

**DETAILS OF PUBLIC CONSULTATION FOR KIBWEZI - MAKINDU WATER & SANITATION COMPANY LIMITED  
(FOR THE PERIOD 2024/2025 – 2026/2027)**

**1.0 Cost and Revenue Structure for the Tariff Period**

Expenditure Item	2023/24	2024/25	2025/26	2026/27
Operations	93,416,903	111,164,922	111,380,114	116,260,938
Maintenance	4,761,196	6,151,240	6,907,214	7,787,142
Regulatory Levy	3,407,295	5,119,209	6,799,552	7,095,753
<b>Total O&amp;M Costs</b>	<b>101,585,394</b>	<b>122,435,372</b>	<b>125,086,880</b>	<b>131,143,832</b>
Investment Costs	-	18,413,056	24,636,200	27,640,500
Debt Repayment	104,223	578,469	482,431	-
<b>Total Costs</b>	<b>101,689,617</b>	<b>141,426,897</b>	<b>150,205,511</b>	<b>158,784,332</b>
<b>Total Billing (KShs)</b>	<b>71,319,267</b>	<b>121,765,639</b>	<b>163,504,994</b>	<b>170,640,723</b>
<b>Collection Efficiency (%)</b>	<b>95%</b>	<b>95%</b>	<b>95%</b>	<b>95%</b>
<b>Projected Revenue</b>	<b>67,753,303</b>	<b>115,677,357</b>	<b>155,329,744</b>	<b>162,108,687</b>
<b>O&amp;M Cost Coverage</b>	<b>67%</b>	<b>94%</b>	<b>124%</b>	<b>124%</b>
<b>Total Cost Coverage</b>	<b>67%</b>	<b>82%</b>	<b>103%</b>	<b>102%</b>

**2.0 Proposed Change in Water Tariff Structure for the Period**

Recommended Tariff for KIBMAWASCO				
Consumer Categories	Consumption Block	Current Tariff	Consumption Block	Proposed Tariff
	(M <sup>3</sup> )	(Kshs/M <sup>3</sup> )	(M <sup>3</sup> )	(Kshs/M <sup>3</sup> )
<b>Domestic/Residential</b>	0-6	75	1-6	150
	7-20	90	7-20	160
	21-50	100	21-50	170
	51-100	110	51-100	180
	100-300	120	101-300	190
	>300	135	>300	200
<b>Multi-Dwelling Units</b>	Flat Rate	77	Flat Rate	160
<b>Commercial/Industrial</b>	1-50	60	1-50	170
	51-100	80	51-100	180
	100-300	120	101-300	190
	>300	140	>300	200
<b>Government/Institutions</b>	1-50	60	1-50	170
	51-100	80	51-100	180
	100-300	120	100-300	190
	>300	140	>300	200
<b>Schools</b>	1-600	90	1-600	160
	601-1200	105	601-1200	170

Recommended Tariff for KIBMAWASCO				
Consumer Categories	Consumption Block	Current Tariff	Consumption Block	Proposed Tariff
	(M <sup>3</sup> )	(Kshs/M <sup>3</sup> )	(M <sup>3</sup> )	(Kshs/M <sup>3</sup> )
	>1200m <sup>3</sup>	115	>1200m <sup>3</sup>	180
Unique Consumer Categories	Browsing points	90	Per M <sup>3</sup>	150
	Kiosk	35		100
	Water Projects	60		90

Customers with non-functional meters shall be billed based on the average of the last three months' bills

### 3.0 Indexation

The utility's tariffs for water and sewerage shall be eligible for annual indexation as per the Water Services Regulatory Board (WASREB) regulations. The inflation adjustment shall come into effect after a full year of implementation, on the 15th day of July every year, and shall remain in force until the 14th day of July the following year.

