



November 30, 2015

To any interested parties

Subject: Fiscal Year 2014-15 AB 1600 Mitigation Fee Report

AB1600 added a new chapter to the Government Code regarding fees for capital improvement projects. The chapter sets forth requirements local agencies must follow to collect mitigation fees from developers.

California Government Code Section 66006 requires the local agency to prepare a public report concerning each mitigation fee fund within 180 days after the close of each fiscal year. The report must include the fund's beginning and ending balance for the fiscal year, amount of fees and interest deposited, and a description of each expenditure including identification of the improvement being funded with the fee.

Furthermore, California Government Code Section 66006 requires the report to be reviewed at a regularly scheduled public meeting. A public release of this report is required 15 days before the review by the legislative body.

The Indio Water Authority is publicly releasing the AB 1600 Mitigation Fee Report for the fiscal year ending June 30, 2015. This report will be reviewed by the Indio City Council on December 16, 2015 at the City Council Chambers at 150 Civic Center Mall at 5:00 PM at a public hearing.

Anyone interested in commenting on this report can do so by appearing at the public hearing on December 16, 2015 at the City Council Chambers or by sending written responses to Dennis Coleman, Manager of Finance and Customer Service, Indio Water Authority 83-101 Avenue 45, Indio, CA 92101. Comments can be submitted via email to dcoleman@indio.org.

If you have any questions regarding the Fiscal Year 2014-15 AB 1600 Mitigation Fee Report please call Dennis Coleman at (760) 625-1859.

Sincerely,

A handwritten signature in blue ink, appearing to read "Dennis M. Coleman", is written over a horizontal line.

Dennis M. Coleman
Manager of Finance and Customer Service

Fees are collected to fund construction of water facilities and water mains. Fees charged are based on meter size which determines capacity needs. Capacity is the amount available from the Indio Water Authority system when demanded by the user. Therefore the number of Equivalent Dwelling units (EDU) increases as the meter size (capacity) increases. The number of meters, and meter size, is estimated based on the type of development project. This fee structure Ordinance 1463 was adopted on May 3, 2006 with an effective date of August 1, 2006.

Account Description	Beginning Fund Balance	FY 14/15	Ending Fund Balance
Revenues & Other Sources:			
Developer fees		573,426	
Interest income		32,475	
Reimbursements			
Total Sources		605,902	
Expenditures & Other Uses			
Capital Projects		3,518,994	
Project Administration/Internal Engineering		37,224	
Other			
Total Uses		3,556,218	
Total Available	7,398,399	(2,950,316)	4,448,083

Five Year Test	
Using First In First Out Method	
Revenues Collected	6/30/2015
Revenues Collected from 2011	1,133,185
Revenues Collected from 2012	952,784
Revenues Collected from 2013	3,483,168
Revenues Collected from 2014	1,144,102
Revenues Collected from 2015	605,902
Total Revenue For Last Five Years	7,319,141

Result : Five Year Spent Test Met in accordance with Government Code 66001 as there continues to be a reasonable relationship between the fee and the purpose for which it was adopted.

Capital Improvement Facilities			
Capital Improvement Facilities	FY 14/15	% Complete	% funded with fee
Chromium 6 Treatment Improvements	2,000,000	80%	29%
Terra Lago Booster Pumping Station Emergency Power	25,204	100%	100%
Avenue 44 Water Main	8,620	5%	100%
Highway 111 Water Main line Madison to Monroe	1,225,218	100%	100%
Highway 111 Water Main line Jackson to Oasis	251,585	100%	100%
Highway 111 Water Main line Rubidoux to Arabia	8,366	N/A	100%
Project Administration/Internal Engineering*	37,224	N/A	
* \$30,000 of the project administration costs was an interfund transfer to the IWA operating Fund (10) to reimburse IWA for salary and benefits for project implementation and engineering			
Total	3,556,218		

As of March 1, 2013, a Supplemental Water Supply Fee is assessed on development projects in the City of Indio. The fee provides a framework to alleviate the strain on IWA's groundwater supply and is based on future water demands for new developments. Funds will be used to pursue the development of recycled water for future growth through indirect potable reuse injection. The fee varies based upon the development type, based upon the annual consumption factor with return flows multiplied by \$5,435, prorated by the size in acreage of the development type. This is defined in Section 33.066 of the Indio City Code.

Account Description	Beginning Fund Balance	FY 14/15	Ending Fund Balance
Revenues & Other Sources		-	
Developer fees		691,941	
Interest income		510	
Reimbursements		-	
Total Sources		692,451	
Expenditures & Other Uses			
Capital Projects		-	
Project Administration/Internal Engineering		-	
Total Uses		0	
Total Available	1,149,040	692,451	1,841,491

Five Year Test	
Using First In First Out Method	
Revenues Collected	6/30/2015
Revenues Collected from 2011	-
Revenues Collected from 2012	-
Revenues Collected from 2013	111,776
Revenues Collected from 2014	1,056,147
Revenues Collected from 2015	692,451
Total Revenue For Last Five Years	1,860,373

Result : Five Year Spent Test Met in accordance with Government Code 66001 as there continues to be a reasonable relationship between the fee and the purpose for which it was adopted.

Capital Improvement Facilities			
Capital Improvement Facilities	FY 14/15	% Complete	% funded with fee
No projects this fiscal year			
Total	-		