

Big Bend Water District

Public Comment on Proposed Service Rules

December 31, 2009

Various comments received concerning the Big Bend Water District's proposed Service Rules have been consolidated below into this single document. Comments were received electronically via e-mail, as well as hard copy comments provided to staff from many residents in Laughlin.

Each comment below is identified with the individual's name from whom the comment was submitted. Most of the comments below are listed by the section to which they refer.

Staff would like to thank all Laughlin residents that have participated in this process.

Section: Definitions

BBWD Master Plan (“Master Plan”) definition has been deleted, but is later referred to as the basis for the Service Area (Sect 12.2) and seems it should be a basis for determining future Laughlin water infrastructure capital expenditures and “Expansion of Facilities – BBWD Financing” (Sect 12.8) – is the Master Plan an integral part of this process and, if so, has it been (will it be) updated to reflect future Laughlin (including South Laughlin) growth goals and objectives?

Submitted by: Bob Bilbray

Response: Corrected. The reference to Master Plan has been removed from the Definitions, as well as Section 12.2. The LVVWD and BBWD will ensure orderly expansion of the water system to support new developments and new customers, as well as existing customers. The LVVWD has been developing an infrastructure plan with emphasis on correcting issues to improve the reliability of the existing water system. Facilities for proposed development have also been evaluated. Staff has obtained input from the Town Manager's office, reviewed land use plans, and obtained information regarding known development proposals from developers. This is not a static plan and must be fine-tuned as information regarding a proposed development and/or changes in land use are refined and identified. Changes in land use and associated water demands will impact the sizing of these facilities.

Drought/Emergency Management Plan has been deleted, but replaced with Section 11 (“Conservation”) that is generally the same as LVVWD Rules – seems reasonable.

Submitted by: Bob Bilbray

Response: Staff concurs.

WCU definition is deleted, since Water Connection Units are no longer a basis for Laughlin connection fees – now based on meter size, like LVVWD Rules – see Connection Fee comments below.

Submitted by: Bob Bilbray

Response: See System Development Charge response.

As a last question, you do not define in your definition section a “non-residential” client. Could you define this for me?

Submitted by: Fred Doten

Response: These terms were created prior to the LVVWD assuming operation of the BBWD. In the case where a unit is used for residential living but it is served by a "master meter" (a single meter serving multiple units) it is currently considered Non-Residential.

Examples: Duplex, Townhome, Apartment, Condo, Mobile Home

In addition, Non-Residential refers to all commercial properties, non-residential living,

Examples: Hotels, Government, HOA's, Hydrants

Section 1: Water Commitment

“Water Commitment” section added from LVVWD Rules, in lieu of the former “Will-Serve Letter,” requires Developer’s financial commitment -- \$5,500 per acre-foot projected “water use” for residential development, and bonding (per permit process) for non-residential – water use based on allowable densities and uses permitted in zoning district, at LVVWD sole determination – seems like an added Developer burden, based on allowable, not actual/approved use/density and related water needs.

Submitted by: Bob Bilbray

Response: The water commitment process is intended to allocate water resources to projects that are actively moving forward. The commitment process prevents developers that do not have a development plan, the financial resources, or development timeline from tying up water resources indefinitely. Projects receive a water commitment by demonstrating that the necessary resources are available to develop the project. Many new improvements commonly required for new development may be used to satisfy the \$5,000 per acre-feet financial commitment (not \$5,500), including street, water line, drainage, traffic and sewer improvements; site grading; foundation or vertical construction of buildings; and construction and dedication of recreational or community amenities.

Water use in acre-feet is determined based on allowable uses in order to prevent a developer from attempting to obtain a water commitment for higher density than allowed and tying up water resources, or for densities and uses far lower than allowable, thus circumventing the financial commitment requirement. In reality, most development is well defined prior to contact with the water district, and water commitments are generally based on actual development plans.

Section 2: Conditions of Service

Ground water conservation “is an integral component of the BBWD’s *long range water resource plan*”
– *what/where is the plan?*

Submitted by: Bob Bilbray

Response: Corrected. The references to above will be deleted, as will Sections 1.3 and 1.5, as they do not apply to Laughlin or the Big Bend Water District.

More precisely define the phrase “all reasonable hours,” for example between the hours of x and y, Monday to Friday, holidays excepted.

Please define much more clearly “any purpose related to the furnishing of service”. I could drive a legal truck through this and I think it is the single most disturbing phrase in this proposal among ardent property rights activists. The phrase “protection of water quality” could also be better clarified. “Elastic clauses” are not a favorite of constitutionalists by any means and these phrases, look, walk, talk and smell like just that.

Explicitly state that employees are not authorized to utilize prescriptive easement if it is not necessary to accomplish their jobs.

Submitted by: Jordan Ross

Response: Corrected. This section has been updated. The revised language identifies the type of work that would be conducted during normal working hours or emergencies, clarifies that prescriptive easements are not intended, and requires coordination with the customer when possible.

Former rules required BBWD to deliver water within acceptable pressure range to customer – has been deleted. This is currently a major concern to long term customers (such as Laughlin Bay Village) where excess pressure is being delivered and many fixtures and pipe failures have been reported with damages. What is BBWD responsibility now?

Submitted by: Dick McCall

Response: In the Section 2 introduction, as well as Section 2.1, there is reference to water pressure. Pressures may vary throughout the BBWD system. The UDACS identifies that static water pressure is at acceptable pressures between 45 and 95 psi. If pressures exceed 80 psi, it is the developer or property owner's responsibility to install an on-site pressure reducing valve as per Uniform Plumbing codes.

Section 6: Service Connections

Rules do not reflect public hydrants on private property – recently acknowledged by BBWD. (These were also inconsistent with former rules).

Submitted by: Dick McCall

Response: Moving forward, public hydrants will not be located on private property. As such, private hydrants are subject to metering and billing based on use. Private hydrants are not maintained by BBWD and are the responsibility of the property owner.

Backflow Assemblies -- Needs further explanation. Was not in former rules, but were customer's responsibility, including purchase, installation, inspection, replacement, etc. Now BBWD is taking responsibility and charging an on-going fee. Does it generate a profit?

Submitted by: Dick McCall

Response: Backflow assemblies are in the current BBWD service rules, and are stipulated to be owned and maintained by the property owner.

The proposed BBWD service rules allow existing backflow assembly owners to continue to own these facilities, if they chose to do so. However, property owners that would like to reduce their responsibility for the maintenance and annual testing of these devices may do so by turning their assemblies over to the BBWD for ownership and maintenance. These property owners would be required to provide a permanent easement for the assembly. The property owner will be subject to a daily service charge, which will cover annual testing by BBWD, maintenance, assembly replacement and administration. There is no profit generated by these actions.

Owners that do not want to turn over their assemblies to the BBWD will continue to be subject to annual mandatory testing, as required by NAC 445A, as referenced in the proposed BBWD service rules.

Section 8: Service Rates, Charges, Fees, Refunds and Deposits

Generally, these charges have been reformatted to reflect LVVWD Rules, and in some cases significantly increased – *while understandably not part of the actual BBWD Rules, an explanation and justification of the basis and amounts of these charges should be part of the community information base before such significantly increased charges are adopted – some analysis is needed to determine the overall cost impact of all these new charges.*

Submitted by: Bob Bilbray

Response: Additional fees and charges which did not previously exist have been added. Some of these fees and charges benefit of the customer or developer and include 8.4 Backflow Service Charge, 8.15 Frontage Connection Charges 8.17 Oversizing Charge, and 8.19 Charge for BBWD Installation of Meters. Many of the charges related to developers will fund additional infrastructure expansion, which may be necessary to support new developments.

System Development Charge (Sect 8.1.d) equivalency for current WCU-based charges is converted from AWWA water meter table, apparently related to water usage – how was this determined?

