



CITY COUNCIL ITEM SUMMARY

MEETING DATE:	February 1, 2024
SUBCATEGORY:	Second Reading of Ordinances
DEPARTMENT NAME:	Water
AGENDA ITEM TITLE:	Water & Sewer Capacity Fee Update
DEPARTMENT SUMMARY RECOMMENDATION:	<p>On May 25, 2000, the City adopted a water and sewer capacity fee ordinance in addition to its normal rates for water and sewer service. The water and sewer capacity fees are deposited into a dedicated City account to fund the expansion and extension of the City's water, wastewater, and sewer facilities and/or capacity.</p> <p>Since the initial ordinance adoption, these capacity fees have not been amended. The City contracted with Hazen & Sawyer to study and update these fees. The resulting recommendations are reflected in this ordinance update. The fee changes reflect the actual cost of capacity expansion and extension of City water and sewer facilities and treatment. The increase in this one-time fee, based on a single-family home inside the City, with ¾" meter service will increase by \$160.00 for water and \$170.00 for sewer.</p> <p>Fees for services with meters 4" and larger will be based on an equivalent residential unit (ERU) cost per gallon of capacity requested.</p> <p>Since the first reading, the "Sewer – Outside City" fee column has been adjusted to correct an error in the calculation, reflecting an increase in the fees for meters 2" and smaller. Additionally, the "Water – City" fees for 1", 1.5', and 2" meters have been adjusted by \$1.00 to reflect the final recommendation from Hazen.</p>
LEGAL:	Reviewed by Archer & Lovell