City of Saginaw

DATE: **November 9, 2021**

TO: **Capital Improvements Advisory Committee**
FROM: **Rick Trice, P.E., Director Public Works**

SUBJECT: Water Capital Improvement Plan Update

The following information is provided for the Capital Advisory Committee Meeting.

Attached you will find a copy of the City of Saginaw Water and Sewer Impact Fees Revenue and Expense Summary for November 3, 2021. The report details revenue and expenses for the water and sewer funds.

On June 16, 2020, City Council authorized Kimley-Horn and Associates, Inc. to conduct a Water Impact Fee Study (Study). Cities are required to review their impact fees on a 5-year cycle. The study included a Water Capital Improvement Plan (CIP) (attached Table 12) to determine the maximum rate the city could assess to recover costs due to new development.

Comparing the CIP to the Water Fund Balance resulted in a staff recommendation that the collection of water impact fees cease since sufficient funds existed to fund the outstanding CIP. Council approved that recommendation.

Since the action by City Council, the NW Booster Pump Station has escalated from $462,500 to $940,000. The increase is due to a change in scope required to provide adequate fire protection to future multi-storied apartment in the northwest part of the City. A second project has been added to provide a similar booster pump station in the Beltmill development.

The table below provides a summary of the impact of these two projects and potential funding sources. The impact is a projected funding deficit of $1,580,196. Funding will likely be from use of Water Fund Balance, reimbursement from the TIRZ (Beltmill), developer contribution and/or alternative funding sources.

Water CIP		
Saginaw Boulevard 12" Waterline, Ph. 2	$	1,305,000.00
McLeroy 12" Waterline, Ph. 2	$	325,000.00
Northwest Booster Pump Station	$	940,000.00
Fort Worth Meter Station Upgrade	$	250,000.00
Beltmill Pump Station	$	950,000.00
Sub-Total	$	3,770,000.00
Saginaw Boulevard 12" Waterline, Ph. 2 Expenses to Date	$	1,093,157.80
Remaining Water CIP Budget	$	2,676,842.20
Water Enterprise Fund Balance	$	1,096,646.42
Projected Fund Balance [A]	$	(1,580,195.78)

[A] Projected deficit will be funded by use of Water Fund Balance, developer or alternate funding source. Beltmill Pump Station to be funded by Water Fund Balance and Potentially Reimbursed by the TIRZ

If you have any questions, please let me know.

Attachments (2): City of Saginaw Water and Sewer Impact Fees Revenue and Expense Summary
City of Saginaw 2020 Water Impact Study, Table 12