Submitted by: Bob Bilbray

Response: The current service rules concept of Water Connection Unit (WCU) is common from a wastewater approach, but for potable water the common approach is based on meter size. The current service rules state a single family residence is equal to one WCU. Almost all single family residences in Laughlin are 5/8" meter size services. The proposed service rules make a 5/8" meter size the same cost as the existing WCU at \$2,050. Larger meter sizes are priced based on the American Water Works Association (AWWA) meter equivalencies, as published by that organization. Meter equivalency refers to the amount of water that can pass through a particular service size relative to a 5/8" service size.

The larger the meter, the more water that can pass through it; therefore, it places more demand on the water system and it should cost more to connect to the system. In a sense, the developer is purchasing capacity in the system to support its development's water demands.

A 3" water meter has 16 times the capacity as a 5/8" water meter. Therefore, under the proposed service rules it will cost 16 times more to connect this size meter to the water system or \$32,800. This example assumes that the cost for the system development charge remains unchanged for a 5/8" equivalent water meter.

then they are increased by nearly 100% over 1-3 years (Sect 8.16) -- *what is the basis for such increase?*

Submitted by: Bob Bilbray

Response: New water customer growth was modeled at 1.5 percent per year from 2009 to 2034 which indicated \$4.8 million of new facilities would need to be constructed to support the expansion of the water system. However, based on the Laughlin Town Advisory Board's recommendation, the LVVWD has reevaluated the need for such a large increase to developer fees.

It was determined that the necessary funding derived from the developer fees could be obtained by implementing a smaller increase. Therefore, the proposed change in fees would increase from \$2,050 for a 5/8" equivalent meter to \$3,000 in 2013. This increase to the developer's connection fee (also referred to as the system development charge) would require, however, that water rates increase by approximately 1 percent in 2016. Additional rate increases would follow in subsequent years. This option was supported by the Laughlin Town Advisory Board's Public Works Committee on November 17, 2009.

The LVVWD also proposed a second option that would reflect no increase to the developer's connection fee (system development charge) – it would remain \$2,050 per 5/8" equivalent meter. However, water rates would need to increase by approximately 5 percent in 2016 with additional rate increases in subsequent years. Either scenario would provide the necessary funding to support future growth in Laughlin at 1.5 percent per year.

Under each of these scenarios, however, water rates would need to increase in the future to help subsidize the expansion of the water system – existing BBWD customers would subsidize growth.

is this the proper time to further burden Laughlin development potential?

Submitted by: Bob Bilbray

Response: Staff concurs; therefore, any proposed increases to the system development charge would not take effect until 2013.

given the new Laughlin development anticipated/anticipatable the 1-3 year issue may be somewhat mute, but in these economic times, later seems better from a Developer's due diligence perspective.

Submitted by: Bob Bilbray

Response: Staff concurs; therefore, any proposed increases to the system development charge would not take effect until 2013.

Water Rate (Sect 8.1.d) increases of 9%-11% over 1-3 years seems more reasonable, assuming the current charges are appropriate – *still the basis should be provided in this “new beginning” context – and, in these economic times, later seems better, from a Homeowner's expense and Developer's due diligence perspective.*

Submitted by: Bob Bilbray

Response: The current BBWD water rates are at a level that pays for the annual operating expenses of the system without currently providing any surplus funds. The BBWD system currently has less than \$9 million in available funds and about \$11.7 million of necessary improvements to make to the current water system. Based on feedback from the Laughlin Town Advisory Board and the Laughlin community, the LVVWD has revised potential options for developer connection fees and water rates. Those options are outlined in the responses above.

Private Fire Service (Sect 8.2) Water Rates increased by 25% by Tier 2 rates in lieu of previously used Tier 1 rates – *is this appropriate/necessary?*

Submitted by: Bob Bilbray

Response: Private fire service is only to be used to test a fire system or to actually fight a fire. Water is not to be consumed through a private fire service for any other reason. The amount of water used for testing is small and actual fire fighting is very infrequent. The District has found a higher water rate effectively discourages abusive water consumption through a fire service.

Frontage Connection Charges (Sect 8.16) of \$17 per front foot (same as LVVWD Rules) were added – *what is the basis of this front-foot charge and should it really be the same as Las Vegas?*

Submitted by: Bob Bilbray

Response: Because the LVVWD does not pioneer water mains, developers are responsible to install what is needed to serve their projects. The development community asked the LVVWD to provide some recognition of this risk of development. Costs of the installation of water main in unimproved land were evaluated. A developer that installs a new water main has the potential to be reimbursed \$17 per linear foot of water main that fronts adjacent property on both sides of the new water main.

This cost is reevaluated as necessary; however, it is important to keep in mind that the refund potential should not be enough to inspire excessive risk-taking by a developer, nor should it be a means for the developer to recover a total investment in a water main

installation. It does provide some reimbursement to the developer that installed the water main, reducing some of the risk. Furthermore, only the developers connecting to a main will pay the frontage connection charge. Payment is made via the application process.

General -- Fees and Charges Effective June 30, 2010 – Should be no hurry to approve these rates. Last year the adjustment to the water reclamation rates that became effective July 1, 2008, was approved in May 2008. Recommendation – appoint a 3 or 4 person citizens advisory committee as in the past. They should examine the components of each proposed amendment and make recommendations. In particular, they should make sure there are no payments to the CWC (Clean Water Coalition) included. Since we do not benefit from the CWC and have already provided for the same benefits to Laughlin, we kept it from being included in our sewer rates and should do the same in water, if it's there. I am not available to serve on such committee, but I recommend C.W. Marvin, who served in the past, and possibly Mike Bekhoff from the LTAB.

Submitted by: Dick McCall

Response: There will be no payments to the CWC regarding Laughlin's water system. During the past 6 months, the Laughlin community – including the individuals mentioned above – has been invited to review and comment on the draft service rules, participate in numerous public meetings, and take part in other outreach activities related to this public participation process. This document and the latest version of the proposed service rules represent the outcome of this outreach effort.

Supplemental Commodity Charge -- Charge for non-residential customers. Are condo complexes commercial or residential?

Submitted by: Dick McCall

Response: The Supplemental Commodity Charge is for customers who are on groundwater wells and use BBWD water to supplement their water supply during selected times of the year. This charge is not applicable to commercial or residential condominiums, unless they have a groundwater well as the primary source of water and use BBWD water to supplement their supply.

What are the costs associated with maintaining a redundant water delivery system for the Laughlin Community? (water storage, pumping stations, pipeline replacement, water treatment improvements). Allocated charges across all metered users

What are the direct costs associated with expanding the delivery to new, residential and commercial parcels (new delivery lines, equipment) charged to the developer?

What are variable costs, per meter, pertaining to usage charged to the metered user?

As was pointed out by several individuals, the burden placed solely upon the developer will inhibit future growth if those costs are out of line with other regional (California, Arizona, Nevada) venues.

Submitted by: Pete Gregorri

Response: The costs associated with maintaining a redundant water delivery system are currently supported by water rates and monthly service charges billed to all BBWD customers. The LVVWD is not proposing a change to this element.

The direct costs associated with expanding delivery to new development depend on factors such as the development type, the density and the location of the development. For example, it is far less expensive to develop in close proximity to existing infrastructure than to develop several miles away from the existing distribution system. Length of pipe, size of

pipe, increased storage and pumping capacity, etc. are all evaluated for each proposed development, and these variables will influence costs. Capital cost projections associated with system expansion may need to be re-evaluated from time to time based on the pace, type and location of development that takes place.

Costs increase with increased usage (see Tier 1 to Tier 2) in order to encourage water conservation. The various scenarios presented to the Laughlin TAB, the Public Works Committee and the community reflects some cost sharing between the rate payers and the developers.

We feel the rates should favor the homeowners and not the developers.

