CLARK COUNTY WATER RECLAMATION DISTRICT
Business Impact Statement
District Resolution 18-007
(AMENDS THE DISTRICT’S SERVICE RULES)

Upon request, a copy of this Business Impact Statement can be obtained from the Clark County Water Reclamation District, at the following website:

www.cleanwaterteam.com

This Business Impact Statement was prepared pursuant to NRS 237.090 to address the impact of a proposed resolution, Resolution 18-007, which codifies changes to the District Service Rules.

1. The following constitutes a description of the manner in which comment was solicited from affected businesses, a summary of their response and an explanation of the manner in which other interested persons may obtain a copy of the summary.

A Citizens Advisory Committee (CAC) comprised of various business stakeholders was formed to study the District’s finances and to make recommendations on rates and charges. Entities represented on the CAC are Las Vegas Metro Chamber of Commerce, Latin Chamber of Commerce, Urban Chamber of Commerce, Nevada Resorts Association, Commercial Real Estate Development Association (NAIOP), Nevada Restaurant Association, Southern Nevada Home Builders Association, Real Estate and Environmental professionals, and Master Planned Communities. Each Committee member was to reach out to their membership regarding the recommendations.

A letter was sent to the Las Vegas Metro Chamber of Commerce, the Southern Nevada Home Builders Association, the Nevada Resort Association, and the Commercial Real Estate Development Association (NAIOP) soliciting comments as well.

A notice was posted in the Las Vegas Review Journal and the proposed amendments to the Service Rules were placed on the District’s website for other interested persons to view and provide comment.

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

Adverse effects: No comments regarding adverse effects were received.

Beneficial effects: Funding for the 15-year capital improvement program will enable the District to design and complete repair/replacement/rehabilitation projects in both the collection and treatment systems, ensuring the safe, continuous operation of the clean water facilities. The program will also include multiple projects to provide additional treatment capacities to accommodate the additional flows in the community. At the current time, there are 62 identified projects, costing a projected total of more than $1.4B. The projects are necessary investments in the community’s clean water infrastructure.
**Direct effects:** The capital program will ensure reliable and safe wastewater collection and treatment systems with adequate capacity. The capital program includes oversizing funding, which will leverage District funds with developer-installed lines, providing additional collection system capacity. New development customers will pay the increased connection fee and all customers will pay the increased annual sewer service charge. The use of new bond financing will require future customers to share in the costs of the infrastructure provided for their use.

**Indirect effects:** The community’s clean water systems are essential, not only for the collection and treatment of wastewater, but to deliver clean water back into the environment and generate return flow credits that are vital to our water resources.

3. **The following constitutes a description of the methods the local government considered to reduce the impact of the proposed rule on businesses and a statement regarding whether any, and if so which, of these methods were used:** Based upon the CAC review and recommendations, the District kept the connection fees and sewer service charges as low as possible and spread over a 10-year period to reduce the impact.

4. **The governing body estimates the annual cost to the local government for enforcement of the proposed rule is:** There will be no additional cost on the District for enforcing the proposed rules.

5. **If the proposed rule provides for a new fee or increases an existing fee, the total annual amount expected to be collected is:** The District expects to collect approximately $285M in Collection Fees over the ten-year period from fiscal year 2020 to fiscal year 2030. Approximately $2.2B is expected to be collected between 2020 and 2030 in annual sewer service charges.

6. **If the proposed rule provides for a new fee or increases an existing fee, the money generated by the new fee or increase in existing fee will be used by the local government to:** The money generated by the connection fees pays for expansion of the District’s wastewater collection system and treatment facilities. The annual sewer service charge covers the District’s Operations and Maintenance, capital repair and replacement projects and debt service.

7. **If the proposed rule includes provisions that duplicate or are more stringent than federal, state or local standards regulating the same activity, the following explains when such duplicative or more stringent provisions are necessary:** None
8. The reasons for the conclusions regarding the impact of the proposed rule on businesses:
   Stakeholders did not submit statements that there would be a significant impact on their business
   from the proposed amendments to the Service Rules. No comments were received through the
   Business Impact Process.

CERTIFICATION

I certify that, to the best of my knowledge or belief, the information contained in this business impact
statement was prepared properly and is accurate.

[Signature]

Thomas A. Minwegen
General Manager
Date: December 4, 2018