

Dear Valued Customers of Consolidated Public Water Supply District #1:

On August 6th, we'll be asking our customers to vote on important decision that will impact the future of our District. Our Board is proposing waterworks revenue bonds in the amount of \$30,000,000. This initiative is aimed at extending and improving the existing waterworks system over the next **two decades**.

Why are we Investing in Our System?

The proposed bonds will start with \$11,800,000 in needed improvements. The plan is to ensure the continued reliability and efficiency of our water system. The project will include a new Master Water Meter with KCMO, several new 8" main lines and a new Booster Pump at Emerald Hills Drive along with other crucial components needed to be added to our water distribution infrastructure. The remaining portion of the bonds will remain available for future improvements.

Benefits and Opportunities (or Why a VOTE?)

With voted bonds we demonstrate our commitment to our water system to the Missouri Department of Natural Resources (DNR). More importantly, with voted bonds we can borrow at a **fixed (subsidized) interest for 20 years at 1.75%**. If we use non-voted obligations, our interest rates more than doubles to 4.25% or higher.

Voted bonds also help us become eligible for grants. Grants **NEVER** need to be repaid ever.

These potential financial benefits significantly reduce the financial burden associated with these needed infrastructure improvements.

Financial Responsibility:

It is important to note that the payments on revenue bonds will be made solely from the revenues derived by the District from user fees. In other words, there is **NO PROPERTY TAX INCREASE** associated with these bonds.

How Much will this Cost Me (\$0):

NO USER RATE INCREASE will be needed to support the first \$11,800,000 projects. If we use leases (non-voted obligations) the cost of the same project will increase our bond payments by at least 25%. (Which, is why we are having a bond election to avoid the substantially higher payments.)

As stated above, the rates will not increase due to the proposed projects or bond issuance. However, the District purchases all its water from Kansas City Missouri. KCMO typically raises wholesale rates annually, so on occasion the District must raise rates to cover the cost of purchased water and general operation maintenance cost.

Stay Informed:

Our Water District Board of Directors unanimously voted to place this on the August ballot. They urge everyone to please vote on this important District wide improvement project.

We will have a public meeting to review the details and our long-term vision for our District. We encourage you to attend this informational session. Your understanding and engagement are crucial in making an informed decision.



YOUR VOTE COUNTS!

*Below is the initial list of projects for the proposed bond election.
 Other projects will include replacement of water mains with frequent leaks/breaks, upsizing of smaller 6-inch and smaller mains to provide additional flow capacity for fireflow and elevated storage tanks rehabilitation/repainting every 15-20 years as needed, etc.*

Project #	Project Description	Total Estimated Project Cost
1	KCMO Master Meter & 16" Main to Estates at Chapel Hill & 8" Loop Main on Brink Meyer	\$ 4,500,000
2	12" Main to Replace Ex 6" Main on 76th Street from Nevada Ave West to Route N	\$ 3,000,000
3	12" Main to Replace Ex 6" Main on Jones Meyer Rd and Fox Rd from Route N to the Fox Road Elevated Storage Tank	\$ 3,300,000
4	Booster Pump Station at Emerald Hills Dr	\$ 1,000,000
Total of Above Projects		\$ 11,800,000