

CITIZENS' WATER ADVISORY COMMITTEE (CWAC) AGENDA

May 12, 2020, 6:00 p.m.

Webex

Public Participation through call in number (listen only)

1-720-650-7664

Access code: 961 381 705 # (no participant code)

Members: Janet Marlow-Chair, Tom Coker-Vice Chair, Angie Binder, Jay Campbell, Richard Eason, William Gondrez, Don Langley, David Patterson

- | | | |
|---|--|-----------|
| 1. Approval of Minutes – February 11, 2020 & April 21, 2020 | Chair | 6:00 p.m. |
| 2. Introductions/Public Invited to be Heard | Chair | 6:05 p.m. |
| 3. New/Old Business | Chair | 6:10 p.m. |
| 4. Communications Update | Greg Baker | 6:15 p.m. |
| 5. Quarterly Financial Report – 1 st Quarter | Jo Ann Giddings | 6:20 p.m. |
| 6. Education & Environmental Outreach overview | Natalie Brower-Kirton | 6:30 p.m. |
| 7. Proposed Residential Rate Structure Change | Jo Ann Giddings/ Fernando Aranda Perozo | 6:50 p.m. |
| 8. Review Follow-Up Questions Generated at this Meeting | Chair | 7:20 p.m. |
| 9. Confirm Next Meeting – Tuesday, June 9, 2020 | Chair | 7:25 p.m. |
| 10. Adjourn | Chair | 7:30 p.m. |

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CITIZENS' WATER ADVISORY COMMITTEE (CWAC) MINUTES

February 11, 2020

Members Present: Janet Marlow (Chair), Tom Coker (Vice Chair), Angie Binder, Jay Campbell, Don Langley, Tom Tobiassen, Susan Turnquist

Excused Absence: There were no absences.

Staff Present: Marshall Brown, Sarah Young, Greg Baker, Sandy Moore, Jo Ann Giddings, Alicia DuPree, Nancy Freed

Visitors Present: None

The meeting was called to order at 6:00 p.m.

1 INTRODUCTIONS/PUBLIC INVITED TO BE HEARD

There were no topics from the committee

2. APPROVAL OF MINUTES – January 15, 2010

A motion was made to approve the minutes of the January 15, 2020 meeting by Janet Marlow. Minutes were seconded and approved.

3. Recognize Out Going Members

- Tom Tobiassen and Susan Turnquist were both presented with a Water Drop Plaque and we were thanked for serving on the committee
-

4. NEW/OLD BUSINESS

There was no new or old business

5. COMMUNICATIONS UPDATE

- M Brown addressed an upcoming event April 2, 2020 8:30 AM -10:00 AM of the Citywide Strategic Planning Process Boards and Commission Summit at the Central Library 14949 E Alameda Pkwy.
 - G Baker noted During the Aurora City Council Session February 10, 2020 City Council appointed and approved the candidates to the Water Advisory Committee. Three-year appointment Tome Coker (reappointment) William Gondrez, Elizabeth Roberts Two-year appointment David Patterson, One-year appointment Richard Eason effective February 15, 2020
 - G Baker There will be a two-day orientation on March 10 & 11. 2020 in lieu of the regular meeting.
-

6. QUARTERLY FINANCIAL REPORT – PREMIMINARY FOURTH QUARTER

J. Giddings reviewed the fourth Quarter 2020 preliminary Financial Report. There were several questions for clarification, specifically regarding spending plans for Capital Projects. J. Giddings responded that the spending for projects was on track and that the timing can be impacted by the project phase and weather.

7. BOX ELDER FEASIBILITY STUDY PRESENTATION

Aurora Water and Metro Wastewater Reclamation District (MWRD) are partnering on the Box Elder Feasibility Study to evaluate treatment and infrastructure options to provide water and wastewater services in the Box Elder Basin. The study includes the development of water supply demands, anticipated timing of those demands and resulting wastewater loadings. Treatment and infrastructure alternatives, including potential reuse facilities will be identified and evaluated. A cost/benefit analysis will be used to determine which treatment and infrastructure options provide the highest value solutions for the Box Elder Basin.

T Tobiassen, asked if it was possible the area is within the DRCOG (Denver Regional Council of Governments) area. Nancy Freed responded there are some areas falling within the DRCOG and the boundaries were expanded in some areas

11. REVIEW FOLLOW-UP QUESTIONS AT THIS MEETING

There were no questions for follow up generated at this meeting.

10. CONFIRM NEXT MEETING

- Orientation – Tuesday & Wednesday, March 10 and March 11
 - The next regular meeting will be held Tuesday, April 14, in the Lowry Room.
-

11. ADJOURN

The meeting was adjourned at 7:00 p.m.

Janet Marlow, Chair
Citizens' Water Advisory Committee

Submitted by: Sandy Moore
Administrative Specialist, Aurora Water

ADOPTED: _____

CITIZENS' WATER ADVISORY COMMITTEE (CWAC) MINUTES
April 21, 2020 6:00 pm

Members Present: Janet Marlow (Chair), Tom Coker (Vice Chair), Jay Campbell, Angie Binder, Don Langley
Richard Eason, David Patterson William Gondrez,

Excused Absence: There were no absences

Staff Present: Marshall Brown, Dan Mikesell, Steve Sciba, Alex Davis, Jo Ann Giddings, Greg Baker,
Rory Franklin, Elizabeth Roberts, Sandy Moore

Visitors Present: None

The meeting was called to order at 6:03 p.m.

ADMINISTRATIVE ADJUSTMENTS

- M. Brown walked the committee through different aspects of providing essential services and events during the COVID-19 pandemic. The spread of COVID-19 has resulted in various government, county and executive orders and health advisories. It has also caused the closure of the many city facilities, including the Aurora Municipal Center, for health and safety considerations. Currently, many employees are working remotely from home when possible. For employees working remotely, there several different types of tracking mechanisms available to managers to account for an employees' time and productivity.
- M. Brown went explained the types of services being provided. Daily operations continue, including water treatment and distribution, and maintenance activities throughout the system. Aurora Water is still providing service to our customers and many steps that have been implemented to keep both employees and citizens safe.
- M. Brown gave the committee details of Aurora Water, placing a moratorium on water shuts offs due to health and safety concerns. Several delinquent water accounts have been reinstated that were previously shut off. The balances on these accounts are being preserved. The Billing Department has been providing payments plans to those in need.
- M. Brown asked the committee's opinion on restricting the shut off moratorium to only extend to residential and multifamily only accounts to meet life, health and safety concerns. Delinquent commercial accounts would be reviewed on a case-by-case basis. Irrigation-only accounts would not be included in the moratorium. The committee voiced no objection to this proposal.
- M. Brown updated the committee on Aurora Water Cares Program, which provides up to \$250 in payment relief for customers in need. City Council has been informed of the need to continue to fund Aurora Water Cares. Aurora Water added an additional \$50,000.00 into the program and will reassess demand as needed.
- M. Brown explained some delay in revenue, probably mostly due to a rise of shutting off delinquent accounts, in conjunction with the moratorium of shutting off delinquent accounts. Water account liability is tied to the property. Depending on circumstances, it may need to be addressed by placing a property taxes lien on the property.
- There might be the possibility of assistance for residents and utilities through federal legislation. The city is closely monitoring federal COVID-19 legislation.
- M. Brown explained the water and treatment plants have continued to operate, providing normal services.
- G. Baker discussed a rise in residential water usage of six percent based on analysis of 5,500 Advanced Meter

Interface (AMI) water meters. This increase is likely due to more people are staying home. Commercial usage has dropped off. System-wide water use is within the anticipated range.

- M. Brown referenced the reasons for moving forward with the project of the switching out Automatic Meter Reading (AMR) meters, which required drive-by readings to collect the usage data. The AMR meters are coming to the end of their life cycle. New AMI meters, which transmit via cell phone network, providing usage information on a greater frequency, will be installed over a four-year period.

PERSONNEL IMPACTS

M. Brown referenced due to COVID-19, city libraries and many Parks, Recreation & Open Space (PROS) facilities have been closed. Due to these closures, 600 contract and contingent employees have been furloughed. At the present time there is a hiring freeze. There are currently approximately 20 vacant positions in water. These have been identified as critical positions and probably 15 of the positions are proceeding forward on an exception basis.

OPERATIONS

- S. Sciba presented a general overview of Operations including critical functions and maintenance activities still being accomplished. Main breaks, water quality issues are being responded to and completing necessary repairs. Fire hydrants. Large and small valves are being maintained and repaired as needed. Routine sewer main cleaning has been reduced. Sewer main cleaning of known trouble spots and large transmission lines has continued. Storm Water of inspection of outflows has continued.
- S. Sciba explained service representatives are not performing delinquent payment shut offs. Some non-essential have types of customer service calls have been cut back, but for the most part, they are still responding, and the work is being done. Work is being accomplished with social distancing, and wearing a mask when needed, to include entering a building if required
- S. Sciba noted that many crews are staggering their shifts, and distancing in common areas, using a mask when needed. Further distancing is also being accomplished by not having crews ride together. Some vehicles were obtained from divisions not using their city vehicles as employees work remotely from home. Vehicles are being cleaned frequently.
- S. Sciba discussed and reviewed the safety measures being taken at the facilities. The front desk areas are taped off for people to stay behind the tape for chemicals and supplies deliveries and such as needed.
- S. Sciba explained any storm drain, trash, and graffiti issues are being addressed as quickly as possible.
- W. Gondrez expressed concern of the possibly of discarded gloves getting into storm drains with wet weather causing run off. He said he would advise his crews to be watching for discarded gloves along with other items.
- G. Baker mentioned the possible need to keep an eye out this summer along the Highline Canal for additional issues. The cleanup for the Highline Canal was cancelled, and there very well might be issues that would need attention.

PROJECTS – ONGOING AND UPCOMING

- M. Brown reviewed the current capital projects and expansion projects. Growth and development are being tracked and moving forward at this time.
- M. Brown referenced Wild Horse is in the permitting and early design phase and is going forward. The

Southeast Area Maintenance facility (SEAM) is still moving forward. The SEAM facility is for the current and future needs of staff and equipment. The department had already outgrown the current facilities several years ago. The department's operational budget is being reviewed.

