

BILL NO. 23-058

AN ORDINANCE AMENDING SECTION 32-107, WATER TAP FEES, OF THE CODE OF ORDINANCES OF THE CITY OF LEE'S SUMMIT, MISSOURI, REGARDING WATER TAP FEES.

WHEREAS, the Council has the authority under State Statutes and the Municipal Code to set and adjust water rates including water tap fees; and

WHEREAS, the City engaged the firm HDR Engineering Inc. to study the current water tap fee in the City and make recommendations, if any, as to the existing fee structure and any necessary changes to the fee to ensure the continued financial stability of the water systems in the City; and

WHEREAS, based upon the study from HDR Engineering Inc., it was concluded the current water tap fee would need to be adjusted based on the increased demand and continued growth and development within the City; and

WHEREAS, the Water Utilities Strategic Plan identified a goal to effectively assign and administer water costs associated with development; and

WHEREAS, The Water Utility Advisory Board, which was created to provide customer input on rates, fees, and other charges as necessary to sustain the Utility, unanimously recommended on November 30, 2022, the approval of the water tap fee study and the methodology to update the water tap fee.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF LEE'S SUMMIT, MISSOURI, as follows:

SECTION 1. The City Council of the City of Lee's Summit, Missouri ("Council"), hereby finds and declares as follows:

1. After proper notice was given, the public was allowed to be heard at which time all those interested were allowed to speak before the Council regarding this issue.
2. The City is authorized to acquire, construct, improve or extend and to maintain and operate a water system and to establish, make, and collect charges for water services, including tap fees.
3. The City has continued to experience population growth and a corresponding increase in the demand for water service.
4. The Lee's Summit Comprehensive Plan indicates that growth will continue.
5. The 2023 Water Master Plan indicates specific improvements necessary to serve new connections.
6. HDR Engineering Inc. was retained by the City to conduct a Water Tap Fee Study ("Study") attached hereto and incorporated here as Exhibit A. Said Study was used by and accepted and admitted by the Council in their consideration and decision of this Ordinance.
7. The Study calculated the existing infrastructure and future capital improvements needed to serve the growth in water usage. Utilizing this methodology, a water tap fee was calculated based on the size and meter capacity. The water meter capacity is directly correlated to the amount of water available to the water customer, and thus the service the City is providing to the new or increase in demand by the water customer through the water tap fee is set proportional to the service derived by the water customer.

BILL NO. 23-058

8. The water tap fee is necessary for the City to maintain the expected demand placed upon the City's water system. The fees may not be paid into the City's general fund to defray customary governmental expenditures. In addition, this water tap fee is designed so that the user's fee: (1) Is paid upon the approval of designated development applications and not periodically; (2) Is required to be expended for the provision of water facilities that directly benefit the connection which has generated the need for such facilities within a reasonable period of time from the date such fee is paid; (3) Is directly proportional in amount to the water facilities provided; and (4) Is for a service that has not been historically provided exclusively by monies derived from taxes.
9. The water tap fee will help ensure that new and upsized water service connections bear a proportional share of the service used by water customers for water services, and said water tap fee sets forth a direct connection between the fee paid and the water service provided.
10. The Council has considered the matter of financing new water service facilities, the need for which is necessitated by new connections from new development. The Council hereby finds and declares that a water connection or tap fee imposed upon new or upsized connections to finance water service facilities, furthers the public health, safety and welfare of Lee's Summit. Therefore, the Council deems it advisable to adopt water tap fees.

SECTION 2. Section 32-107, Water Tap Fees, is hereby amended to read as set forth in Exhibit B, attached and incorporated by reference to this Ordinance, wherein deletions and additions of language are shown.

SECTION 3. That it is the intention of the City Council and is hereby ordained that the provisions of this Ordinance shall become and be made a part of the Code of Ordinances of the City of Lee's Summit, Missouri, and the sections of this Ordinance and the Code of Ordinances of the City of Lee's Summit, Missouri may be renumbered as appropriate to accomplish such intention.

SECTION 4. That all ordinances or parts of ordinances in conflict with this Ordinance are hereby repealed.

SECTION 5. All other Sections of the Code of Ordinances of the City of Lee's Summit, Missouri, not specifically referenced in this Ordinance shall remain unmodified and in full force and effect.

SECTION 6. The whereas clauses are hereby specifically incorporated herein by reference.

SECTION 7. Should any section, sentence, or clause of this Ordinance be declared invalid or unconstitutional, such declaration shall not affect the validity of the remaining sections, sentences, or clauses unless the water connection or tap fee set in Section 2 of this Ordinance is declared invalid or unconstitutional, then the former Section 32-107, Water Tap Fees, shall become effective in its place.

SECTION 8. This Ordinance shall be in full force and effect from and after July 1, 2023, after its passage and adoption, and approval by the Mayor.

BILL NO. 23-058

PASSED by the City Council of the City of Lee's Summit, Missouri, this ____ day of _____, 2023.

ATTEST:

Mayor *William A. Baird*

City Clerk *Trisha Fowler Arcuri*

APPROVED by the Mayor of said city this ____ day of _____, 2023.

ATTEST:

Mayor *William A. Baird*

City Clerk *Trisha Fowler Arcuri*

APPROVED AS TO FORM:

City Attorney *Brian W. Head*