

HMC 14.18.045 - West Henderson Phase 1 Water Backbone Infrastructure Rates

- A. Planning and design of water backbone infrastructure for the West Henderson 2630 Pressure Zone and the West Henderson 2760 Pressure Zone, construction of that infrastructure, financing of that construction, and phasing of that construction are required to support water service to existing and future developments in the West Henderson area. The director has the right to determine the size and capacity of the water backbone infrastructure, phasing of construction of the water backbone infrastructure, and method of financing the construction, taking into account projected service needs of the West Henderson area served and the need for the orderly and efficient development of the city's public infrastructure system. The West Henderson 2630 Pressure Zone ("2630 PZ") and the West Henderson 2760 Pressure Zone ("2760 PZ") are located in West Henderson. A depiction of the 2630 PZ and the 2760 PZ is in the department service rules.
- B. The rate charged to projects that the city determines will receive a benefit from the water backbone infrastructure planned, designed, constructed, and/or financed for a portion of the 2630 PZ as part of phase 1 is referred to as the "phase 1A 2630 PZ water infrastructure rate." The rate charged to projects that the city determines will receive a benefit from a portion of the pipelines that are a part of the water backbone infrastructure planned, designed, constructed, and/or financed for the 2630 PZ as part of phase 1 is referred to as the "phase 1B 2630 PZ water infrastructure rate." The rate charged to projects that the city determines will receive a benefit from water backbone infrastructure planned, designed, constructed, and/or financed for a portion of the 2760 PZ as part of phase 1 is referred to as the "phase 1A 2760 PZ water infrastructure rate." The rate charged to projects that the city determines will receive a benefit from a portion of the pipelines that are a part of the water backbone infrastructure planned, designed, constructed, and/or financed for the 2760 PZ as part of phase 1 is referred to as the "phase 1B 2760 PZ water infrastructure rate." These rates are addressed in this section 14.18.045. The phase 1A 2630 PZ water infrastructure rate, phase 1B 2630 PZ water infrastructure rate, phase 1A 2760 PZ water infrastructure rate, and the phase 1B 2760 PZ water infrastructure rate (collectively, "WH phase 1 rates") shall be in addition to system development, regional connection, and other applicable charges for water service.
- C. Effective January 9, 2017, all new projects that the city determines will receive a benefit from existing or future water backbone infrastructure planned, designed, constructed, and/or financed for the 2630 PZ or for the 2760 PZ shall be charged and pay the phase 1A 2630 PZ water infrastructure rate, phase 1B 2630 PZ water infrastructure rate, phase 1A 2760 PZ water infrastructure rate, and/or the phase 1B 2760 PZ water infrastructure rate, as the city determines is appropriate. The amount(s) charged shall be based upon the total EDUs proposed for the project, as reflected in the civil improvement plans for the project approved by the city, and the rate(s) used will be the one(s) in effect on the date the city processes the building permit for the project or, if a project is not required to obtain a building permit from the city, at the rate in effect on the date the city approves the civil improvement plans for the project.
- D. Any project that was initiated at the city before January 9, 2017 and whose approval was conditioned on city being paid the rate(s) established or other amount charged by the city for existing or future water backbone infrastructure planned, designed, constructed, and/or financed for the 2630 PZ or for the 2760 PZ shall be charged and pay the phase 1A 2630 PZ water infrastructure rate, phase 1B 2630 PZ water infrastructure rate, phase 1A 2760 PZ water infrastructure rate, and/or the phase 1B 2760 PZ water infrastructure rate, as the city determines is appropriate. The amount(s) charged shall be based upon the total EDUs proposed for the project, as reflected in the civil improvement plans for the project approved by the city, and the

rate(s) used will be the one(s) in effect on the date the city processes the building permit for the project or January 9, 2017, whichever is later.