### 4.0 Miscellaneous Charges

Item/ Service	Charge (Ksh.)
<b>Water Deposit</b>	
<b>Category of consumer</b>	
Domestic	2500
Retail shops less than 10m <sup>3</sup>	3000
Retail shops more than 10m <sup>3</sup>	3,500
Bar and restaurants less than 15 m <sup>3</sup>	4000
Bar and restaurants more than 15 m <sup>3</sup>	6,000
Hotel class "A" and "B" less than 150 m <sup>3</sup>	12,000
Hotel class "A" and "B" more than 150 m <sup>3</sup>	15000
Hotel class "C" and 'D' less than 150 m <sup>3</sup>	18000
Hotel class "C" and 'D' more than 150 m <sup>3</sup>	20,000
Hospitals and Health centres more than 150 m <sup>3</sup>	20,000
Hospitals and Health centres less than 150 m <sup>3</sup>	12,000
Schools and other institutions more than 200 m <sup>3</sup>	20,000
Schools and other institutions less than 200 m <sup>3</sup>	10,000
Minor construction sites of more than 200 m <sup>3</sup>	15,000
Major construction sites more than 300 m <sup>3</sup>	50,000
Light industries less than 200 m <sup>3</sup>	30,000
Medium industries between 200 m <sup>3</sup> and 300 m <sup>3</sup>	50,000
Heavy industries of more than 300 m <sup>3</sup>	100,000
Water Kiosks	5,000
Customers with only sewer connection are to be charged a deposit equivalent to a water connection	
<b>Other Charges</b>	
<b>Service</b>	
New water connection fee – Connection size: ½ inch to 1 inch	2,500
New water connection fee – Connection size: 1.5 inches to 3 inches	7,500
New water connection fee – Connection size above 3inches	15,000

<b>Item/ Service</b>	<b>Charge (Ksh.)</b>
Water Reconnection fee – at meter point	1,000
Water Reconnection fee – at mains	5,000 and double deposit
Tanker – 8000 & 16,000 litres	2,500 & 5,000 respectively per tanker within the WSP area for all consumers
Sale of water Per M <sup>3</sup> at bowsing point (own tanker)	150
Replacement of stolen or damaged meters	100% of the market cost of the meter
Meter testing on request	500
Special meter reading under customer's request	500
Sewer Connection- Residential/ Domestic	5,000
Sewer Connection- Commercial, Government, Schools, Universities and Colleges	7,500
Sewer Connection- Industrial	15,000
Private sewer unblocking	2,500
Leak detection services	1,000
Sewer Reconnection fee	15,000
Printing of customer's statement under own request	200
For cutting off the supply at the request of the consumer	200
For turning on the supply otherwise than in respect of a first connection	200
Exhauster Services (Company Exhauster)	5,000 for other customers and 4,000 for informal settlements
Private Exhausters (Dumping into the company's sewer system)	15,000 per Truck per month
<b>Penalties</b>	
Illegal water connection, -Commercial, Industry, Construction (Fraud)	100,000 plus estimated consumption during the period of illegality
Illegal water connection, (Fraud) – Domestic	30,000 plus estimated consumption during the period of the illegality
Overcharging (fraud) at water kiosk	15,000
Illegal sewer connection- Commercial, Industry, Construction	100,000
Illegal sewer connection- Domestic, Government, Schools, Universities & Colleges	30,000
Self-reconnection after cut-off for non-payment	5,000 and billing to be backdated from the date of cut-off
Surcharge for tampering with meters (this to include meter removal, reversing of meter etc)	5,000
Surcharge for direct suction of water from the supply line using a pump	10,000

These shall be charged as per the approved miscellaneous charges approved by WASREB.

## 5.0 Service Delivery Conditions attached to the Tariff.

The conditions attached to this approval, which shall form part of the license conditions of Kibwezi - Makindu Water & Sanitation Company Limited are:

Service Delivery Conditions				
Target	2023/2024	2024/2025	2025/2026	2026/2027
Water Coverage (%)	40%	41%	42%	43%
Water quality standards (%)	100% Compliance with Standards			
Personnel Expenditure as % of O&M	52%	48%	48%	48%
Maintenance Expenditure as % of O&M	5%	5%	6%	6%
Investment Expenditure as a % of Total Expenditure	0	13%	16%	17%
Non-Revenue Water	57%	56%	54%	52%
Hours of Supply (Hrs.)	14	15	18	19
Staff per 1000 connections	13	13	12	12
Metering ratio (%)	100%	100%	100%	100%
Collection Efficiency (%)	95%	95%	95%	95%
Resale at kiosk	5kshs/M <sup>3</sup>			

## 6.0 Other Conditions

- i. **Annual budgets:** The utility shall adhere to the budgetary levels set in the tariff.
- ii. **Surpluses:** the surpluses realised during the tariff period shall be used to implement priority service delivery capital projects approved by WASREB.
- iii. **Catchment Protection:** The utility shall undertake measures to conserve/ protect the catchment areas of their water source as part of Corporate Social Responsibility.
- iv. **Reporting:** The utility shall submit quarterly performance reports to WASREB in the prescribed format.
- v. **Regulatory Levy:** The utility to pay monthly regulatory levy based on 4% of turnover which is inclusive of billing of other services and interest income earned.
- vi. **Investments:** The utility shall undertake the investments in **Table 1** as follows: -

