Mayor
Rick Rosenberg

City Manager
Brock Jacobsen

CITY OF SANTA CLARA
FOUNDED 1854

City Council
Denny Drake
Leina Mathis
Ben Shakespeare
Jarett Waite
Christa Hinton

CITY COUNCIL

Meeting Date: November 2, 2022 **Agenda Item:** 1

Applicant: Dustin Mouritsen **Requested by:** Dustin Mouritsen

Subject: Secondary Water System Expansion and Capitol Facilities plan and Impact Fee Analysis.

Description:

Discussion on possible secondary water system expansion, funding, rate structure and impact fee.

Recommendation: Discussion

Cost: 0

Legal Approval: N/A

Finance Approval: N/A

Budget Approval: N/A

Attachments:

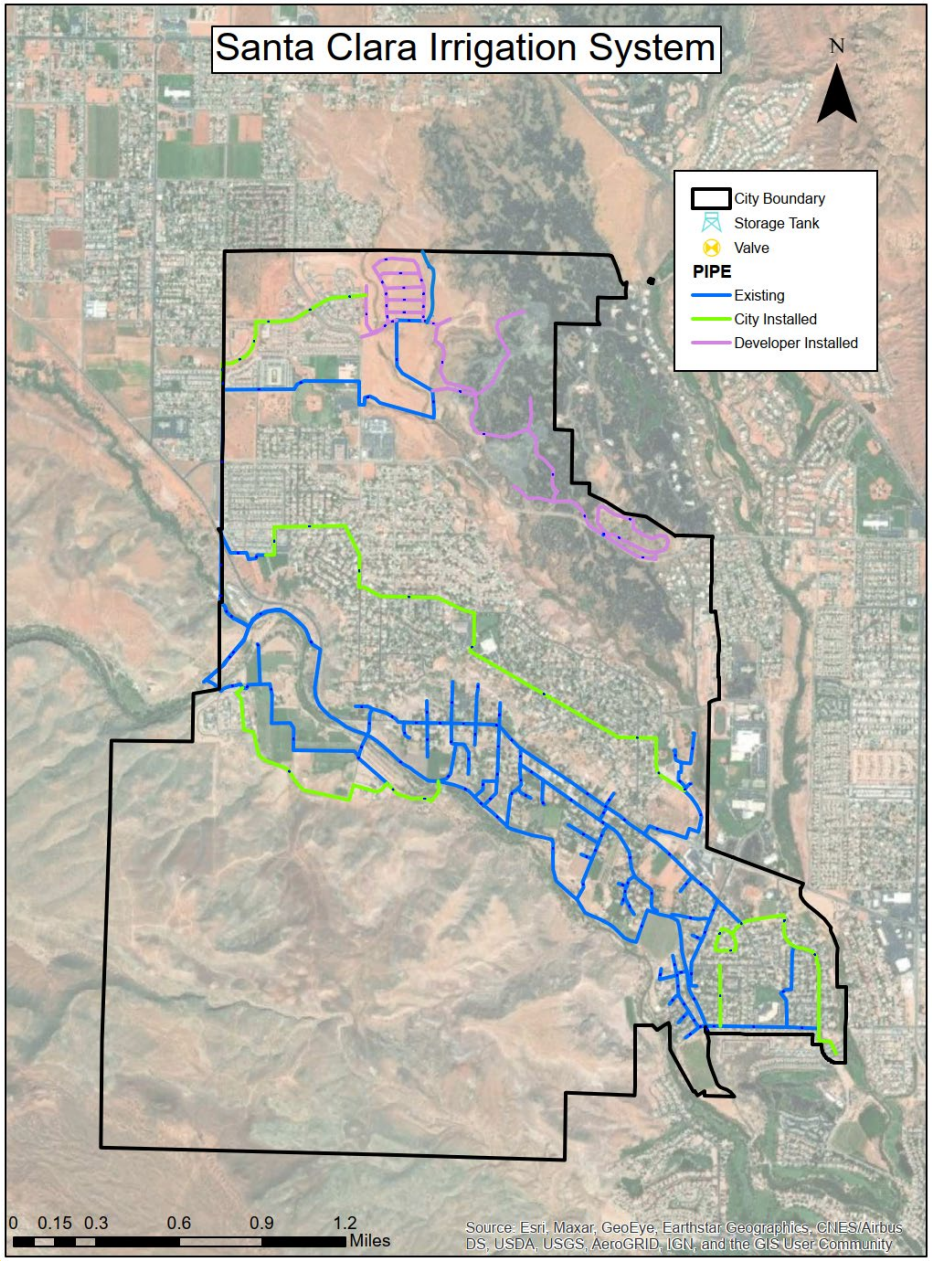
https://sccity.org/wp-content/uploads/formidable/41/Irrigation-City-Council-Presentation-Developer-Not-Included-003.pptx, https://sccity.org/wp-content/uploads/formidable/41/Irrigation-Map-City-Extents.pdf, https://sccity.org/wp-content/uploads/formidable/41/DOC036.pdf

