

# 2018 Annual Water Tap Fee Report

Water Utilities Advisory Board

December 12, 2018



**WATER UTILITIES  
LEE'S SUMMIT**

*Safe and Reliable, Now and for Future Generations*

# FY 2017-18 WATER TAP FEE FINANCIAL STATUS



- Financial Status FY 2017-18
  - Total Revenue: \$1,711,164
  - Total Expenditures: 1,369,290
  - Net Gain(Loss): 341,874
  - Fund balance: \$8,379,539
- 498.33 equivalent residential units sold (*6,468 remaining, exclusive of 2 mgd reserve*)

# FY 2017-18 WATER TAP FEE PROJECT STATUS



- Ongoing Projects

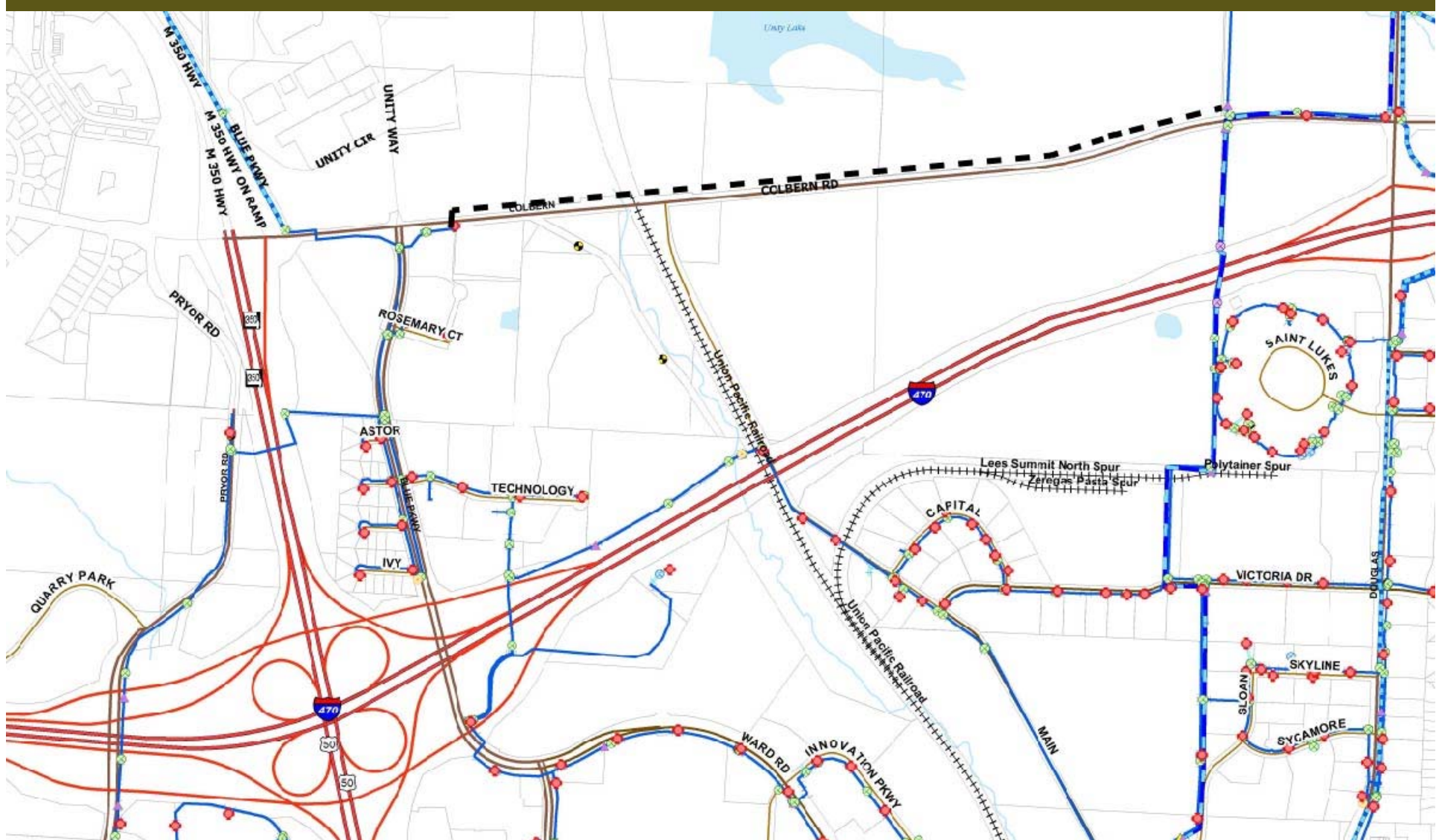
– KCMO Water Supply Acquisition	\$234,511
– US 50 Hwy – Smart to Harris	400,547
– US 50 Hwy – Blackwell to Smart	316,506
– Sampson Road	<u>1,700</u>
Total	\$953,264

# Proposed Water Tap Fee Project Changes



- Additions
  - Colbern Road Improvements \$1,058,000
- Modifications
  - Upsizing (2017-40) (387,782)
  - System Improvements (2030-40) (60,000)
  - Upsizing & System Improvements reductions related to Pryor Road upsizing and NW System Improvements.