FINANCIAL IMPACTS

J. Giddings reviewed and explained the financial climate of Aurora Water. She said there have been some discussions with rating agencies. Rating companies are not looking at raising anyone's rating this year. Future ratings may be based how things are managed through the current issues. The department is not looking to acquire debt this year, which is good. She said maybe in a year or two. There are several crash reserves that have been previously put aside. These reserve funds can be utilized if needed

RAMPING BACK UP

M. Brown explained a slow phase concept is being considered, in returning staff to the work environment. A recovery committee has been formed and will be reviewing and planning how and when to restore city services.

REVIEW FOLLOW-UP QUESTIONS AT THIS MEETING

R. Eason inquired if there been employees that tested positive have had issues with COVID-19.

M. Brown explained approximately five to 10 employees have self-quarantined within a high-risk category. Approximately 30 employees of 460 employees had self-quarantined previously, who had symptoms or had been exposed to someone. Most employees have returned to work. The actual testing has been limited to test to first responders.

G. Baker walked through the cancelling of Water Festival, explaining there are no events allowed at venues at this time. Aurora Public School and Cherry Creek Schools closed and are distance learning. Education has put together digital presentations for all the grades.

J. Marlow asked what the plans might be for city employees to return to work.

M. Brown explained a recovery committee has been formed, and will be reviewing and planning how to restore Services. G. Baker noted per Governor's Safer at Home order, offices will initially bring workers back at 50% capacity, with social distancing practices in place.

T. Coker asked if there were any updates on the properties required for Wild Horse.

G. Baker said he would see if they could go ahead and put in on the agenda for a future meeting

CONFIRM NEXT MEETING – TUESDAY, MAY 12, 2020

The next regular meeting will be held Tuesday, May 12, 2020, remotely via WebEx

15. ADJOURN

The meeting was adjourned at 6:43 p.m.

Janet Marlow, Chair
Citizens' Water Advisory Committee

Submitted by: Sandy Moore
Administrative Specialist, Aurora Water

ADOPTED: _____




Aurora Water

Water Administration
15151 E. Alameda Parkway, Ste. 3600
Aurora, Colorado 80012
303.739.7370



City of Aurora

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To: Citizens' Water Advisory Committee
Through: Nancy Freed, Deputy City Manager _____
Marshall P. Brown, Director, Aurora Water 
From: JoAnn Giddings, Deputy Director Water Financial Administration _____
Date: May 12, 2020
Subject: Quarterly Financial Report –First Quarter March 2020

Highlights

The United States and the world are experiencing an unprecedented pandemic with far reaching implications to almost every single aspect of human life. The effects to the economy and to Aurora Water are difficult to project at this stage but so far the numbers for the first quarter of 2020 do not reflect any impact from the pandemic. We at Aurora Water Financial Administration are monitoring and evaluating ways to measure and forecast the impacts to the Utility's financial performance and we will provide you updates in the following months.

Combined operating revenues (Water, Sewer, and Stormwater): Through the first quarter were 3% lower than plan and 4.3% higher than through the first quarter of 2019. The increase from 2019 was due to a 4% sewer rate increases implemented in 2020 and customer growth.

Combined Development revenues (Water, Sewer, and Stormwater) in the first quarter of 2020 were 16% higher than plan and 38% higher than for the same period in 2019.

Operating expenses (Water, Sewer, and Stormwater combined), excluding, debt service, are under plan by \$2.7M or 8.4 percent. The current year variance can be attributed to the timing of Professional & Technical Services and IGA contracts. In addition, significant savings were largely driven by the variability of spending throughout the year in Repair & Maintenance projects, Vehicle/Equipment Replacement purchases, and Personal Services (Vacancy Savings). Operating expenses, excluding, debt service, had minimal variance from 2019 spending over the same time period in 2020.

| Water, Sewer, and Stormwater as of End of First Quarter | | | | | |
|--|-----------------------|-----------------------|-----------------------|----------------------|---------------------------|
| Item | YTD Plan | 2020 | 2019 | Q1 2020 vs YTD Plan | Year Over Year Difference |
| Operating Revenue | \$38,508,910 | \$37,209,379 | \$35,668,883 | (\$1,299,531) | \$1,540,496 |
| Development Revenue | 10,500,189 | 12,200,152 | 8,843,775 | 1,699,963 | 3,356,377 |
| Bond Proceeds and Restricted Assets | 0 | 0 | 0 | 0 | 0 |
| Interest Income | 663,795 | 1,401,308 | 1,417,203 | 737,513 | (15,895) |
| Total Revenue | \$49,672,894 | \$50,810,839 | \$45,929,861 | \$1,137,945 | \$4,880,978 |
| Operating Expense | (\$31,745,444) | (\$29,070,800) | (\$28,458,804) | (\$2,674,644) | \$611,996 |
| Capital Projects | (11,895,007) | (13,864,199) | (12,800,446) | 0 | 0 |
| Debt Service | (9,475,865) | (9,231,271) | (9,658,179) | (244,594) | (426,908) |
| Total Expense | (\$53,116,316) | (\$52,166,270) | (\$50,917,429) | (\$2,919,238) | \$185,088 |

Statements showing the budget to actual results and the year to year comparison can be found at the end of this memo on pages 8 and 9. Capital details can be found on pages 5 and 6.

Cash Balances

Total cash in the Water Fund decreased in the first quarter by \$13 million

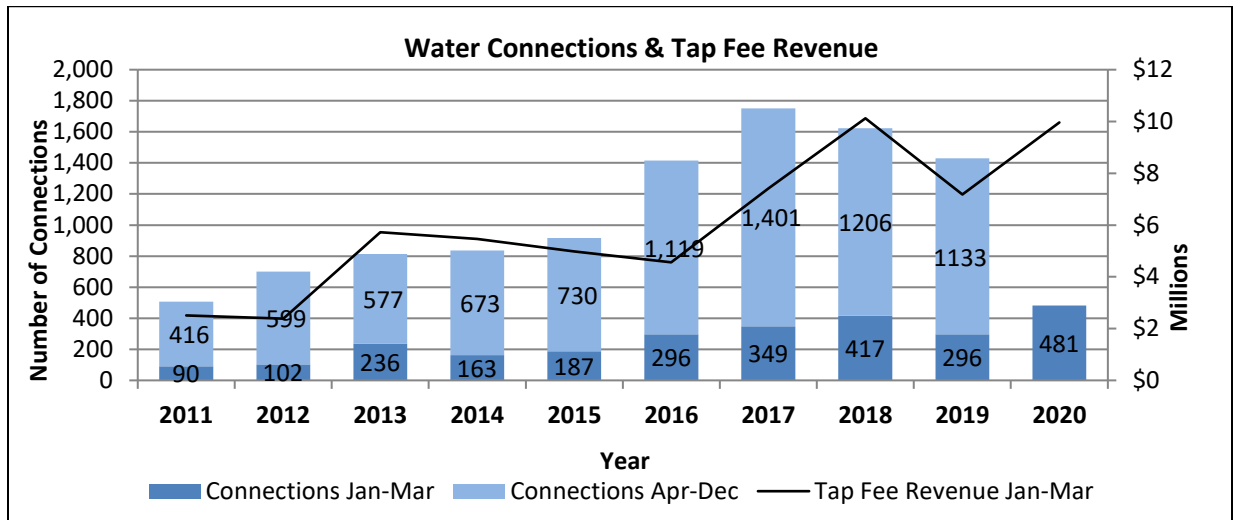
Total cash in the Wastewater Fund decreased by \$6.7 million in the first quarter.

Reserves detail and cash balances are shown in the table below.

| | Water | Wastewater |
|---|-----------------|-------------------|
| Total Cash | \$181.1M | \$75.7M |
| Reserve & Commitment Type | | |
| Debt Service Policy Reserve (next fiscal year debt payment) | \$22.9M | \$3.3M |
| Operating Reserve (25% of adopted operating budget excl debt service) | \$17.3M | \$14.5M |
| Water Resources Reserve (\$20 Million) | \$20.0M | |
| Capital Reserve (0.5% of Net Fixed assets) | \$8.8M | \$3.0M |
| Capital and Operating Encumbrances | \$104.9M | \$23.5M |
| TOD Incentive Program | \$2.2M | |
| Pass-Thru Commitments (METRO and CC Basin) | | \$2.6M |
| WISE Liability to Denver Water | \$5.0M | |
| Loan Proceeds for SEAM | | \$12.0M |
| Total Reserves and Commitments | \$181.0M | \$58.9M |
| Cash after Reserves & Commitments | \$0.1M | \$16.8M |