Submitted by: Bob and Debbie Waskowitz

Response: *Comment does not require a response.*

I am having a problem understanding the difference between a residential rate vs. a non-residential rate when looking at the tables on page 52. Why should a non-resident rate have a higher Tier 1 level than a resident? The cost for processing water is the same whether you do it for one group vs the other. Along the same line, it would appear to me that the Tier 1 maximum should tie in with the equivalency table. For example, if a 5/8 line has 15K then the 4" line based on the equivalency table should have 375K. Unless this is so, the equivalency table has no purpose. Based on what I am reading, it appears to me that the typical home owner is being hit with a higher water bill than the big users; and this not right.

Submitted by: Fred Doten

Response: The existing tier structure was established prior to LVVWD becoming the operating agent of the system. These types of rate structure elements may be evaluated for change at a future date; however, the LVVWD is not proposing changes to the existing water usage tiers.

Costs associated with maintaining the present system should be paid by all service accounts, which I understand is approximately 2,000 accounts.

Expansion of the system to support growth. These should be paid by all the service accounts. Costs associated with the purification and handling of water is a cost that is variable and dependent on usage. This cost should be paid by the user, with an escalating fee based on consumption. Costs associated with new hookups should be paid by the new account holder.

Expansion in support of developers which add to the overall system. These should be paid by the developer.

Because of the nature of our community and the fact that many homes are owned by part time residences costs for items 1 and 2 should be charged to the service account as part of the basic service charge. This way all pay their fair share. The cost of water should remain as is.

Submitted by: Fred Doten

Response: *Comment does not require a response.*

Section 10 Installation of Water Facilities

General Conditions for the Installation of Water Facilities – Section 10.1

Generally, the previous “Main Extensions” section has been replaced with this new section patterned after LVVWD Rules – *since there is currently NO available water service to major portions of South Laughlin and since there is no known plans by BBWD/LVVWD to provide main extensions, this is critical to South Laughlin growth and development potential.*

Submitted by: Bob Bilbray

Response: The provisions in the Main Extension section of the current service rules is addressed in Section 10 of the proposed service rules.

Public infrastructure to serve the South Laughlin area (the “9,000 acres”) has been evaluated and preliminary findings have been provided to the Town Manager's consulting engineer. These facilities, however, are not limited to pipelines. Additional storage, pumping facilities and upgrades would be necessary to serve this area.

Main Extension (Sect 10.1.a. & b.) “shall be required whenever 20’ of useable main is not directly adjacent to the proposed development ... or when the adjacent main cannot meet the needs of the proposed development” and the “Applicant shall pay all costs” – Casino Drive (south of Harrah’s), serving much of South Laughlin, is in this category -- absent any BBWD constructed facilities (per Sec12.8 below), Developers are forced to provide and pay for offsite water infrastructure within the “Time Limitations” (Sect 10.1.d) – *given the public funded infrastructure opportunities for Expansion of Facilities (Sect 12.8 below), this is an extraordinary burden to place on South Laughlin Developers.*

Submitted by: Bob Bilbray

Response: Laughlin can certainly choose to fund developer infrastructure using water rates as opposed to developer connection fees. This is the very issue LVVWD/BBWD staff asked the Laughlin TAB, Public Works Committee and the community to address. The cost to install infrastructure necessary to support a specific developer’s needs may be shouldered by that specific developer or shouldered by the rate payers.

If costs are shouldered by the developer, then fees associated with connecting to the water system and installing the necessary infrastructure need to be adjusted to reflect the developer’s responsibility.

If the rate payers shoulder the cost for new development, then water rates need to be adjusted to reflect the rate payers’ responsibility.

This paragraph, however, refers to pipeline capacity. Pipelines that are required to meet the needs of proposed development, and are not oversized, would be funded solely by the developer under these proposed service rules. When the pipeline is oversized, the developer pays for the cost of the diameter necessary to serve its development, and is reimbursed the cost of the extra diameter. The reimbursement funds are generated through the oversizing charge that all developers pay.

Public infrastructure to serve the South Laughlin area (the “9,000 acres”) has been evaluated, and preliminary findings have been provided to the Town Manager's consulting engineer. These facilities, however, are not limited to pipelines. Additional storage, pumping facilities and upgrades would be necessary to serve this area.

Use of Facilities (Sect 10.1.o.), including main extensions, paid for by a Developer are “not considered as reserved ... to that development exclusively ... when, in the *opinion of LVVWD*, such (other) connections will not *substantially* affect service to the original development” – *what does this mean? – how is such determination made? – what protection does the Developer have that his main extension capital expense will provide for his project?*

Submitted by: Bob Bilbray

Response: This statement means that pipelines may be used to deliver water to development other than that for which the pipeline was constructed. This usually refers to a backbone pipeline, as opposed to subdivision piping. The determination is made using a hydraulic model which calculates system pressures and flows based on a set of demand conditions - Maximum Day, Peak Hour and Maximum Day plus Fireflow. Substantial impact would refer to a case where new demands drop existing system pressures below minimum requirements of 40 psi for Maximum Day, 30 psi for Peak Hour, and 20 psi for Maximum Day plus Fireflow.

As development is approved, the demands for the development are placed in the master model as existing water demands. New development may be added only if it does not draw down pressures below acceptable levels. This hydraulic check is performed for all proposed development, and is also used as the basis for determining the sizing of developer required facilities. This helps ensure that new developments do not have a negative impact on the system or current customers.

A main extension for a specific development will serve that specific development; however, it may also serve other developments and customers in the area. Depending on future development, the frontage connection charge (see response below) may help to reimburse some of the developer’s cost for the main extension.

Refund of Frontage Connection Charges (Sect 10.1.r.) “collected by LVVWD for connections to the main extension installed by the Developer” will be made to Developer under the provisions of a “main extension agreement” – refunds are “limited to fees collected by LVVWD up to ten years” from the agreement date; however, LVVWD may limit such connections, at its sole discretion, thereby limiting related refunds to the Developer – *what is the form and substance of such a main extensions agreement? – what are the details of the applicable “fees collected” and possible limitations imposed in conjunction with such refunds? – without such detail, how can the Developer reasonably prepare a development budget?*

Submitted by: Bob Bilbray

Response: The refund amount is a one-linear-foot-to-one-linear-foot ratio. And the refund amount is \$17 per linear foot of water main that fronts adjacent parcels.

Example: If “Developer A” extends a water main to their development, they bear that cost up front. If and when “Development B” connects to the main that “Developer A” funded, then the frontage connection fees that BBWD collects from “Developer B” will be refunded to “Developer A”.

The refund potential is not enough to inspire excessive risk taking by a developer, nor is this a means for the developer to recover a total investment in a water main installation. However, it does provide some reimbursement to the developer that installed the water main, reducing some of the risk. Furthermore, only the developers connecting to a main will pay the frontage connection charge. Payment is made via the application process.

There are no guarantees that development will come along and connect for service along that extended main within the ten year agreement. In addition, system capacity limitations may preclude connection to the main, so for development budgeting purposes, the developer should plan on the cost of the main extension in its entirety.

Refunding for Oversizing (Sect 10.2.d.) provides that, if the Board approves oversizing, LVVWD “shall refund, without interest, to the Developer for the cost of oversizing the main extension as specified in the agreement(s) within 45 calendar days ...”

Submitted by: Bob Bilbray

Response: That is correct. The developer may be required to oversize a pipeline, installing a larger diameter pipe than is necessary to serve their development. If this occurs, the developer and the LVVWD will enter into an agreement that outlines the necessary reimbursement to the developer. In the end, the developer only pays for the diameter of pipe that is necessary for their development; however, there will be a larger diameter pipe actually constructed, which will help support additional development in the future without negatively impacting the water system or existing customers. The reimbursement funds are generated through the oversizing charge that all developers pay.