# Proposed Colbern Road Improvements





# Proposed Colbern Road Improvements



- Loops service from Douglas Road to Blue Parkway
- Serves the Unity Village property annexed into the City.
- Provides water service to support development of property previously outside of the city along the I-470 corridor.

# STAFF RECOMMENDATIONS



- **System Improvements Project Update**
  - Add: Colbern Road (FY2020) \$1,058,000
  - Reduce: Upsizing (2017-40) (387,782)
  - Reduce: System Improvements (2030-40) (60,000)
- **Water Tap Fee Projects**
  - Updated project list total \$78,386,867
- Utilize 585 residential equivalent units for growth for (FY2019-20).
- Increase tap fee by 2.0% for residential equivalent at \$3,477 effective July 1, 2019 for next fiscal year (FY2019-20).



# **DISCUSSION**

## **2018 Annual Water Tap Fee Report**



# Proposed WUAB Motion

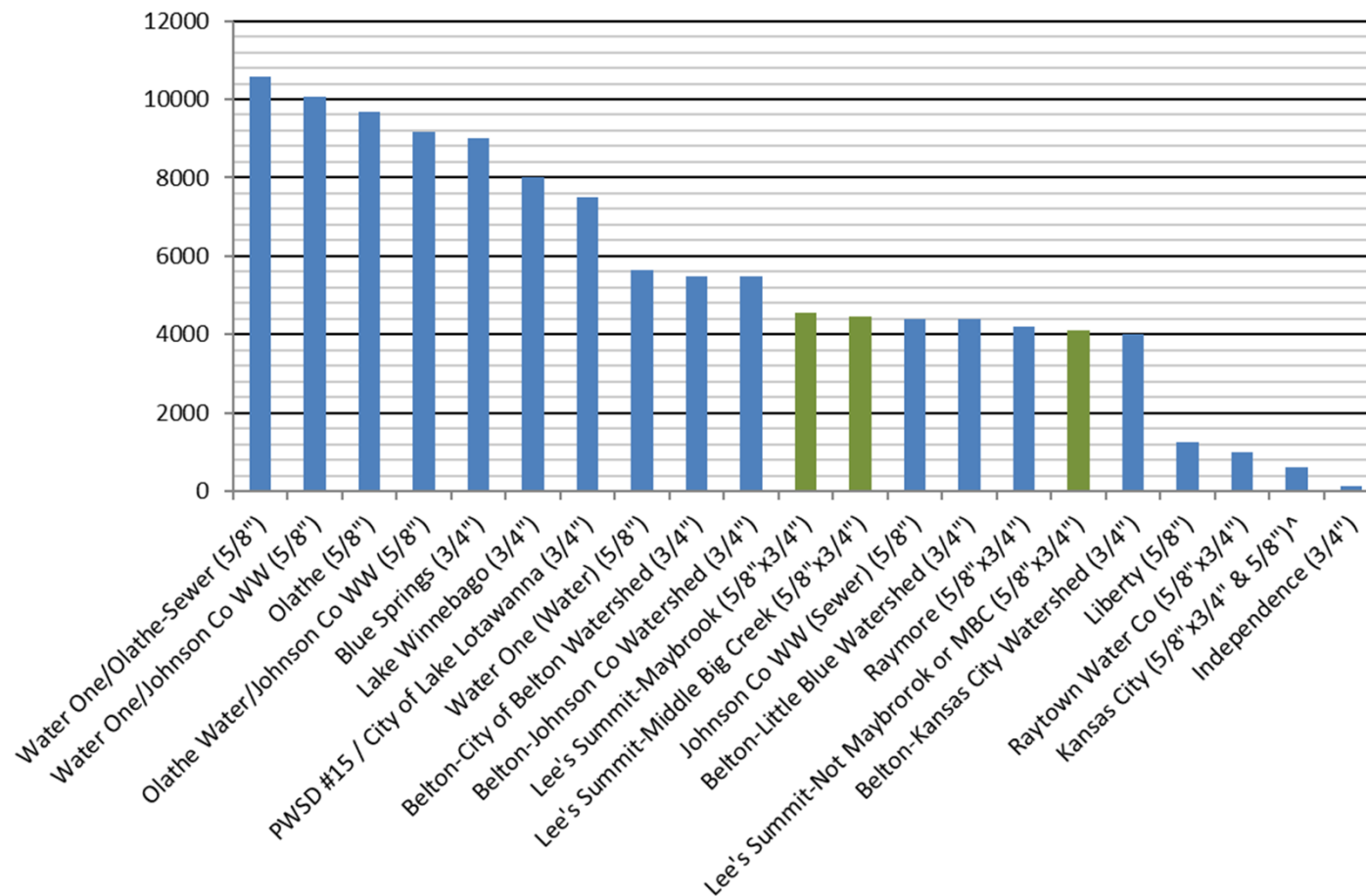


I move to recommend to the City Council the revised projects list as indicated on the Summary Statement of Water Projects Report and adjusting the residential equivalent unit tap fee to \$3,477 effective July 1, 2019 utilizing 585 residential equivalent units as the growth projection.

