

BEFORE THE ST. LOUIS COUNTY BOUNDARY COMMISSION

IN RE:

CITY OF BALLWIN AND WATERFORD ANNEXATION AREA

BC2002

(WATERFORD SUBDIVISION)

**SUMMARY OF DECISION**

**INTRODUCTION**

The City of Ballwin submitted its official Proposal for the annexation of the area referred to as the Waterford Annexation Area consisting of the Waterford Subdivision on June 23, 2020. In accordance with the statutes and rules then in effect, the City of Ballwin submitted to the Commission its Proposal utilizing a procedure called a Simplified Boundary Change pursuant to Mo. Rev. Stat. 72.405. A completeness review was properly done, and the Proposal was accepted by the Boundary Commission. Notice of the Proposal was duly published and sent as required by law.

As part of its Proposal, Ballwin submitted the verified signatures of over 75% of the voters in the annexation area who were in favor of the annexation into the City of Ballwin of their subdivision. Thus, the Proposal may be considered as a Simplified Boundary Change as permitted under Mo. Rev. Stat. 72.405.6(1).

A Public Hearing on the Proposal was held on July 28, 2020. The Public Hearing was conducted in accordance with Rule XV due to the emergency declarations in effect for St. Louis County and the State of Missouri due to the Covid-19 pandemic. Presentations were made by the City of Ballwin and St. Louis County, which were publicly broadcast electronically pursuant to the meeting notice published by the Boundary Commission and available for viewing by the public. Members of the public who submitted a standard comment request form were also electronically connected and allowed to make public comments.

The area to be annexed is legally described on Exhibit 1 hereto. The area to be annexed comprises the entirety of what is commonly known as the Waterford Subdivision and no other areas. For ease of reference, the annexation area will be referred to as the Waterford Subdivision or Waterford Annexation Area in this Summary of Decision. The Waterford Annexation Area includes the public roads of Kylewood Court and Kylewood Place, and one half of Reinke Road in the Waterford Annexation area, for a total of .48 lane miles. These roads are part of St. Louis County's Road System (CRS) and will be conveyed to the City of Ballwin by approval of the Proposal.

Trustees of the Waterford Subdivision stated at the public hearing that they sought annexation into Ballwin as the access to Ballwin was direct, and the Waterford Subdivision is located closer to Ballwin facilities and municipal buildings than they are to the municipal facilities of other adjacent municipalities. The municipal facilities of Ballwin are therefore easier

to access and use. The Trustees stated they were aware of the increase in utility tax and the increase in trash service cost.

After the hearing, any person or entity was allowed to submit written comments to the Boundary Commission for a 21-day period. The City of Ballwin submitted a clarification of its presentation. Some members of the public also submitted comments on the proposed annexation. All materials were publicly available on the Boundary Commission website and distributed to all Commissioners.

The Waterford Annexation Area is adjacent to the southeastern part of the City of Ballwin. This approximately 6.3-acre subdivision is bounded by the city limits of the City of Ballwin to the west and the City of Ellisville to the north, south, and east. The area has existed as an unincorporated pocket since the annexations of adjacent areas by the surrounding municipalities over 20 years ago. The annexation area is fully developed at this time. There will be no unincorporated pockets caused by this annexation.

The Waterford Subdivision contains 27 parcels, upon which 26 are developed for single-family housing units. The remaining unit is classified as vacant, being a retention pond owned by the subdivision trustees. Currently, the land use in Waterford is entirely zoned single-family residential, and this will continue for the foreseeable future.

Ballwin proposes to provide the same municipal services to this annexation area that is currently provided to all residents in the city. This includes policing, roadway maintenance, parks and recreation, planning and zoning, and general administrative services. The services currently provided and to be provided by Ballwin are listed below.

### **GEOGRAPHIC**

The Waterford Subdivision is currently in unincorporated St. Louis County. The Waterford Subdivision has approximately 68 residents and 26 single family residences. It is fully developed with no vacant lots. It is a small unincorporated pocket, east of Reinke Road, approximately 0.5 mile south of Manchester Road. The area is generally bounded by the City of Ellisville to the north, east and south, and The City of Ballwin to the west. The Waterford Annexation Area is surrounded exclusively by municipal boundaries and it is a pocket of unincorporated St. Louis County.

Waterford Subdivision is the only subdivision included in this Proposal and comprises the whole of the unincorporated area to be annexed. There will be no splitting of the subdivision as a result of this annexation proposal.