Cost Allowance (Sect 10.2.e.) provide for refunding by BBWD for main extension oversizing based on the difference in “cost allowance” between the oversize main and the main required by the Developer – cost allowances per lineal foot (same LVVWD Rules) are provided up to a 42” main (8’-42” @ \$29-\$220plf respectively), with a competitive-bid basis over 42” – past review of contractor’s water main costs indicate that the LVVWD/BBWD costs are considerably below actual costs –

Submitted by: Bob Bilbray

Response: The oversizing amounts in the service rules are updated as needed and are based on evaluation of public works contracts awarded by the LVVWD. Information regarding project costs from private developers and consulting engineers, and standard cost estimation methodologies such as Means Construction Cost Data and the BNi Public Works Costbook are also utilized. These sources provide a reliable basis for establishing and updating the cost allowances.

LVVWD Rules also specifically provide that “At the developer's option, the reimbursement amount may be based on actual construction costs if an open competitive bid process in accordance with Nevada Revised Statutes as amended, is completed for the oversized main,” but *this provision was omitted from BBWD Rules -- BBWD Rules should specifically provide this option.*

Submitted by: Bob Bilbray

Response: This has been corrected in the proposed service rules.

Alternative Method of Payment (Sect 10.2.f.) provides that “the Board may, in lieu of a lump sum payment ... arrange with the Developer or customer for an alternative method of payment” – *such an unspecified “arrangement” must be mutually acceptable.*

Submitted by: Bob Bilbray

Response: This refers to a negotiated method of payment that would be outlined in an agreement and presented to the Board of Trustees for approval. If the arrangement were not mutually acceptable either one or both of the parties to the agreement would not execute it, and the agreement would not be presented to the Board. Such agreements are

negotiated prior to approval of engineering plans for construction, so the arrangement is known prior to expenditure of funds on the project.

Section 12: Miscellaneous

BBWD will construct major facilities, “as the need arises, as determined solely by the BBWD, required to provide adequate water supply, including ... mains...as funds are available” – since there is currently NO available water service to major portions of South Laughlin, this should be in conjunction with a BBWD Master Plan (deleted from BBWD Rules) and Laughlin growth planning for South Laughlin – *what is the BBWD/LVVWD thinking, intentions and planning in this regard – this is critical to South Laughlin growth potential.*

Submitted by: Bob Bilbray

Response: Future water facilities required to support a specific development are evaluated when developers initiate communication with the LVVWD regarding their projects.

Section 12.8, which is the section referenced above, identifies that system improvements may be needed beyond what might be required for a new development. The LVVWD/BBWD may need to address infrastructure issues (i.e. Casino Drive high point), repair an existing facility, construct storage or treatment plant expansions as population increases, construct treatment plant improvements to meet new regulatory requirements, bolster portions of the distribution system, or to improve circulation for water quality to improve the reliability of the community’s water system.

General Comments

Curious as to what consideration was given to assessments to property owners north of the line improvements at the high point of Casino Drive? Would this have been required of developers on N. Casino Drive had models demonstrated the deficiencies which have been identified?

Submitted by: David Floodman

Response: The Casino Drive pipeline improvements were necessary because demand in west Laughlin increased beyond the design capacity of the pipeline. Hydraulically and historically, the demands of the properties to the north (north Casino Drive) were adequately served by the existing infrastructure in the area. If proposed development creates unacceptable pressures in the pipeline in Casino Drive, infrastructure improvements will be required of the developer.

How long did it take for BBWD to accumulate the \$9m reserve?

Submitted by: Karl Munninger

Response: Approximately 10 years.

COMMENTS OUTLINED BELOW WERE ALL SUBMITTED BY LAUGHLIN RESIDENT, FRED DOTEN. RESPONSES HEREIN ARE KEYED TO AN EARLY DRAFT OF THE RULES, SO PAGE REFERENCES CHANGE IN SOME CASES; HOWEVER, SECTION REFERENCES SHOULD BE RELATIVELY CONSISTENT.

ASSESSMENT OF THE BIG BEND WATER DISTRICT SERVICE RULES

GENERAL

This review of the Big Bend Water District (BBWD) service rules draft is my assessment of required changes, questions on the validity of certain rules as written and the opinion of the undersigned. No attempt was made at correcting basic grammar as that should be an effort by the individuals generating the final version of the rules.

The comments on the BBWD service rules are generated based on the reading of the 09/02/09 draft rules. Comments will reference the page, section number and, as required, specific sentences in a given paragraphs.

GENERAL COMMENTS

The following general comments are provided; however, they are not in any order of priority or importance.

1. The use of “BBWD” and “LVVWD” is used throughout the document to distinguish between different functions and/or responsibilities of the two organizations. As presently written, this is not being done correctly. An in depth review needs to be conducted to insure that they are.

Response: Corrected. All of the references to ‘LVVWD’ will be removed from the service rules, leaving BBWD as the point of reference. The relationship between the two entities, BBWD and LVVWD, will be explained in the Introduction.

2. Definitions in the “Definitions” section are not 100% correct or ambiguous. In several instances the definitions disagree with the narrative within the Service Rules.

Response: Corrected.

3. At the present time the new service rules do not consistently define time limits for each activity associated with a customer or new application; and this can cause undue cost and schedule impacts. Each activity performed by the LVVWD should be bounded with time limits as is the case with the developer.

Response: Section 10 outlines the developer time frames. LVVWD will work to provide that new applications are processed in a manner as to not cause undue cost or schedule impacts.

4. Documents, including any Clark County amendments to these documents, referenced in the Service Rules need to be maintained in the BBWD office located in Laughlin. Requiring local owners and/or developers to travel to Las Vegas is costly and time consuming.

Response: Corrected. Links for certain definitions will also be established in service rules

5. There is a disregard of Owner Property rights.

Response: Corrected. Additional language was added to Section 2.7 to address property owner rights.

6. In most cases, when another document is referenced, the reference is not complete. If a reference is for a specific requirement then it should be called out. Unless this done developers and administrators will be confused which will lead to additional costs and time.

Response: Corrected.

7. The word “may” is continually used through out this document. This term should be used infrequently in a document that is establishing rules of operation. “May” signifies, as a general rule, a series of options. If “may” is used then these options should be defined. As it stands, the decisions are subject to the person/employee administering a specific rule and could lead to an unfair or inequitable solution.

Response: Utilizing the word “may” provides some flexibility between customer (applicant) and BBWD staff in implementing and/or exercising of specific service rules. In some cases, customers may have a reasonable and specific justification for why a specific rule – that contains the word “may” – should not apply in their case. Having the word “may” will provide the necessary flexibility to review and act upon each issue on a case-by-case basis in cooperation with the customer.

8. The growth to the BBWD service area and its associated mains, water production facilities, and operations and maintenance facilities should be based on a Laughlin Development plan that has Laughlin Developer input. Planned expansions should be funded by BBWD through municipal bonds, government subsidies and service fees from both developers and residents.

Response: This issue is being considered by the Laughlin Town Advisory Board.

9. The Water Commitment Approval process of the BBWD should be independent from the LVVWD approval process for its water district.

Response: The BBWD service rules stand alone, with their own Board and adoption policies. There is no direct connection between BBWD service rules and LVVWD service rules – they are independent.

10. There is a requirement to review the Service Rules to insure they are compliant with Ordinance 848, its amendments and the Interlocal amendment of 2 September 2008.

Response: Ordinance 848 establishes the BBWD and its service area. The Ordinance is recognized in the Introduction language of the BBWD service rules. There are no amendments to the Ordinance. Insofar as the map for the BBWD reflects the boundaries specified in the Ordinance, the service rules are compliant with the Ordinance.

COMMENTS

Page 8, 6th paragraph, line 1: The sentence "...of any rate schedule, rule or regulations..." should read "...of any rate schedule or rule..." as "regulations" don't apply to this document.

Response: Corrected.

