

CITY COUNCIL MEMORANDUM

AGENDA ITEM

Delay the effective date of Ordinance 16-064, Establishing Water Meter and Tap Fees, until May 31, 2017

ORIGINATING DEPARTMENT

Public Works/City Attorney

BACKGROUND INFORMATION

On December 13, 2016 the City Council adopted Ordinance 16-064, which placed the responsibility for installation of new city water services on developers and increased the fee for the installation of water meters that are installed by city staff. The effective date of the ordinance is March 23, 2017. See attached CCM/O for Ordinance 16-064 for more detailed background information.

DISCUSSION/CONCLUSION

During the March 7, 2017 workshop, concerns were raised regarding the application of the new policy and fee structure to lots that were already under development at the time the ordinance goes into effect. The City Council reached a consensus to delay the effective date of the ordinance to give the City Manager the opportunity to fully study the issue.

FISCAL IMPACT

Based upon the historical average of 1,000 taps per year, the current policy creates an annual loss of \$184,000 per year. Delaying the effective date of the new policy and fee structure will delay the recovery of that loss.

RECOMMENDATION

If City Council wishes to delay the effective date of Ordinance 16-064 until May 31, 2017, staff recommends that City Council direct staff to review the ordinance with the development stakeholder committee, take all of their concerns into consideration, and bring back a recommendation prior to May 31, 2017.