

# Council Agenda Summary

February 2, 2021

Key Staff Contact: Sean Chambers, Water & Sewer Director, 970-350-9815

## Title:

Public hearing and final reading of an ordinance establishing Local Improvement District No. 43840 for the construction of sanitary sewer infrastructure.

## Summary:

The Johnson Subdivision was developed in 1963 and 1969 in Weld County and was annexed as an enclave into Greeley in 2005. A majority of the properties within the subdivision have septic systems (36 septic, 4 City sewer, and 3 undeveloped), with some that could be reaching the point of failure. Transitioning a failing septic to municipal wastewater collection and treatment provider is a best practice for the protection of public health and safety. The Greeley Municipal Code requires properties within 400 feet of the municipal sanitary sewer system to connect within ninety (90) days of receiving official notice to do so. There are currently 20 properties within the Johnson subdivision that are located within 400 feet of the municipal sewer system, a majority of the subdivision. Those properties will be required to connect to the municipal sanitary sewer system at the time of septic system failure. These connections are generally very costly, and there is an significant cost efficiency to constructing the backbone collection system all at once.. Therefore, W&S Department proposes to facilitate a more proactive and cost-effective connection strategy by developing a Local Improvement District (LID) to facilitate the construction of a new sewer collections system for all residents. This strategy will include W&S engineering staff designing the new sewer system and then W&S operations staff constructing the sewer system. The residents within the LID will be required to pay, at the time of their connection, for their proportionate cost of the materials (pipe, bedding, asphalt, etc.) through the LID. This strategy allows the City to utilize its field construction crews and existing resources to reduce the connection cost. The LID recovery cost will be required at time of septic system failure, and staff recommends allowing two payment options; 1. A one-time payment the properties proportionate cost of LID expenses; or 2. A city payment plan that would allow for payments over time, up to a 60-month term. This strategy helps reduce costs to residents, facilitates compliance with the code, and leverages City resources for the most economical construction. Further, this work to make municipal sewer service available will protect public health by eliminating private septic systems as they fail. Staff have communicated with residents by letter and shared information with the citizens at a virtual open house on Wednesday, January 6, 2021. This ordinance was introduced at the January 19, 2021 Council meeting.

## Fiscal Impact:

Does this item create a fiscal impact on the City of Greeley?	Yes
If yes, what is the initial, or, onetime impact?	Onetime \$480,000.00
What is the annual impact?	N/A

What fund of the City will provide Funding?	402-Sewer New Construction
What is the source of revenue within the fund?	Plant Investment Fees, Bonds
Is there grant funding for this item?	No
If yes, does this grant require a match?	
Is this grant onetime or ongoing?	
Additional Comments:	The Local Improvement District will enable the City to recover the costs of the sewer line extension from the parcels that are benefiting from the sewer line.

#### **Legal Issues:**

Consideration of this matter is a legislative process. The City Attorney's Office drafted the proposed ordinance. A second ordinance must be brought to the City Council upon completion of construction to establish the LID assessments.

Consideration of this matter is a legislative process which includes the following public hearing steps:

- 1) City staff presentation (if requested)
- 2) Council questions of staff
- 3) Public input (hearing opened, testimony - up to three minutes per person, hearing closed)
- 4) Council discussion
- 5) Council decision

#### **Other Issues and Considerations:**

None.

#### **Applicable Council Priority and Goal:**

*Safety:* Manage the health, safety and welfare in a way that promotes a sense of security and well-being for residents, businesses and visitors.

*Infrastructure & Growth:* Establish the capital and human infrastructure to support and maintain a safe, competitive, appealing and successful community.

#### **Decision Options:**

- 1) Adopt the ordinance as presented; or
- 2) Amend the ordinance and adopt as amended; or
- 3) Deny the ordinance; or
- 4) Continue consideration of the ordinance to a date certain.

#### **Council's Recommended Action:**

A motion to adopt the ordinance and publish with reference to title only.

#### **Attachments:**

Ordinance  
Presentation