



CITY COUNCIL AGENDA ITEMS

To: Mayor Graham and City Council
From: Dennis Sullivan, Director of Engineering & Public Works
Walter Denton, City Administrator
Date: September 6, 2005
Subject: ORDINANCE – Water Tap Fee Ordinance Change

List of committees that have reviewed: Public Works Committee

Background: The City of O'Fallon needs to set its water tap fee to one that is based on actual cost of providing such a service. To that end, estimates were made for carrying out differing sizes of taps and the contribution needed to fund future capital improvements to provide storage of water to supply those taps. The cost of new lines to provide service to those taps is most usually borne by the developer of the property. Occasionally, the City provides extensions of lines; however, the City already has in place an ordinance that allows recapture of those costs. Therefore, no contribution to line extensions is included in the tap fee calculations. The attached sheets show the calculations used to determine the tap fees for 1" and 3" taps as representative of the method used to determine fees.

Legal Considerations, if any: None.

Budget Impact: The implementation of the proposed tap fee ordinance could generate in the area of \$200,000 per year based on the current development rate.

Staff recommendation: Staff recommends amendment of the existing ordinance.

Note: The strikethroughs on the attached ordinance show deletions and the underlined/italicized sections are additions.