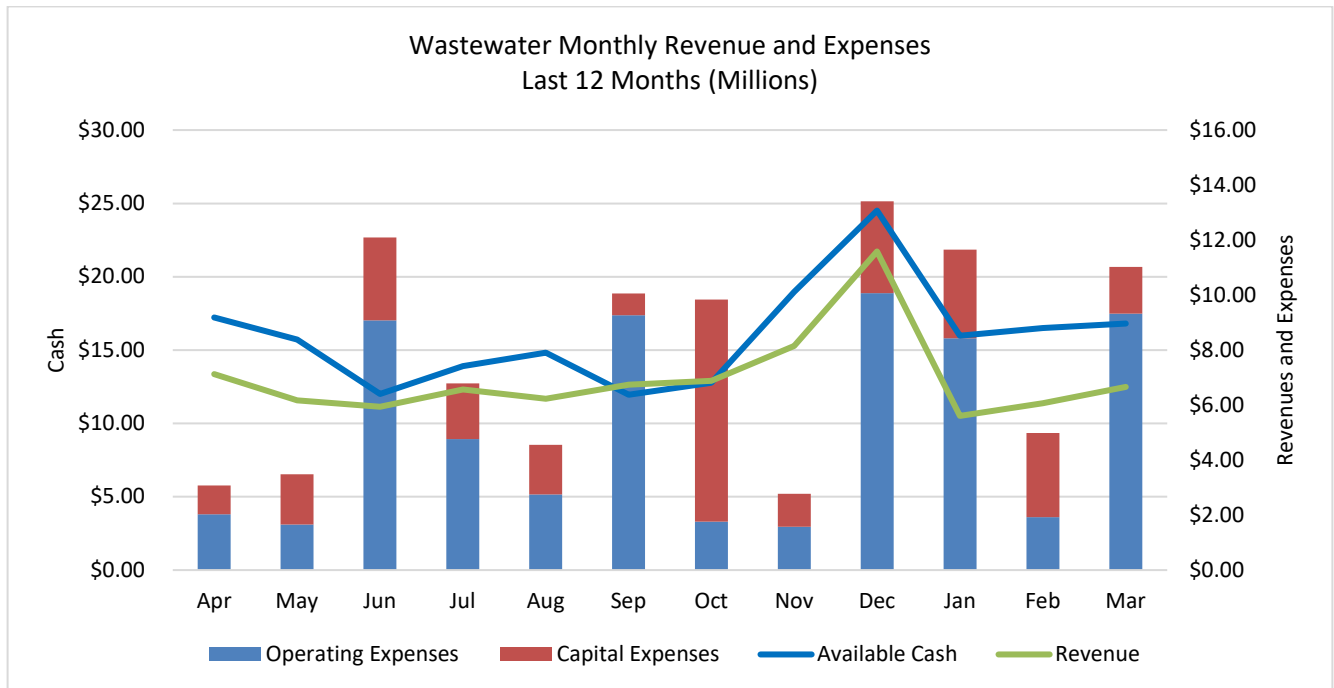
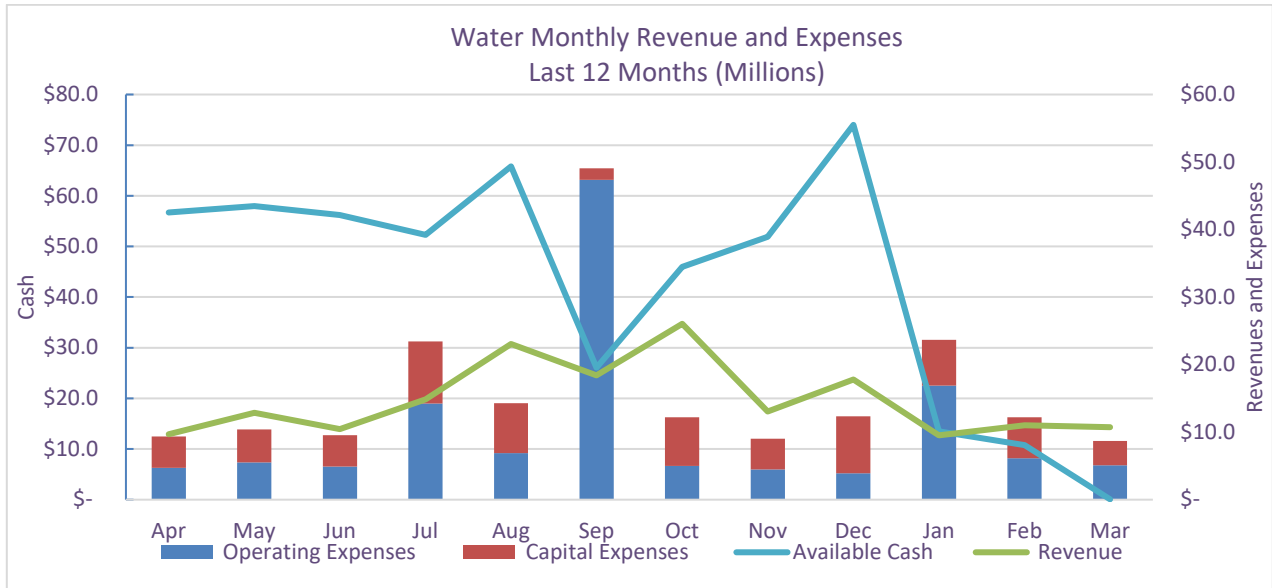
Water Connections

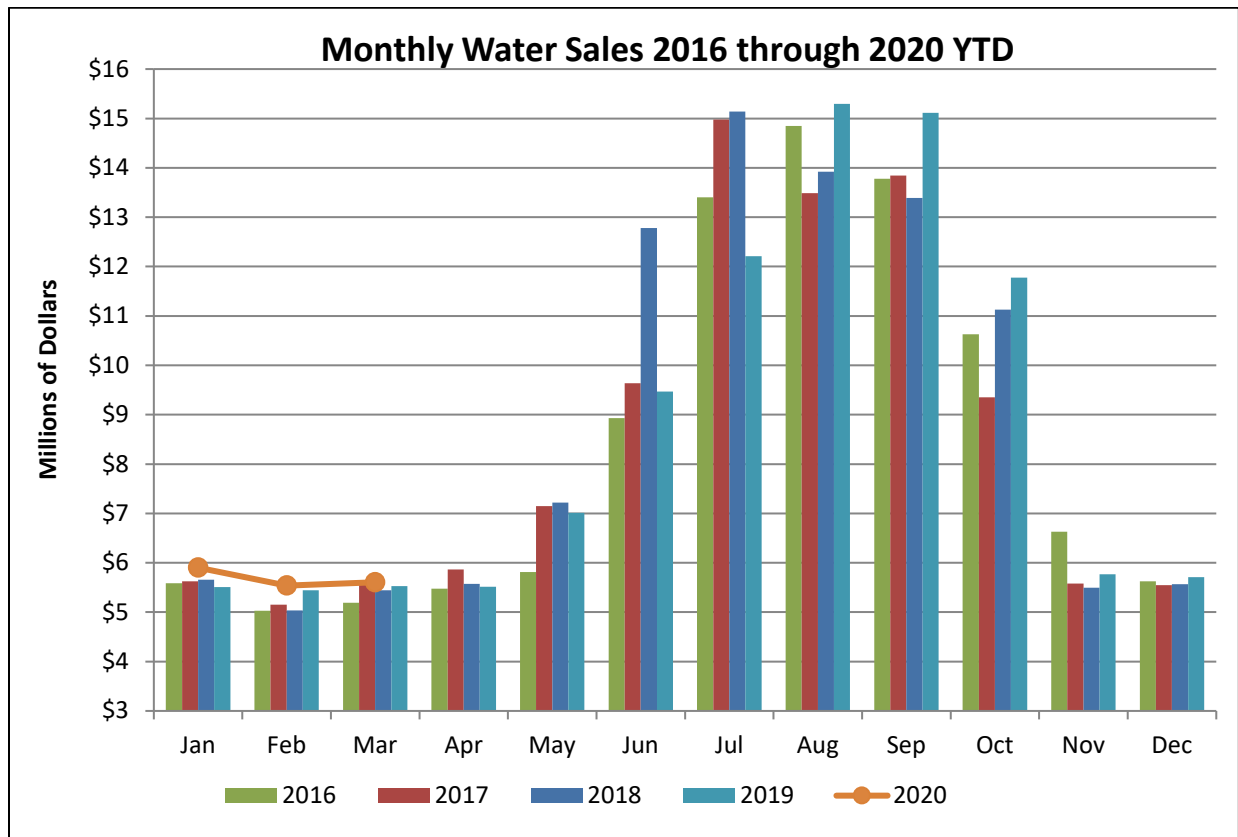
Total number of water connections (single family, commercial, irrigation and multifamily) and the corresponding Water Connection Fee revenue for 2011-2020 are shown on the following graph. The number of water connections in the first quarter of 2020 increased by 185 connections or 62 percent compared to the first quarter of 2019. Total water connection fee revenues the first quarter of 2020 were \$2.8 million (39 percent) higher than for the same period in 2019. The overall growth due to development is still above the ten year average. Development in the City during the first quarter of 2020 was not affected by COVID 19. Any impact will be seen in the next quarters.



2020 Revenue, Expenses and Cash Flow

The following graphs present a summary of the last 12 months of monthly revenues, expenses, and cash flow.