Page 9, Item 3 "American Water Works Association": Although not necessary, if an Internet site location within LVVWD were included for the AWWA, then individuals would not need to physically contact LVVWD to review this document. If they are not available on the web then a web locations is not necessary; however, it physical location should annotated.

Response: Corrected. The Web address for the AWWA site has been included in the definitions of 'AWWA' for research purposes.

Page 9, Item 5, "Backflow Prevention Assembly": This purpose of this assembly is provided; however, what a Backflow Prevention Assembly consists of is not defined within the rules. For example, there should be some defined document that provides a specification defining what a "Backflow Prevention Assembly" for a 3/4" meter. It would seem reasonable that a specification for each size should be specified. As presently written a developer has no idea what is required.

Response: This is contained in Uniform Design and Construction Standards (UDACS), which are referenced throughout the BBWD service rules and are available at lvvwd.com.

Page 11, Item 21, "Equivalency – 5/8""": This table does not make sense if you base it on straight area conversion. If an empirical equation is used to calculate the numbers, then it should be included or referenced in some other document. As this table is the used for rate and fee calculations, therefore, it needs to stand the test of uniform and equitable treatment for both customers and developers.

Response: See AWWA Web site for more information.

Page 12, Item 23, "Final Water Project Acceptance": This definition does not define what a "Final Water Project Acceptance" is. As I read this definition it tells what a developer must do. This paragraph needs to be added in Section 1 or another applicable location. A new definition needs to be generated as to exactly what the final water project acceptance

consists of. As it stands now, a developer does know specifically what is required for acceptance, which could lead to multiple tries before an acceptance is required.

Response: Corrected. Language was added to show what developer must do to achieve Final Water Project Acceptance.

Page 12, Item 26, “Fixture Units”: A review of the Clark County Plumbing Code Title 28.08 has no reference to “fixture Units”. It only references the Uniform Plumbing code. This definition needs to be rewritten to give an example listing of what fixtures are included and a specific document that has complete listing. As a further note, a copy of the Uniform Plumbing Code needs to be maintained in the Laughlin Office of the BBWD. Requiring people from Laughlin to drive to the LVVWD office in Las Vegas is not a fair or equitable solution.

Response: Fixture units are defined in the Uniform Plumbing Code, as adopted by Clark County. The UPC Website, which is not free to access, will be noted in the service rules. A copy of the UPC will be kept in the BBWD offices for customer reference. Any engineer submitting a project will know and follow the adopted UPC, as it is a common element in the engineering process.

Page 12, Item 27, “General Manager”: The abbreviation “GM” is used throughout the document and should be defined here.

Response: Corrected.

Page 14, item 42 “Nonstandard Connection”:

Response: *There was no comment provided for this item.*

Page 14, item 45 “Oversized Main Extension”: This definition is not all-inclusive. If I was writing this definition I would consider the following,

“Oversized Main Extension” shall mean a main larger in diameter and/or length than the minimum diameter and/or length necessary to provide a supply to a proposed development, which will be capable of meeting future demands on the BBWD’s distribution system.

Response: The existing language shall remain unchanged.

Page 15, Item 48 “Parcel Map”: A Parcel Map is defined in NRS 278.017. NRS 278.461 is only one of the five NRS sections that make up the definition of a Parcel Map.

Response: Corrected. Reference to NRS 278 has been updated, as it relates to parcel maps.

Page 15, Item 48 “Potable Water”: Need to define by reference the “Safe Drinking Water Act”. Is this a Federal, state or County act?

Response: Corrected. The word ‘Federal’ has been included.

Page 15, Item 51, “Private Fire Service”: The agency dictating the requirements for both the DCDA and RPDA should be referenced.

Response: Corrected. Reference to NAC 445A has been included.

Page 16, Item 55, “Public Mains”: As the BBWD will be operated, inspected and serviced by LVVWD, the words “operated, inspected and maintained should be removed from this definition.

Response: See ‘General Comments’, #1.

Page 16, Item 57, “Removed Services”: As LVVWD will be operating the BBWD, shouldn’t the “BBWD records” be “LVVWD records”. In the last sentence of this definition it states to see “Abandoned Services”. This definition does not exist. What is listed is “Abandonment of Service”. These two titles have two different meanings. “Abandoned Service” is a completed event. “Abandonment of Services” can mean the process of abandoning a service.

Response: Corrected. All references to ‘LVVWD’ will be deleted and replaced by ‘BBWD’. Abandoned Service definition was added and Abandonment of Service deleted.

Page 19, Section1.1, Para 1.1 b, “Expansions or Additions”: The requirement that fixture units are a condition for a water commitment implies there is a correlation to meter size and water usage. It would appear the fixture units should be a factor in defining line equivalency.

Response: There is a correlation to meter size and water usage. The design engineer will account for fixture units in determining the meter size needed for the project. Per Clark County Code 24.36.010, before a building permit can be issued for a development, the developer must obtain evidence of the availability and adequacy of water service from the water purveyor. An increase in fixture units related to an expansion or addition may mean a greater water commitment is required.

Page 19, Section1.1, Para 1.1 c, Increase of Meter Size for an Existing Connection: In this paragraph it states that LVVWD “**may**” require a new water commitment for an existing service connection. This needs to be defined so that a developer and/or owner have a full understanding of their obligation. Right now, this paragraph leaves it up to the whim of the

representative that the developer and/or owner are dealing with. I believe a requirement based on Fixture Units would be appropriate.

Response: Evaluation of a possible increase in meter size is based on surrounding usage, the effect of the increased usage of one property on another, and the expected benefits to the property. Defining and establishing the needs to a user will be based on plans submitted by the user and meetings, as needed between BBWD and the user.

Page 19, Section 1.1, Para 1.2 a: "Development Approval": I believe this title should be "Commitment Approval". It would seem appropriate that the LVVWD would process water commitments and not development approvals unless the development approval is for the water facilities being generated. In any case, "Development Approval" needs to be defined in the "Definition" section

Response: Water commitments are based on approved developments, as defined and approved by Clark County. The BBWD plan review process reflects that approval.

Page 19, Section 1.1, Para 1.2 a: "Development Approval": This paragraph states that LVVWD will process Development approvals on a first come first served bases. Does this mean that BBWD development approvals will be commingled with LVVWD development approvals and then processed on a first come first served basis, or doe it mean that the BBWD development approvals will be processed on a BBWD priority list independent of the LVVWD development approvals? This process must be defined and stated in this paragraph. It should be noted that a commingled list would not be equitable for the BBWD.

Response: The BBWD service rules stand alone. All BBWD development will be processed on a first come basis by staff, measured against other BBWD development. LVVWD development does not compete with BBWD development.

Page 20: the indenture structure of this page is very confusing and in general makes not sense. It should be rewritten.

Response: Structure is appropriate

Page 21, next to last subparagraph: I believe this paragraph needs to be indented under 1.2c.

Response: Location of this language is appropriate.

Page 21, last subparagraph: I believe this should be a new subsection 1.2d and titled "Final Water Commitment". This would be an excellent location for to define the requirements to get a "final water project acceptance". See comment above concerning the definition of "Final Water Project Acceptance".

Response: The LVVWD is one of the agencies reviewing, approving plans and inspecting them to completion.

Page 22, Section 1.5, “Revocable Groundwater Rights”: The last sentence in this section adds to the confusion as to what “Development Approval” really is. I believe the reference to “Development Approval” should be “water commitment approval”.

Response: Items 1.3 and 1.5 deleted from the service rules draft; they do not apply to Laughlin.

Page 22, Section 1.8, “Unauthorized Expansion/Addition”: Section 1.1b does not define a parcel. It would appear to me if the definition of Parcel, Parcel Expansion and Parcel Addition were added to the listing of definitions that this subparagraph could be simplified.

Response: Parcel is defined in NRS 278.