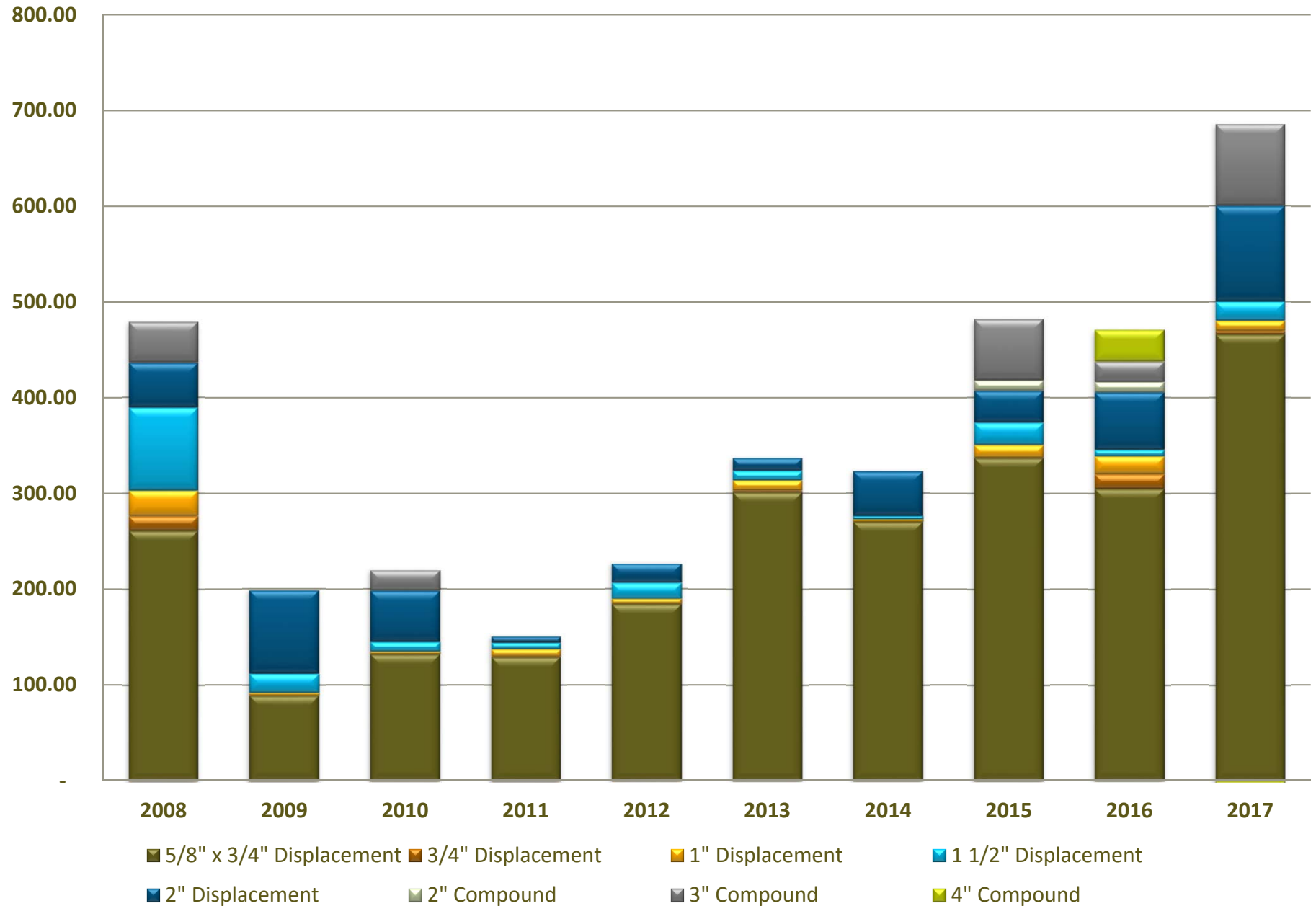
# Comparison of Development Charges



**Residential - Water & Sewer Connection Charges**  
(Meters - Smallest Offered assuming 10 sewer drains)



## 10-Year History of Residential Equivalent Units Consumed



# TAP FEE ORDINANCE



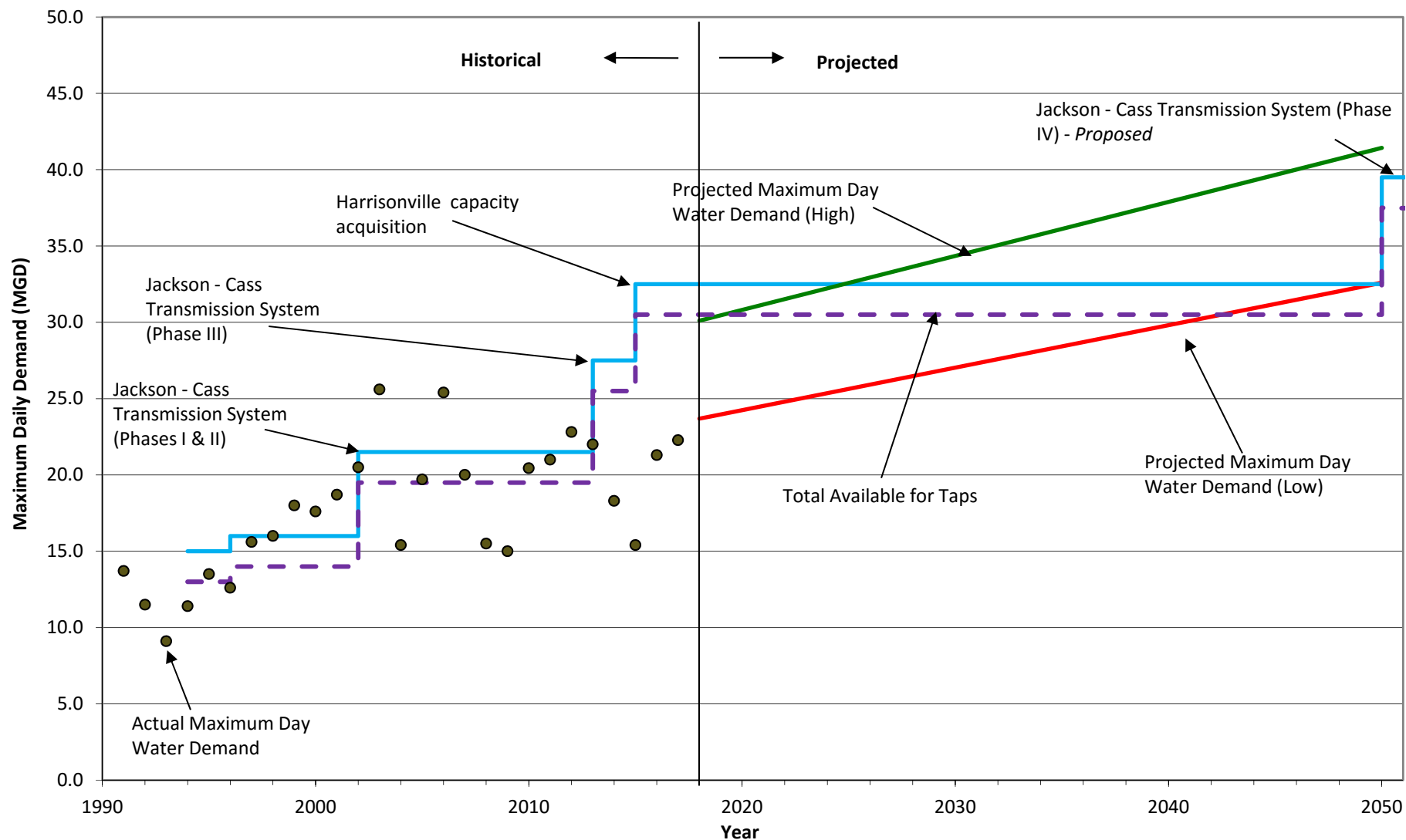
- The Original Tap Fee Ordinance became effective March 1, 1996
- Purpose
  - To Establish a funding source that provides adequate water capacity to meet the additional demands created by new growth
- Requires an annual report to the City Council.
  - Statements
  - Recommendations

# ORDINANCE REQUIREMENTS



- Statement of Application for Service
  - Number and Size of Water Taps
- Statement of Water Tap Fees Collected and Disbursed
- Summary Statement of Water Facility Projects
  - Initiated, completed and planned
  - Consistent with Water Tap Fee funding
- Recommendation for Revisions to the Project List and Tap Fee Calculation, as appropriate.

## Historical and Projected Maximum Day Demand vs. Supply



▷ Based on growth of 450+ Equivalent Units