

**BUSINESS IMPACT STATEMENT**

The following business impact statement was prepared pursuant to NRS 237.080 to address the impact of a Resolution increasing trash rates charged by the Health and Sanitation Department effective March 1, 2019. Prepared by Tom Dallaire, Gardnerville Town Manager.

1. **Proposed Board Action:** Increase rates per the staff recommendation below:

Current Residential Rates		1-Mar-19 4% Quarterly Increase	Mar 19 New Rate
Residential, quarterly	\$58.00	\$2.32	\$60.32
Residential, minimum user, quarterly	\$15.00	Discontinue	
<Discontinue>			
Office Residential, each 90 or 95 gallon tote	\$58.60	\$2.34	\$60.93
Residential 2 nd can service	\$15.00	\$0.00/mo	\$0
Residential Clean Up bin (each pickup)	\$25.00	\$1.00	\$26.00
Current Commercial Rates		1-Mar-19 7% Monthly Increase	Mar 15 New Rate
Commercial, 2yd per pickup	\$23.00	\$1.61	\$24.61
Commercial dumpster rental	\$0	\$0	Discontinued
Commercial, 1 ½ yd per pickup	\$17.25	\$1.21	\$18.46
Commercial, mandatory 1X/mo pickup	\$23.00	\$1.61	\$24.61

2. **The following constitutes a description of the manner in which comment was solicited from affected businesses and a summary of any responses from businesses received.**

The proposed rate increases have been sent to the Main Street Gardnerville program, the Carson Valley Chamber of Commerce, and to the general public through newspaper advertisements, included as an agenda item at the January Town Board meeting. Additionally per code a minimum of two public hearings (January 8, 2019 and February 3, 2019) will be agenda items for the Gardnerville Town Board with proper noticing and advertisement in order to provide ample opportunities for public comment on the proposed increase,

____ Objections to the increase in fees have been received to date. A copy of this Business Impact Statement is available at the Gardnerville Town Office, 1407 Highway 395 North, Gardnerville, Nevada 89410, and can be downloaded on the town website.

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3. The estimated economic effect of the proposed rule on businesses including, without limitation, both adverse and beneficial effects, and both direct and indirect effects:

- a. **Adverse effects**-The proposed rate increases include a 4% increase for residential, and 4% office residential rate with no increase for additional tote for all customers with an extra 90 or 95 gallon tote will be effective, March 1, 2019. Proposed commercial rate increases include a 7% increase for commercial 2yd bins and a 7% increase for commercial 1½ yd bins will be effective March 1, 2019
- b. **Beneficial effects**-The proposed commercial rate increases proposed cover the increasing costs gas and fuel, and maintenance related items on the town's equipment. The town is in need of planning for the future sanitation yard and a \$68,750 reserve amount was added to cover the future cost of that facility, planned for 8 years in the future, and assumes the land will be dedicated by a landowner during one of the large development projects east of highway 395. The changes made in 2015 to the collection of fees have helped keep the rates the same over the past 4 years. The budget shows a \$36,028 shortfall in the capital reserves. This increase in the town rates will eliminate this projected shortfall. Additionally, a further breakout of the fund indicates a shortfall in both residential and commercial customers. The new rate would allow for this rate to remain the same for the next two years depending on the growth of the town.
- c. **Direct effects**-The approval of the resolution will increase residential and commercial service fees. The additional revenue will go directly to and provide for the necessary replacement revenue to cover the increased operations costs of the Health and Sanitation 611 fund. The proposed rate increases include a one-time 4.00% increase for residential, and 4.00% increase to office residential customers, and 7.00% increase for commercial customers are being proposed to the board to be effective March 1, 2019.
- d. **Indirect effects**-The increase in rates is sure to have indirect effects on homeowners within the town boundary. The increase is \$0.77 per month, however the indirect effects cannot be quantified at this time. The services provided to the residents are weekly tote pickup, extra bin for an additional \$5.00 per month, Greenwaste, which is now a cost to the fund is still being offered for free as there is an offset of fee to the landfill that benefit the town operation and provides a savings to the fund in the amount of \$17,860 plus staff time and wear and tear of the town equipment for hauling the waste to Carson City. This rate assumes most of (75%) the town waste gets transported to Carson City Landfill at a cost to the fund at 58.00 per ton, as opposed to 108.80 per ton at DDI.

4. Will the action:

- a. Impose a direct and significant burden upon a business? **No**
 - i. **Explanation-Fees are used to directly offset the cost of providing the service to all town customers. Town rates are similar or less than other providers of similar services in the immediate area.**
- b. Directly restrict the formation, operation, or expansion of any business? **No**
 - i. **Explanation-Fees are used to directly offset the cost of providing the service. This increase ensures the refuse equipment can be replaced on time as previously budgeted, and has now added in a plan for the future operations of the department at a new facility located within the town limits.**

5. The following constitutes a description of the methods that the governing body of the local government considered to reduce the impact of the proposed rate increase on businesses and a statement regarding whether any, and if so which of these methods were used:

The Town of Gardnerville operates the Health and Sanitation Department as a prescribed service under Douglas County Code 18.06. By code, both commercial and residential trash collection is

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mandatory within the towns of Minden and Gardnerville within Douglas County. For the Fiscal Year 2017-2018 budget, town staff has deferred a planned purchase of a replacement trash collection vehicle, will continue to dispose of as much as possible of the collected solid waste at the lowest charging authorized facility, and will continue suspending the no-cost “green waste pick-up” from residential customers from January 1st through mid-March. Historical data showed the route usually only produces 5 tons (or less) of debris. Town rates, even with this increase, will remain at or below fees for similar services charged by other collection providers in the adjacent communities.

6. The governing body estimates that the annual cost to the local government for enforcement of the proposed increase is:

There should be no increase in costs, as the Town already has the billing system in operation and staff deals with rates and customer charges virtually every business day.

7. The proposed resolution increases the existing rates and fees and the total additional amount expected to be collected is:

Annual total of additional revenue is expected to be approximately \$62,710.

The additional revenue will go directly to and provide for the necessary revenue requirements to cover the cost of a new operation site and replacement of equipment used in the Health and Sanitation Department.

8. The proposed resolution includes provisions which duplicate or are more stringent than federal, state, or local standards regulating the same activity. The following explains why such duplicative or more stringent provisions are necessary:

The rate and fee increases are not duplicative or more stringent than existing federal, state, or local standards.

Combined Reserves-End of Year

