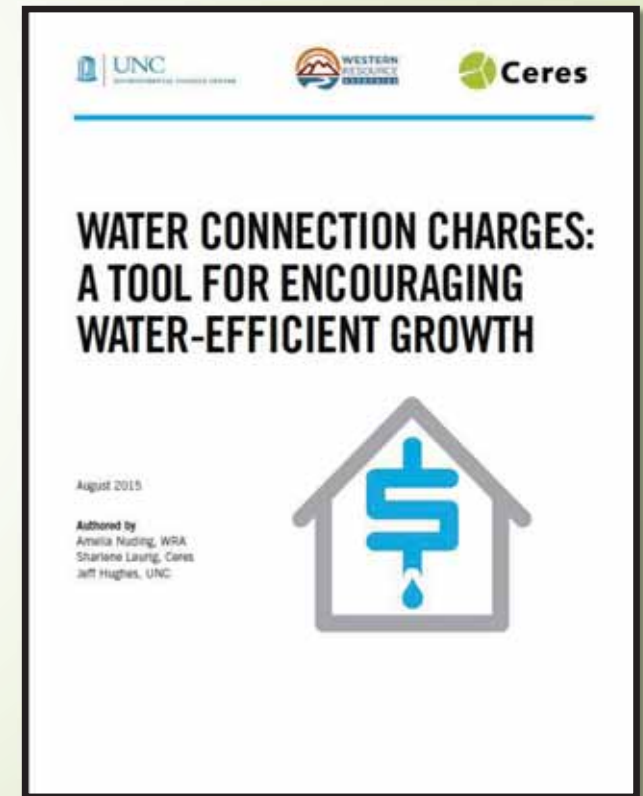


Water Connection Charges: A Tool for Encouraging Water-Efficient Growth

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Water Connection Charges (aka “tap fees”)

- ▶ A one-time fee charged to new developments (residential, commercial, industrial, institutional) to cover:
 - ▶ The cost of physically connection to the water system
 - ▶ The capital costs (past and/or future) for “capacity charges”:
 - Acquiring water
 - Water infrastructure
 - Water treatment plants



Research Questions & Method

- ▶ How much does a “typical” single family residential (SFR) connection charge cost?
- ▶ What factors are considered in the design of connection charges?
 - ▶ meter size, lot size, house size, etc.
- ▶ 740 communities in NC & GA
- ▶ 60 communities in AZ, CO & UT (20 in each state)

Connection Charges in Southeastern Communities

- SFR charges only, in 740 communities in NC & GA

Table 1. Southeastern Water Connection Charges for New Single-Family Homes Are Slightly Higher in North Carolina than in Georgia.

	Georgia (2013) (n=290)	North Carolina (2014) (n=450)
Maximum	\$4,800	\$15,900
Minimum	\$15	\$50
Median	\$800	\$1,000
Mean	\$900	\$1,500

The connection charges shown include both tap fees and capacity charges, when applicable. All numbers have been rounded to the nearest hundred.

Connection Charges in Western Communities

- Researched Single Family charges in 60 communities: 20 each in AZ, CO, UT
- Selection criteria included a diversity of population sizes, population growth rates, geographic locations, and water sources

Table 2. Median Connection Charges for New Single-Family Homes in Western States Researched Are Significantly Higher than in the Southeastern States.

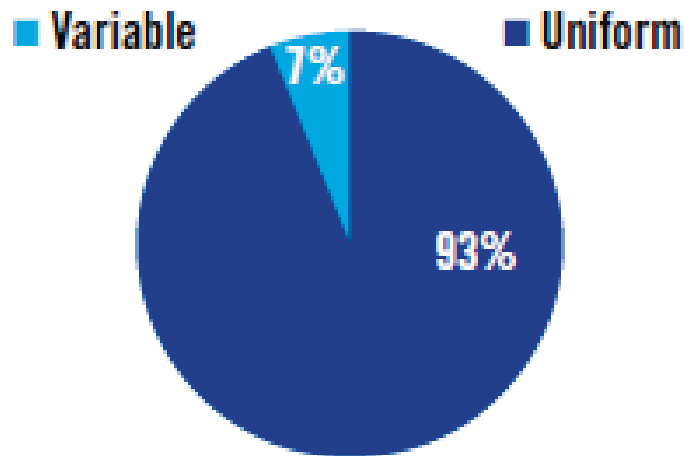
	Arizona (2014/2015) (n=20)	Colorado (2014/2015) (n=20)	Utah (2014/2015) (n=20)
Maximum	\$9,600	\$25,400	\$8,200
Minimum	\$1,700	\$1,000	\$900
Median	\$4,800	\$11,900	\$2,400
Average	\$5,200	\$12,400	\$2,900

Uniform vs. Variable Connection Charges in Single Family Homes

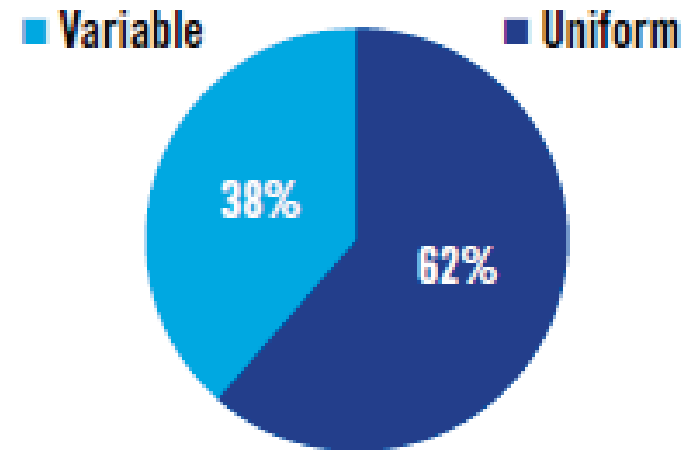
Uniform – Meter only, or other flat fee for SFR

