SUBJECT: CONSIDERATION OF “HILLSIDE RESIDENTIAL DEVELOPMENT” WATER AND SEWER FEES

SOURCE: Engineering and Building Department

COMMENT: Here is a brief chronology of City Council’s action to date:

- On September 12, 2000, the City Council held a study session in which the Water, Sewer and Storm Drain Master Plans were presented along with proposed fees for each one. At this meeting, fees were proposed for “Hillside Development.” This property is defined in the attached Figure 2.2 as “Hillside Residential.” Figure 2.2 is contained in the Water and Sewer Master Plans. Hillside Residential consists of property with an approximate average slope of 7 percent or more.

- On February 20, 2001, the City Council adopted the Water, Sewer and Storm Drain Master Plans (Resolutions No. 22-01 & 23-01). At this meeting, no action was taken regarding fees to be charged for “Hillside Residential Development.”

- On August 21, 2001 the reduction of water and sewer fees in the “Hillside Residential Development” area was on the City Council meeting agenda. The Council’s action was to refer the matter to a committee. Therefore, the fees have remained the same except for the normal adjustments using the Engineering News-Record (ENR) Construction Cost Index.

In order to comply with the legal requirements of Assembly Bill (AB) 1600, it is necessary to study the entire area inside the Urban Development Boundary to be served in order to assure that the fees being assessed are fair and equitable. The proposed fees comply with AB 1600. If the City Council wishes to make further adjustments in the fees, it will be necessary to have a consultant restudy the area to be sure the adjusted amounts comply with AB 1600. It is estimated that this would cost approximately $40,000.

This matter was recently reviewed by the City Council’s Committee for Hillside Development. The committee members unanimously agreed to recommend the adoption of the proposed new fees by City Council.

Item No. 20
The following are some options available to the City Council:

1. Take no action;

2. Set a Public Hearing for consideration of adopting “Hillside Residential Development” fees at the August 6, 2002 City Council meeting; or

3. Authorize staff to obtain a consultant to restudy the master plans, in accordance with direction from City Council regarding fee changes, and budget the funding.

RECOMMENDATION: That City Council set a Public Hearing for consideration of adoption of “Hillside Residential Development” fees at the August 6, 2002 City Council meeting.

ATTACHMENTS:  

1. Fig. 2.2 Showing the Hillside Residential Areas  
2. Proposed “Hillside Residential Development” Fees
Proposed “Hillside Residential Development” Fees

Water Trunk Fee $1,034 per acre *
Trunk Line Sewer Fee $724 per acre *
Storm Drain $3,554 per acre *

* Plus the Engineering News Record Construction Cost Index adjustment that goes into effect July 1, 2002

NOTE: During the Week of June 24, the ENR cost adjustments will be calculated and the final recommended fees established, eliminating the need for asterisks and the footnote.