



WASHOE COUNTY

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STAFF REPORT

BOARD MEETING DATE: June 10, 2025

DATE: May 16, 2025

TO: Board of County Commissioners

FROM: Dwayne Smith, P.E., Division Director, Engineering and Capital Projects
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THROUGH: Eric Crump, Director,
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SUBJECT: Public Hearing: Second reading and possible adoption of an ordinance amending Ordinance No. 1000 in order to change the boundaries of District No. 24 (Groundwater Remediation); AND,

Public Hearing: Second reading and possible adoption of an ordinance imposing a fee on the parcels of land in Washoe County, Nevada, District No. 24 (Groundwater Remediation) to pay the costs of developing and carrying out a plan for remediation.

The Central Truckee Meadows Remediation District was formed in 1997 to address the tetrachloroethene (PCE) contamination of groundwater in the central Truckee Meadows area. The District is tasked with remediating PCE contamination and annually updates both the Service Area boundary and Contaminant Area boundary based on continuous analysis and modeling efforts. There is no impact to the General Fund. (All Commission Districts.)

SUMMARY

In accordance with NRS 540A.250-285 and Washoe County Ordinance 1000, the Board of County Commissioners (Board) administers the Central Truckee Meadows Remediation District program (Remediation Program) through the Community Services Department (CSD), Engineering and Capital Projects Division.

In continued support of the Remediation Program, staff reviews and amends the Remediation Program boundaries annually. The two boundaries reviewed and amended are the Service Area Boundary and the Contaminant Boundary. Modifications to the Service Area boundary occur because the Truckee Meadows Water Authority (TMWA) service area changes annually due to development changes and subsequent changes to potable water use. The Contaminant Boundary also changes annually and is appropriately updated to reflect changes to the extent and location of groundwater contamination, resulting in certain parcels being subject to increased or decreased remediation fees.

AGENDA ITEM # _____

Modifications to the Service Area and Contaminant Boundaries are made annually and require Board action, including a resolution to establish the date for a public hearing and first and second readings to amend the governing ordinances. On April 8, 2025, the Board approved Resolution R25-32 to set a hearing for May 13, 2025, to amend the Remediation Program boundaries with second hearing and adoption proposed for June 10, 2025. Therefore, the staff requests public hearing for the second reading and adoption of the amended governing ordinances and associated boundaries. Specifically, this includes: 1) the Boundary Amendment Ordinance (Attachment 1), which identifies those areas annexed into or excluded from the Service Area boundary during the calendar year 2024 (shown Attachment 2), and 2) the Fee Adoption Ordinance (Attachment 3), which allows Washoe County to impose a fee on the parcels of Land in Washoe County, Nevada District No. 24 to pay the costs of developing and carrying out a plan for remediation for the FY2026. The Service Fee Boundary and preliminary Fee Schedule are Attachments 4 and 5, respectively.

Washoe County Strategic Objective supported by this item: Fiscal Sustainability: Long term sustainability.

PREVIOUS ACTION

On May 13, 2025, the Board held the first reading of an ordinance: (1) amending Ordinance No. 1000 to change the boundaries of District No. 24 (Groundwater Remediation); (2) providing for a notice of a public hearing and other matters relating thereto; and (3) setting the public hearing for the second reading and possible adoption on June 10, 2025; AND, held the first reading of an ordinance: (1) imposing a fee on the parcels of land in Washoe County, Nevada District No. 24 (Groundwater Remediation) to pay the costs of developing and carrying out a remediation plan; (2) providing for a notice of a public hearing and other matters relating thereto; and (3) setting the public hearing for the second reading and possible adoption on June 10, 2025.

On April 8, 2025, the Board adopted Resolution R25-32, calling a hearing on the amendment of the boundaries of District No. 24, and set the public hearing for May 13, 2025.

A public hearing to introduce an amendment to the CTMRD boundary ordinance and an amendment to the remediation fee ordinance was last held by the Board in June of 2024.

BACKGROUND

In 1997, in accordance with NRS 540A.250(1), the Board created, through the adoption of Ordinance 1000, District No. 24 (Groundwater Remediation), a project within Washoe County providing for the collection of the costs for remediation of the quality of groundwater upon certification that a condition existed within the area. With the subsequent certification by the District Health Officer and the NDEP administrator, District No. 24 Remediation Program was created to address PCE contamination of groundwater in the central Truckee Meadows.

Boundary Amendment Ordinance (Attachment 1)

As required, the Remediation Program identifies two boundaries. The Contaminant Boundary defines the areas within the Truckee Meadows where PCE contamination exists and can be effectively remediated. The Service Area boundary includes wholesale and retail service areas where the Truckee Meadows Water Authority owns municipal

water supply wells located within the Contaminant Boundary. In addition, TMWA also provides wholesale water to Sun Valley General Improvement District and Parr-Reno Water Company and those areas are subject to the Remediation Program fees. TMWA is the only municipal water purveyor that has water supply wells within the Contaminant Boundary.

