

Wheatland County

Request for Decision

Regular Council Meeting

July 7, 2020

Report prepared by: Mike Ziehr



Utility Connection Fee

Recommendation from Administration

That Wheatland County Council approve the proposed revisions to Planning Policy Section 7.8 and Master Fee Schedule removing the requirement for applicants to pay the utility connection fee prior to the development of a vacant lot.

Chief Administrative Officer's Comments

N/A

Report

Division: County-wide

The connection fee was implemented prior to the year 2000 as a method of funding the replacement of the potable water system in Rosebud. The community was charged \$4,000 for each new connection to the system.

This fee was introduced to the remainder of the Hamlets in 2012 as an additional method of funding reserves for capital infrastructure replacements in each community. With the development of each un-serviced lot, the landowner is required to pay a \$4,000 "connection fee". These fees are placed in the restricted reserve of each community. These reserves are then accessed to help fund infrastructure repairs or replacement projects that are specific to each community.

Since the implementation of the connection fee in 2012, the county has collected \$88,000 from vacant lot development. With the lack of surrounding communities collecting such a fee, this places the county at a disadvantage for attracting new residents into our Hamlets and may be a contributing factor for a lower rate of new development within the Hamlets.

Conversely, the monthly capital levy has accumulated approximately \$717,000 since 2012 that has been earmarked to fund improvements specific to each community. With these fees residents help contribute to infrastructure improvements that benefit them directly and support the user pay and cost recovery methodology the County is encouraging.

Relevant Policies, Practices, and Legislation

Planning Policy Section 7.8 – Water and/or Sewer Connection Fee Procedure, Master Fee Schedule

Alignment with the Strategic Plan

The collection of capital levies ensures that Hamlet residents have the ability to fund water and wastewater projects specific to each community.

Response Options

Option 1: THAT the proposed recommendation is accepted/approved.

Option 2: THAT the proposed recommendation is not accepted/approved.

Option 3: THAT an alternate recommendation is accepted/approved.

Implications of Recommendation

General

The Planning Policy 7.8 will be revised and the connection fee will be removed from the Master Fee Schedule.

Organizational

N/A

Financial

There will be an expected drop in revenue of approximately \$10,000 per year that was intended to be input into capital reserves. Council does have the option of increasing the monthly capital levy present in the 2021 utility rates to make up this difference.

Environmental, Staff, and Public Safety

N/A

Follow-up Action / Communications

N/A

Report Approval Details

Document Title:	Utility Connection Fee.docx
Attachments:	- Capital Levy Revenue - 2013 to 2020 (June).pdf - Revised Policy 7.8.jpg
Final Approval Date:	Jun 30, 2020

This report and all of its attachments were approved and signed as outlined below:

A handwritten signature in black ink, appearing to be 'MZ' followed by a long, sweeping horizontal stroke.

Michael Ziehr

A handwritten signature in black ink, appearing to be 'Brian Henderson' in a cursive script.

Brian Henderson