March 7, 2017

City of Fresno Mayor Lee Brand Council President, Clint Olivier Councilmember Esmeralda Soria Councilmember Steve Brandau Councilmember Oliver Baines Councilmember Paul Caprioglio Councilmember Luis Chavez Councilmember Garry Bredefeld

Subject: City of Fresno Water Impact Fee Increase, March 9, 2017 Council Agenda

Dear Mayor Lee Brand and Councilmembers,

As you are aware, an increase to the Citywide Water Capacity Fees has been placed on the March 9, 2017 City Council Agenda. We'd like to commend staff for their diligent work on getting through this arduous process and their continued commitment to working with stakeholders.

While we agree with most of the staff recommendations for the new fee, we are troubled by one detrimental flaw – according to our attorney's review of the city-provided material, the Environmental Assessment for the expansion of the Northeast Fresno Water Treatment Plant, and the new Southwest Fresno Treatment has not been completed (see attached letter).

It is our recommendation that the portion of the fee increase that includes the costs for the Plant Expansion, as well as the related transmission mains that would eventually carry water from the expanded plant to the rest of the City, be removed. The fee could be brought forward for Council consideration once the project specific Environmental Assessment has been completed.

Respectfully submitted,

Josh Peterson, Owner/President Wathen Castanos Homes

Davius Assemi

Darius Assemi, President/CEO Granville Homes

Mike Miller, Vice President Lennar Homes