



# Impact Fees: Existing Capacity Valuation

November 5, 2010

Capital Improvements Advisory Committee

Louis Lendman

Senior Financial Analyst

# Existing Infrastructure Value Categories

- Water Flow (Distribution Lines)
- Water System Development (Transmission Lines, Well Pumps, High Service & Booster Pumps, and Elevated & Ground Storage Tanks)
- Wastewater Collection Lines
- Wastewater Treatment Plants

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# Value Determination Process

- Start with overall values available as of end of previous year in annual Comprehensive Annual Financial Report (CAFR)
- Obtain values breakdown by more specific infrastructure types as available in CAFR or in capital assets system
- Construction work in progress is included
- As needed, use percentages from Engineering to make pro rata estimates
  - For example, portion of pipeline system that is  $\geq 12$ " in diameter for water distribution

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# Differences in Existing Value Calculations

- Better information available now on capital assets
  - Recently implemented financial system enables more precise look-up of assets and values by infrastructure type
- Information now available on unit construction cost of pipelines by diameter size
  - More precise and more accurate measure of value
  - No longer have to rely on the same value per linear foot of pipeline regardless of pipe size

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# Linear Feet vs. Pipe Size Valuation

- Water Pipelines – 30” or above in diameter
  - Comprise only 156 miles (or 9%) of the 1,645 miles of water pipeline  $\geq 12$ ”
  - Based on pipe diameter value, represent 21% of the value of water pipeline 12” and above
- Sewer Pipelines – 30” or above in diameter
  - Comprise only 246 miles (or 30%) of the 1,095 miles of sewer lines  $\geq 10$ ”
  - Based on pipe diameter value, represent 48% of the value of all sewer lines 10” and above

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# Water Flow

## Distribution Lines

- Distribution lines  $\geq$  12 inches valued only and developer contributions discounted
- 2006 Value
  - \$548,647,273: full value
  - \$61,866,999: available for new development or 11.3%
- 2010 Value
  - \$603,237,641: full value
  - \$43,277,211: available for new development or 7.2%

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# Water Flow

## Distribution Lines (Continued)

- Difference in calculation method:
  - In 2006, each linear foot of pipe was treated as having equal value
  - In 2010, estimate based on relative value of pipeline by diameter size

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# Water System Development

- Transmission lines  $\geq$  12 inches valued only and developer contributions discounted
  - Pipe valued by diameter vs. by linear foot
- Other System Development components based on construction costs
- 2006 Value
  - \$240,201,217: full value
  - \$57,468,212: available for new development or 23.9%
- 2010 Value
  - \$337,472,086: full value
  - \$21,019,221: available for new development or 6.2%

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# Wastewater Collection Lines

- Collection lines  $\geq$  10 inches valued only and developer contributions discounted
- 2006 Value
  - \$112,397,788: full value
  - \$17,108,093: available for new development or 15.2%
- 2010 Value
  - \$445,432,906: full value
  - \$44,543,291: available for new development or 10%

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# Wastewater Collection Lines

## (Continued)

- Difference in calculation method:
  - In 2006, each linear foot of pipe was treated as having equal value
  - In 2010, estimate based on relative value of pipeline by diameter size

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# Wastewater Treatment Plants

- Only Dos Rios, Leon Creek and Medio Creek plants valued in 2010
- In 2006, value included these plants plus Salado Creek plant
- 2006 Value
  - \$630,048,924: full value
  - \$68,292,580: available for new development or 10.8%
- 2010 Value
  - \$430,626,702: full value
  - \$38,263,943: available for new development or 8.9%

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