

## **Extension Participation Program - Public Water and Sewer Lines**

City Council approved amendments to Chapter 49 of the City Code on October 2, 2007. Effective November 3, 2007, the Extension Participation Program is intended to compensate single family property owners for the cost of extending public water and sewer lines across their neighbor's frontages. This results in a property owner only being responsible for their equitable fair share of the cost to extend public water/sewer lines across their own frontage. Subdivisions and commercial properties are not eligible for extension participation, but can still request that the city set up payback agreements per the historic process.

### Historic process:

- Developer/owner is responsible for design, review, permitting, and construction of a public water/sewer line.
- Line payback agreements are set up by the city proportioning costs of the extension across neighboring property frontages.
- When neighboring properties connect to the public water/sewer system, the city collects the line payback amount and returns it to developer/owner.

### New process:

- Property owner is responsible for design, review, permitting, and construction of a public water/sewer line.
- Written request for extension participation, along with a contractor's cost estimate, may be submitted to Water Resources concurrent with the submittal of mylars to the One-Stop Shop, but must be received no later than 60 days after issuance of encroachment permits. If plans approval expires prior to permitting any city commitment to participation becomes void and a new participation request must be submitted.
- Line payback agreements are set up by the city proportioning costs of the extension across those neighboring property's receiving benefit. Linear block layouts are generally proportioned by lot frontage to the new water/sewer line. Cul-de-sacs may be proportioned equally among the lots receiving benefit.
- The city assumes line payback agreements (provided funds are available) and compensates the installing owner for the proportionate shares (up to \$150,000 per extension).
- When neighboring properties connect to the public water/sewer system, the city will collect the line payback amount and return it to city accounts.
- Any payback agreements set up where the city does not participate, shall be treated per the historic process.
- Agreements have a thirty year term and carry a 0.50% simple interest rate per month.

### Summary of the Extension Participation Program:

- Eligible only to single-family property owners installing public water or sewer lines.
- Subject to availability of funds through the annual city budget process.
- Maximum funding per line extension is \$150,000.
- If funds are not available, a property owner can request the city to set up payback agreements in the owner's name and be placed on a waiting list for when funds become available, or delay their project until funds become available.

When the city assumes a line payback agreement, payment is generally made to the installing property owner within 60 days after all invoices and payments have been agreed to by the city. No additional changes can be submitted.

### Questions?

Contact the Water Resources Department at 480-312-5685.