



Town of Johnstown

TOWN COUNCIL AGENDA COMMUNICATIONS

AGENDA DATE: August 17, 2020

SUBJECT: A Resolution Authorizing Payment From The Town Of Johnstown General Fund To The Town Of Johnstown Sewer Activity Enterprise For The Sewer Tap Fee And Regional Sewer Fee Associated With The Town Of Johnstown Community Recreation Center

ACTION PROPOSED: Consider the Resolution Authorizing Payment for the Sewer Tap Fee and Regional Sewer Fee for the Johnstown Community Recreation Center

ATTACHMENTS: 1. Resolution 2020-25

PRESENTED BY: Matt LeCerf, Town Manager

AGENDA ITEM DESCRIPTION:

Enclosed for your review and consideration is a Resolution that will authorize for the payment of the sanitary sewer tap fee and a regional sewer fee from the general fund to the sanitary sewer fund for connection into the Town's sewer system by the Johnstown Community Recreation Center. The total cost for this tap is \$500,000. The tap fee is a cost of \$25,000 and the regional sewer fee is \$475,000. The regional sewer fee is derived from the planned improvements for expansion of the sanitary sewer system the Town is moving forward on to accommodate future growth along the Highway 60 corridor. As part of these improvements, the current estimate is roughly \$65 million and it is currently recommended and discussed with Council that an additional fee be implemented to recover the costs of these expansions from the new growth in this area. Based on projected development and to recover the costs that would normally be incurred by development paying its own way, the regional sewer fee proposed to be set by ordinance is estimated to be \$9,500 for a single-family dwelling. The number of single-family equivalents for the Johnstown Community Recreation Center is 50 SFE's. Accordingly, the formula for this cost is as shown below:

- 50 SFE's X \$9,500 = \$475,000

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This payment for the fee ensures accountability for the Town and other developments as they move forward to permitting. Recent developments who will benefit from this sanitary sewer expansion project have committed to payment of this fee amount. Overall, the development community has been accepting of the proposed fee as an alternative to having to expend millions toward the overall sewer expansion project on their own. Phase I of this expansion project is expected to begin soon to meet future growth and sanitary sewer demands on the system.

LEGAL ADVICE:

The Resolution was drafted by the Town Attorney.

FINANCIAL ADVICE:

Funds have been budgeted for this loan and the Sewer Fund will be obligated to repay this debt.

RECOMMENDED ACTION:

Approve Resolution 2020-24 as presented authorizing the loan from the General Fund to the Sanitary Sewer Fund.

For Approval

I move to approve Resolution 2020-24, Authorizing A Loan From The Town Of Johnstown General Fund To The Town Of Johnstown Sewer Activity Enterprise And The Execution Of A Promissory Note.

For Denial

I move we Resolution 2020-24, Authorizing A Loan From The Town Of Johnstown General Fund To The Town Of Johnstown Sewer Activity Enterprise And The Execution Of A Promissory Note.

Reviewed and Approved for Presentation,

Town Manager