

Mayor and Council Communication

DATE: 12/12/23

M&C FILE NUMBER: M&C 23-1079

LOG NAME: 60WATER AND SEWER PRO RATA CHARGES ORDINANCE AMENDMENT

SUBJECT

(ALL) Adopt Ordinance Amending Chapter 35 "Water and Sewers" of the City Code to Revise the Front Foot Charges for Water and Sanitary Sewer Main Connections and to Increase the Annual Cost Adjustments for Front Foot Charges, Per Acre Charges, Water Main Capacity Charges, and Sewer Capacity Charges from 2% to 4%

RECOMMENDATION:

It is recommended that the City Council adopt the attached ordinance amending Chapter 35 "Water and Sewers" of the City Code to revise the front foot charges for water and sanitary sewer main connections and to increase the annual cost adjustments for front foot charges, per acre charges, water main capacity charges, and sewer capacity charges from 2% to 4%.

DISCUSSION:

The purpose of this Mayor and Council Communication is to increase the front foot charges that the City collects for connections to water and sanitary sewer main connections, and to increase the annual cost adjustment on front foot charges, per acre charges, water main capacity charges, and sewer capacity charges from 2% to 4%. The inflation increase accounts for increases in the average interest rate associated with debt used to fund front foot and oversizing costs associated with growth.

The City uses front foot charges, per acre charges, water main capacity charges and sewer capacity charges to provide a mechanism for the City and developers to recoup a portion of the costs of constructing public water and sewer infrastructure.

Front foot charges are collected prior to the filing of a final plat, or before a plumbing permit can be issued. The front foot charges were last updated on July 22, 2014 (M&C G-18266). Front foot charges are based on the average cost of water or sewer lines to be installed.

The following tables show the current front foot charges and the proposed front foot charges:

Size of Connecting Pipe	Current Water Front Foot Charge	Proposed Water Front Foot Charge
8-inch or Smaller	\$38.40	\$43.23
10-inch	\$48.16	\$54.22
12-inch	\$51.28	\$57.73
16-inch	\$67.13	\$75.57

Size of Connecting Pipe	Current Sewer Front Foot Charge	Proposed Sewer Front Foot Charge
8-inch or Smaller	\$48.20	\$54.26
10-inch	\$50.15	\$56.46
12-inch	\$58.36	\$65.70
15-inch	\$66.57	\$74.94
18-inch	\$74.78	\$84.18
21-inch	\$83.00	\$93.44
24-inch	\$103.00	\$115.95

The City currently imposes a 2% annual inflation cost adjustment on front foot charges, per acre charges, water main capacity charges and sewer capacity charges. The Water Department is recommending that the annual cost adjustment be increased from 2% to 4%.

The changes to these charges were presented to the Development Advisory Committee (DAC) on October 19, 2023 for feedback. The Water Department received consensus from the DAC members at that presentation.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that approval of the above recommendation will have no material effect on City funds.

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