There is only one (1) street connection into Waterford Subdivision: Kylewood Place to Reinke Road. This connection is directly adjacent to Ballwin's current boundary to Waterford Subdivision. Waterford Subdivision is highly accessible by Ballwin, and municipal services are easily provided by Ballwin. There are no natural or manmade barriers that would impede efficiency of delivery of service to this subdivision.

The Proposal for the Waterford Annexation Area complies with State Law requiring a minimum of 15% shared boundary between the proposed annexation and the municipality seeking said annexation.

The annexation of the Waterford Subdivision is a logical and reasonable extension of the boundaries of the City of Ballwin. The area to be annexed is compact and leaves no unincorporated area surrounding it.

**REVENUE, TAX RATES AND IMPACT**

The tax rate changes are listed in the table below.

| <u>2019 Tax Rate</u>       | <u>Ballwin</u> | <u>St. Louis County</u>               |
|----------------------------|----------------|---------------------------------------|
| City Property Tax          | \$0            | N/A                                   |
| City Personal Property Tax | \$0            | N/A                                   |
| County property tax        | \$0.4430       | \$0.4430                              |
| Sales Tax                  | 8.738%         | 7.738%                                |
| Utility Tax                | 7.0%           | 5.0%                                  |
| Trash Fee                  | \$66.57/qtr.   | \$62.25 / qtr. (including yard waste) |
| Sewer Lateral Fee          | \$ 28.00       | \$ 28.00                              |

There will be no change to current real estate tax. There will be a 1% higher sales tax in the Waterford Annexation Area, which will apply on the purchase of vehicles purchased by a resident. Saint Louis County collects a 7.738% sales tax; and, Ballwin collects an 8.738% sales tax. Sales tax are assessed at the point of sale. There are no commercial establishments in the area to be annexed. Thus, there will be a minimal effect on the residents due to the increase in sales tax, and no merchants will be affected. Ballwin has no personal property tax, so there will be no change in the personal property tax on residents. Residents will see a 2% higher utility tax. St. Louis County collects a 5% utility tax, whereas Ballwin collects a 7% utility tax. Although the sewer lateral fee is the same, Ballwin does have a \$3,000 limitation on the amount of reimbursement and the County has no limitation. The Trustees of the Waterford Subdivision stated they understood the tax increase and the difference in lateral sewer repair reimbursement limitations and accepted it in order to become part of the City of Ballwin.

The following Table of Revenues and Expenditures caused by the annexation were estimated by the City of Ballwin.

| Year | Revenues | Expenditures |
|------|----------|--------------|
| 2021 | \$17,867 | \$1,082      |
| 2022 | \$17,903 | \$1,114      |
| 2023 | \$17,939 | \$1,147      |

Ballwin's Table of Revenues, Expenditures and Fund Balance History is listed below:

| Year | Revenues     | Expenditures | Fund Balance |
|------|--------------|--------------|--------------|
| 2018 | \$20,568,972 | \$20,772,312 | \$11,526,071 |
| 2019 | \$20,623,650 | \$18,256,984 | \$13,222,743 |
| 2020 | \$19,833,993 | \$20,494,569 | \$11,454,484 |

The combined Table of Revenues and Expenditures Projections including the revenue due to the annexation and the expense increase due to the annexation is stated below.

| Year | Revenues     | Expenditures |
|------|--------------|--------------|
| 2021 | \$21,170,091 | \$21,170,091 |
| 2022 | \$21,010,586 | \$21,010,586 |
| 2023 | \$21,608,393 | \$21,239,587 |

The area has been generally well maintained. There are no capital improvements planned for the area. Ballwin does an annual survey of roads and sidewalks needing repair or maintenance, and then schedules the repair, maintenance or replacement of roads and sidewalks. The annexation area will be included in this annual survey and analysis and participate in road repairs or maintenance as any currently existing part of Ballwin does.

There will be no extraordinary effect on the distribution of tax resources in St. Louis County arising from this annexation. There will be no effect on the ability to raise revenue on the area subject to the boundary change, the bordering areas, St. Louis County or the City of Ballwin.