**Table 1: Proposed Investment for KIBMAWASCO**

FY 2024-2025								
TARGETTED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	QUANTITY	UNIT COST	PROJECT COST (KSH)
A. Regional Master meters	Makindu area	-	2" Dia	Installation of District meters	No.	2	230,000	460,000
	Kibwezi area	-	2" Dia	Installation of District meters	No.	4	230,000	920,000
	<b>Sub -Total</b>							
B. Water quality	Water treatment equipment	Chlorine comparator kit c/w Sample pair cell and disc	2000+	-	No.	2	149,928	299,856
		Pocket pro+ multi 2 tester ph/cond/tds/salinity		-	No.	1	90,480	90,480
		Chlorine dozer	1,000l capacity	-	No.	1	890,000	890,000
<b>Sub -Total</b>								<b>1,280,336</b>
C. Automation	Accounting and Stores software	Accounting and stores management software		-	No.	1	2,500,000	2,500,000
		-	-	Capacity building of the staff	No.			-
		-	-	Office Desk top computers	No.	7	140,000	980,000
		-	-	Office lap-tops	No.	4	170,000	680,000
<b>Sub -Total</b>								<b>4,160,000</b>
D. NRW Reduction Plan	To reduce NRW from 57% to 56%	-		Water Pipeline Locator Machine	No.	1	350,000	350,000
				Water pipeline leak detector machine	No.	2	111,360	222,720
				Supply and delivery of consumer meter DN 15mm Diameter R200	No.	1,000	3,800	3,800,000
				Supply and delivery of customer meter accessories i.e Saddle clamp, Gate Valve,	No.	1,000	6,560	6,560,000
				<b>Sub -Total</b>				
E. Motor Vehicles and Motorcycles	Transports Operations			Motorcycle, Trail, 151 - 180cc	No.	3	220,000	660,000
		<b>Sub -Total</b>						
				<b>TOTAL</b>				<b>18,413,056</b>

FY 2025-2026								
TARGETTED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	QUANTITY	UNIT COST	PROJECT COST (KSH)
A. Water quality	Water treatment equipment	Pocket pro+ multi 2 tester ph/cond/tds/salinity	-	-	No.	1	90,480	90,480
		Chlorine dozer	1,000 l capacity	-	No.	2	890,000	1,780,000
		Purchase of Portable Turbidimeters	0 to 1000 NTU	-	No.	1	522,000	522,000
		<b>Sub-total</b>						
B. Automation	Accounting and Stores	-	-	Office Desk Top Computers	No.	2	147,000	294,000
		-	-	Office Laptops	No.	2	178,500	357,000
<b>Sub -Total</b>								<b>651,000</b>

FY 2025-2026								
TARGETTED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)
C. NRW Reduction Plan	To reduce NRW from 56% to 54%	-		Water Pipeline Locator Machine	No.	1	350,000	350,000
				Water pipeline leak detector machine	No.	2	111,360	222,720
				GIS Mapping and DMA Zoning	No.	1	2,300,000	2,300,000
				Supply and delivery of consumer meter DN 15mm Diameter R200	No.	2,000	6,560	13,120,000
				<b>Sub -Total</b>				15,992,720
D. Motor Vehicles and Motorcycles	Transport Operations	-		Motorcycle, Trail, 151 - 180cc	No.	5	220,000	1,100,000
				Single Cab Pick-up, 4x4, LWB, 2400-3000 cc, Diesel	No.	1	4,500,000	4,500,000
				<b>Sub -Total</b>				5,600,000
				<b>TOTAL</b>				24,636,200

FY 2026-2027								
TARGETTED INVESTMENT	PROJECT AREA	GUIDE	SIZE	SAMPLE DESCRIPTIONS	UNIT	UNIT COST	QUANTITY	PROJECT COST (KSH)
A. NRW Reduction Plan	To reduce NRW from 54% to 52%	-	-	Water pipeline leak detector machine	No.	2	111,360	222,720
				Replacement of worn-out consumer meters	No.	1,200	6,822	8,186,880
				<b>Sub -Total</b>				8,409,600
B. Capital Works	Aligon-Mbui Nzau pipeline	-	6" dia	Supply, deliver and instal 6" dia hdpe pipe and fittings required to connect the booster pump @ aligon pumping station and mbui nzau town to the existing upvc old pipeline and test flow	No.	1	19,230,900	19,230,900
				<b>Sub -Total</b>				19 230,900
				<b>TOTAL</b>				27,640,500