

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: Wastewater Impact Fee Update

Date: July 24, 2019

On January 19, 2016, City Council approved a resolution approving the wastewater capital recovery fee (impact fee) for a maximum amount of \$4,592.00 and an effective amount of \$3,442.00.

Impact fees are paid only by new developments. They are used to pay for a portion of the costs of providing service attributed to growth. This includes upgrades to or new installations of wastewater lines, lift stations, and treatment plants. Impact fees help reduce the burden on existing utility customers' rates as new growth and development generate the need for system wide improvements and expansions.

Staff is proposing to increase the current effective impact fee amount from \$3,442.00 to \$3,692.00 to help recover future costs of wastewater improvements.

Staff recommends approval and will be available to answer any questions at the Tuesday, August 6, 2019 City Council Meeting.