

# Heber Public Utility District

## Report to the Board of Directors

**MEETING DATE:** March 17, 2016

**FROM:** Laura Fischer, General Manager

**SUBJECT:** Approve a Request to Waive Water and Sewer Capacity Fees for the a New Mobile Home Located at 1007 ½ Heber Avenue

**ISSUE:**

Shall the Heber Public Utility Board of Directors approve a request to waive the water and sewer capacity fees for a new mobile home to be installed at 1007 ½ Heber Avenue?

**GENERAL MANAGER RECOMMENDATION:**

Approve the request to waive capacity fees for 1007 ½ Heber Avenue.

**FISCAL IMPACT:**

The water and sewer capacity fees were established by the Board in 2010 and are as follows:

Sewer - \$9,300 for all residential connections

Water - \$7,600 for residential connections 1" or less

Waiving this fee would result in the loss of an opportunity to increase revenue by that a total of \$16,900.00.

**BACKGROUND:**

The property located at 1007 Heber Avenue is currently connected to our water and sewer systems. The property owner is planning on installing an additional mobile home on the current lot located at 1007 Heber Avenue. The HPUD Utility Service Policy requires that each individual home must have a separate water and sewer connection. The new connection triggers the capacity fee requirement, however, the capacity fees for this lot have been paid when the lot was first developed.

Ms. Uriarte submitted a letter requesting the HPUD Board waive the capacity fees. I have attached her letter to this report for your consideration.

**DISCUSSION:**

The existing capacity fees are based on service connections, which are on independent lots. The additional demand that the new mobile home will have on our services will be the same as if the home was a remodel with increased restroom facilities, which is to say the demand will be minimal.

**CONCLUSION:**

As the existing mobile home on the lot is currently connected to the water and sewer services, and the water and sewer demand per lot was included in the capacity of our water and sewer systems, staff recommends waiving the capacity fees associated with this new connection.

**ALTERNATIVES:**

1. Do not waive the water and sewer capacity fees, and direct staff to collect the full amount of \$16,900.00.
2. Reduce the amount of capacity fees to an amount lower than the current approved capacity fees, which total \$16,900.
3. Provide alternate direction to staff regarding the capacity fees.

Respectfully Submitted,

Laura Fischer, General Manager

Attachment: Letter from Ms. Uriarte