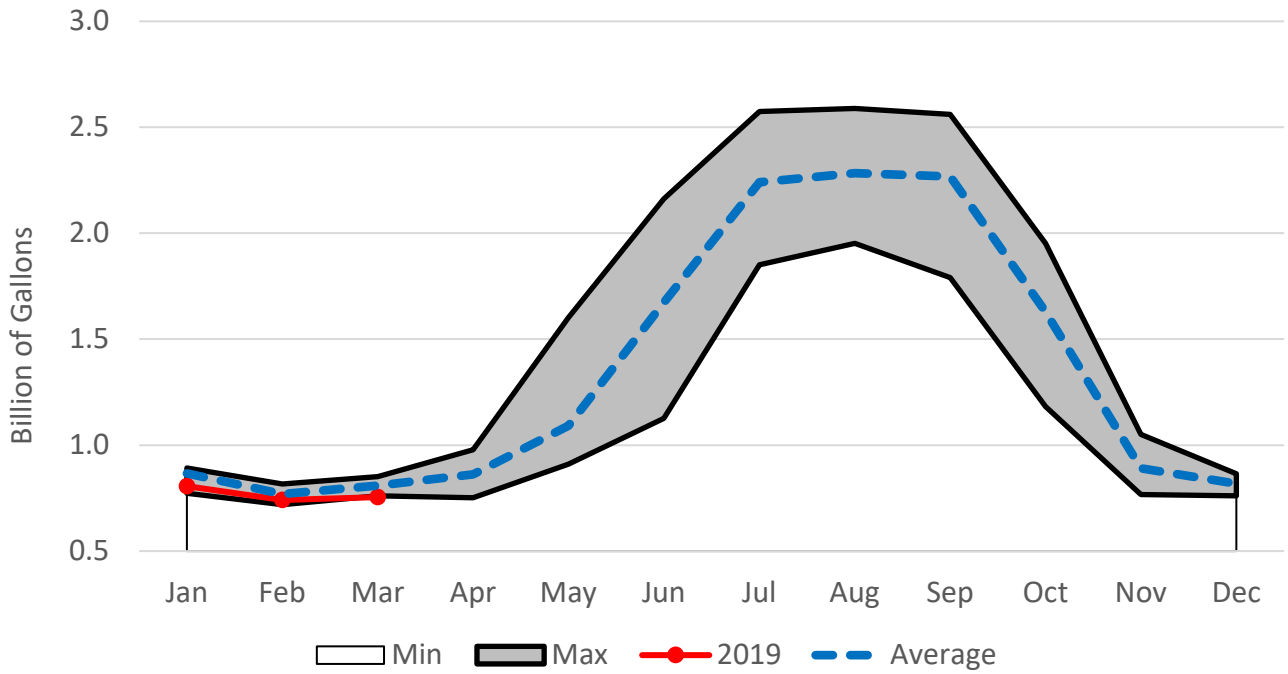


2020 Payment Collection through April 28th

Staff is continuing to monitor the revenue received during this uncertain time. The following table presents how the revenue has been collected through April 28th, 2020. The past due line indicates accounts that were not paid by the bill due date but is not at 30 days past due yet. There is a reduction in the number of accounts paid on time and a significant increase in the accounts past due. During this time, the payment processing was moved from Click 2 Gov to our new platform Paymentus. During this conversion, there were customers that had some delays in setting up their Paymentus accounts, causing some delays in payments. At this time, staff is not able to determine if the change is due to the account change or is related to the COVID 19 pandemic. Staff is continuing to monitor revenue collection.

| # Accounts Paid | 2017 | 2018 | 2019 | 2020 |
|-----------------|----------------|----------------|----------------|----------------|
| On Time | 218,886 | 232,630 | 247,936 | 185,741 |
| Past Due Date | 73,352 | 77,032 | 67,517 | 107,196 |
| Over 30 Days | 53,033 | 57,035 | 51,317 | 60,762 |
| Over 60 Days | 17,418 | 22,593 | 16,663 | 16,621 |
| Over 90 Days | 4,008 | 6,963 | 4,649 | 6,669 |
| Over 180 Days | 262 | 185 | 184 | 112 |
| Total | 366,959 | 396,438 | 388,266 | 377,101 |

Usage Actual 2020 Versus Historical (2009-2019 Adjusted for Growth)



Overall Capital Plan

Capital Projects Spending as of 3/31/2020

| Fund/Program | Working Budget¹ | YTD Spending Plan | YTD Actual Spend | YTD Actual Encumbered² |
|-------------------------------|-----------------------------------|--------------------------|-------------------------|--|
| Water Fund | | | | |
| Operations & General Mgmt | 36,155,195 | 138,229 | 918,660 | 8,933,917 |
| Pumping | 9,885,615 | 454,829 | 341,894 | 12,154,378 |
| SOS Other | 30,543,389 | 656,467 | 383,111 | 2,033,735 |
| SOS Storage | 36,929,781 | 742,563 | 114,591 | 5,642,790 |
| SOS Water | 39,413,614 | 3,593,655 | 1,155,101 | 3,835,445 |
| Trans & Distrib | 39,719,845 | 1,784,167 | 1,106,582 | 29,578,987 |
| Treatment | 45,905,646 | 1,776,550 | 5,158,898 | 37,547,471 |
| Water Fund Total | 238,553,085 | 9,146,459 | 9,178,837 | 99,726,723 |
| Wastewater Fund | | | | |
| Sewer CIP | | | | |
| Collection | 19,591,866 | 980,946 | 1,850,663 | 11,313,820 |
| Operations & General Mgmt | 17,448,758 | 96,076 | 549,140 | 2,620,292 |
| Sewer CIP Total | 37,040,624 | 1,077,022 | 2,399,803 | 13,934,112 |
| Stormwater CIP | | | | |
| Storm Water | 49,465,335 | 1,626,848 | 2,196,890 | 18,376,463 |
| Operations & General Mgmt | 5,293,116 | 44,678 | 88,670 | 1,331,236 |
| Stormwater Total | 54,758,451 | 1,671,526 | 2,285,560 | 19,707,699 |
| Wastewater Fund Total | 91,799,075 | 2,748,548 | 4,685,363 | 33,641,811 |
| Aurora Water CIP Total | 330,352,160 | 11,895,007 | 13,864,200 | 133,368,534 |

¹ Working budget includes adopted budget, carry forward, transfers, lapsed appropriation and supplementals.

² Encumbered amounts are PO contracts that may carry over multiple years.

Total capital spending in the Water Fund through the first quarter was \$9.179 million, which was \$32,378 higher than the year-to-date spending plan of \$9.146 million. The biggest variance occurred in the Treatment program. Wemlinger CT (Contact Basin) Chamber expenditures were higher than anticipated in the first quarter. Current Water Fund encumbrances are \$99.6 million, most notably in Treatment and Transmission and Distribution. Projects in all three treatment plants are currently underway and actuals plus encumbrances are close to budget. In the Transmission and Distribution program, there are large encumbrances due to three significant projects in New T&D Water Mains that were pushed from 2019 to 2020 due to right of way issues.

Through the first quarter, total capital spending in the Wastewater Fund was \$4.7 million, which was \$2.0 million higher than the spending plan of \$2.7 million. As anticipated in the Collections program, expenditures for 1st Creek Interceptor started ramping up in the first quarter and came in higher than anticipated. The majority of the expenditures are anticipated to be incurred in the first two quarters of 2020. In the Stormwater Program, Work Package 4 of the Fitzsimons Drainage Improvement project was moved from the 4th quarter of 2019 to the first quarter of 2020, and expenditures came in higher than anticipated.

Capital Improvement Project of the Quarter Easterly Creek Detention Pond Project

The Easterly Creek Detention Pond Project was designed to improve drainage in the Easterly Creek Stormwater Basin. Construction occurred in the Highland Park East neighborhood in an area bounded by East 1st Avenue and East Highline Drive, Havana and Moline streets, between late November 2018 and December 2019. The work involved lowering the existing water pipeline 1,500 feet to accommodate the pond; installing a new regional detention pond, 4,500 feet of new stormwater pipeline, 21 manholes, 20 stormwater inlets; and new ADA curb ramps at intersections. Two traffic calming devices on East 1st Avenue were also removed and replaced.

Specific benefits include improved storm conveyance along E. 1st Ave and Moline Street, improved water quality and reduction of flooding at and around intersections of 6th and Kenton, 6th and Moline Street. The project also included improved handicapped accessibility in the area.

Public involvement plays an essential role in the successful completion of Aurora Water's capital improvement projects, and the early involvement of residents and businesses affected by the Easterly Creek Detention Pond construction was integral to the launch and completion of the project. Public outreach began first with door-to-door canvassing to announce a public meeting. Then, at the well-attended neighborhood meeting the project was described in detail and nearby residents/business owners had the chance to ask questions and have concerns addressed prior to groundbreaking. Several months after the project was completed, the president of the Highland Park East HOA telephoned the Sr. PIO to express the neighborhood's thanks to the project team for a job well done.



2020 Financial Comparison

The following tables present a comparison of revenues and expenses through the first quarter for years 2020 and 2019.

Summaries (Water, Sewer, and Stormwater Comparison to Budget)

| WATER as of 03/31/2020 | | | | |
|-------------------------------------|------------------------|-----------------------|-------------------------------|---------------------|
| Revenues & Expenses | Working Budget* | YTD Plan | YTD Actual (Accrual Basis) | % Actual to Plan |
| Operating Revenue | \$128,634,325 | \$20,644,088 | \$20,443,032 | -1% |
| Development Revenue | 46,217,956 | 8,659,796 | 10,124,507 | 17% |
| Bond Proceeds and Restricted Assets | - | - | - | 0% |
| Interest Income | 2,118,180 | 529,545 | 994,502 | 88% |
| Total Revenue | \$176,970,461 | \$29,833,429 | \$31,562,041 | 6% |
| Operating Expense | (\$73,842,817) | (\$18,099,114) | (\$16,006,952) | -12% |
| Capital Projects | (238,553,085) | (9,146,459) | (9,178,836) | 0% |
| Debt Service | (20,373,574) | (9,328,060) | (9,018,025) | -3% |
| Total Expense | (\$332,769,476) | (\$36,573,633) | (\$34,203,813) | -6% |
| Net Revenue & Expense | (\$155,799,015) | (\$6,740,204) | (\$2,641,772) | |
| SEWER as of 03/31/2020 | | | | |
| Operating Revenue | \$51,253,967 | \$12,131,291 | \$11,206,981 | -8% |
| Development Revenue | 7,140,141 | 1,340,392 | 1,675,675 | 25% |
| Bond Proceeds and Restricted Assets | 0 | 0 | 0 | 0% |
| Interest Income | 520,360 | 99,999 | 245,941 | 146% |
| Total Revenue | \$58,914,468 | \$13,571,682 | \$13,128,597 | -3% |
| Operating Expense | (\$45,017,310) | (\$10,436,511) | (\$10,715,564) | 3% |
| Capital Projects | (37,040,624) | (1,077,022) | (2,399,803) | 123% |
| Debt Service | (2,272,759) | (92,273) | (117,382) | 27% |
| Total Expense | (\$84,330,693) | (\$11,605,806) | (\$13,232,749) | 14% |
| Net Revenue & Expense | (\$25,416,225) | \$1,965,876 | (\$104,152) | |
| STORMWATER as of 03/31/2020 | | | | |
| Operating Revenue | \$22,934,112 | \$5,733,531 | \$5,559,366 | -3% |
| Development Revenue | 2,000,000 | 500,001 | 399,970 | -20% |
| Bond Proceeds and Restricted Assets | 0 | 0 | 0 | 0% |
| Interest Income | 137,000 | 34,251 | 160,865 | 370% |
| Total Revenue | \$25,071,112 | \$6,267,783 | \$6,120,201 | -2% |
| Operating Expense | (\$13,972,695) | (\$3,209,819) | (\$2,348,284) | -27% |
| Capital Projects | (54,758,451) | (1,671,526) | (2,285,560) | 37% |
| Debt Service | (901,310) | (55,532) | (95,864) | 73% |
| Total Expense | (\$69,632,456) | (\$4,936,877) | (\$4,729,708) | -4% |
| Net Revenue & Expense | (\$44,561,344) | \$1,330,906 | \$1,390,493 | |

*Working budget includes adopted budget, carry forward, transfers, lapsed appropriations, and supplementals.

