



## Legislation Text

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**File #:** 17-0100, **Version:** 2

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Discussion on policy for sewer extensions outside the City limits in an existing development

### SUMMARY:

As requested in the March work session, letters were sent to all property owners in the Doris Avenue area. As of April 24, surveys were returned by 29 of the property owners of the 48 parcels. There were 6 in favor of annexation and 23 against annexation. The owners of the remaining 19 parcels have not responded.

A request has been received for connection to sewer in an older subdivision that is located outside, but adjacent to, the City limits. Staff has been working on a proposed policy for adoption by Council to address this and future requests. The policy would only apply to established platted subdivisions. The policy would allow a way to extend the sewer to the subdivision and provide a method for collecting a reimbursement fee from all the properties that will eventually benefit from having sewer available. Because the subdivision would be outside the City limits, this cannot be done through the abutment method. When a request is received, City Council will determine whether or not to extend the sewer. As properties connect to the sewer, they would pay a fee in addition to the normal tap fee to reimburse the cost for the extension. This keeps one property owner from having to foot the cost of a sewer line extension that will actually benefit many more properties. Tim Begley will provide some examples of some older subdivisions that would be expected to take advantage of this in the future.

Because of the changes in the annexation laws, annexation can be required only as a condition of a request for connection to the sewer.

City Staff has developed the following three different ways to calculate the fee schedule for individual property owners:

- 1: Abutment formula: Use a ratio off of current tax property values and apply the ratio to the total project cost.
- 2: Utility Frontage Ratio: Use a ratio to determine the percent of the sewer line on the frontage of each individual property and apply the ratio to the total project cost.
- 3: Per-Lot cost: Divide the total project cost by the number of lots. The owner of each individual lot would pay the same amount.

The City Manager recommends either the utility frontage ratio or the per cot lost.

### BUDGET ACCOUNT:

**NECESSARY COUNCIL ACTION:** Provide direction for a policy to be developed and brought back to Council for approval.