Santa Clara Irrigation
Financial Analysis

SUNRISE ENGINEERING

Proposed Irrigation Improvements

IRRIGATION PROJECT COSTS SUMMARY			
Project Description	**Total Cost**	**Impact Fee Eligible (%)**	**Impact Fee Eligible Cost**
Hamblin Parkway up North Town Road Irrigation	$ 665,000	23%	$ 152,970
Crestview Drive Irrigation	$ 1,284,500	5%	$ 64,275
Sycamore Drive Irrigation	$ 856,800	86%	$ 736,908
Swiss Haven Circle, Villa Bonita, and Riesling Ave Irrigation	$ 873,975	2%	$ 17,520
TOTAL PROJECT COSTS	$ 3,680,275	26%	$ 971,673



SUNRISE ENGINEERING

Impact Fee Eligibility (100% DWR Loan)

Note:
The assumption that the irrigation system will have 885 connections (or one-third of the proposed culinary connections) by Fiscal Year 2025/2026 was used for these calculations.

IMPACT FEE ANALYSIS FY2025/2026
CULINARY WATER MASTER PLAN
SANTA CLARA CITY

15-Apr-22

EXISTING DEBT SERVICE	P&I	% Eligible	% Water Dept.		Eligible
Existing/Past Projects Impact Fee Eligible Costs:				$	-
PROPOSED IMPROVEMENT PROJECTS					
Total Estimated New Project Cost				$	3,680,275
% Of New Projects Cost Due to New Growth		26%		$	971,673
Impact Fee Eligible Cost				$	971,673
No. of ERUs (2025/2026)					885
20-Year Projected ERUs					8,946
No. of New ERUs Due to Growth					8,060
Total Impact Fee Eligible Cost				$	971,673

Maximum Secondary Water Impact Fee = Total Eligible Cost / New ERU's $ 120.55 /ERU.
Proposed Secondary Water Impact Fee for Santa Clara (2025/2026) = **$ 121** /ERU.

Meter Size	X-Sectional Area (in^2)	% Area Increase	Impact Fee
3/4"	0.44	0%	$ 121
1"	0.79	80%	$ 217
1 1/2"	1.77	302%	$ 487
2"	3.14	614%	$ 864
3"	7.07	1507%	$ 1,944
4"	12.57	2757%	$ 3,457
6"	28.27	6325%	$ 7,774

P:\Washington City\08626 Long Valley Transmission Pipeline 2022\06 Design\Docs & Specs\1 Bid & Contract Docs\Bid & Contract D

Proposed Financing Plan (100% DWR Loan)

PROPOSED FINANCING PLAN			
TOTAL PROJECT COST			**$ 3,680,275**
FY 2025/26 EXPENSES			
Proposed Funding:	**Rate**	**Term in Yrs.**	**Principal**
Self Participation			0
Reclamation WaterSMART Grant	0.00%		0
Division of Water Resources	2.50%	30	3,680,275.0
TOTAL PROJECT FUNDING:			**$3,680,275**
EXPENSES: (First Year of New Debt Serv. Pmt.)			
Estimated Expenses for Irrigation 2025/26			$50,000
Subtotal Operations and Maintenance:			**$50,000**
EXISTING DEBT SERVICE	**Impact Fee Eligible**		
Subtotal Existing Annual Debt Service:			**$0**
NEW DEBT SERVICE	**Not Impact Fee Eligible**		
New Loan(s)	74%		$129,411
Loan Reserve (Payment/10)			$12,941
Subtotal New Annual Debt Service:			**$142,352**
Renewal and Replacement Fund			$9,618
GRAND TOTAL EXPENSES:			**$201,969**
ANNUAL INCOME			
Other Operating Revenues			$0
Interest Income			$0
Total Number Of ERU's			885
Average Monthly Irrigation User Rate/ERU			**$19.01**
TOTAL ANNUAL INCOME:			**$201,969**

