Clark County, Nevada Business Impact Statement

The following Business Impact Statement was prepared pursuant to Nevada Revised Statute 237.080 and 237.090 to address the proposed impact of the adoption of an **Ordinance amending Title 24 of the Clark County Code, to add a new chapter 24.04**.

- 1. The following constitutes a description of the manner in which comments were solicited from affected businesses, a summary of their responses, and an explanation of the manner in which other interested persons may obtain a copy of the summary.
 - a. Notice: The Clark County Water Reclamation District (District) published the proposed ordinance in the Las Vegas Review-Journal from November 5 through November 19, 2025. The District also provided a copy of the proposed ordinance to its Citizens Advisory Committee and stakeholders, including the Southern Nevada Homebuilders Association, Vegas Chamber, Urban Chamber of Commerce, Master Plan Communities, NAIOP Commercial Real Estate Development Association, Latin Chamber of Commerce, ABC Contractors, Nevada Resorts Association, Outlying-Rural Systems, and Conservation League/Green Alliance/Environmental organizations. Finally, the District posted a copy of the notification and the proposed ordinance on the District's website in the Public Notices section. See Attachment 1.

A twenty-two (22) day public comment period was opened and the District received fifty-nine (59) comments.

b. <u>Summary of Comments</u>: Although the District received fifty-nine (59) comments, only eleven came from businesses, with the rest from homeowners.

Two of the business comments raised a concern from licensed surveyors: they explained that during project due diligence, surveyors need to open manholes to measure inverts and accurately design sewer connections. Under the proposed Section 24.04.040(d), this activity would be prohibited without prior written consent from the District. But the ordinance does not outline how to request permission or how quickly the District would respond. To resolve this issue, the District agreed to work independently with design professionals (i.e., surveyors and engineers) and establish a clear and streamlined process to obtain permission, ensuring they can access manholes easily and continue their work without delay.

The remainder of the comments came from homeowners (including seven from homeowners who operate businesses out of their homes) on septic systems who expressed concern that Section 24.04 could be applied to properties not connected to the District sewer system. They worried that certain sections (such as 24.04.020, 24.04.040(f), and 24.04.050(b)) might create overlapping requirements with proposed Southern Nevada Health District septic regulations and potentially lead to costly mandatory sewer connections. These commenters asked that all septic-related language be removed and that the ordinance be clarified to apply only to properties connected to, or seeking connection to, the public sewer system.

To address these concerns, the District met with Laura McSwain, a Water Fairness Coalition Board Member, to understand the homeowners' concerns and further discuss the issue. Following that meeting, the District agreed to remove specific language in the ordinance, namely Sections 24.04.020(b)(1) and 24.04.020(b)(2). As originally drafted, Section 24.04.020(b) required anyone in need of sewer service to submit an application for service to the District, or alternatively, either provide proof of a permit for a septic or holding tank system issued by the Southern Nevada Health District or Nevada Division of Environmental Protection, or proof of an interlocal agreement allowing service from another jurisdiction.

The District will strike subsections 24.04.020(b)(1) and 24.04.020(b)(2) and instead require anyone in need of sewer service to submit an application for service to the District "prior to sending wastewater to the District." This revision resolves the concerns raised by homeowners by ensuring the ordinance applies as a protective measure for the District.

- c. <u>Public Availability of Comments</u>: A copy of the proposed amendment and the Business Impact statement may be obtained by contacting the Clark County Water Reclamation's main office at 5857 East Flamingo Road Las Vegas NV 89122, or by emailing <u>strategicservicescommunications@cleanwaterteam.com</u>.
- 2. The total number of businesses likely to be affected by the proposed rule:

Based on the comments received and the District's commitment to streamline processes for Design Professionals, and clarify the ordinance for homeowners on septic, no businesses are expected to be adversely affected by the proposed rule. The concerns raised during the public comment period were addressed through revisions to the ordinance, and with those changes, no known businesses will likely be impacted.

3. The following chambers of commerce and trade associations were notified of the proposed rule:

The Southern Nevada Homebuilders Association, Vegas Chamber, Urban Chamber of Commerce, Master Plan Communities, NAIOP Commercial Real Estate Development Association, Latin Chamber of Commerce, ABC Contractors, Nevada Resorts Association, Outlying-Rural Systems, and Conservation League/Green Alliance/Environmental organizations.

4. The following is a summary of the workshop(s) conducted pursuant to NRS 237.08(5):

Not applicable as no local chamber of commerce or trade associations submitted a request for the holding of a workshop on the proposed rule.

