

MEMORANDUM

To: Mayor and City Council Members
Douglas Faseler, City Manager

From: David Rabago, P.E., CFM, City Engineer

Through: Rick Cortes, Assistant City Manager

Subject: Deerwood Circle and Sunrise Acres – Sanitary Sewer Service Connection Fees

Date: June 13, 2019

After the installation of sanitary sewer improvements in the Deerwood Circle and Sunrise Acres Subdivisions, property owners had the opportunity to connect to the newly installed line at the impact and tap fees in effect at that time. Residents had a five-year window to decide if they wanted to tie into the City system. After five years, residents would be required to connect at the current rates at the time of connection. The fees in effect for the 5-year period (December 1, 2009 to December 1, 2014) are as follows:

- Tap Fee - \$470.00
- Impact Fee - \$1,213.00

The residents were not required to connect to the sanitary sewer collection system unless their septic system failed, and could pay in two consecutive monthly payments.

Recently, staff received a request from residents of these subdivisions to honor the terms of the original proposal. If approved, residents in these subdivisions would pay a combined fee of \$1,683 as compared to the current fees of \$3,942. Ultimately, it is in the best interest to the City if residents connect to the city wastewater system. As such, staff is recommending applying the original terms for persons in the two subdivision for a period not to exceed one year from Council approval. Staff has also researched the possibility of applying for a grant similar to the grant received to decommission septic systems in Oak Village North (OVN). A grant opportunity has recently become available and if approved by Council, staff will submit the grant application for possible funding. If approved, these funds will help offset some of the costs borne by residents to connect to the city system.

Staff will be available to answer any questions at the Tuesday, July 2, 2019 City Council Meeting.