




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MEMORANDUM

Date: January 14, 2021
To: Honorable Mayor Bous
Members of the City Council
City of Carlos
From:  Jared Voge, City Engineer
Subject: Fee Schedule
City of Carlos
Project No.: 0W1.1123456

At the December 10, 2020 council meeting, council reviewed the proposed 2021 fee schedule and discussed the addition of development utility fees. Historically, development fees have not been included on the fee schedule. The purpose of development utility fees is to fund expansion of utility services while allocating the cost to those who benefit rather than the existing system users. Development utility fees also help fund future treatment improvements when additional capacity is needed.

Two types of development utility fees are Availability Charges and Trunk Area Fees. The availability charges are often referred to as Water Availability Charge (WAC) and Sewer Availability Charge (SAC). Trunk Area Fees are Water Trunk Area and Sewer Trunk Area. The SAC and WAC fees are collected on a per unit basis and are used to offset the cost for a reduction in capacity of the city's wastewater and water treatment systems. Trunk Area Fees are charged on a per acre basis and help offset costs associated with the watermain distribution and sanitary sewer collection system.

For the purposes of the 2021 fee schedule, the following are the recommended development utility fees.

SAC - \$2,000 per unit
WAC - \$1,500 per unit
Sewer Trunk Area - \$2,500 per acre
Water Trunk Area - \$2,250 per acre

Following completion of the 2020 audit, we recommend that the city's financial advisor, David Drown Associates, be consulted to analyze the above-mentioned fees. The advisor's financial analysis may require that the fees be adjusted in the future.

If you have any questions, please call.

JV/kg