

Memorandum

PW022801-04

DATE: 2/22/01
TO: City Council, Mayor Shaw
FROM: Randall Nelson, Engineering Division Manager
RE: Sewer Connection Fee for North Wildwood Drive Area
CC: Dan Bjerke, Stacey Titus

Engineering Division staff requests authorization to construct approximately 2,200ft of 8” sanitary sewer in North Wildwood Drive in lieu of a proposed assessment project which was stopped by petition of the property owners. The proposed sewer would serve 26 properties and is estimated to cost \$130,000.

We recommend that the cost of constructing the sewer main be recovered by connection fees calculated by dividing the total cost of the sewer installation by the total number of parcels served, and collected as follows:

- For properties connecting within 12 months of substantial completion of the sewer main, the connection fee described above, estimated to be \$5,000 per property, would be paid in a lump sum with no interest added, due prior to receiving a sewer tap permit;
- For properties connecting more than 12 months after substantial completion of the sewer main, the connection fee would be increased by 50%, for a total estimated fee of \$7,500, paid in a lump sum, due prior to receiving a sewer tap permit.

The reasons for this request are as follows:

1. At least 12 of the property owners in the project area want sewer service and are likely to pay the connection fee in the near future.
2. The street needs to be totally reconstructed in conjunction with the North Wildwood watermain extension project extending the City's watermain to Red Rock Estates. Constructing the sewer at a later time will reduce the street's useful life.
3. Most of the on-site wastewater disposal systems in the service area are 20-25 years old, and are nearing the end of their useful life.
4. Most of the lots in the service area are relatively small, making it difficult to construct replacement drainfields.