



Legislation Text

File #: 20-0090, **Version:** 1

Discussion and action on Golf Court Town Homes/Tansi Sewer

SUMMARY: The low-pressure sewer line serving Brown Elementary School is 41,544+/- feet or 7.9 Miles to gravity sewer on Myrtle Avenue. The line is designed and is in use as a grey water line from Brown Elementary to South Cumberland Elementary School. From South School to Myrtle Avenue, the line is designed as a grinder line, which means it transports sewer solids.

City Staff has developed an estimate for the Golf Court Town Homes which includes the following:

- The HOA would pay for and maintain a low-pressure pump system on their property. The City would not maintain this system because it would meet the City's definition of commercial use. The cost of this onsite system is estimated to be \$209,400.
- The \$209,400 will be contracted out and paid directly by the HOA because they will own these improvements.
- Offsite improvements which will be owned by the City, include a grey water booster pump, tank and other incidental items at an estimated cost of \$200,490.
- The offsite improvement cost of \$200,490 will be charged as a special sewer tap fee with a 2% interest rate amortized over twenty years and charged monthly at an amount of \$32.68 per month. The average monthly sewer charge for a usage of 3,000 gallons is \$33.93 (Outside City Rates) plus the monthly payment for the special sewer tap fee of \$32.68 gives a total monthly sewer cost per unit of \$66.61 for 240 months. At the end of 240 monthly payments, the monthly sewer cost would be for the sewer only.
- Other fees to be paid to the City include one commercial tap fee of \$2,000, multi-unit add-on fee at \$1,450 and a capacity fee of \$30,000. The capacity fee has never been charged by the City. It is the capital cost of the capacity at the sewer plant. This cost is based off of \$10 per gallon and each residence is estimated to utilize 100 gallons a day. The total of these fees (paid to the City) is \$33,450.
- The total cost to the HOA is \$443,340.00, which equates out to a cost of \$14,778 per unit.

The fee schedule as detailed above would only provide sewer infrastructure for the Golf Court Town Homes and there would be no future capacity for other entities.

BUDGET ACCOUNT:

NECESSARY COUNCIL ACTION: Discuss the fee structure & collateralization.