Year-to-date Comparison to Prior Year (Water, Sewer and Stormwater)

| WATER First Quarter Comparison | | | |
|--|-----------------------|-----------------------|---------------------|
| Revenues & Expenses | 2020 | 2019 | % Change |
| Operating Revenue | \$20,443,032 | \$19,369,364 | 6% |
| Development Revenue | 10,124,507 | 7,389,922 | 37% |
| Bond Proceeds and Restricted Assets | - | - | 0% |
| Interest Income | 994,502 | 1,030,886 | -4% |
| Total Revenue | \$31,562,041 | \$27,790,172 | 14% |
| Operating Expense | (\$16,006,952) | (\$15,170,364) | 6% |
| Capital Projects | (9,178,836) | (10,989,257) | -16% |
| Debt Service | (9,018,025) | (9,468,025) | -5% |
| Total Expense | (\$34,203,813) | (\$35,627,646) | -4% |
| Net Revenue & Expense | (\$2,641,772) | (\$7,837,474) | |
| SEWER First Quarter Comparison | | | |
| Operating Revenue | \$11,206,981 | \$10,844,841 | 3.3% |
| Development Revenue | 1,675,675 | 1,143,626 | 47% |
| Bond Proceeds and Restricted Assets | - | - | 0% |
| Interest Income | 245,941 | 233,540 | 5% |
| Total Revenue | \$13,128,597 | \$12,222,007 | 7% |
| Operating Expense | (\$10,715,564) | (\$10,450,881) | 3% |
| Capital Projects | (2,399,803) | (465,101) | 416% |
| Debt Service | (117,382) | (132,781) | -12% |
| Total Expense | (\$13,232,749) | (\$11,048,763) | 20% |
| Net Revenue & Expense | (\$104,152) | \$1,173,244 | |
| STORMWATER First Quarter Comparison | | | |
| Operating Revenue | \$5,559,366 | \$5,454,678 | 2% |
| Development Revenue | 399,970 | 310,227 | 29% |
| Bond Proceeds and Restricted Assets | - | - | 0% |
| Interest Income | 160,865 | 152,777 | 5% |
| Total Revenue | \$6,120,201 | \$5,917,682 | 3% |
| Operating Expense | (\$2,348,284) | (\$2,837,559) | -17% |
| Capital Projects | (2,285,560) | (1,346,088) | 70% |
| Debt Service | (95,864) | (57,373) | 67% |
| Total Expense | (\$4,729,708) | (\$4,241,020) | 12% |
| Net Revenue & Expense | \$1,390,493 | \$1,676,662 | |



MEMORANDUM



City of Aurora

Worth Discovering • auroragov.org

To: Citizens' Water Advisory Committee

Through: Marshall P. Brown, Director, Aurora Water 
Greg Baker, Manager of Public Relations, Aurora Water 

From: Natalie Brower-Kirton, Environmental Education and Outreach Program Manager,
Aurora Water

Date: May 12, 2020

Subject: Water Education and Outreach Team- Creative Programs to support Aurora
Teachers during COVID-19

Purpose:

Aurora Water has provided water education and outreach programs for the community in many forms reaching a wide range of community members for over twenty years. The goal of the Water Education and Outreach team is to provide consistent, creative and impactful education and outreach programs that promote water literacy, water conservation, water pollution prevention and water stewardship in Aurora. Over time programs have continued to grow with the team reaching over 17,000 students and adults during the 2018-2019 school year. The 2019-2020 school year has been a very different experience. Staff will present highlights of the Education team's work during the Covid-19 pandemic including the new Virtual Aurora Water Supply Tour, Virtual Classroom Presentations, and Virtual Water Festival.

Action Required:

No action at this time is required. This presentation is purely informative in nature.

cc: File copy

Education & Outreach Program Update

Natalie Brower-Kirton

Environmental Education and Outreach Program Manager



AURORA
WATER

Environmental Education and Outreach

- Increasing need
- Education that impacts behavior change
- 2018-Expanded team to broaden the scope
 - *Education and Outreach, Public Affairs*
- Goal:
 - *To provide consistent, creative and impactful education and outreach programs that promote water literacy, water conservation, water pollution prevention and water stewardship in Aurora.*



Driving Excellence

- We drive the excellence of Environmental Education in Colorado creating programs that impact behavior change.

Fostering Collaboration

- We foster water education in Aurora through professional affiliations, partnerships and collaborative projects both internally, within other City of Aurora Departments and with external organizations

Educating the Community

- We educate the community on multiple aspects of water at all levels through programs that lead to the efficient use and protection of water.



