

Date	February 7, 2020
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Subject	Swansea Road Watermain Loop – Petition Update

BACKGROUND

At the December 2019 Meeting, the RDEK Board authorized staff to conduct a petition for services in the portion of Swansea Road where we will be constructing a watermain this spring. The petition would expand the East Side Lake Windermere Water Service Area (ESLW) and establish a new service area to borrow for the construction and pay the Capital Infrastructure Fee required to join ESLW.

INFORMATION

During the detailed preparation stage, it was discovered that borrowing to contribute to a reserve fund, such as the Capital Infrastructure Fee, is not permitted. The Capital Infrastructure Fee of \$8,000 is required when joining the East Side Lake Windermere Water System Service Area, so this prompted a review of how to proceed with the project.

With the availability of grant funding, the watermain installation is proceeding to improve the ESLW water system. The intent of the petition was to provide opportunity to adjacent properties to be part of the project as it happens. Elizabeth continues to be in contact with affected properties and the response has been borderline in terms of interest from the landowners and the petition's likelihood of success.

Upon review and discussion of the options, it was determined that the best course of action is not to proceed with a petition. Instead, it will be up to each property owner to request the Board include their property in ESLW and pay the related fees when they would like to start receiving community treated water. The RDEK will look into establishing a latecomer agreement to recover some of the cost of construction of the watermain, as was done in many areas of the utility before our purchase in October 2018.