Page 26, Section 2.8, “Efficient Water Use”: This seems to me to be a prohibition that can not be enforced as it is not a State and/or Clark County ordinance. What will be BBWD’s action if such a condition exists? Does this mean that BBWD will discontinue services to individuals or to associations that impose such restrictions?

Response: Section 2.8 will be deleted from the service rules. There are statues (NRS 116.330) and county codes (Titles 24, and 30.64.070) that prevent associations and persons from prohibiting individuals from writing covenants affecting water efficient landscaping. Existing conditions are not affected, as they may be modified only by vote of the appropriate homeowner’s association.

Page 27, Section 3, first paragraph: In this paragraph it states that “All services installed shall be classified as domestic, private fire, combined, construction and supplemental for billing purposes.” Yet all the Billing tables for rates, etc list “Residential and Non-residential”. There is an inconsistency here that needs to be corrected. Definitions for “Residential” and “Non-residential” need to be established.

Response: Past and current administrations define these terms in practice. These terms will be evaluated in the future. The purpose of these service rules changes is to establish consistent policy for billing classes, as BBWD billing operations will be managed under a single software system on or after July 1, 2010. These accounts may require further study and future changes may be necessary to improve service to all BBWD customers.

Page 27, Section 3, Para 3.5 “Supplemental Service”: This definition is different than the one on Page 17. One or the other must change. NOTE: all these definitions on Page 27 should be reviewed and compared to the definitions as defined in the Definition Section.

They should be the same. Each of these definitions on this page needs to be classified as either “Residential” or “Non-residential”.

Response: Corrected.

Page 28, Section 4, the second from last paragraph: In the case of an individual who is purchasing a home of another owner who already has water service, why is it necessary for the new owner to prove that a water commitment exists; and how does he go about proving this? I believe this requirement should be deleted. This could be contentious if the original owner expanded or made additions to the parcel illegally.

Response: Purpose is to make sure property developers, not homeowners, maintain commitments for uses. This is not applicable to homeowners, as they do not fall under the permit process, unless they are not part of a subdivision, or plan to do any expansion or addition, per Section 1.

Page 28, Section 4, Para 4.1, “System Development Approval for New Water Connections”: As the process for water connections are operational control of LVVWD, why would the forms be provided by BBWD? In reading the this document LVVWD is administering the program and they should provide the forms.

Response: The forms are referenced appropriately; they are BBWD forms.

Page 28 & 29, Section 4, Para 4.2, “Service Through an Existing Service Connections”: The same question asked in Para 4.1. applies to all four subparagraphs in Para 4.2.

Response: The forms are referenced appropriately; they are BBWD forms.

In the first subparagraph of Para 4.2 there is a reference to the Nevada Revised Statutes. This statute should be defined as it is too broad.

Response: The reference to Nevada Revised Statutes in 4.1 of "Request for Service" pertains to the present prohibition of requiring full social security numbers from our customers.

Page 30, Section 4, Para 4.7, “Deserted Service Connections”: The term “LVVWD” is used two times in this paragraph. I believe these two references should be replaced with BBWD. If not then the definition of “Deserted Service” needs to be changed.

Response: Corrected. See ‘General Comments’, #1.

Page 31, Section 5, Para 5.1: As LVVWD will be managing the water district for BBWD, I believe the references to BBWD should be changed to LVVWD.

Response: Corrected. See 'General Comments', #1.

Page 31, Section 5, Para 5.2 d: Need to define whose property is being damaged.

Response: The focus of this section is on the customer; however, any property damage will be addressed by BBWD. If damage to property is occurring, it is the best interest of the property owner – regardless of who the property owner may be – that action is taken to prevent further damage.

Page 31, Section 5, Para 5.3, 4th line of Notice of Termination: Need to define whose property.

Response: The section focuses on the customer. The customer is notified, as is owner, depending on circumstances.

Page 31, Section 5, Para 5.4, "Bankruptcy Actions": I believe BBWD should be changed to LVVWD as they will be administering the water district.

Response: Corrected. See 'General Comments', #1.

Page 31, Section 5, Para 5.5, Last subparagraph. There does not seem to be any applicability of Sections 8.8 and 8.9 to Para 5.5.

Response: Corrected.

Page 32, Section 6, Para 6.1, 2nd line of first subparagraph: The second sentence reads "The use of idlers and spacers... As a spacer is a perforated pipe it should be removed from this sentence.

Response: Perforated pipe has been used in the past. Regardless of what a spacer is, eliminating a reference to it does not prevent its use in this manner.

Page 32, Section 6, Para 6.1, 5th subparagraph: The word "that" is used in both the first line and in the second line. This word should be changed to "which" as the sentence as written is not very good grammar.

Response: Corrected.

Page 32, Section 6, Para 6.1, 6th subparagraph, 4th line: I believe "LVVWD construction standards" should read, "BBWD construction standards" as it is the BBWD standards that are being enforced.

Response: Corrected.

Page 32, Section 6, Para 6.1, 7th subparagraph, 1st line: The word “within” should be removed.

Response: Corrected the language; changed ‘that’ to ‘which.’ ‘Within’ is appropriate.

Page 32, Section 6, Para 6.2, “Location”: In the last sentence, “BBWD” should be replaced by LVVWD as the operation and maintenance of the service will be performed by LVVWD.

Response: Corrected. See ‘General Comments’, #1.

Page 32, Section 6, Para 6.3, “Composition”: What agency has the specifications as discussed in the paragraph? This agency should be listed and where it can be found.

Response: This is done by the Approved Products Committee, which is part of the LVVWD. Its products are listed on lvvwd.com and the address has been added to the service rules.

Page 32, Section 6, Para 6.4 a, b and c: As in other locations BBWD should be replaced by LVVWD as they administer BBWD.

Response: Corrected. See ‘General Comments’, #1.

Page 36, Section 6, Para 6.14, “Meter Maintenance”: The reference “LVVWD standards” should be changed to “BBWD standards”. Also, what is the source document for these standards?

Response: Corrected. See ‘General Comments’, #1.

Page 37, Section 6, Para 6-17, 2nd subparagraph: Remove the words “tested and maintained” as it is covered in the next subparagraph. Having the words in this paragraph makes it incorrect.

Response: Corrected. Language and formatting was revised.

Page 38, Section 6, first full subparagraph on this page, first Line: The word “District” should be changed to “BBWD” to eliminate confusion as there are two districts associated with these rules.

Response: Corrected. See ‘General Comments’ #1.

Page 38, Section 6, second full subparagraph on this page: Recommend the sentence "...will be owned tested and maintained by BBWD..." be changed to "...will be owned by BBWD and tested and maintained by LVVWD...".

Response: Corrected. See 'General Comments' #1.

Page 38, Section 6, Third full subparagraph on this page: This paragraph needs to be modified to restrict visits to a customer's property until after contact has been made with the customer and survey date is agree upon. There should not be unlimited access to one's property.

Response: Corrected. Language was included in Section 2.7 to address the issue of prescriptive easements and account for property owner rights.

1st sentence: The first sentence reads "The BBWD..." It should read "The LVVWD...".

Response: Corrected. See 'General Comments' #1.

Page 38, Section 6, fifth full subparagraph on this page: This subparagraph states that LVVWD **may** require additional surveys. This is too subjective to the whims of employees. There needs to be criteria established for recurring surveys or it should be a firm annual requirement.

Response: Utilizing the word "may" provides some flexibility between customer and BBWD staff in implementation of specific service rules. In some cases, customers may have a reasonable and specific justification for why a specific Rule – that contains the word "may" – should not apply in their case. Having the word "may" will provide the necessary flexibility to review and act upon each issue on a case-by-case basis.

In the last sentence of this subparagraph on this page should read "LVVWD" instead of "BBWD"

Response: Corrected. See 'General Comments' #1.

Page 39, Section 6, first partial subparagraph at the top of the page: "BBWD" should read "LVVWD".