The expected sources of revenue to Ballwin due to an approved annexation is listed below. The taxes listed below are currently collected pursuant to laws not affected by this annexation and are paid to St. Louis County currently. These amounts will be paid to Ballwin if the annexation is approved. The loss of this revenue to St. Louis County will not have any material effect on St. Louis County's budget or its ability to provide services to the remainder of unincorporated St. Louis County. The below Table of Redirected Revenue Sources estimate was provided by Ballwin should the annexation have been in effect for the entire year of 2020:

| Tax Type           | Amount   |
|--------------------|----------|
| Public Safety tax  | \$3,336  |
| Utility tax        | \$6,552  |
| Vehicle sales tax  | \$3,492  |
| Motor Fuel tax     | \$1,624  |
| Motor Vehicle fees | \$268    |
| Road/Bridge tax    | \$2,470  |
| TOTAL              | \$17,712 |

St. Louis County provided the following estimate of revenue loss to it, which will be redirected to Ballwin:

| Tax Type         | Amount   |
|------------------|----------|
| Sales tax        | \$6,310  |
| Utility tax      | \$3,120  |
| Highway user tax | \$3,213  |
| Cigarette tax    | \$212    |
| Cable tv tax     | \$234    |
| Road/Bridge tax  | \$1,518  |
| TOTAL            | \$14,607 |

St. Louis County estimates the revenue gain to the City of Ballwin as follows:

| Tax Type         | Amount   |
|------------------|----------|
| Sales tax        | \$7,888  |
| Utility tax      | \$4,368  |
| Highway user tax | \$1,795  |
| Cigarette tax    | \$212    |
| Cable tv tax     | \$234    |
| Road/Bridge tax  | \$1,518  |
| TOTAL            | \$16,015 |

It should be noted that the revenue loss to St. Louis County and the revenue gain to the City of Ballwin are based upon assumptions by each, including the amount of utility bills, and the anticipated sales tax revenue to Ballwin from the purchase of a vehicle by a resident in the Waterford Annexation Area. St. Louis County also includes a sales tax estimate based upon an average per capita sales tax paid by a St. Louis County resident, however, there are no businesses in the Waterford Annexation Area that would charge sales tax, so there would be no difference in the sales tax paid or collected due to this annexation to the City of Ballwin. The difference in the highway user tax provided by St. Louis County as a revenue loss to St. Louis County and a revenue gain to the City of Ballwin is not explained. The differences are based upon good faith estimates by each and the differences for purposes of this annexation are not considered material.

Due to the small size of the Waterford Subdivision, and that the area is completely surrounded by either Ballwin or Ellisville, St. Louis County will realize savings due to St. Louis County not being required to provide its full spectrum of municipal services to the isolated and unincorporated pocket comprising the Waterford Subdivision. There are no other unincorporated areas adjacent or reasonably nearby for St. Louis County to achieve any economies of scale in providing services. Police protection will switch from St. Louis County Police to the City of Ballwin. The City of Ballwin police will have an easier time to respond to any requests for assistance due to their closer proximity to the Waterford Subdivision and relieve St. Louis

County Police of the need to patrol and respond to an area somewhat isolated from the other unincorporated areas or areas where police services are provided by St. Louis County. St. Louis County will encounter savings in expenses for the services it provides to the Waterford Annexation Area, principally from road and sidewalk maintenance, snow removal and police protection. St. Louis County estimates the savings from road maintenance alone to be \$4,800 per year. Thus, the revenue decline to St. Louis County is substantially offset by savings in expenses incurred by St. Louis County in providing services to this isolated unincorporated pocket.

**SERVICES**

The following list of Municipal Services and Providers, and any change in the providing of the specified service is as follows.