SUNRISE ENGINEERING

Possible Rate Structures (100% DWR Loan)

SANTA CLARA IRRIGATION
Possible Water Rate Structure

Base Rate	$19.00	ERU/Month
Includes	10,000	Gallons

Overage Steps		
Cost Per 1,000 Gal.	Low Gallons	High Gallons
$2.50	10,001	15,000
$3.00	15,001	20,000
$3.50	20,001	& Up

Usage	Rates	
(Gallons)	New Rate	
10,000	$ 19.00	
15,000	$ 31.50	
20,000	$ 46.50	
30,000	$ 81.50	

SANTA CLARA IRRIGATION
Other Possible Water Rate Structures

Base Rate	$14.00	ERU/Month
Includes	5,000	Gallons

Overage Steps		
Cost Per 1,000 Gal.	Low Gallons	High Gallons
$1.00	5,000	10,000
$1.50	10,001	20,000
$2.00	20,001	& Up

Usage	In Town Rates	
(Gallons)	New Rate	
5,000	$ 14.00	
10,000	$ 19.00	
20,000	$ 34.00	
30,000	$ 54.00	

Base Rate	$11.50	ERU/Month
Includes	0	Gallons

Overage Steps		
Cost Per 1,000 Gal.	Low Gallons	High Gallons
$0.50	0	5,000
$1.00	5,001	10,000
$1.50	10,001	& Up

Usage	In Town Rates	
(Gallons)	New Rate	
0	$11.50	
5,000	$14.00	
10,000	$ 19.00	
15,000	$ 26.50	

Note:
The city currently meters 10 residential secondary connections that average ~11,000 gal/month/connection. This was used to determine possible rate structures that would produce enough income while encouraging conservation.

Impact Fee Eligibility (500k WaterSMART Grant)

IMPACT FEE ANALYSIS FY2025/2026
CULINARY WATER MASTER PLAN
SANTA CLARA CITY

15-Apr-22

EXISTING DEBT SERVICE	P&I	% Eligible	% Water Dept.		Eligible
Existing/Past Projects Impact Fee Eligible Costs:				$	-
PROPOSED IMPROVEMENT PROJECTS					
Total Estimated New Project Cost				$	3,206,611
% Of New Projects Cost Due to New Growth		26%		$	846,615
Impact Fee Eligible Cost				$	846,615
No. of ERUs (2025/2026)					885
20-Year Projected ERUs					8,946
No. of New ERUs Due to Growth					8,060
Total Impact Fee Eligible Cost				$	846,615

Maximum Secondary Water Impact Fee = Total Eligible Cost / New ERU's $ 105.03 /ERU.
Proposed Secondary Water Impact Fee for Santa Clara (2025/2026) = **$ 105** /ERU.

Meter Size	X-Sectional Area (in^2)	% Area Increase	Impact Fee
3/4"	0.44	0%	$ 105
1"	0.79	80%	$ 189
1 1/2"	1.77	302%	$ 422
2"	3.14	614%	$ 749
3"	7.07	1507%	$ 1,687
4"	12.57	2757%	$ 3,000
6"	28.27	6325%	$ 6,746

P:\Santa Clara City\08401 Water & Irrigation IFFPA & IFA\06 Design\[Financial.xlsx]Irrigation Rate Structure 0%

Notes:
The assumption that the irrigation system will have 885 connections (or one-third of the proposed culinary connections) by Fiscal Year 2025/2026 was used for these calculations.

Funding from the WaterSMART grant is not guaranteed.

