

## **Administrative Order 84**

Utility fees practice - the following outlines how the Department: 1) participates in construction of various water/wastewater facilities, and 2) applies water and wastewater construction fees and system development fees to developments:

### **1. Local main extensions (greater than 12" in size)**

The extent and timing of the City's participation is determined in conformance with the Water/Wastewater Extension Policy approved by the City Council.

### **2. Interior main extensions (12" and smaller in size)**

#### **A) Extension from existing system to the nearest portion of property to be served**

Developers are responsible for constructing and paying for the entire cost of interior mains except as noted in section 2. B) below.

#### **B) Extensions that front non-participating property**

Developers are responsible for the cost of their fair share portion of all improvements that front the development or are necessary to get service to the development. In situations where some portion (but not all) of adjacent property outside the development does not participate financially in the improvements, the developer shall pay all improvement costs. The developer may then enter into a reimbursement agreement with the City to recover the costs associated with the non-participating properties. In situations where there is no other property outside the development participating, e.g., the other side of a street, the City will participate in one-half the cost of eligible portions of the construction.

### **3. Interior main construction fee**

The City's intent is that developers construct their fair share portion of a public facility at the time of development. In circumstances where this does not happen and there is no provision made for future participation, such as waivers of protest or reimbursement agreements, the interior main construction fee will be applied as outlined herein in lieu of the construction.

**A) Private contract or special improvement district participation**

Where property has participated in a private contract or special improvement district through which a public water/wastewater facility was constructed, the property will not be assessed the interior main construction fee.

**B) No private contract or special improvement district participation**

- 1) Except as outlined in section 3.B) 2) below and for which provision has not been made for future participation, such as waivers of protest or reimbursement agreements, any property that has not participated in a private contract or special improvement district through which a public water/wastewater facility was constructed, the property will be assessed the interior main construction fee.

As referenced in the approved rate schedules, “the interior main construction fee will be calculated by using the total lot frontage abutting public rights-of-way containing public water mains/sewer lines.” If there is frontage abutting public rights-of-way where a main does not currently exist but there is a need for one, either now or in the future, the developer shall be responsible for constructing their fair share portion at the time of initial development. However, where the main fronting the property is, by definition, a local main the property will not be assessed an interior main construction fee as the local main construction fee covers this. As referenced in the approved rate schedule, “The frontage of irregularly shaped lots may be adjusted to determine an equitable value.

- 2) To foster and support infill development, properties meeting the following criteria will not be assessed the interior main construction fee for any property frontages along an existing public water/wastewater facility:
  - Are located entirely within the City’s latest approved “Infill Development Area”;
  - Water/wastewater facilities fronting property must be existing at the time of service request and must have been installed by parties other than the City through private contract or special improvement district;
  - Conformance with all applicable provisions of the City’s utility extension policy; and
  - Conformance with all applicable provisions of policies governing the City’s infill development goals and programs.

**C) Local main construction fee** (fee applied against net area for platted subdivisions and against 72% of gross area of unplatted developments that are not part of a platted subdivision)

**a. Private contract or special improvement district participation**

Where property has participated in a private contract or special improvement district through which a public water/wastewater facility was constructed, the property will not be assessed the local main construction fee.

**b. No private contract or special improvement district participation**

Unless provision has been made by special agreement, any property that has not participated in a private contract or special improvement district through which a public water/wastewater facility was constructed will be assessed the local main construction fee.

**D) System development fee**

All properties will be assessed the applicable system development fee.

Dated this 29<sup>th</sup> day of September, 2004

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-ss.- Kristoff T. Bauer  
City Administrator