| Service                              | Present Provider            | Post-Annexation Provider    | Fee  | In-House | Contract |
|--------------------------------------|-----------------------------|-----------------------------|------|----------|----------|
| Legislation                          | County                      | Ballwin                     | No   | x        |          |
| Administration                       | County                      | Ballwin                     | No   | x        |          |
| Police                               | County                      | Ballwin                     | No   | x        |          |
| Parks & Rec.                         | County                      | Ballwin/County              | Some | x        |          |
| Solid Waste                          | County (contract)           | Ballwin (contract)          | Yes  |          | x        |
| Recycling                            | County (contract)           | Ballwin (contract)          | *    |          | x        |
| Leaf Pickup                          | None (yard waste)           | Ballwin                     | *    | x        |          |
| Yard Waste                           | County (contract)           | Ballwin (contract)          |      |          |          |
| Code Enforcement                     | County                      | Ballwin                     | No   | x        |          |
| Planning & Zoning                    | County                      | Ballwin                     | No   | x        |          |
| Street Lighting                      | Subdivision                 | Ballwin                     | No   |          | x        |
| New Street Lights                    | Private                     | Ballwin                     | No   |          | x        |
| Street Maintenance and replacement   | County                      | Ballwin                     | No   | x        |          |
| Snowplowing                          | County                      | Ballwin                     | No   | x        |          |
| Sidewalk Maintenance and replacement | County                      | Ballwin                     | No   | x        |          |
| Municipal Court                      | County                      | Ballwin                     | No   | x        |          |
| Fire Protection                      | Metro West District         | Metro West District         | N/A  | N/A      |          |
| Utilities                            |                             |                             |      |          |          |
| Electric                             | Ameren UE                   | Ameren UE                   | N/A  | N/A      |          |
| Water                                | Missouri American Water Co. | Missouri American Water Co. | N/A  | N/A      |          |
| Sewer                                | MSD                         | MSD                         | N/A  | N/A      |          |
| Social Services                      | County/State                | County/State                | No   | N/A      |          |
| Public School                        | Rockwood School District    | Rockwood School District    | N/A  | N/A      | N/A      |
| Library                              | County                      | County                      | N/A  | N/A      |          |

There will be no change in the provider of services for fire protection; electric, water, sewer or natural gas utilities; social services; school district or library.

Ballwin's current trash collection contract is through Republic Services, which contract ends on 12/31/2022. Under current regulation and law, residents in the annexation area have the option to continue with the current trash service for two years. Republic Services has indicated a willingness to work with the residents should they decide to opt out of the current contract. The Republic cost is dependent on volume of the receptacle, with the median (65g) cost being \$22.90/mo. in 2021 and \$23.13/mo. In 2020. Ballwin's waste collection is comprised of weekly trash collection, weekly recycling, bulk item pickup (once a month by appointment), yard waste collection (once per week), and leaf pickup services provided in the fall. St. Louis County provides trash and yard waste pick up through Waste Connections. Annual price for minimum service (one trash pickup and recycling pick up per week and twice yearly bulky trash pickup) is \$12.75 per month Weekly yard waste pick up may be added at the option of the resident for an additional \$8.00 per month, with an option for quarterly opt-out. St. Louis County also provides a senior discount of 10%. Although the monthly charge for waste removal by the City of Ballwin is higher than St. Louis County, the City of Ballwin does provide additional services of monthly bulk item pick up and leaf removal.

Schedules and times of pickup are substantially similar to both St. Louis County (through contract providers) and Ballwin (through contract providers).

There was no evidence that the services to be provided by the City of Ballwin would be less in either quality or quantity than those provided by St. Louis County. Due to the annexation area being separated from other unincorporated areas of St. Louis County, Ballwin may be able to provide services easier and more promptly in an emergency situation.

### ZONING

The Waterford Subdivision is 94.76% residential and the remainder (one lot) is vacant (used as a retention pond) and owned by the Trustees of the Waterford Subdivision. The entire annexed area is zoned for single family residences. The Waterford Subdivision is fully developed. The zoning anticipated by Ballwin is R-3, which has similar restrictions to the current zoning. The major difference in Ballwin's R-3 zoning and the current zoning by St. Louis County is that lot size under Ballwin's R-3 zoning is required to be 20,000 square feet, but allows smaller lots if a plat was recorded before June 1, 1991; and St. Louis County's R-4 7,500 square foot Residential District zoning, allows for flexibility in lot sizes for a residential community. Lot sizes in the Waterford Subdivision range from 6,000 square feet to 14,638 square feet. However, the Waterford Subdivision was recorded on June 14, 1989, making all lots eligible for Ballwin's R-3 zoning or would be grandfathered in. There would be no non-conforming uses requiring modification or changes. Any change in requirements from the new Ballwin zoning may only apply if a current residence was removed and a new structure was built.

**EFFECTIVE DATE**

Ballwin stated it will start to provide its municipal services, and the annexed area will become part of the City of Ballwin, on January 1, 2021, if approved pursuant to law without a vote, or six months after a favorable vote if a vote is required.

**DECISION**

The City of Ballwin is the proposing agent as defined by Rev. Stat. 72.400(4) RSMo and the Boundary Commission of St. Louis County has jurisdiction over the proposal. The boundary change sought by the City of Ballwin is an annexation governed by Chapter 72 RSMo.