Each year the Contaminant and Service Area boundaries are amended to reflect any parcels added to or removed. These changes could include:

- 1) Service Area Boundary - Parcels added into or removed from the wholesale and retail service area of effected water purveyors and to exclude properties that are federally owned, properties that are undeveloped, and properties that receive water service wholly independent from those purveyors; and
- 2) Contaminant Boundary - Parcels added into or removed from the area where the condition requiring remediation has been determined by the Board to be present, including any area to which the condition is expected to migrate unless remediation is carried out.

When these boundaries are amended, the Boundary Amendment Ordinance is updated to reflect the changes (attachment 1). As performed each year, the following items will be filed with the Washoe County Clerk prior to the publication of a notice of hearing as hereinafter described:

- 1) a list of the properties proposed to be excluded from the 2025 Service Area Boundary with respect to the fees collected in 2024,
- 2) a description of the areas proposed to be added to the 2025 Service Area Boundary; and
- 3) a list of the properties proposed to be excluded with respect to the fee to be imposed in 2025.

Annually TMWA provides Washoe County with the dollar amount billed for water service during the previous calendar year, by parcel, to each of the parcels within their water service areas. The amount billed for water use provides the basis for determining the Remediation Program cost recovery and further excludes those properties from remediation fee assessment that did not use water during the previous year.

Fee Adoption Ordinance (Attachment 3)

The Remediation program provides benefits to three distinct groups among water-using property owners. These include the “Service Area Boundary Benefit Group” and the two “Contaminated Area Boundary Benefit Groups” (residential and non-residential). The proposed Service Area Boundary map is shown in Attachments 2 and 4, together with the Contaminant Area Boundary.

Service Area Boundary Benefit Group A: includes water-using parcels that receive wholesale or retail water service from TMWA. The primary benefit for this group is receiving drinking water that meets the regulatory standards for PCE. The water-using property owners in this benefit group are assessed a fee based on annual water use.

Contaminant Area Boundary Benefit Group B: This benefit group includes owners of residential parcels that are located within the area impacted by PCE-contaminated groundwater. The benefits received by this group are: (1) the benefit described for Benefit Group A, (2) the protection of property values by avoiding a CERCLA (i.e. Superfund) listing, and (3) ongoing remedial actions to reduce and eliminate PCE contaminated groundwater underlying their property.

Contaminant Area Boundary Benefit Group C: This benefit group includes owners of non-residential parcels that are located within the area impacted by PCE-contaminated groundwater. The benefits for this group are: (1) benefits as described in Groups A and B; and (2) the limitation of liability which NRS 540A affords, for property owners who did not cause or contribute to contamination.

In accordance with NRS 540A.265, the Board approved a tiered fee rate structure for these benefit groups on May 24, 2002. This tiered remediation fee rate structure is:

- The base rate (0.5x) for Benefit Group A;
- Twice the base rate (1x) Benefit Group B; and,
- Four times the base rate (2x) for Benefit Group C.

Attachment 5 shows the tiered remediation fees for these benefit groups for 2025.

FISCAL IMPACT

Approval of these Ordinance amendments will provide for the operation and maintenance of groundwater treatment at five municipal wells and provide for ongoing implementation of the Remediation Management Plan. As shown in Attachment 5, the proposed FY25-26 CTMRD program fees and revenue remain at approximately \$1,250,000. Revenue for the Special Revenue Fund is included in the FY26 Budget. The number of parcels and dollar amounts in each benefit group shown on Attachment 5 for 2025 are preliminary and based on the most recent data at the time of publication. These will change due to parcel revisions that will be recorded by the Assessor's Office in preparation for the annual property tax billing statements. The actual remediation fee is dependent on the type of water service (service size, residential or commercial, metered or flat rate) to that parcel and the actual water consumption (as indicated by the annualized water bill). These fees will be submitted to the Treasurer's office and included in the mailing of the annual property tax billing statements in July.

RECOMMENDATION

It is recommended the Board of County Commissioners hold the second reading for possible adoption of an ordinance amending Ordinance No. 1000 in order to change the boundaries of District No. 24 (Groundwater Remediation); AND, hold the second reading for possible adoption of an ordinance imposing a fee on the parcels of land in Washoe County, Nevada, District No. 24 (Groundwater Remediation) to pay the costs of developing and carrying out a plan for remediation.

POSSIBLE MOTION

Should the Board agree with the staff recommendation, a possible motion would be: "Move to adopt Ordinance Number (insert ordinance number as provided by the County Clerk) amending Ordinance No. 1000 in order to change the boundaries of District No. 24 (Groundwater Remediation); AND, move to adopt Ordinance Number (insert ordinance number as provided by the County Clerk) imposing a fee on the parcels of land in Washoe County, Nevada, District No. 24 (Groundwater Remediation) to pay the costs of developing and carrying out a plan for remediation."

Attachment 1 – 2025 Boundary Amendment Ordinance
Attachment 2 – 2025 Service Area and New Parcels Map
Attachment 3 – 2025 Fee Adoption Ordinance
Attachment 4 – 2025 Fees Boundary Map
Attachment 5 – 2025 Preliminary Fee Schedule