

Lompoc City Council Agenda Item



City Council Meeting Date: July 5, 2011

TO: Laurel M. Barcelona, City Administrator

FROM: Mary Kammer, Utility Conservation Coordinator
m_kammer@ci.lompoc.ca.us

SUBJECT: REPLACE RESOLUTION NO. 5629 (10) WITH AMENDED RESOLUTION NO. 5732 (11) TO TEMPORARILY SUSPEND COLLECTION OF RETROFIT FEES

RECOMMENDATION: That the City Council approve the continuation of the suspension of the in-lieu fee payment for the Retrofit/Rebate Program as set forth in Resolution No. 5629 (10), through June 30, 2012; and amend that Resolution to reflect that continuation by adopting Resolution No. 5732 (11).

DISCUSSION: In 1990, the City Council authorized the "Toilet Retrofit/Rebate Program", funded from building permit fees for new construction. It requires developers to offset expected water use of new construction by either finding existing property that currently has toilets in place that use 3.5 or more gallons of water per flush and retrofitting an appropriate number of toilets, or by paying into a City fund that will provide rebates to any City water customer who replaces their high water using toilets with 1.6 gallon per flush toilets or that will "... provide water conservation measures and remedies to the existing City supply and distribution system that results in a decrease in the existing City water demand ..."

On May 18, 2010, Council approved Resolution No. 5929 (10) that temporarily suspended the collection of the in-lieu fees until June 30, 2011. At the June 21, 2011 Council Meeting, Council requested that the suspension of the collection of the in-lieu fees be continued beyond June 30, 2011.

Through May 31, 2011, a balance of \$1,519,347.18 remains, and is available, in a restricted account set aside for payment of such rebates and programs. Since May 31, 2010 to date, \$84,850.21 was spent from the fund. It is anticipated that another \$250,000 for approved conservation programs will be expended from this fund during the 2011-12 fiscal year, and an additional \$50,000 will be requested for new water conservation programs. At the expected rate of expenditure, the City will not draw down all available funds for five years.

FISCAL IMPACT: There is no fiscal impact by suspending the collection of fees for the funding of new or approved programs.

CONCLUSION: The suspension of the collection of retrofit funds will not impact the creation of new water conservation programs or cause existing programs to be suspended, and may encourage new construction of homes or the creation of new business within the City.

Respectfully submitted,

Mary Kammer, Utility Conservation Coordinator

APPROVED FOR SUBMITTAL TO THE CITY ADMINISTRATOR:

Ronald V. Stassi, Utilities Director

APPROVED FOR SUBMITTAL TO THE CITY COUNCIL:

Laurel M. Barcelona, City Administrator

Attachments: [Resolution No. 5629 10](#) and [Resolution No. 5732 \(11\)](#)