

## **REPORT TO CITY COUNCIL**

**DATE:** MARCH 10, 2010

**TO:** HONORABLE MAYOR AND MEMBERS OF THE CITY COUNCIL

**FROM:** GREG RAMIREZ, CITY MANAGER

**BY:** RAMIRO ADEVA, CITY ENGINEER

**SUBJECT:** DISCUSSION OF SEWER REIMBURSEMENT AGREEMENT POLICY

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Upon the request of Councilman Weber, this item is being brought before the Council to discuss the city's current sewer reimbursement policy; specifically as it relates to the expiration time limits of these agreements in the city. Currently, sewer reimbursement agreements have a life of fifteen-years, and are granted as a courtesy to those developers that construct sewer mainlines across multiple property frontages. Because of the benefit potential for future tie-ins from other properties along the installed sewer line, these agreements are the mechanism by which future connections to the sewer line are forced to pay a fair share of the cost to install the line. In essence, these agreements rightfully help developers to recuperate some, if not all, of the up-front costs to install the line, from other property owners that equally benefit from the improvement.

The intention of this item before you tonight is to specifically discuss the concept of extending these reimbursement agreements for some duration of time other than the fifteen-years that the current policy exercises.

### **RECOMMENDATION**

Staff respectfully recommends the City Council discuss the current sewer reimbursement policy's expiration limit of fifteen-years, and provide direction to staff on whether or not the limit should be extended, as well as how many years the extension should be.