



STAFF REPORT

Board of Aldermen

AN ORDINANCE AMENDING APPENDIX A OF THE BRANSON MUNICIPAL CODE PERTAINING TO UTILITIES FEE SCHEDULE WATER AND SEWER SYSTEM CONNECTION CHARGES.

FIRST READING: FEBRUARY 27, 2024

FINAL READING: MARCH 12, 2024

Initiated By: Utilities

Approved By: *Cathy Stepp*

Financial Impact: Other (See additional explanation under Detailed Analysis)

Community Plan 2030: EI-1: Utilities

FACTS:

Mayor Milton has requested staff bring before the Board of Aldermen an exemption in water/sewer system connection charges and a refund proposal to customers for charges previously collected for the 2023 calendar year. A notice of public hearing was given at least thirty days in advance of the public hearing held as part of the January 23rd, 2024 Board of Aldermen meeting per Sec. 2-330 of the Branson Municipal Code. As a result of the public hearing comments, heard from the public and the Board, an ordinance amending Branson Municipal Code is being presented for Board approval.

A system connection charge is a one-time fee paid by new development to finance construction of the public facilities needed to serve them. Stated another way, system connection charges are contribution of capital to either reimburse existing customers for the available capacity in the existing system, or to help finance planned future growth-related capital improvements. These charges are intended to provide funds to the utility to finance all or a part of the capital improvements needed to serve (accommodate) new customer growth.

The charge is based on the size of water meter needed to serve the development and the use of the property.

Currently the system connection charge consists of three classifications.

- Residential: Single-family and multiple-family dwelling
- Commercial: Class I: Retail sales and office buildings, nightly rentals with individual water meters
- Commercial: Class II: All commercial customers not in Class I

The specific proposed change is to not collect an additional connection fee to existing residential properties who have paid the initial connection fee then converted their use to a nightly rental. These properties will however be charged commercial usage rates due to the use being changed from residential to commercial. An additional request was made to refund the charges collected in

2023 for properties that were charged additional system connection charges for a change of use from residential to nightly rental use.

Staff will be available for questions on this proposed change.

DETAILED ANALYSIS:

Reduction of water system connection charge collected in the amount of \$500.00 for each existing residential connection with a 3/4 inch size water meter changing their use to a Commercial Class I use.

Reduction of sewer system connection charge collected in the amount of \$400.00 for each existing residential connection with a 3/4 inch size water meter changing their use to a Commercial Class I use.

BACKUP DOCUMENTATION:

No Additional Information