Variable – Other factors considered, including location

Southeastern Communities Connection Charges

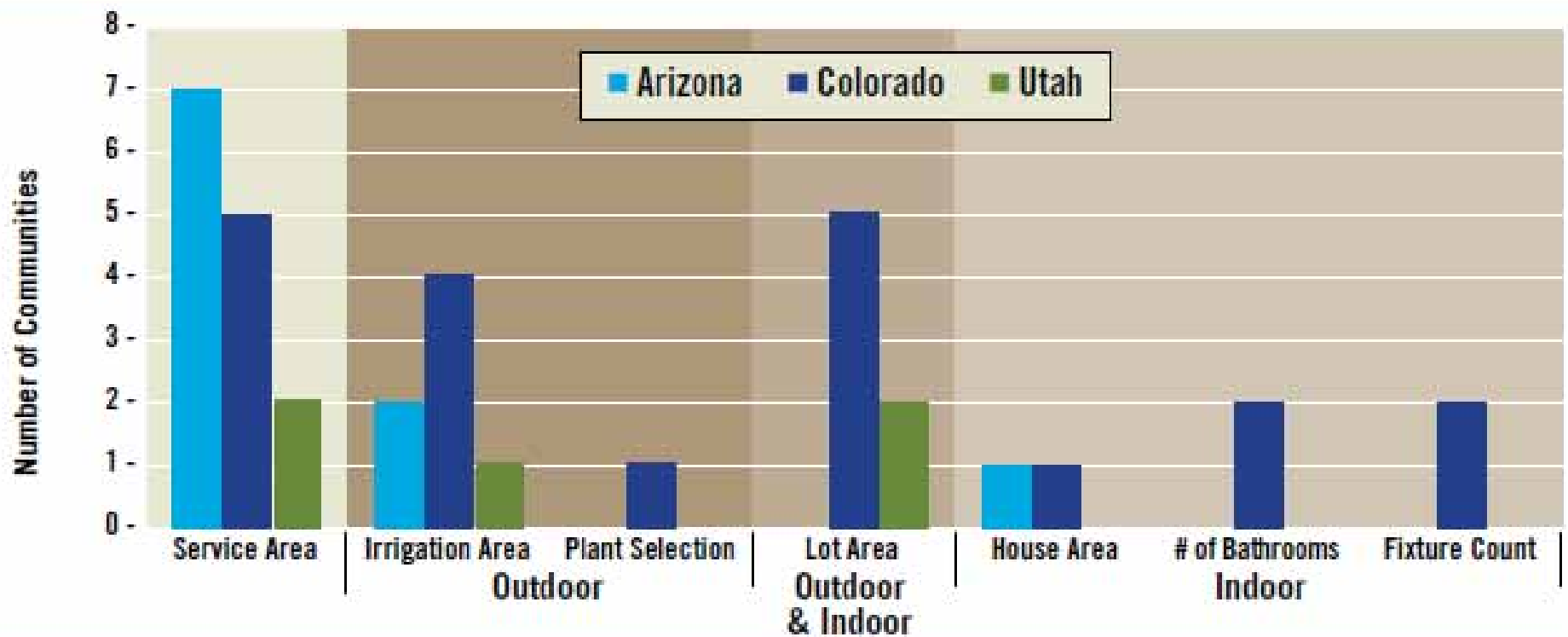


Western Communities Connection Charges



Multiple Factors used in Western Communities

Figure 8. Several Factors Other than Meter Size Were Used in Determining Water Connection Charges in the West. Indoor & Outdoor Water-Demand Factors Were Used Most Frequently in Colorado.






Why?

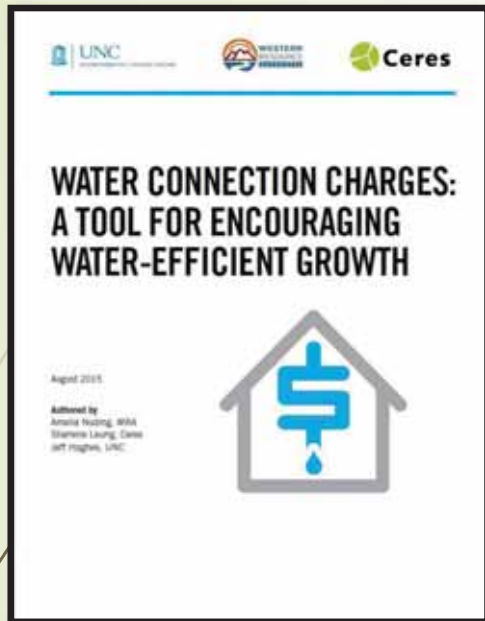
The “water footprint” of a new home/business/landscape doesn’t always look the same





Why?

- ▶ Fairness
 - ▶ Recognition that meter size is a coarse approximation for water demand
 - ▶ Cost of water & infrastructure is significant
- 



Download report at:

<http://westernresourceadvocates.org/projects/water-connection-charges/>

Upcoming Tap Fee Workshops:

- ❖ Oct 19th, Glenwood Springs
- ❖ Oct 28th, Loveland
- ❖ Nov 4th, Castle Rock



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