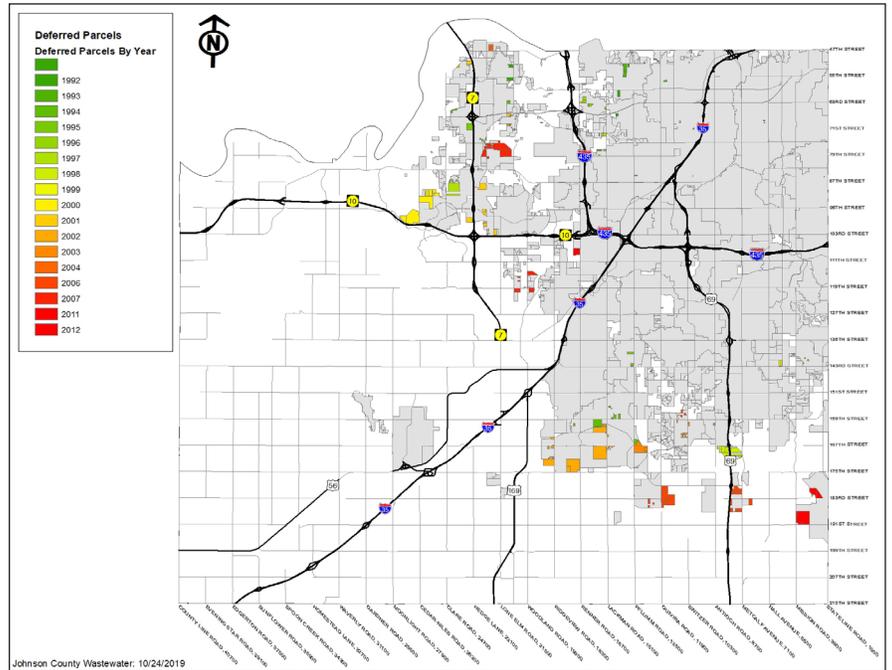


OUR MISSION:

- Protecting our environment
- Serving our customers
- Enhancing our communities

About Johnson County Wastewater (JCW)

- JCW serves the southwestern corner of the Kansas City metro area in Johnson County, KS
- Established in 1945
- Serves population approaching 500,000
- 6 wastewater treatment plants
- Over 30 pump stations and 2300 miles of sewer that carries flow from your house or business to one of the dots or triangles on the map.



System Availability Charges & Deferment

The System Availability Charge (SAC) is a fee paid by property owners within sewer district boundaries that are not yet connected to the sewer system. The SAC recovers the costs for constructing and financing capital projects in the Consolidated Main Sewer District. When certain criteria are met, a property owner can apply to have the fee deferred.

JCW proposes changes to the deferment policy, including a maximum deferment period and a Post Deferment Fee. See page 2 for details about deferment criteria and proposed policy changes.

Deferred Properties

- 20 properties greater than 30 acres (1,366 total acres)
- 33 properties between 10 to 30 acres (618 total acres)
- 163 properties lower than 10 acres (506 total acres)

What are the proposed changes to the System Availability Charge Deferment Policy?

- The proposed policy allows deferments for up to a maximum of 25 years.
- The criteria for determining if a property is eligible for deferment is not changing.
- The proposed policy includes implementation of a new Post-Deferment Fee (PDF) for properties that have reached the 25-year maximum deferment period but are not developing or engaging in activities that require payment of the full System Availability Charge.

What is the proposed Post-Deferment Fee?

- The Post-Deferment Fee is an annual fee that will be charged once a property has exceeded the maximum 25-year deferment period.
- The purpose of the Post-Deferment Fee is to fund reinvestment in the wastewater system, which provides a future benefit to properties that are in the district, but are not currently connected, to the system.

When will I have to pay the proposed Post-Deferment Fee?

The Post-Deferment fee will be charged after a property has been deferred for the maximum 25-year period. The fee will be included on your annual property tax statement.

How was the proposed Post-Deferment Fee calculated for my property?

The proposed Post-Deferment Fee for 2019 is \$125 per 10 acres.

The minimum proposed PDF is \$125.

The PDF for your property (if 10 acres or more) was calculated by taking your property size, dividing it by 10, and multiplying it by \$125.

The majority (75%) of deferred properties are less than 10 acres and will pay the minimum PDF of \$125.

EXAMPLE 12-ACRE TRACT

Per 10 acres: $12 \text{ acres} \div 10 = 1.2$
2019 PDF: \$125

Per 10 acres x \$125: $1.2 \times \$125$
Total Fee: \$150

How does the amount of proposed Post-Deferment Fee compare to the System Availability Charge?

The Post-Deferment Fees will fund reinvestments in the wastewater system and are significantly less than the System Availability Charge. Below are examples that show the Proposed Post-Deferment Fee versus Full System Availability Charge for two properties of different sizes.

EXAMPLE 80 ACRE TRACT (2019)

Proposed Post-Deferment Fee = \$1,000 per year
Full System Availability Charge = \$30,000 per year

EXAMPLE 30 ACRE TRACT (2019)

Proposed Post-Deferment Fee = \$375 per year
Full System Availability Charge = \$11,250 per year

What are the criteria for a property to no longer be eligible for deferment or Post-Deferment Fee?

A property is eligible for deferment and, after the 25-year maximum deferment period, the Post-Development Fee until any of the following occur:

- The owner of the property has signed a petition for the property, requesting creation or enlargement of a sanitary sewer district.
- A structure on the property is connected to the sanitary sewers.
- The use of the property changes to a use not eligible for deferment.
- The property becomes divided or platted.
- The property is transferred to a new owner that is a business entity or does not continue use as a primary residence.

Are there any changes to the deferral notification process?

- No. Property owners will continue to be notified upon expiration of deferment.
- After the initial 10-year deferment, up to three additional 5-year periods (a total maximum of 25 years) may be granted.
- Under the proposed policy all requests for deferment will be reviewed by Johnson County Wastewater's General Manager.
- Appeals of deferment decisions will be considered by the Board of County Commissioners.

Will the proposed Post-Deferment Fee change?

The Johnson County Board of County Commissioners reviews and adopts an annual fee schedule. For 2020, the System Availability Charge is set at \$380 per acre. If the proposed Post-Deferment Fee policy is adopted, the 2020 PDF will be \$127 per 10 acres. Properties less than 10 acres will pay the minimum PDF of \$127.

When will the Board meet to discuss the proposed Post-Deferment Fee?

The Johnson County Board of County Commissioners will receive a report about the Post-Deferment Policy and information gathered at the open houses. Final action on the Post-Deferment Policy will be scheduled for a later meeting. Property owners with deferments will be notified by mail of the meeting date. Meeting dates will also be posted online at: <http://www.jocogov.org/deferments>.

For More Information Visit: www.jocogov.org/deferments