Proposed Financing Plan (500k WaterSMART Grant)

PROPOSED FINANCING PLAN			
TOTAL PROJECT COST			**$ 3,680,275**
FY 2025/26 EXPENSES			
Proposed Funding:	**Rate**	**Term in Yrs.**	**Principal**
Self Participation			0
Reclamation WaterSMART Grant	13.00%		473,664
Division of Water Resources	2.50%	30	3,206,610.7
TOTAL PROJECT FUNDING:			**$3,680,275**
EXPENSES: (First Year of New Debt Serv. Pmt.)			
Estimated Expenses for Irrigation 2025/26			$50,000
Subtotal Operations and Maintenance:			**$50,000**
EXISTING DEBT SERVICE	**Impact Fee Eligible**		
Subtotal Existing Annual Debt Service:			**$0**
NEW DEBT SERVICE	**Not Impact Fee Eligible**		
New Loan(s)	74%		$112,755
Loan Reserve (Payment/10)			$11,275
Subtotal New Annual Debt Service:			**$124,030**
Renewal and Replacement Fund			$8,702
GRAND TOTAL EXPENSES:			**$182,732**
ANNUAL INCOME			
Other Operating Revenues			$0
Interest Income			$0
Total Number Of ERU's			885
Average Monthly Irrigation User Rate/ERU			**$17.20**
TOTAL ANNUAL INCOME:			**$182,732**

SUNRISE ENGINEERING

Possible Rate Structures (500k WaterSMART Grant)

SANTA CLARA IRRIGATION
Possible Water Rate Structure

Base Rate	$17.25	ERU/Month
Includes	10,000	Gallons

Overage Steps

Cost Per 1,000 Gal.	Low Gallons	High Gallons
$2.50	10,001	15,000
$3.00	15,001	20,000
$3.50	20,001	& Up

Usage (Gallons)	Rates New Rate
10,000	$ 17.25
15,000	$ 29.75
20,000	$ 44.75
30,000	$ 79.75

SANTA CLARA IRRIGATION
Other Possible Water Rate Structures

Base Rate	$12.25	ERU/Month
Includes	5,000	Gallons

Overage Steps

Cost Per 1,000 Gal.	Low Gallons	High Gallons
$1.00	5,000	10,000
$1.50	10,001	20,000
$2.00	20,001	& Up

Usage (Gallons)	In Town Rates New Rate
5,000	$ 12.25
10,000	$ 17.25
20,000	$ 32.25
30,000	$ 52.25

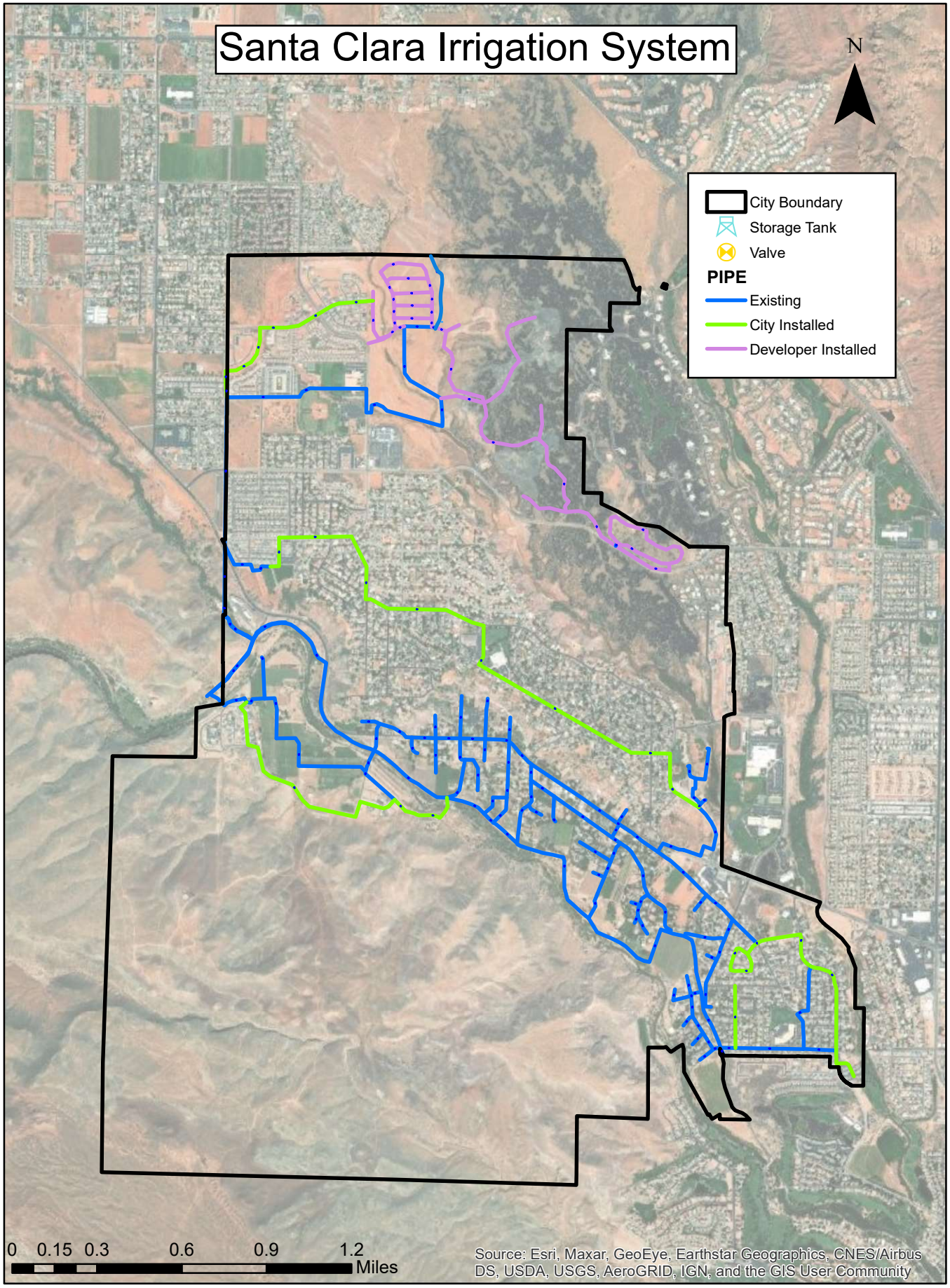
Base Rate	$9.75	ERU/Month
Includes	0	Gallons