5. The estimate 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: Individuals and businesses that connect to the District's publicly owned treatment works (POTW) without authorization may be subject to criminal and economic penalties. Likewise, those found dumping substances into manholes that enter the District's POTW will also face potential penalties, as such actions constitute unauthorized use of District infrastructure. Also, any occupations that have previously accessed District manholes without obtaining District approval, will need to adhere to District processes for obtaining prior permission.
- b. Beneficial Effects: The ordinance provides important safety and operational benefits by addressing recurring issues with unauthorized access to manholes and/or discharges to the District's POTW. The District has frequently encountered situations where covers were lifted and not properly re-seated, creating significant hazards. Improperly secured covers pose risks to public safety, expose the District to liability, and have resulted in vehicle damage claims associated with dislodged manhole covers. Unauthorized discharges risk damage to the District's POTW, the environment, and/or the District's operations. By establishing clear accountability and restricting access to trained and authorized individuals, the ordinance reduces these risks, enhances infrastructure protection, and promotes safer operating conditions throughout the system.
- c. <u>Direct Effects</u>: The proposed ordinance strengthens protection of the District's infrastructure by holding accountable those who damage infrastructure and/or dump into the District's POTW without permission.
- d. <u>Indirect Effects</u>: Homeowners initially believed they would be indirectly affected by the ordinance, particularly those on septic systems who feared overlapping requirements or costly mandatory sewer connections. However, the District has since revised the ordinance language to avoid any such implications. With these revisions, no indirect effects remain.
- e. Other Economic Effects to be Considered: Because the concerns raised by homeowners have been addressed through revisions to the ordinance, no other economic effects have been identified.
- 6. The following constitutes a description of the methods that 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:

The proposed ordinance is narrowly focused on enforcement against users who discharge into the District's POTW without authorization, thereby placing District infrastructure at risk. Its intent was not to extend these requirements to all individuals or businesses, but specifically to address unauthorized access and dumping, regardless of whether the violator is a District customer. Because of this limited scope, the District did not conduct a study or employ methods to reduce business impacts, as no legitimate business operations are expected to be affected. After receiving public comment, however, revisions to the ordinance were made and the District has committed to working with surveyors to develop a process for licenses surveyors to gain prior approval to access District manholes.

7. The governing body estimates the annual cost to the local government for enforcement of the proposed rule is:

The annual cost to the District is expected to be negligible. The District already utilizes show cause hearings to enforce against violators who discharge into the District's POTW without authorization. Enforcement under the proposed ordinance will simply extend the existing hearing process to include individuals or entities that are not District customers, requiring minimal (if any) additional resources or expenditures. Enforcement through County officials is also made possible with this ordinance.

8. The proposed rule provides for a new fee or increase an existing fee and the total annual amount expected to be collected is:

No new fee is being proposed under the ordinance. Enforcement applies only to unauthorized dischargers, who may be subject to criminal and/or economic penalties. Accordingly, no annual fee revenue is anticipated.

9. The money generated by the fee or increase in existing fee will be used by the local government to:

Although no new fee is proposed under the ordinance, any money collected through criminal fines or economic penalties imposed on unauthorized dischargers will be directed toward enforcement activities and the protection of District infrastructure. Specifically, such funds would be used to strengthen enforcement against unauthorized discharges and to repair or replace infrastructure that may be damaged as a result of these violations. With this framework in place, the ordinance ensures that any revenue collected is reinvested to safeguard the system and maintain public safety.

10. The proposed rule includes provision 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:

Not applicable.

11. Set forth the reasons for the conclusions regarding the impact of the proposed rule on businesses.

The District concluded that the proposed ordinance will have no adverse impact on legitimate businesses. This determination rests on several considerations. First, the ordinance is narrowly tailored to address unauthorized dischargers who threaten District infrastructure, rather than imposing new requirements or fees on businesses that already comply with existing regulations. Second, while homeowners initially expressed concern that they might be indirectly affected, particularly those on septic systems, the District revised the ordinance to ensure it operates as a protective measure for the District. Additionally, the District has agreed to develop a process by which surveyors (or other engineering design professionals) obtain prior approval from the District to access District manholes. With this, no indirect business impacts remain. Third, the District already employs show cause

hearings to enforce against violations, and extending this process to unauthorized dischargers requires no additional resources or changes that would affect compliant businesses. Finally, the ordinance does not establish new fees or increase existing ones; any penalties collected will apply only to unlawful discharges and will be reinvested in enforcement and infrastructure protection. In essence, the ordinance is narrowly focused on preventing unauthorized discharges while ensuring that legitimate business operations remain unaffected.

Certification of Business Impact Statement

Pursuant to NRS 237.090(2), I Kevin Shiller, as County Manager for Clark County, Nevada, and Thomas A. Minwegen, as General Manager for Clark County Water Reclamation District hereby certify that, to the best of our knowledge and belief, the information contained in this statement was prepared properly and accurately.