



Memorandum #22-08

Date: October 23, 2008

To: SOUTHERN NEVADA DISTRICT BOARD OF HEALTH

From: Glenn Savage, *Director of Environmental Health* *GS*
Scott Weiss, *Director of Administration* *SW*
Lawrence Sands, D.O., M.P.H., *Chief Health Officer* *LS*

Subject: Categorical Change to Water Store Fees

At the request of water store operators (attached), Environmental Health staff conducted an investigation to determine if "water stores" are:

1. Being assessed fees at a rate which are excessive for the proportion of time which is required from the division to complete facility reviews, inspections and permitting; and
2. Placed in the fee category which most appropriately identifies the facilities' operations

After conducting the investigation, Environmental Health and Administration staff agree that water stores were mis-categorized within category 30 "Bottling Plant," which is defined as "an establishment engaged in manufacturing soft drinks (non-alcoholic beverages), carbonated, distilled, mineral and other bottled water" and subsequently being assessed fees ranging from \$400 - \$1,795. Staff recategorized water stores to category 19, which is defined as "a refreshment stand operated at a public place or center" which is a fee assessment of \$90.

This change in assessment will be applied to forty-four facilities and will be applied to their 2008-09 billing.

/src

attachment

March 13, 2008

Steve Goode
Southern Nevada Health Department
625 Shadow Lane
Las Vegas, NV 89127

Dear Mr. Goode;


Attached please find a copy of the letter I sent to you on January 8 of this year. In the letter I asked you to determine why my store, Horizon Pointe Water, and my wife's store, Pecos Windmill water Store, are both paying different fees to the Health District, why we are both listed as bottling plants, and why we are paying fees higher than some restaurants.

In addition I would like some documentation showing the correct classification for our stores and how the fees are determined.

I hope that the first letter was just misplaced. These issues are of great interest to us because our stores, and all water stores in the Valley, are losing business to vending machines, as stated in my previous letter.

Please provide a detailed response by April 25, 2008.

Sincerely;



Paul Nowakowski
Owner Pecos-Windmill Water Store
Horizon Pointe water Store

January 8, 2008

Steve Goode
SNHD
PO Box 3902
Las Vegas, NV 89127

Dear Mr. Goode;

I have a couple of topics I would like to bring to your attention. My wife owns the Pecos Windmill Water Store and I own the Horizon Pointe water Store. We recently noticed that both our Health permits list us as being **Bottling Plants**. We do not bottle water but only fill customer's bottles or new bottles that customers buy in our store. From that point on the customers own the bottles and we only refill them in our store or through the vending machines located in our front windows.

It appears that the bottling plant designation also comes with a significantly higher permit fee. We found this out when a friend that owns a restaurant told us that his permit fee was much lower.

Please look into this for me and let me know what the correct fee for our stores should be.

The second matter concerns the water "windmill" vending machines that seem to surround our stores. These locations do not pay any health permit fee because the Health Department considers them as only vending machines. They are not inspected so the Health department does not play any role in determining that the water they dispense is safe for the public. In fact Coster Engineering, the manufacturer of our vending machines told me that the windmills are not permitted in California because they do not meet that state's stringent requirements.

While I understand that you, as a public employee, cannot take an interest in whether a particular type of business survives or not, but I can tell you that two water stores went bankrupt in 2007 and another owner just walked away from his store two months ago. Our two stores are also in financial trouble and we are dipping into our retirement savings to meet daily living expenses.

The windmills do not pay rent or Health Department fees, they probably have only one license fee to cover all locations, and do not require an employee. In most cases they merely pay the property owner a commission based upon the gallons they sell. Because of these significantly lower costs, (to keep my store open costs about \$3,800 per month) their water is priced lower than ours, and keeps us from increasing our water price. Even a nickel a gallon increase would keep us, and other water stores alive.

I am not interested in special treatment but only that you try to keep us and the windmills on an even playing field regarding health issues and permits. I think this would also protect the quality of water available to the public. By this I mean that stringent safety requirements would prevent the quality of the water from deteriorating by inadequate equipment and/or maintenance that may allow the growth of harmful bacteria in their equipment.

Thank you so much for your time. Please let me know if I can be of any help concerning these issues.

Very Truly Yours;


Paul Nowakowski
Horizon Pointe Water