Aurora Water Education and Outreach Current Programs

- Youth Education
- Workshops for Teachers
- Education & Outreach for Residents

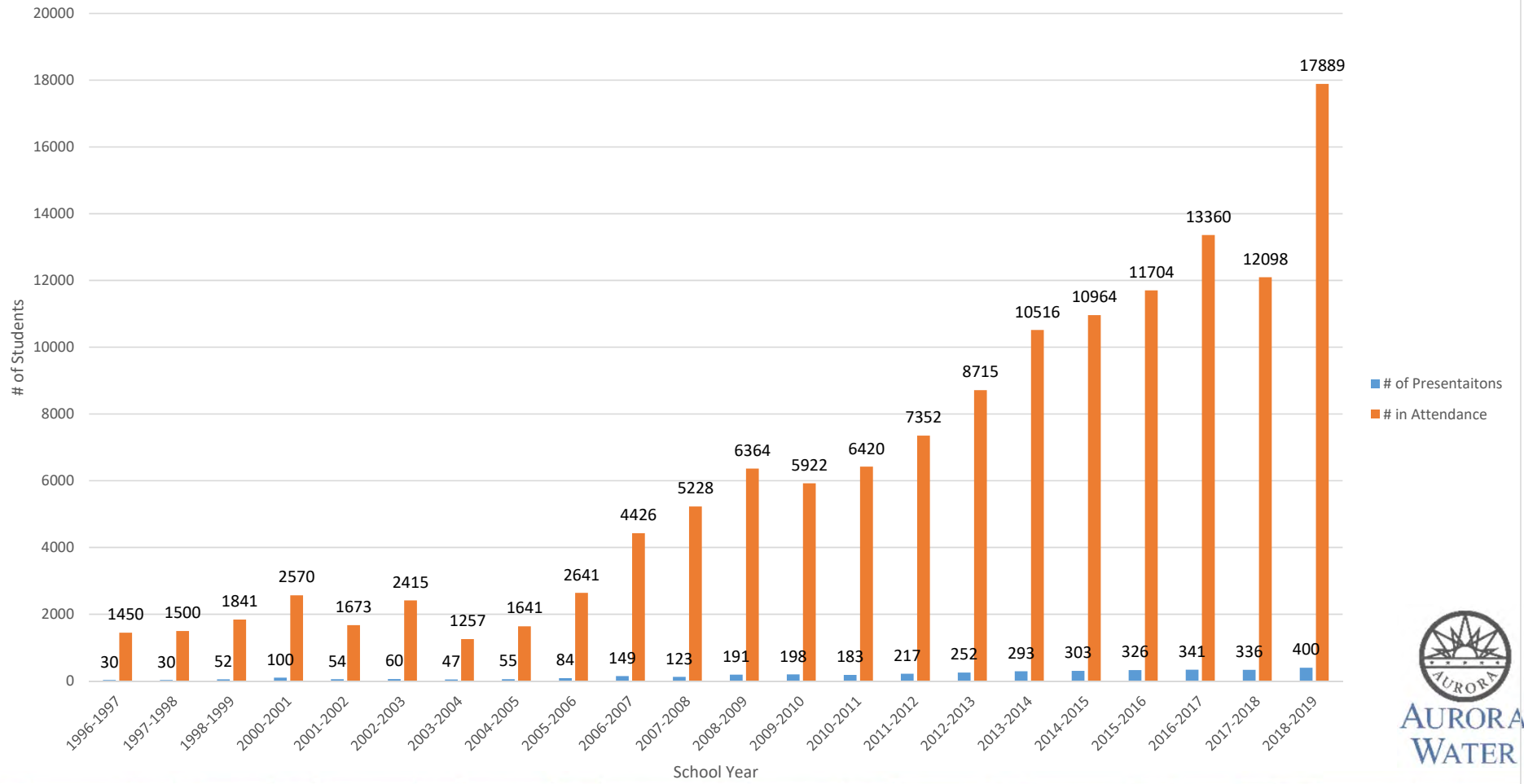


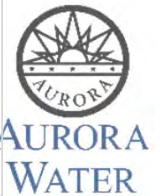
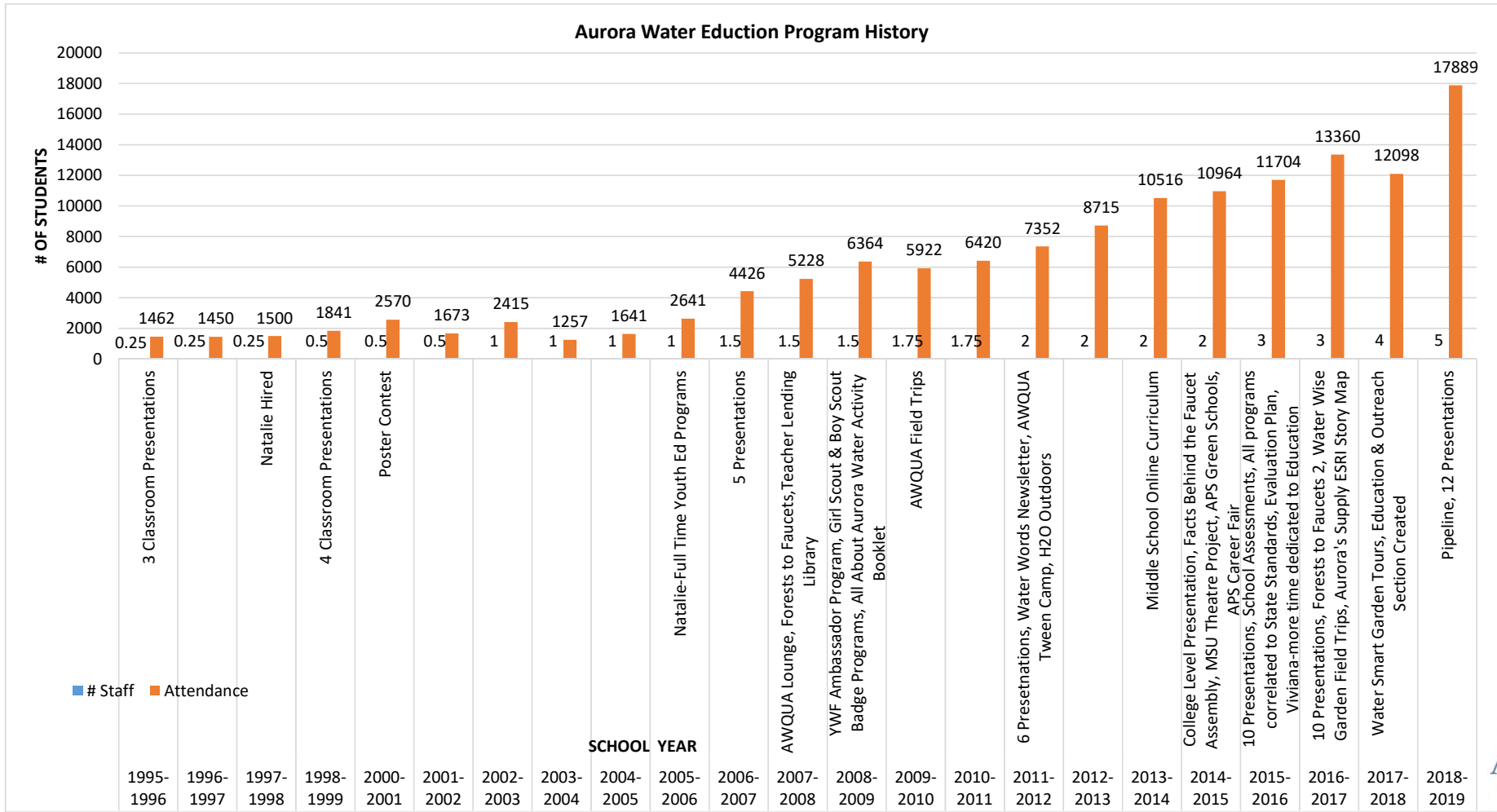
Youth Education

- Classroom Presentations
- Assembly Presentations
- Career Information Fairs
- Field Trips
- Pipeline-Careers in Water
- Teacher Resource Library



Youth Education Programs 1994-2019





Youth Education Programs

- 11 Classroom Presentations
- 2 School Assemblies
 - Facts Behind the Faucet
 - Water in the Ol' West
- 2 Career Information Fairs
- Field Trips
 - Youth Water Festival
 - Aurora Reservoir & Senac Nature Center
 - Water Smart Plants Tour ***New**
 - Keystone Science School-H2O Outdoors



Classroom Presentations & Assemblies Career Information Fairs

WATER is a precious resource in Aurora. We teach kids to make the most of every drop.

If I Was a Fish (Preschool-Grade 1) *(We know this isn't grammatically correct, but you get the idea.)*
What would you need if you were a fish? Clean water! Explore the importance of this natural resource through movement and songs like "We Need Water to Survive," "If I Were a Fish" and "The Water Cycle." Learn about the water cycle, where we get our water and how kids can help protect it.
30 minute program, can be presented to 1-4 classes at once

Water Heroes (Grade 1-3)
It takes a lot of interesting people with cool jobs to provide water to Aurora. Learn about the people in our community who bring water to your faucet. During this presentation, students dress up in costumes and act out the water supply process.
40 minute program, can be presented to 1-4 classes at a time

Water & Weather (Grade 2)
What does our weather have to do with our water? Everything! Learn fun facts about the water cycle, where your drinking water comes from and how we measure snow.
30 minute program, can be presented to 2 classes at a time

Conservation Capers (Grade 3)
Students learn more about the source of their water, water conservation techniques and how to do a home water assessment.
40 minute program, can be presented to 1-2 classes at a time

Water - Keep it Clean! (Grade 3-5)
How much water is on earth? What is a watershed? Take a look at a watershed model to understand how kids can help protect the environment and our water from non-point and point-source pollution.
40 minute program, can be presented to 1 class at a time

Aurora's Water History (Grade 4)
When did the city of Aurora become a city? How did we first get our water? How did people get the news about Aurora Water's history throughout the years? In this activity students will role play, acting as different characters, and report Aurora Water's history throughout the last 100 years.
50 minute program, can be presented to 1 class at a time

We All Live Downstream (Grade 5-6)
We all live in a watershed. Learn about the watersheds where your water comes from and how to protect them from pollution.
50 minute program, can be presented to 1-2 classes at a time

Conservation Challenge - Rebate Game (Grade 6-8)
Learn about the source of your water and form teams of "families" that compete to save the most water in the Conservation Challenge game.
30-45 minute presentation, can be presented to 1-2 classes at a time

The Facts Behind the Faucet (Grade 6-8)
We turn on the tap, drink it, bathe in it and flush it. Students learn about global water issues, our water system from source to tap and how they can be the most efficient water users.
40-60 minute program, can be presented to 1-6 classes at a time

Aurora's Water Supply + Careers in Water (Grade 9-12)
Learn about Aurora's water system and the types of careers involved in the water industry.
30-45 minute program, can be presented to 1-2 classes at a time




Spring 2020 Virtual Presentations

- Worked with Colorado Science Educator Network and Colorado Alliance for Environmental Education
- What do teachers need?
- Created nine virtual presentations
- Shared with over 385 teachers



If I was a Fish



If I was a Fish Remote Presentation

Grade:

Preschool-1st grade

Concepts:

We need water to survive

The water cycle

Where we get our water



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WATER

Water & Weather



Water & Weather Remote Presentation

Grade:

Second Grade

Concepts:

Weather contributes to our water

The water cycle

How we measure water



Facts Behind the Faucet

[Virtual Aurora Water Supply Tour](#)

Grade:

5th-8th

Concepts:

Aurora's water supply, history and water conservation



Water in the Ol' West

[Water In the Ol' West Remote Presentation](#)



Grade:

4th-5th

Concepts:

Water in Colorado History

Aurora's Water Supply

Water Conservation



Field Trips

- Aurora Water Smart Plants Tour *New 32 presentations-768 students
- Aurora Reservoir 10 presentations-333 students
- H2O Outdoors 12 students spring 2018, 10+ fall 2018
- Water Treatment Facility Tours 56 tours- 929 people
- Youth Water Festival 44 presentations- 1,652 students



Youth Water Festival

- MSU Theatre Project – Water Wise Theatre
 - CWCB Grant
 - National Association of Public Works Agencies Award
- New Presentations
- Water Bottle Filling Station
- Hydrant Painting Contest



2020- Virtual Water Festival

Lessons & Assessments for
190 5th Grade Teachers

Water on the Earth
Get to Know Your H₂O
Watersheds
Water Conservation
Water Pollution Prevention
Water History
Wastewater
Water & Health

Watch
Read
Do
For Fun!



AURORA
WATER

WATER CONSERVATION CLASSES

Registration is required for all classes • Call 303.739.7195 or visit AuroraGov.org/WaterClasses to register or to learn more about our classes.

Increase your water efficiency. Fix your sprinkler system. Get a rebate. Learn how with Aurora Water.

BUILD YOUR OWN DRIP SYSTEM

Water-efficient drip irrigation systems are great for gardens of all types. You'll learn how to design, construct and maintain your new system in this hands-on class.

DISCOVER WATER-WISE PLANTS*

Get to know our top recommended plants. We'll take a tour of the city's Demonstration Garden and learn about these favorite trees, shrubs, perennials and grasses.

DIY SPRINKLERS SYSTEM*

Tune up your sprinkler system for maximum efficiency and learn how to check for leaks in this hands-on class. Get to know your system components and learn how to program your clock. Yes, you can ask about your specific system.

DIY WATER-WISE LANDSCAPE DESIGN

Learn how to plan and draw your own water-wise landscape. After March 19, these parts will be combined into one class.

Part One: Learn basic principles of design and draw your site map.

Part Two: Get started on your design.

GROW FOOD, SAVE WATER

Veggies thrive on 30 percent less water than your lawn. This course covers design and implementation of a vegetable garden. The class on March 11 will include a guest speaker on composting.

LOW-WATER TREES*

Get to know the low-water, drought-tolerant trees that thrive in our climate. This class will introduce you to many species and their unique features. Learn how to properly maintain your trees year-round for optimal health.

MAKE COMPOST, SAVE WATER

Adding compost will significantly improve your soil and reduce the amount of water you use. We'll walk you through the steps.

SEASONAL GARDEN MAINTENANCE*

We'll teach you how to care for your landscape year-round in this hands-on class. You'll see demonstrations on managing trees, shrubs, perennials and grasses in the city's Demonstration Garden.

WATER-WISE LANDSCAPE BASICS

Find out how to convert your lawn into a beautiful, low-water landscape without breaking the bank.

WATER-WISE LANDSCAPE START TO FINISH*

Discover the ins and outs of converting your lawn into a low-water landscape with this hands-on class. We'll talk about turf removal, irrigation and how to choose plants. We'll also show you site layout and proper planting techniques.

