

2017-2018 BUDGET QUESTION
Response to Request for Information

DEPARTMENT: Austin Water

REQUEST NO.: 22

REQUESTED BY: Pool

DATE REQUESTED: 5/1/17

DATE POSTED: 6/20/17

REQUEST: Please provide information regarding the financial impact of waiving service extension costs for the General Fund and Austin Water.

RESPONSE: The below responses are separated by the Austin Water and Development Services Departments.

Austin Water:

A Service Extension Request (SER) is a request by a landowner to extend City water or wastewater utility service to a tract of land, and is used by landowners as a basis to identify required infrastructure improvements and to determine a preliminary estimate of the cost of infrastructure for proposed development.

The SER Program exists to ensure that water and wastewater systems have adequate capacity to handle new developments (individual, subdivision, multi-family, or commercial) and that proposed extensions meet City and Austin Water (AW) infrastructure planning goals. A fee is charged for the review of a SER and is collected when a SER application is submitted. Additional fees may be required depending on specific aspects of a SER application or when City development permits have expired and are being reactivated or renewed. AW does not waive SER fees, however may share in SER costs related to oversizing infrastructure to provide excess capacity for future development. Current SER application fees are as follows:

Service Extension Request (SER) Program Fees

Administratively Approved SER	\$8.00 per acre Minimum: \$160.00 Maximum: \$400.00
Council Approved SER*	\$32.00 per acre Minimum: \$640.00 No Maximum

The Council Approval application fee is required only if approval of the SER request requires AW cost participation to oversize infrastructure for future development.

AW collected \$31,394 in SER application fees during FY 2016 and \$27,996 during FY 2017 (through May).

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Development Services:

An approved fee schedule is in place for service extension related inspection requests for which inspections are handled by the DSD Site and Subdivision Inspections team.

The Site and Subdivision Inspection fees are valuation based meaning that the fee amount is based on the value of each individual site plan project submitted to the City. This makes a straight line forecast or any projection of financial impact difficult to formulate due to the variability of project valuation and the fact that few site plans have service extension inspection components.

For Fiscal Year 2016-2017 to date (May 1, 2017), only three service extension related inspection fee waivers have been identified and are associated with Smart Housing. DSD estimated the current amount of service extension related inspection fees waived by calculating the percentage of the total project that comprised the service extension related inspection portion and applying that percentage to the total waived amount. The financial impact to date for Fiscal Year 2016-2017 is \$82,565.24.