

ARTICLE IX. - SERVICE FEES

Sec. 2-102. - Service fees.

- (a) *Establishment of service fees.* With the exception of single-family detached dwellings, townhomes, and duplexes integrated into single-family residential neighborhoods as part of a planned unit development, the owner of any property (hereinafter "owner") who or which constructs a residential or commercial development within the corporate limits of the city or police jurisdiction shall pay service fees as follows:

Water and sewer service fee. The owner shall pay a per-meter nonrefundable water and sewer service fee according to the following fee schedule:

Meter size	Equivalency factor	Water service fee	Sewer service fee	Total water and sewer service fee
¾"	1.00	\$1,060.00	\$1,030.00	\$2,090.00
1"	1.67	\$1,767.00	\$1,717.00	\$3,484.00
1.5"	3.33	\$3,533.00	\$3,433.00	\$6,966.00
2"	5.33	\$5,653.00	\$5,493.00	\$11,146.00
3"	10.00	\$10,600.00	\$10,300.00	\$20,900.00
4"	16.67	\$17,667.00	\$17,167.00	\$34,834.00
6"	33.33	\$35,333.00	\$34,333.00	\$69,666.00
8"	53.33	\$56,533.00	\$54,933.00	\$111,466.00

Master-metered attached-housing developments shall pay a fee equal to the three-quarters (¾) inch size for every unit in the development, in lieu of the above per-meter calculation.

For the purpose of this section, "unit" is defined as one or more rooms in a residential building which are arranged, designed, used, or intended for use as living quarters for one family, are physically separated from any other rooms or dwelling units which may be in the same structure, and contain independent cooking and sleeping facilities; or, for dormitories, each space in the building where sleeping accommodations are provided. Master-metered RV or manufactured home parks shall pay a fee equal to the three-quarters ($\frac{3}{4}$) inch size for every space/pad in the park, in lieu of the above per-meter calculation. For the purpose of this section, "master-meter" is defined as a city-installed meter to which multiple service lines are attached.

Said service fee is payable at the time the first water meter for the development is purchased, or at the time a building permit is issued for said property, whichever is earlier, and is payable in addition to, and not in lieu of, any other fee now existing or hereafter established by the city. Fire suppression meters and irrigation meters shall not be factored into the service fee calculation.

(b) *Calculation and collection of service fees; to whom applicable.*

- (1) Service fees shall be calculated and collected by the office of urban development prior to the issuance of building permit for the new development.
- (2) Developments with one or more of the following approvals are excluded from this section, provided that the approval is obtained prior to the effective date of the ordinance from which this section is derived:
 - a. Developments that have been issued a building permit by the city pursuant to Chapter 6, Article X;
 - b. Developments with an approved planned unit development (PUD), pursuant to Chapter 24, Article XII;
 - c. Developments with an approved Downtown/Riverfront (DR) Overlay District permit, pursuant to Chapter 24, Article XVII; or,
 - d. Developments with an approved development plan in the riverfront development district, pursuant to Chapter 24, Article XVIII.
- (3) With the exception of single-family detached dwellings, townhomes, and duplexes integrated into single-family residential neighborhoods as part of a planned unit development, this section shall apply to all newly-constructed residential or commercial developments within the corporate limits of the city or police jurisdiction. This section also includes the reconstruction, redevelopment, conversion, structural alteration, relocation, or enlargement (the "redevelopment") of

any existing development. For redeveloped properties, owner shall receive a credit for meters that actively supplied a customer with water at the property within two (2) years prior to the issuance of the building permit for the redevelopment, that credit being equal to the fee that corresponds to the meter size in the above fee schedule. If a 5/8 " meter is removed, the owner will receive a credit equal to the ¾" meter size. In no event shall the credit given exceed the amount of the otherwise applicable service fee.

- (4) A property owner who provides funding for public water or sewer infrastructure may be eligible for a rebate. City staff, which shall be comprised of an attorney, a certified public accountant, a professional engineer, and a planner, shall determine: (a) the value of the developer contribution; (b) whether the contribution meets the capital improvement needs for which the particular service fee has been imposed; and, (c) whether the contribution will substitute or otherwise reduce the need for capital improvements anticipated to be provided with service fee funds. In no event shall the rebate exceed the amount of the otherwise applicable service fee. Any application for rebate must be submitted on forms provided by the city within fourteen (14) calendar days of the service fee payment to the city. The application shall contain a declaration under oath of those facts which qualify the property owner for the rebate, accompanied by the relevant documentary evidence. Any rebate to a property owner who dedicates land or otherwise provides funding for public infrastructure not related to water and sewer infrastructure may be addressed in a negotiated developer agreement through a cost-sharing mechanism.
- (5) All service fees shall be paid in cash or certified funds. Service fees are nonrefundable in the event a development is not completed.
- (c) *Service fee accounts.* The funds collected pursuant to this article shall be deposited to designated accounts depending on the nature of the fee. The city shall separately account for all fees collected. The funds collected shall not be comingled with other funds of the city.
- (d) *Appeals.* Any owner of property against whom or which a service fee has been assessed may, within three (3) business days of the assessment, submit a written appeal to the office of urban development, stating in sufficient detail the basis of said appeal, after which city staff shall make a determination within a reasonable time period thereafter. If the owner disagrees with the decision, the owner may appeal to the city council.
- (e) *Mayor's recommendation; purpose of article.*
 - (1) The mayor shall make a recommendation to the public projects committee no later than May 31 of each year regarding the appropriation of funds collected pursuant to

this article. The fees generated pursuant to this section shall be used by the city only for capital improvements to the city's water and sewer systems where needed because of the new development, and primarily to the benefit of those areas of the city from which the service fee revenue was derived.

- (2) The purpose of this article is to establish procedures to assess service fees against new developments as defined in the article to finance the cost of new infrastructure and services proportional to the need for same created by the development. It is anticipated that from time to time the city council will review and amend this article to achieve the purposes herein stated.
- (f) *Annual fee adjustment.* The fees contained in this article shall be adjusted annually for inflation. The inflation adjustment for any fiscal year is the percentage (if any) by which the CPI for the preceding fiscal year exceeds the CPI for fiscal year 2016, or any subsequent year. The CPI for any fiscal year is defined as the average of the Consumer Price Index as of the close of the twelve (12) month period ending on September 30 of that fiscal year.
- (g) The effective date of the ordinance from which this section is derived shall be October 1, 2017.

(Ord. No. 8550, § 1, 6-20-17; Ord. No. 8565, 7-18-17; Ord. No. 8584, §§ 1—5, 9-5-17)