*Denotes outdoor class held rain or shine. Please dress appropriately.

Volunteers are always welcome in the Aurora Water-wise Garden. For information, call 303.739.7195.



FREE DESIGN CONSULTATION SERVICE

Rather than designing your own landscape, have our professional designer do it for you. To participate, take the DIY Water-wise Design class listed above. When you've finished your homework from the class, call us to schedule a design consultation.



AURORA WATER

Water Conservation • 15151 E. Alameda Parkway, Ste. 3228
conservation@auroragov.org • 303.739.7195
AuroraWater.org

Education & Outreach Water Conservation Classes

2020 Online Live WebEx Classes

- Intro to Water-wise Landscape
- Grow Food-Save Water
- Irrigation System Tune-Up



AURORA
WATER

Professional Development Workshops for Teachers

- Forests to Faucets: Aurora’s Water Resources
 - 3 Day Project WET and Project Learning Tree Workshop
- Forests to Faucets II: Conservation Cultivation
 - 1 Day Project Wet Workshop
- Awards
 - 2018 National Environmental Achievement Award from the National Association of Clean Water Agencies



2020?

Virtual, In Person or a combination!



AURORA
WATER



To: Citizens' Water Advisory Committee

Through: Marshall P. Brown, Director, Aurora Water

From: JoAnn Giddings, Deputy Director Water Financial Administration _____

Date: April 30, 2020

Subject: Proposed Residential Water Rate Structure Changes

Aurora Water's current residential rate structure was implemented in 2007 (14 years ago). Since then, the rates have increased but the structure has remained the same. The residential water rate structure consists of a monthly fixed service charge and a monthly volumetric charge based on 3 tiers, tier 1 is from 0 to 20,000 gallons, tier 2 is from 21,000 to 40,000 gallons, and tier 3 is all usage over 40,000 gallons. Aurora Water's tier 1 is the most generous tier 1 of all the utilities with tier rate structures in the region.

Currently only about 5% of the residential bills have usage above the 1st tier. 75% of the residential customers use less than 20,000 gallons every month of the year.

Staff evaluated several rate structures and developed a multi-year phased plan that limits bill increases for lower use customers and shifts more of the costs to customers with higher usage. A ten-year analysis was done to determine the impacts to customers. The proposed methodology greatly minimizes rate increases to customers using 5,000 gallons or less per month. Water rate increases would generally be applied to customers using more than 5,000 gallons per month. The water system is built based on higher volume users and by having higher costs assessed to the higher water user, the costs are spread more equitably between customers. This presentation is to get feedback prior to when staff actually presents proposed changes for consideration in 2020.

The original plan was supposed to start in 2021 with rate increases for volumetric use above 5,000 every other year (2021, 2023, 2025, 2027, and 2029). Due to the unprecedented crisis we are experiencing in 2020, Aurora Water delayed any planned increases for 2021 until at least 2022. We are proposing a new plan for 2021 to start the change in structure with the smallest impact possible and continue the original plan for the years 2022, 2023, 2025, 2027, and 2029.

The new plan would still encourage conservation efforts by higher water volume customers and maintain affordability for lower water volume customers. The current monthly fixed service charge and the tier 1 rate would stay at the current level.

Under this proposed phased structure change, the average residential customer would see less than \$0.4 per month increase in their monthly bills in 2021.

Staff is not proposing methodology changes or rate increases to other customer classes (commercial, irrigation, multi-family). Proposed rate increases for these classes would follow the

same timeline described for residential (no proposed increase in 2021 and approximately 3.5% planned for 2022).

Residential Rate Design Plan

May 12th, 2020
Fernando Aranda Rate Analyst

Agenda

- Existing Rate Structure
- Usage Patterns
- Future Structure
- Customer Impacts
- Next Steps



Existing Residential Water Rate Structure

Existing Structure 3-TIER STRUCTURE

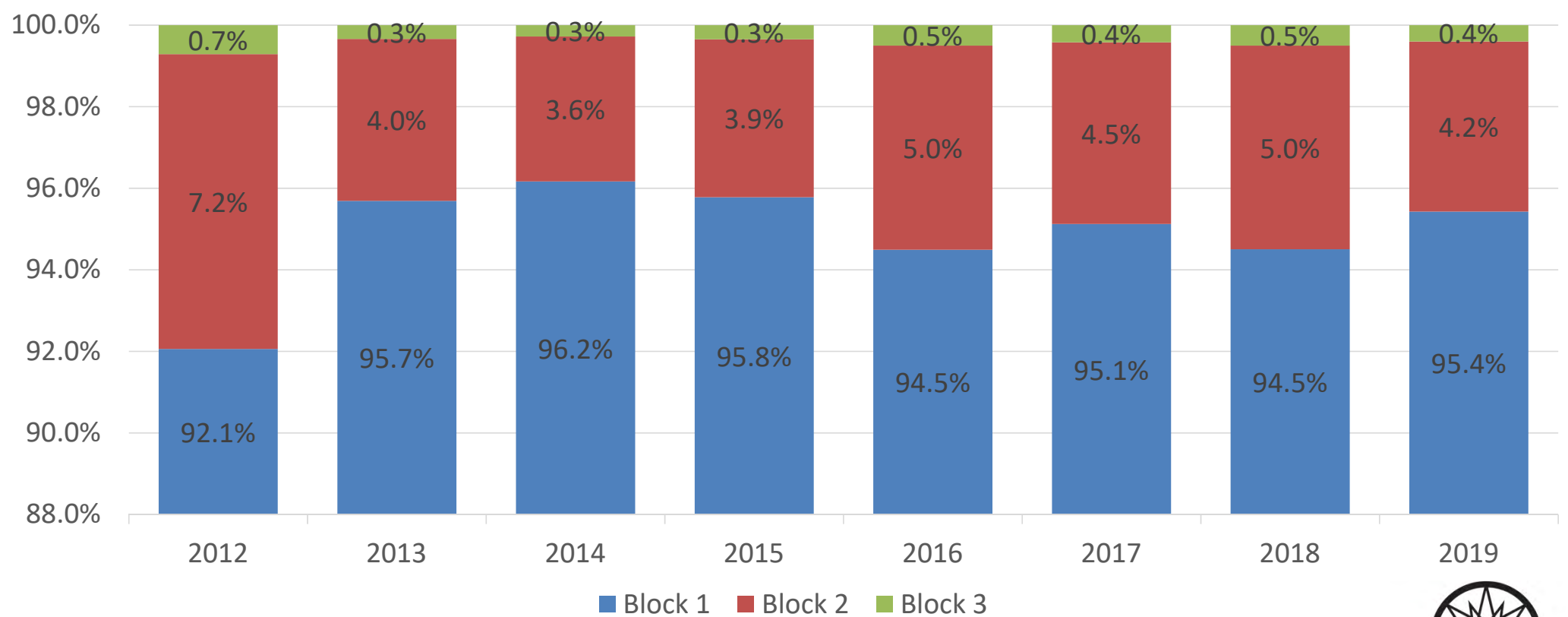
| Volume (1,000 gal.) | Rate | % of Total Bills* | % of Billed Usage* |
|---------------------|--------|-------------------|--------------------|
| 0-20 | \$5.63 | 95.5% | 94.2% |
| 21-40 | \$6.41 | 4.2% | 5.3% |
| >40 | \$8.01 | 0.3% | 0.5% |