- E. Effective January 9, 2017, all projects that proceed with additional improvements to a property that result in an increase in water usage above the usage previously proposed – as reflected in the civil improvement plans, in the building permit or by other means of receiving city approval for such additional improvements – and that the city determines will receive a benefit from existing or future water backbone infrastructure planned, designed, constructed, and/or financed for the 2630 PZ or for the 2760 PZ shall be charged and pay the phase 1A 2630 PZ water infrastructure rate, phase 1B 2630 PZ water infrastructure rate, phase 1A 2760 PZ water infrastructure rate, and/or the phase 1B 2760 PZ water infrastructure rate, as the city determines is appropriate. Whether there is an increase in water usage shall be determined by the director in his or her sole discretion. The rate(s) charged shall be based upon the increase in total additional EDUs associated with the property improvements and at the rate in effect on the date the city processes the building permit for the proposed improvements or, if a project is not required to obtain a building permit from the city, at the rate in effect on the date the city approves the civil improvement plans for the proposed improvements or provides its approval of the additional improvements by other means.
- F. As provided for in this title, Equivalent Dwelling Unit (EDU) is defined as “a measure of water demand equivalent to the amount of water [use] generated ... annually by an average single-family residential dwelling unit. One EDU is equivalent to 0.75 acre-feet of water per year.” For the purpose of calculating the total EDUs attributable to each project being assessed a rate under this Section, the EDU calculation table in section 14.18.045.K shall apply.
- G. The initial phase 1A 2630 PZ water infrastructure rate shall be \$3,151 per EDU. The initial phase 1B 2630 PZ water infrastructure rate shall be \$558 per EDU. The initial phase 1A 2760 PZ water infrastructure rate shall be \$5,293 per EDU. The initial phase 1B 2760 PZ water infrastructure rate shall be \$1,086 per EDU. Initially, these rates have been based upon estimated costs for the city to fund the planning, design, construction, and/or financing of the phase 1 water infrastructure for the 2630 PZ and the 2760 PZ. The city manager may adjust each rate once each calendar year by an amount that (1) for the phase 1A 2630 PZ water infrastructure rate, is no more than five percent (5%) of the phase 1A 2630 PZ water infrastructure rate in effect the immediately preceding period; (2) for the phase 1B 2630 PZ water infrastructure rate, is no more than five percent (5%) of the phase 1B 2630 PZ water infrastructure rate in effect the immediately preceding period; (3) for the phase 1A 2760 PZ water infrastructure rate, is no more than five percent (5%) of the phase 1A 2760 PZ water infrastructure rate in effect the immediately preceding period; and (4) for the phase 1B 2760 PZ water infrastructure rate, is no more than five percent (5%) of the phase 1B 2760 PZ water infrastructure rate in effect the immediately preceding period. The city will identify the then-current phase 1A 2630 PZ water infrastructure rate, the then-current phase 1B 2630 PZ water infrastructure rate, the then-current phase 1A 2760 PZ water infrastructure rate, and the then-current phase 1B 2760 PZ water infrastructure rate in the department service rules. Unless otherwise approved in writing by the director at his or her sole discretion, the rate(s) assessed shall be paid to the city at the earliest of the following times: when the city issues a building permit; prior to issuance of a certificate of occupancy; or prior to commencement of temporary or permanent water service.
- H. For five (5) years after a certificate of occupancy is issued for a project or an improvement is made to a project, the city has the right to audit that project to confirm that the project’s average annual water usage is substantially the same as the total EDUs proposed for the project or project improvement. If the city determines the project is using more EDUs than proposed, the city may

require the original developer of the project or project improvement, as applicable, to pay the difference between the total EDUs charged the project and total EDUs actually used at the property at the phase 1A 2630 PZ water infrastructure rate, phase 1B 2630 PZ water infrastructure rate, phase 1A 2760 PZ water infrastructure rate, phase 1B 2760 PZ water infrastructure rate, as appropriate, in effect on the date the city prepares a bill for the additional payment.

- I. If the phase 1A 2630 PZ water infrastructure rate, phase 1B 2630 PZ water infrastructure rate, phase 1A 2760 PZ water infrastructure rate, or the phase 1B 2760 PZ water infrastructure rate is adjusted after the city receives a payment, the city is not obligated to true-up the payment received or to refund/collect any difference.
- J. If a customer requests to design, construct, and pay for all or a portion of the phase 1 water backbone water infrastructure for the 2630 PZ and/or for the 2760 PZ , the city may enter into a special refunding agreement acceptable to the city and in accordance with applicable provisions in section 14.16.050 that provides for repayment of a portion of those costs from WH phase 1 rates collected, or to be collected, by the city from customers that will receive a benefit from existing or future water backbone infrastructure planned, designed, constructed, and/or financed for the 2630 PZ or for the 2760 PZ.
- K. EDU calculation table

EDU Calculation Table	
Type of Development	EDU Calculation Factor
Low Density Single-Family Residential: RS-1 and RS-2	1.5 EDU/lot
Low Density Single-Family: RS-4, RS-6, RS-8, and RMH	1.0 EDU/lot
Medium-Density Residential: RM-10 and RM16	0.81 EDU/unit
Medium-Density Residential and High-Density Multifamily Residential: RH-24 and RH-36	0.51 EDU/unit
Commercial and Industrial ⁽¹⁾	0.78 gpm/EDU ⁽²⁾
<p>Notes:</p> <p>(1) Commercial and Industrial includes all non-residential, mixed-use, and special-purpose districts, including, but not limited to, schools, churches, public facilities, recreational vehicle parks, convalescent/assisted living facilities, etc.</p> <p>(2) EDU calculation factor for Commercial and Industrial shall be based upon the total estimated maximum day demand for the project, in gallons per minute (gpm), based upon the formula of 1 EDU = 0.78 gpm. See example provided below.</p> <p>Example: Project A Average day demand = 216,000 gallons = 150 gpm Maximum day demand = 367,200 gallons = 255 gpm Total EDUs = (255 gpm) x (1 EDU/0.78 gpm) = 327 EDUs</p>	