Response: Corrected. See 'General Comments' #1

Page 39, Section 6, fourth full subparagraph on this page: First Sentence reads "Backflow...may be installed by a licensed contractor..." I believe this should be a Licensed NV contractor unless any contractor is allowed to perform this function.

Response: Corrected. Reference to a licensed Nevada contractor was included.

Page 39, Section 6, fifth full subparagraph on this page: There needs to be a definition of “Hazards”. This subparagraph needs to be bounded with definitions of hazards and whether they require a Backflow Prevention Assembly. Somewhere in this document there also needs to a definition of hazards and the type Backflow Prevention Assembly required for this type hazard.

Response: NAC 4445A describes sources of potential cross-connection, rather than ‘hazards’. The NAC recommends the type of backflow assemblies needed based on the extent of protection required.

Page 39, Section 6, Last full subparagraph on this page: All reference to BBWD should be changed to LVVWD as they will be administering the water district.

Response: Corrected. See ‘General Comments’ #1.

Page 40, Section 6, First full subparagraph on this page: In the first sentence “BBWD” should read “LVVWD” as they will be administering the district for BBWD.

Response: Corrected. See ‘General Comments’ #1.

Page 40, Section 6, Para 6.18: What is the recourse to the Owner if LVVWD elects not to install the fire hydrant? This needs to be addressed.

Response: BBWD would not elect to forgo the installation of a hydrant.

NOTE: Nowhere in this section does it address Backflow Prevention Assemblies for existing Residential parcels with under 2” Laterals. Will they be required?

Response: Depending on whether there is or will be a potential cross connection, a backflow prevention assembly may be required. See pa. 38, 3d and 4th subparagraphs.

Page 41, Section 7, Para 7.2 a: There is a disparity between this subparagraph and Paragraph 6.7. In 6.7 it states only one meter will be installed, yet 7.2a indicates there will be two meters installed. There needs to be further definition of what a combined service is in reference to installation, metering and the rate/charging process to be used. At this time, there is no correlation between the three.

Response: Combined services are defined and are in the rates, as such. UDACS also references requirements for combined services.

Page 43, Section 7, Para 7.9, “Change to Meter Size”: The third subparagraph states that the LVVWD can come on to a property and change meter configurations solely to meet a current demand without owner approval, who in turn must pay all the cost for the conversion. This does not seem equitable. Also, definitions of a “Current Demand” need to be included in this section.

Response: BBWD meters are not usually installed on private property; but rather at the edge of right of way or in an easement. Current demand is based on water use. Damage to meter can result from overuse. Language reflects use of word ‘may’, which allows for review and negotiation between BBWD and property owner/customer, regardless of who makes request to change meter size. If the meter change will have an impact on the property or landscaping due to excavation, the BBWD will work to coordinate with the property owner/customer as noted in Section 2.

Page 44, Section 7, Para 7.15, “Metered water for Construction and other Approved Uses”: The are questions pertaining to this section. They are:

1. Is a water commitment required for the use of this water?

Response: No.

2. Is there a list of other approved uses? If so, then they needed to be added to this document.

Response: See Section 3.

What rates are applicable? Are they at Residential or Non-residential? My opinion is they should be residential.

Response: Section 8 uses Tier 1 rate for total consumption; therefore, there is no need to specify Residential or Non-Residential.

Page 45, First subparagraph on this page: In the first sentence “BBWD” needs to be replaced by “LVVWD” as they will be doing the work.

This subparagraph also states that an appropriate charge for an unauthorized hydrant connection. What are these appropriate charges and where are they listed?

Response: If use continues after unauthorized usage is discovered, there will be permit fee, deposit, and charge for use of water. That charge would be the adopted tier rate in the service rules, and would be based on discussion with customer on 1) the type of work being done, and 2) our experience with type of use (grading, dust control, etc.).

Page 45, Section 7, Para 7.18, “Security Deposits”: This subparagraph states that deposits will be required unless the customer can demonstrate 12 months of paying bills on time with another account with BBWD. This should be expanded to include other water districts if the person is moving in from another state or county.

Response: The LVVWD has not accepted "letters of credit" from a customer's previous water utility to justify waiving a required security deposit when signing for service for several years now. We have engaged the services of an outside credit reporting entity to determine risk to our business based on a potential customer's external credit score. The actual credit score of the potential customer is not disclosed. Rather the company returns either "deposit required" or "no deposit required" in response to our inquiry. This practice applies to all customers, regardless of previous residence or location.

Page 46, Section 7, second subparagraph: In the first sentence BBWD should read LVVWD as they administer the BBWD.

Response: Corrected. See 'General Comments' #1.

Page 51, Section 8, Para 8.1b: It does not make financial sense that the Non-Residential Monthly Conservation Consumption amounts are different than the Residential amounts. Logic would state the cost to process a gallon of water for 1 entity should be the same for a 2nd entity. There appears to be no logic as to the ratios between the two when looking a meter size. In reviewing the table ratios vary from 1:1 up to 1:6. It could be argued when looking at a ¾" meter that accommodates a 4-member family would use more water than an office facility with the same size meter. Justification for the difference needs to be analyzed and the table regenerated. At the present time the rates are skewed to the Non-residential. If one wants to provide an incentive for businesses, then abatements should be utilized.

Response: The existing residential and non-residential rate tiers were established prior to LVVWD becoming the operating agent of the system. These types of rate structure elements are expected to be evaluated in the future.

Page 51, Section 8, Para 8.1c: In reference to the table in this paragraph, why is the service rate identical for the 5/8" meter and the ¾" Meter?

This table also does not have a linear percentage service rate from one meter size to the next size. It appears that there is no correlation between the equivalency table and this service rate table.

Response: The existing water rates and tiers for were established prior to LVVWD becoming the operating agent of the BBWD system. These types of rate structure elements are expected to be evaluated in the future.

Page 52 thru 56, Section 8: Three options were provided; however, there was no rationale for why the rates needed to be raised especially for the Service Development charge. There are two lines of thought that should be considered.

1. Given a specific work force managing and administering the WWBD, the only reason water rates should increase is because of escalation in wages and material.
2. This same rationale applies to the System Development charge.

If the purpose to raise the rates is to generate cash to improve the system then it should be generated within the Customer base and not the developers. The following points should be considered.

1. "Fund raising" should be done per the service charge as it impacts all customers' bill. If the "fund raising" is done per the water rates then part time residences who are here periodically for weekends will not pay their fair share.
2. The expansion of system mains should not be the sole function of developers. It needs to be a combined effort for both the present users and the developers. The rationale behind this is:
 - a. The installation of Mains per a developer may be cost prohibitive as it could be more expensive than the total development costs.
 - b. There is a potential that the newly developed residential services would be paying for the new extensions twice.
3. Developer fees for permits, etc. should be escalated in accordance with inflation rates for the state and/or county.

The tables for the three alternatives should be revised to reflect this basic philosophy.

Response: The LVVWD is working with the Town Board and the Public Works committee regarding this issue.

Page 57, Section 8, Para 8.2, "Private Fire Service": In the second subparagraph it discusses changing the fire Rate from Tier 1 to Tier 2. This fee should remain at Tier 1 and escalated to Tier 2 if water consumption exceeds the Tier 1 consumption limits. The fire service line is there for Safety and the owner should not be penalized for protecting their property and/or people residing in their facilities.

Response: Private fire service is only to be used to test a fire system or to actually fight a fire. Water is not to be consumed through a private fire service for any other reason. The amount of water used for testing is small and actual fire fighting is very infrequent. The LVVWD has found a higher water rate effectively discourages abusive water consumption through a fire service.

The monthly Standby charge should be identical to those charged for non-residential meter charges.

Response: The Standby Charges are equal to the Service Charges per meter size.