Based upon the entire record, the Boundary Commission of St. Louis County voted at an open public meeting by roll call vote on August 25, 2020 to approve the proposal. The Boundary Commission as a whole determined that the proposal was in the best interest of the City of Ballwin, the proposal was in the best interest of the area to be annexed, the proposal was in the best interest of St. Louis County and would have no material effect on a surrounding area or St. Louis County as a whole; and is in the best interest of the areas of the County next to the proposed boundary change.

The Commission therefore finds and determines that the annexation proposed by the Official Submittal BC2002 by the City of Ballwin is **APPROVED** as a Simplified Boundary Change.

The Commission as a whole and by roll call vote at its meeting on August 25, 2020 finds that the annexation proposed by the official submittal, and designated as File No.2002 is approved without the requirement of a further public vote, as permitted by Mo. Rev. Stat. 72.405.6(1).

The annexation and transfer of jurisdiction shall be effective at 12:01 a.m. January 1, 2021. The public roads mentioned above and, in the Proposal, will be transferred to the City of Ballwin on January 1, 2021.

This Summary of Decision is approved by the Commission and issued this 22 day of September 2020.

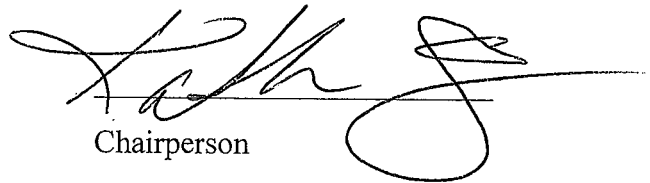
  
Chairperson



EXHIBIT "A"

A tract of land in the West 1/2 of the West 1/2 of SECTION 3, TOWNSHIP 14 NORTH, RANGE 4 EAST and described as follows: Beginning at a point in the center line of Reiske Road 30 feet wide at the Northwest corner of property described as Parcel 1 in deed to Duenske Construction Company by deed recorded in Book 4517 Page 480 of the St. Louis County Records; thence South 89 degrees 00 minutes 00 seconds East, along the North line of said Duenske Construction Company property, 573.01 feet to an iron pipe on the West line of property described as Parcel No. 2 in deed to Duenske Construction Company by deed recorded in Book 4517 Page 480 of the St. Louis County Records; thence North 00 degrees 36 minutes 00 seconds East along the West line of said Duenske Construction Company property, 404.91 feet to an old concrete monument at the Southeast corner of property conveyed to Behrmer Corporation by deed recorded in Book 4550 Page 413 of the St. Louis County Records; thence North 89 degrees 04 minutes 00 seconds West along the South line of Behrmer Corporation property, 574.48 feet to a point in the center line of said Reiske Road, thence South 00 degrees 43 minutes 00 seconds West, along the center line of said Reiske Road, 404.20 feet to the point of beginning, according to the survey thereof executed by Clayton Surveying and Engineering Co., on July 20, 1968.  
 232 Reiske Road  
 238 130 052  
 ABB, 09:1A:83:1126

BOOK 8540 PAGE 1900

ALL-STATE LEGAL  
 EXHIBIT B  
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A digital inscription of the metes and bounds legal description of the proposed annexation area, provided for enhanced legibility:

"A tract of land in the West ½ of the West ½ of SECTION 3, TOWNSHIP 44 NORTH, RANGE 4 EAST and described as follows: Beginning at a point in the center line of Reinke Road 30 feet wide at the Northwest corner of property described as Parcel 1 in deed to Duenke Construction Company property by deed recorded in Book 4517, Page 480 of the St. Louis County Records; South 89 degrees 00 minutes 00 seconds East, along the North line of said Duenke Construction Company property, 675.01 feet to an iron pipe on the West line of property described as Parcel No. 2 in deed to Duenke Construction Company by deed recorded in Book 4517, Page 480 of the St. Louis County Records, thence North 00 degrees 36 minutes 00 seconds East along the West line of said Duenke Construction Company property, 404.91 feet to an old concrete monument at the Southeast corner of property conveyed to Behymer Corporation by deed recorded in Book 4550 Page 415 of the St. Louis County Records; thence North 69 degrees 04 minutes 00 seconds West along the South line of Behymer Corporation property, 674.48 feet to a point in the center line of said Reinke Road, thence South 00 degrees 43 minutes 00 seconds West along the center line of said Reinke Road; 404.20 feet to the point of beginning, according to the survey thereof executed by Clayton Surveying and Engineering Co. on July 20, 1968."