Overage Steps

Cost Per 1,000 Gal.	Low Gallons	High Gallons
$0.50	0	5,000
$1.00	5,001	10,000
$1.50	10,001	& Up

Usage (Gallons)	In Town Rates New Rate
0	$9.75
5,000	$12.25
10,000	$ 17.25
15,000	$ 24.75

Note:
The city currently meters 10 residential secondary connections that average ~11,000 gal/month/connection. This was used to determine possible rate structures that would produce enough income while encouraging conservation.


Santa Clara Irrigation System
N
City Boundary
Storage Tank
Valve
PIPE
Existing
City Installed
Developer Installed
0 0.15 0.3 0.6 0.9 1.2
Miles
Source: Esri, Maxar, GeoEye, Earthstar Geographics, CNES/Airbus DS, USDA, USGS, AeroGRID, IGN, and the GIS User Community

CITY OF SANTA CLARA
RESOLUTION NO. 2019-15R

A RESOLUTION OF THE CITY OF SANTA CLARA, UTAH APPROVING SECONDARY IRRIGATION FEES AND RATES

WHEREAS, the City of Santa Clara has found it necessary to establish Secondary Irrigation Fees and Rates; and

WHEREAS, staff has reviewed and recommends that the fees and rates be set for Secondary Irrigation in Santa Clara City; and

WHEREAS, the purpose is to provide irrigation water service to new developments and others within the secondary system; and

WHEREAS, the governing body of the City of Santa Clara held a Public Hearing on October 23, 2019 to receive public comment; and

WHEREAS, it was the recommendation of staff that the fees be set as follows;

- Connection Fee .07 cents per square foot of lot.
- Meter and Ert connection fee $423.00.
- Meter reading fee, renewal, and replacement fee $16.68 per month.
- Secondary Water rate after max allotment is $1.68 per 1,000 gallons.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Santa Clara, Utah, that the Secondary Irrigation Fees and Max water Rates be approved.

Effective Date: This Resolution shall become effective immediately upon adoption by the City Council, recording and posting in the manner prescribed by law.

ADOPTED by a duly constituted quorum of the Santa Clara City Council this 13th day of November 2019.

IN WITNESS THERETO:

Rick Rosenberg, Mayor

ATTEST:

Chris Shelley, City Recorder