



City of Santa Rosa

Legislation Details

File #: 21-308BPU **Version:** 1 **Name:** Demand Fees Recommendation
Type: BPU- Report **Status:** Agenda Ready
File created: 5/10/2021 **In control:** Board of Public Utilities
On agenda: 5/20/2021 **Final action:**
Title: REPORT - 2021 DEMAND FEE UPDATE - RECOMMENDATION TO CITY COUNCIL

BACKGROUND: Demand fees are the one-time fees charged for new service connections to the City's water and wastewater systems or for an expansion of existing use. The fees are intended to recover costs attributable to new development. Water and wastewater demand fees were last calculated in 2014 resulting in the 2014 Water and Wastewater Demand Study (2014 Study) and development of a new fee schedule that was adopted, with an annual inflationary adjustment.

The proposed update to the 2014 Study incorporates the water and wastewater systems' updated valuation including additions of assets, depreciation, changes in debt financing, and reserves designated for capital projects; some modifications to the various customer categories; as well as updated water use and sewer flow factors based on data collected over the past four years.

These updates result in the recommended fees being higher per one thousand gallons for both water and wastewater but due to decreased water use and sewer flows of Santa Rosa customers, the combined total water and wastewater fees for residential uses are decreasing. Commercial usage factors are dependent on each type of use and the fees are calculated based on the estimated peak demand for the size and type of use of the commercial development.

RECOMMENDATION: It is recommended by the Board of Public Utilities Budget Subcommittee and Santa Rosa Water Staff that the Board of Public Utilities, by resolution, recommend that, based on the 2021 Water and Wastewater Demand Fee Study, the City Council adopt the revised Demand Fees, re-adopt the annual escalator and make related revisions to the City Code.

Sponsors: Board of Public Utilities

Indexes: Not a Project

Code sections: 15378 - Not a Project

Attachments: 1. Staff Report, 2. Attachment 1_Draft CC Resolution, 3. Attachment 2_Draft CC Ordinance, 4. Resolution No. 1259, 5. Presentation (added 5/19/2021)

Date	Ver.	Action By	Action	Result
5/20/2021	1	Board of Public Utilities	to approve	Pass