SWEETWATER SPRINGS WATER DISTRICT

TO: Board of Directors **AGENDA NO. V-B**

FROM: Steve Mack, General Manager

Meeting Date: August 3, 2017

SUBJECT: Request for new water service at 14712 Eagles Nest Road, Rio Nido

---

RECOMMENDED ACTION: Confirm District staff's decision to deny request for new water service at 14712 Eagles Nest Road, Rio Nido.

FISCAL IMPACT: The District will lose the revenue generated by a new customer, which includes initial capacity charges (app. $6,000), ongoing flat charges ($198/year), and water bill revenue when the service is active.

DISCUSSION:

This item appears on the Agenda at the request of the property owners, Michael and Erin Rickard. They have provided packet materials of their own.

The Rickards approached the District to request water service at 14712 Eagles Nest Road. Apparently, there was once a house on the property demolished by a tree during a storm in the 1960s. The Rickards maintain that they had water service until 1995; however, District staff have found no evidence of an active water service to this property since the District was formed in 1992, either in the billing system or in old tax assessment records. This is important. Without such evidence, their request for water service is considered a request for a new service rather than a reconnect of an existing but unused service.

District procedure for new service line requests is to conduct an investigation to determine (1) If a new service is feasible; and (2) What the cost will be to construct the service. The investigation fee is $100. However, the Rickards request was not the first time a new service had been requested -- and rejected -- on Eagles Nest Road due to the capacity of the main line servicing that road. For that reason, there was no need to re-investigate whether a new service could be added. The Rickards were informed verbally that an additional water service on Eagles Nest Road was not feasible and why. They were not charged any fees.

Why can't a new service be added on Eagles Nest Road? The short answer is the main line servicing this road is "maxed out." Eagles Nest Road is serviced by a 1" main line,

and there are no current plans to upgrade the size of that line. The small size of the main line limits the number of services that can be accommodated without compromising water pressure to all services on that line. The "max" number of services has been reached. Adding even one more service would mean existing services could no longer be adequately served.

It remains an option for the Rickards to personally pay to upgrade the size of the main line so new services can be accommodated. However, the cost to do so is prohibitive - staff estimates well over $200,000. To better estimate the cost of upgrading the mainline would involve the assistance of an engineer, an option and expense the Rickards have not expressed interest in pursuing.

We appreciate how disappointing it must be to decide to rebuild a family home, only to find out access to a basic utility like water is no longer a financially feasible option. However, staff's priorities remain clear: the water service to existing customers should not be unduly compromised by adding an additional customer to their main line.