



CITY OF KINGMAN COMMUNICATION TO COUNCIL

TO: Honorable Mayor and City Council

FROM: Tina Moline

MEETING DATE: January 20, 2026

AGENDA SUBJECT: Authorization to Enter into an Agreement with Willdan Financial Services to Conduct an Infrastructure Improvement Plan and Development Impact and Capacity Fee Study

SUMMARY:

Development Impact Fees

The City Council adopted development impact fees in 2021. This process entailed adoption of an Infrastructure Improvement Plan (IIP), Land Use Assumptions and a Fee Report as required by ARS § 9-463.05. This statute states that the IIP shall be updated not later than every five years. It also states that if it is determined no changes need to be made to the IIP, underlying Land Use Assumptions or Fee Report, the city may elect to continue the existing IIP and Fee Report without having to make any amendments.

The IIP consists of police, fire, park and street growth-related improvements. See below a few of these improvements:

1. Vehicle for a new patrol officer
2. New fire facility, such as Fire Station No. 25
3. Airway Avenue extension (from Prospector St. to Flying Fortress Pkwy)

Recognizing that infrastructure and equipment costs have increased since 2021, the IIP should be amended.

Capacity Fees

Water and wastewater capacity fees were adopted in 2021 with an update to wastewater capacity fees being made in 2022. It's important to note that although the capacity fee state statute, ARS § 9-511.0, is less restrictive than the ARS § 9-463.05, the methodology used in calculating water and wastewater capacity fees mirrors development impact fees. See below a couple of improvements listed in the water and wastewater IIPs:

1. Santa Rosa Water Transmission Main
2. Flying Fortress Parkway Wastewater Main

With utility infrastructure costs having increased since 2021 and 2022, the IIPs should be amended.

Staff recommends hiring a consultant to conduct a study to amend the IIP, Land Use Assumptions and Fee Report for both development impact fees and capacity fees. The overall timeline for this study is one year which includes all stakeholder meetings and public hearings. The final public hearing would be held in January 2027.

As a result of this study, the calculated development impact fees and capacity fees may increase. However, Council has the authority to adopt lower fees than what will be calculated or recommended.

The total cost of the study is \$50,000; \$32,000 for the development impact fee study and \$18,000 for the capacity fee study. The development impact fee study was an approved purchase in the FY2025-26 Adopted Budget and 5-Year Capital Improvement Plan. The capacity fee study was not budgeted, but there is sufficient budget capacity in the Water and Wastewater Expansion Funds to cover the cost.

FISCAL IMPACT:

There will be a fiscal impact of \$32,000 to the Development Fee Funds, \$9,000 to the Water Expansion Fund and \$9,000 to the Wastewater Expansion Fund.

STAFF RECOMMENDATION:

Authorize Entering into an Agreement with Willdan Financial Services to Conduct an Infrastructure Improvement Plan and Development Impact and Capacity Fee Study

SUGGESTED MOTION:

Authorize Entering into an Agreement with Willdan Financial Services to Conduct an Infrastructure Improvement Plan and Development Impact and Capacity Fee Study

ATTACHMENTS:

[Kingman WW Capacity Fees Report-2022](#)

[Kingman Capacity Fees Report-2021](#)

[Kingman LUA IIP and Development Impact Fee Report-2021](#)

[Willdan PSA and Proposal](#)