



Americare™

June 18, 2015

Andy Ensz, P.E.
City of Lawrence
6 East 6th St., P.O. Box 708
Lawrence, Ks, 66044

RE: Assisted Living by Americare
3901 Peterson Road
Water Service to Duplex Buildings

Dear Mr. Ensz

The intent of this letter is to make a formal request to the City of Lawrence that would allow the seven proposed Duplex buildings on the senior living project currently under construction at 3901 Peterson Road to be served by only 1 water meter.

Not too long after the concept of this project was presented to the city back in January 2014 we met to discuss the metering and services to the buildings. At that time, the inquiry was made to meter the two large buildings on the project and somehow consolidate the meters for the nine proposed cottage buildings and the clubhouse. It was explained to me that the number of required service connections to the buildings was determined by the various building classifications contained within the city code. In this particular case for example the Duplex (2 unit) buildings would require more water meter service connections than the Triplex (3 unit) buildings.

We proceeded with the direction of that meeting and all subsequent plans submitted to the city for review and approval were based on that guidance.

This project is currently under construction. All of the sanitary sewer mains and sewer lateral services to the buildings are installed. The majority of the public water mains for the project have been installed and we are just a few weeks away from pulling the building permits and will be submitting the water service applications for the buildings.

We have already received the building permit fees and preliminarily determined the overall System Development Charges that would be based on the approved plans. The Building Permit fees are somewhat consistent but the System Development Charges are significantly higher than any encountered in a five state area that Americare currently operates in.

Americare has already invested a significant amount of expenses with more to come in form of both public and private utilities, public street extensions, parking lots and driveways, site grading, etc. and are looking for options to help reduce some of those potential costs.

One of the options is directly related to the number of water meter service connections

to the duplex buildings. Since the System Development Charge is based on the meter size and number of meter services to each building, the cost for the seven duplex buildings would be twice the amount what Americare would encounter at other locations.

At the meeting in January, 2014 it was explained that the reason for the city's approach was in the event that this property was ever sold to someone else in the future and they decided to sell and subdivide it as rental property. There are few things that does not quite make sense about this. The two large multi-unit buildings are served by only one domestic water service connection/ meter along with the two Triplex buildings and the Clubhouse.

As mentioned above, this is a senior living project and Americare is a Senior Living provider who will own and operate this facility. They will be paying the cost of all of the monthly utility bills for the entire property. The future residents will be paying a monthly rate regardless of any variation in utility use. Americare has been in business for 30 years and operates over 100 facilities and has not sold one of them. That is probably the best assurance that anyone could give on a project such as this.

What we are asking the City of Lawrence to consider is as follows:

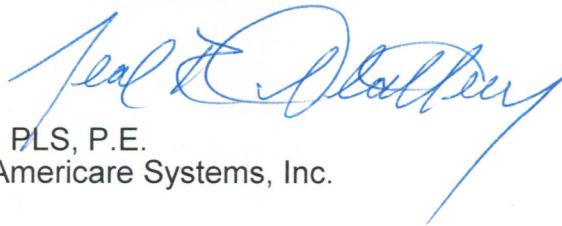
- 1) The sewer mains and sewer lateral services to all buildings are already installed exactly as the approved design.
- 2) The water distribution system within the project is to be installed as the approved design with the following exception:
 - For each of the 7 duplex buildings, there would only be one tap at the main and one meter that would be installed and then split the service lines after the meter and run the individual service lines to the two units as it would normally be done.
 - By proceeding in this matter, the entire water distribution system and services to the buildings would be installed exactly as the previous approval and all the necessary plumbing would already be in place in the event that the project was ever sold to another party who decided to subdivide it. At that time it would be very easy to install an additional meter for the other duplex unit.
 - In doing this, Americare has installed the water distribution system and services as the city has requested but also allows Americare to obtain some type of savings to the System Development charges.

We would ask that this project be viewed as a Senior Living project that is owned and operated by an individual company that will be paying all of the utilities and not a rental property where each individual resident will be paying their own separate utility bill.

Please consider this request and if there are any questions, do not hesitate to call me at (573) 442-5188.

Thank you

Neal R. Slattery, PLS, P.E.
Staff Engineer, Americare Systems, Inc.



Americare, Inc.
Project Development
915 E. Ash St.
Columbia, Mo. 65201
Ph: 573-442-5188
Fx: 573-442-5277