Services
ATTN: Vicki L. White, Utility Administrative Services Manager
240 Water Street
P.O. Box 95050
MSC 124
Henderson, NV 89009-5050

Comments via Email:

Vicki.White@cityofhenderson.com