



## Legislation Text

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**File #:** 210279., **Version:** 1

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### **Proposed 2022 Water and Wastewater Connection Charges and Other Fees Related to New Development (NB)**

#### **\*\*Summary\*\***

Water and wastewater connection charges and other fees related to new development are routinely updated each fiscal year based on an industry index known as the Engineering News Record Construction Cost Index (CCI). Proposed FY2022 updates to these fees are presented for City Commission approval.

Water and wastewater connection charges and other charges related to new development are routinely updated each fiscal using the Engineering News Record Construction Cost Index (CCI). This index provides a general indication of the escalation of construction costs. Since most of the services GRU provides in association with these fees are closely related to construction and materials, the CCI provides a reasonable estimate of the increase in costs for these services.

Between June 2020 and June 2021 the CCI increased by 5.91 percent. Staff proposes to increase fees for the following by 5.91 percent in accordance with the CCI:

- Water and Wastewater Connection Charges
- Water Meter Assembly & Service Lateral Installation
- Temporary Water Service
- Innovation District Infrastructure Improvement Area Fees
- Water and Wastewater Plan Review and Inspection Fees
- Fire Hydrant Service Fees

Staff re-evaluated water main tapping fees and proposes to increase tapping fees for 1 and 2 inch taps by 4.6 percent. Tapping fees for 4 inch and larger taps will be reduced due to a reduction and clarification of the scope of service GRU is providing in exchange for this fee. Staff is proposing to keep backflow testing, standby fire line, industrial user fees, and temporary wastewater connection charges the same for FY2022. There is not a significant increase in the cost of services provided associated with these fees, and these fees are not a significant revenue source to GRU.

Approval of the proposed FY2022 water and wastewater connection charges and other new development related fees as proposed is expected to increase revenue proportionately. Since these fees are tied to new development, which is variable in nature from year to year, the actual increase in revenue cannot be accurately projected.

City Commission approve the proposed FY2022 water and wastewater connection charges and other related fees and authorize the city attorney to include these fees in the update to Appendix A of the city's code of ordinances.

On August 12, 2021, the UAB voted unanimously (with three members absent) to advise the City Commission to approve the staff recommendation.