Page 57, Section 8, Para 8.2, last subparagraph: All water used without authorization should be charged a usage fee at a rate defined as Tier 3. (Tier 2 with the multiplier

applied. Right now the rate is not defined as the paragraph implies subjectivity by the use of 'MAY').

Response: There is no Tier 3 in the existing BBWD service rules. A fireline is an unmetered main, with a bypass pipe and meter on the side that is designed to register low water flows that may be associated with system maintenance or fire system testing. The use of the word 'may' helps the customer and the BBWD. The first time fireline consumption is detected, the BBWD notifies the property owner and requests documentation of the usage. This may lead to an on-site repair to prevent further consumption. If a leak is greater than 30 gpm, the multiplier may be applied, because the high water flows register inaccurately through the bypass meter. However, if the leak is below 30 gpm, it registers accurately on the bypass meter and is billed at the fireline rate. The discretion created by using the word 'may' allows for fair customer service.

Page 58, Section 8, Para 8.3, "Construction Water": Construction water should be billed at the same rates as residential users for the meter size utilized. This means that there should be two tiers.

Response: This water is generally short term in use. Its fixed rate structure allows easier calculations for developers to estimate site development expenses. It has no bearing on residential use.

Page 58, Section 8, Para 8.4, "Supplemental Commodity Charge": There should not be a supplemental commodity charge. This supplemental system should be treated as any other customer if the intent of these rules are to be equitable treatment to all users. These customers need to be treated similarly to the part time residences of Laughlin.

Response: The function of the supplemental commodity charge is to discourage customers from "peaking" off the BBWD public water system during the summer months when demand and energy prices are high. The effect of customers with supplemental water sources "peaking" off the BBWD system is for them to extract no subsidy from the other BBWD customers.

Page 59, Section 8, Para 8.8a thru h: The term "District" is used several times in these subparagraphs. These need to be changed to either "LVVWD" or "BBWD".

Response: Corrected. See 'General Comments' #1.

Page 63, Section 8, Para 8.16, "System Development Charges": System development charges should be based on what manpower and material is required to support system development. These should be based on a detail analysis of the work to be performed, the material to be purchased and the applicable overheads. This detail analysis should be

done for each meter size. I personally question that the work to be performed would vary that much from meter size to meter size.

Response: The purpose of the system development charge is for the developer to “purchase” capacity in the BBWD system sufficient to meet the needs of their development. It is not based on cost of a water meter installation. The LVVWD is working with Town Advisory Board and Public Works committee on this issue.

Page 66, Section 9, Para 9.1, “Bill Due When Presented”: The first sentence states that water usage shall be per a meter reading or by an estimate. There needs to be a criterion for an estimate and stated in the fee structure. What is this? Is it equal to the previous month’s bill, the previous bill from the prior year or what?

Response: Estimates are based on the customer’s historical record of water consumption.

Page 66, Section 9, Para 9.5, “Estimated Bills”: See comments directly above

Response: Estimates are based on the customer’s historical record of water consumption.

Page 74, Section 10, Para 10.1 e 1: There needs to be criteria stated for disinfection and testing for these water facilities.

Response: The criteria for disinfection and testing area outlined in the UDACS.

Page 74, Section 10, Para 10.1 e 2: LVVWD must have a time limit that must work to so that the developer can schedule future work. Two working days would be an adequate number. In any case, this must be bounded

Response: Plans are reviewed on a first-come-first-served basis. Review times will depend on the number of plans under review and accuracy of the plans submitted. However, plans submitted for the BBWD system will not compete with plans submitted for the LVVWD system.

Page 74, Section 10, Para 10.1 h, “Meter Installation”: a location of the specifications for meters over 2” needs to be defined.

Response: The specifications are located on the UDACS.

Page 75, Section 10, Para 10.1 J, “Guarantee”: A time limit should be placed in this paragraph giving the developer sufficient time prior to LVVWD assuming the job. The definition of “immediate” is not appropriate.

Response: Unless an accepted main or other critical component of infrastructure is defective, and creates a hazard or public safety and welfare issue, the BBWD will issue a letter to the developer alerting him to the problem and giving a time frame to fix the defect. Typical time frames are seven days for a leak at lateral, meter box; one month for repair involving paving or concrete work. If a water main breaks, creating a public welfare and safety issue, the BBWD will repair the main and determine if the one-year period applies. If it does, the developer will be billed for the work.

Page 76, Section 10, Para 10.1 n, "Fire Hydrants": Where can these fire department requirements be found? The location needs to be defined.

Response: Corrected. The Web site address is provided in the definition for Fire Department.

Page 76, Section 10, Para 10.1 p, "Conveyance of Title": The conveyance of title should be to the BBWD and not LVVWD. A recommended change would be, "... the Developer shall deliver to LVVWD, as agent for the BBWD, a valid Bill of Sale conveying an unencumbered tile to the facilities to BBWD."

Response: Corrected. See 'General Comments' #1.

Page 77, Section 10, Para 10.2 a: The word "District" is used twice in this paragraph. I believe it should be changed to "BBWD"

Response: Corrected. See 'General Comments' #1.

Page 78, Section 10, Para 10.2 d: If a developer has submitted plans for a main extension and BBWD wants to oversize to greater than 42", what does the developer have to pay for fees if he does not win the Public Works contract? Also, what are his liabilities for the installation as far as his development are far as his development is concerned? How does he tie his laterals into this main? I believe this section needs to be better written and defined.

Response: The language states that the process is the same as that used for a public works projects, not that a developer must bid his project as if it were a public works project. Liabilities are the same as any installation of mains per approved BBWD plans. Laterals for mains in this size (42") will be construed from parallel mains, whose size will be stipulated by the BBWD, based on development requirements.

Page 82, Section 11, Para 11.5, "Compliance with Water Efficiency and Conservation Codes": These codes need to be defined by name with a web location.

Response: Corrected. Clark County ordinance to be identified in the service rules.

Page 84, Section 12, Para 12.1, “BBWD Boundaries”: Change “Ordinance” to read “Ordinance 848 w/amendments”.

Response: Corrected. Changed to Ordinance No. 848; there are no amendments.

Page 84, Section 12, Para 12.2, “Service Area”: The service area should be defined on a map and depicted in Appendix 1.

Response: At this time, the map in the 2004 BBWD Rules is assumed to be the service area, as described in Ordinance 848. The LVVWD will revise this map to reflect in greater detail the BBWD service area.

Page 86, Section 12, Para 12.9, “Customer’s Premises”: Access should not be allowed unless a customer’s permission has been requested. Emergency access should also be discussed and authorized.

Response: Corrected. This language was revised to reflect property owner rights and prescriptive easements.

Page 86, Section 12, Para 12.11 b 1: There is no section 11.7.

Response: Corrected.

Page 87, Section 12, Para 12.11 c 4: In the third sentence the words “this state” should be replaced by “Nevada” if that is the state being referenced.

Response: Corrected.

NOTE: The following definitions should be included in the definitions section as the terms are used within the service rules document.

- Assessment District

Response: There are no assessment districts currently in Laughlin; however, this is a tool that could be utilized by developers in the future for special development circumstances.

- Bolstering

Response: This definition was added.

- Blow-off Valve

Response: This facility is outlined in the UDACS.

- Current Demand

Response: Current demands reference the water demands at a give time. No formal definition is required.

- Development approval

Response: This is outlined in Clark County Code

- Definition of types of Hazards

Response: This is outlined in NAC 445A.

- Domestic Purposes (see page 45, 2nd subparagraph)

Response: 'Domestic Service' is defined.

- Meter Vault

Response: This is outlined in the UDACS

- Parcel

Response: This is outlined in NRS 278

- Parcel Addition

Response: This is outlined in NRS 278

- Parcel expansion

Response: This is outlined in NRS 278

- Supervised Testing

Response: This is outlined in the UDACS

- Syringing

Response: This definition was added.

- Transmission Mains

Response: This definition was added.