



Date of Council Meeting: December 9, 2014

**TOWN OF LEESBURG
TOWN COUNCIL MEETING**

Subject: Financing of Water and Sewer Availability Fees

Staff Contact: Amy Wyks, Director of Utilities

Council Action Requested: Council initiation of a resolution to amend Town Code Chapter 34 Sections 34-29 and 24-127 to revise eligibility of financing water and sewer availability fees and authorize scheduling a public hearing.

Staff Recommendation: Staff recommends Council adopt a resolution to amend Town Code Chapter 34 regarding financing water and sewer availability fees.

Commission Recommendation: Not applicable.

Fiscal Impact: Not evaluated

Executive Summary: Town Code Sections 34-29 and 34-127 provide for financing (installment payments) of availability fees in excess of \$10,000 for water and \$15,000 for sewer.

Background: At the December 8, 2014 Council Worksession, Council discussed amendments to the Town Code revising the interest rate and threshold for eligibility of financing water and sewer service availability fees.

The Town Code currently addresses the water availability fees and sewer availability fees separately. In addition, sewer availability fees are approximately 50% higher (per gallon) than water availability fees. The current minimum water availability fee for a new business is \$4,683. The current minimum sewer availability fee is \$7,292. The current total combined minimum water and sewer availability fee is \$11,975.

In 2006, Council adopted the threshold for eligibility to pay availability fees in installments at \$10,000 for water availability fees and \$15,000 for sewer availability fees. Any amount over the minimum thresholds may be financed through the town for a period of time not to exceed five years. The Town charges six percent interest on the financed amount of fees owed the Town and the utility customer must provide surety in a form acceptable to the Town Manager to guarantee payment of the financed portion of the fees.

Attachments: Resolution

PRESENTED _____

RESOLUTION NO. _____

ADOPTED _____

A RESOLUTION: INITIATING AMENDMENTS TO THE TOWN CODE CHAPTER 34 SECTIONS 34-29 AND 34-127 AND AUTHORIZING A PUBLIC HEARING REGARDING FINANCING OF WATER AND SEWER AVAILABILITY FEES

WHEREAS, Council has recommended amendments to Town Code Section 34-29 and 34-127 regarding financing of water and sewer availability fees; and

WHEREAS, staff has reviewed and presented the current process and eligibility of financing of availability fees; and

WHEREAS, the Town Council shall hold a public hearing to consider these amendments to the Town Code.

THEREFORE, RESOLVED, by the Council of the Town of Leesburg;

SECTION 1 Amendments to the Leesburg Town Code Chapter 34 Sections 34-29 and 34-127 are hereby initiated to consider modifications to the terms of financing water and sewer availability fees.

SECTION 2 Scheduling of a public hearing is authorized.

PASSED this _____ day of _____, 2014.

Kristen C. Umstattd, Mayor
Town of Leesburg

ATTEST:

Clerk of Council