



Staff Report

File #: 23-0691

**REQUEST FOR CITY COUNCIL AND
CORONA UTILITY AUTHORITY ACTION**

DATE: 10/18/2023

TO: Honorable Mayor and City Council Members
Honorable President and Board Members

FROM: Utilities Department

SUBJECT:
WATER CONNECTION FEE AGREEMENT WITH CELIA GODSEY, OWNER OF 3702 HOWE STREET

EXECUTIVE SUMMARY:

This staff report asks the City Council to approve the Water Connection Fee Agreement with Celia Godsey, owner of 3702 Howe Street. The property at 3702 Howe Street is currently served by a deficient private well system and requires a water connection to City water. The owner has requested a payment plan to pay for the Water Connection Fees due to hardship and has agreed to enter into an agreement with the City.

RECOMMENDED ACTION:

That the City Council:

- a. Authorize the City Manager, or his designee, to execute the Water Connection Fee Agreement in the amount of \$10,680.68.
- b. Authorize an estimated revenue increase in the amount of \$1,115.53 in the Water Capacity Fund (507) and \$70.24 in the Water Utility Fund (570) for the remainder of Fiscal Year 2024.

That the Corona Utility Authority review, ratify, and to the extent necessary, direct the City Council to take the above actions.

BACKGROUND & HISTORY:

Celia Godsey, owner of 3702 Howe Street, notified the City that her private water well system was deficient and inquired about the process on how to connect her property to the City's water distribution system. The City provided the requirements and process on how to obtain a new water

service. Obtaining a new water service consists of applying for a construction permit for the installation of a new water service connected to a public water main and a building permit for the installation of the new water pipe connections from the residential structure to the new water service.

ANALYSIS:

The owner obtained a construction permit for the new water service and has constructed a new water service. The owner notified the City that she had allocated most of the funds for the construction of the water service but did not have sufficient funds to cover Water Connection Fees for a ¾-inch water meter in the amount of \$10,680.68, due prior to building permit issuance. Water Connection Fees are required to be paid as part of the new water service connection application as set forth per Corona Municipal Code (CMC) [Section 13.14.050](#). Per CMC [Section 13.14.060](#), an existing single-family property that is connected to an alternate water source is eligible for a payment plan approved by the Director of Utilities. The owner has agreed to enter into a 10-year payment plan with the City to cover the cost of the Water Connection Fee. Approving the Water Connection Fee Agreement would allow the owner to cover the Water Connection Fee and proceed with the connection to City's water system.

FINANCIAL IMPACT:

The City would finance a \$10,680.68 payment plan with a fixed annual interest rate of 6%. The City would receive 120 payments of \$118.58 over a period of 10 years for a total of \$14,229.29.

Approval of the recommended actions will result in an estimated revenue increase of \$1,115.53 in the Water Capacity Fund (507) and \$70.24 in the Water Utility Fund (570) for Fiscal Year 2024. Future estimated revenue will be included in the annual budget request process.

ENVIRONMENTAL ANALYSIS:

This action is exempt pursuant to Section 15061(b)(3) of the Guidelines for the California Environmental Quality Act (CEQA), which states that a project is exempt from CEQA if the activity is covered by the commonsense exemption that CEQA applies only to projects that have the potential for causing a significant effect on the environment. Where it can be seen with certainty that there is no possibility that the activity in question may have a significant effect on the environment, the activity is not subject to CEQA. This action is to approve a payment plan agreement. There is no possibility that this action will have a significant effect on the environment. Therefore, no environmental analysis is required.

PREPARED BY: NOE HERRERA, P.E., SENIOR ENGINEER

REVIEWED BY: TOM MOODY, DIRECTOR OF UTILITIES

Attachments:

1. Exhibit 1 - Site Plan
2. Exhibit 2 - Agreement