\$12.81 per month service charge

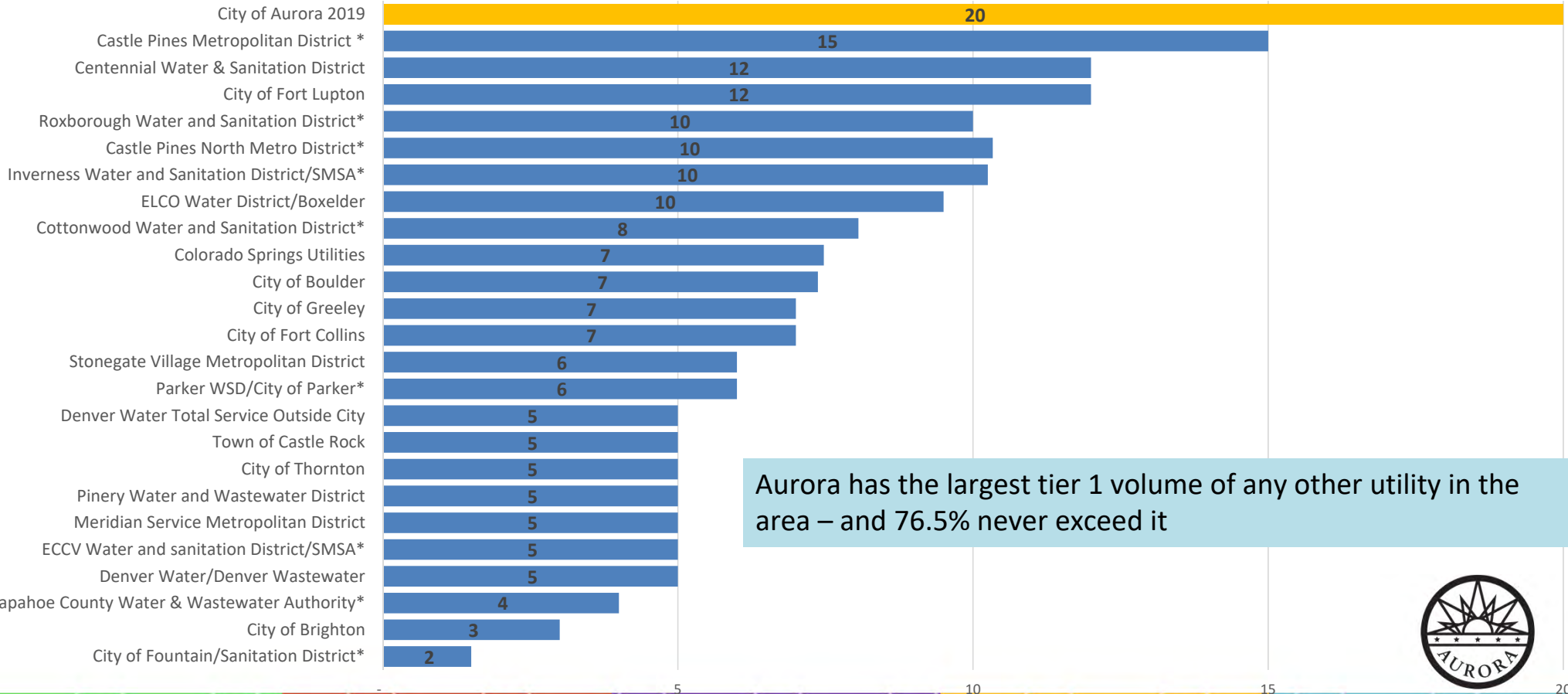
*Five-Year Average



Percentage of Bills in each Block



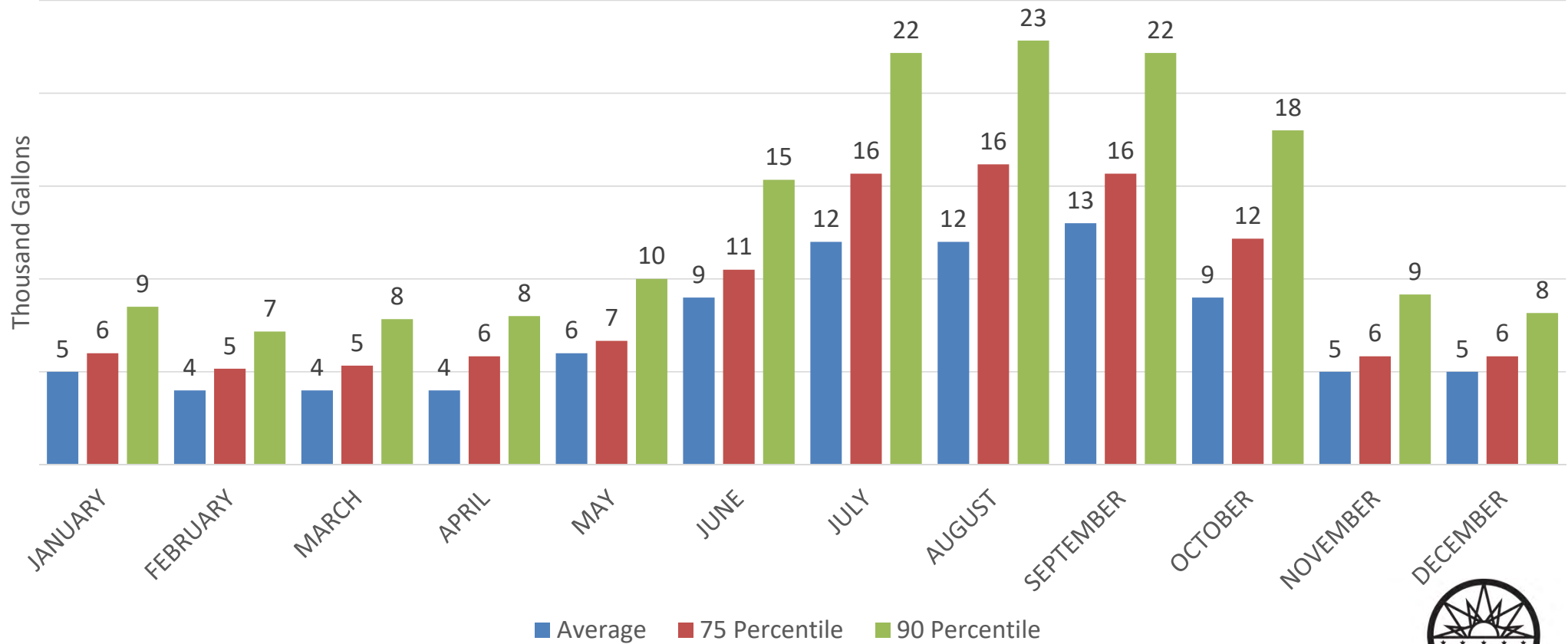
Tier 1 Survey Comparison (Thousand Gallons)



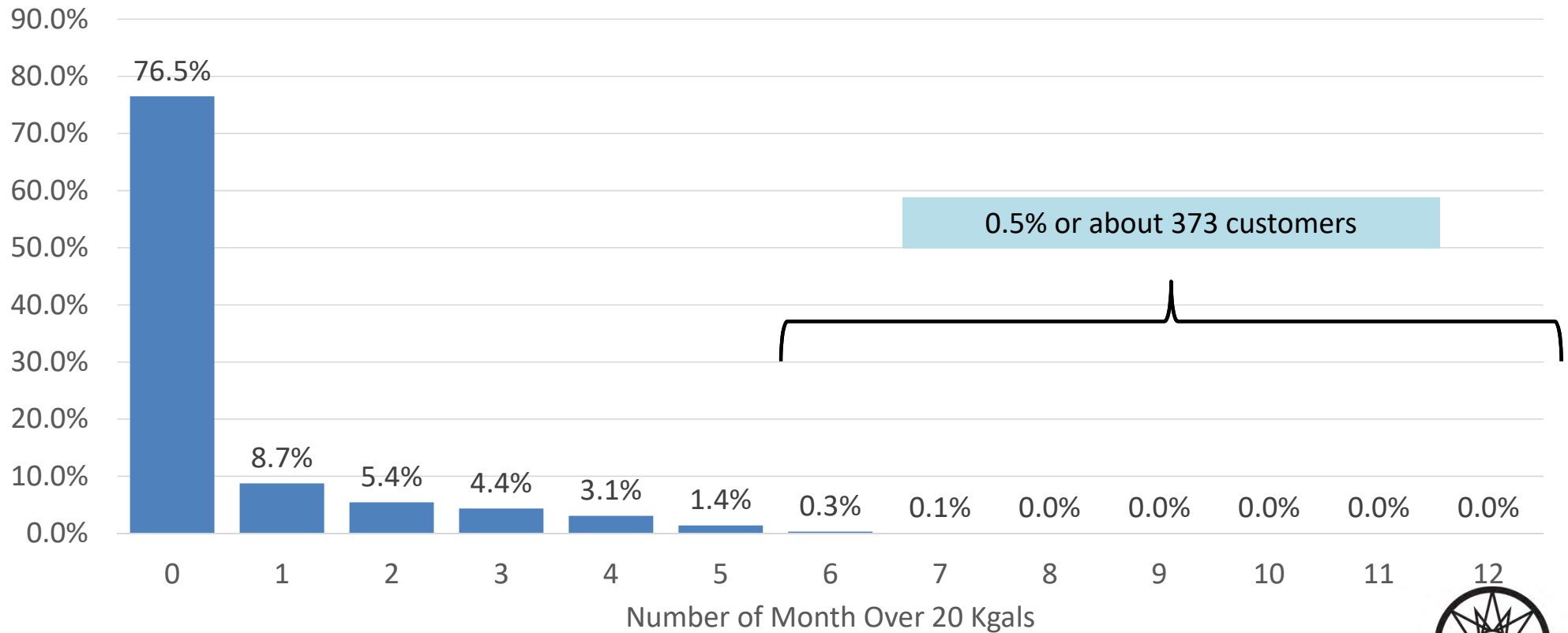
Aurora has the largest tier 1 volume of any other utility in the area – and 76.5% never exceed it



Residential Usage Patterns (Average 2014-2019)



Customers with Bills Over 20 Kgals During the Year



Why Smaller Tiers?

Reasons for changing the structure from what it is today to what is proposed.

| Tier | Existing | % Of Bills | Proposed | % Of Bills |
|--------|----------|------------|----------|------------|
| Tier 1 | 0-20 | 95.5% | 0-5 | 52.4% |
| Tier 2 | 20-40 | 4.2% | 6-10 | 28.0% |
| Tier 3 | 40+ | 0.3% | 11-20 | 15.1% |
| Tier 4 | | | 20+ | 4.5% |

- Only 5% of bills use more than 20kgal, so under existing structure higher charges rarely apply,
- Poor water conservation messaging - pricing signals are not matched with usage levels, under existing structure
- Provide long-term affordability for health and safety usage
- The largest users require a greater water supply, treatment, and delivery capacity than connection fees allow for causing additional costs



Original 4-Tiers Phase-in Rate Structure Plan

| Aurora Proposed Rates FY2021 - FY2029 | | | | |
|---------------------------------------|-------------|-------------|-------------|-------------|
| | Tier 1 Rate | Tier 2 Rate | Tier 3 Rate | Tier 4 Rate |
| Tier | 1-5 kgal | 6-10 kgal | 11-20 kgal | > 20 kgal |
| FY2021 | \$5.63 | \$5.91 | \$6.19 | \$8.70 |
| FY2023 | \$5.63 | \$5.98 | \$7.32 | \$10.29 |
| FY2025 | \$5.63 | \$6.19 | \$8.35 | \$11.73 |
| FY2027 | \$5.63 | \$6.41 | \$9.41 | \$13.25 |
| FY2029 | \$5.63 | \$6.96 | \$10.22 | \$14.41 |

Assumes revenue increases of 3.5% bi-annually and 1% annual customer growth.

\$12.81 per month service charge



Financial Plan Projections

Previous Projected Increased

| Utility | 2020 | 2021 | 2022 | 2023 |
|------------|------|------|------|------|
| Water | 0% | 3.5% | 0% | 3.5% |
| Sewer | 4% | 4% | 4% | 4% |
| Stormwater | 0% | 3.5% | 3.5% | 3.5% |

Current Projected Increased

| Utility | 2020 | 2021 | 2022 | 2023 |
|------------|------|------|------|------|
| Water | 0% | 0%* | 3.5% | 3.5% |
| Sewer | 4% | 0% | 4% | 4% |
| Stormwater | 0% | 0% | 3.5% | 3.5% |

*Change in Residential Structure (1.7% Revenue Increase)



New 4-Tiers Phase-in Rate Structure Plan

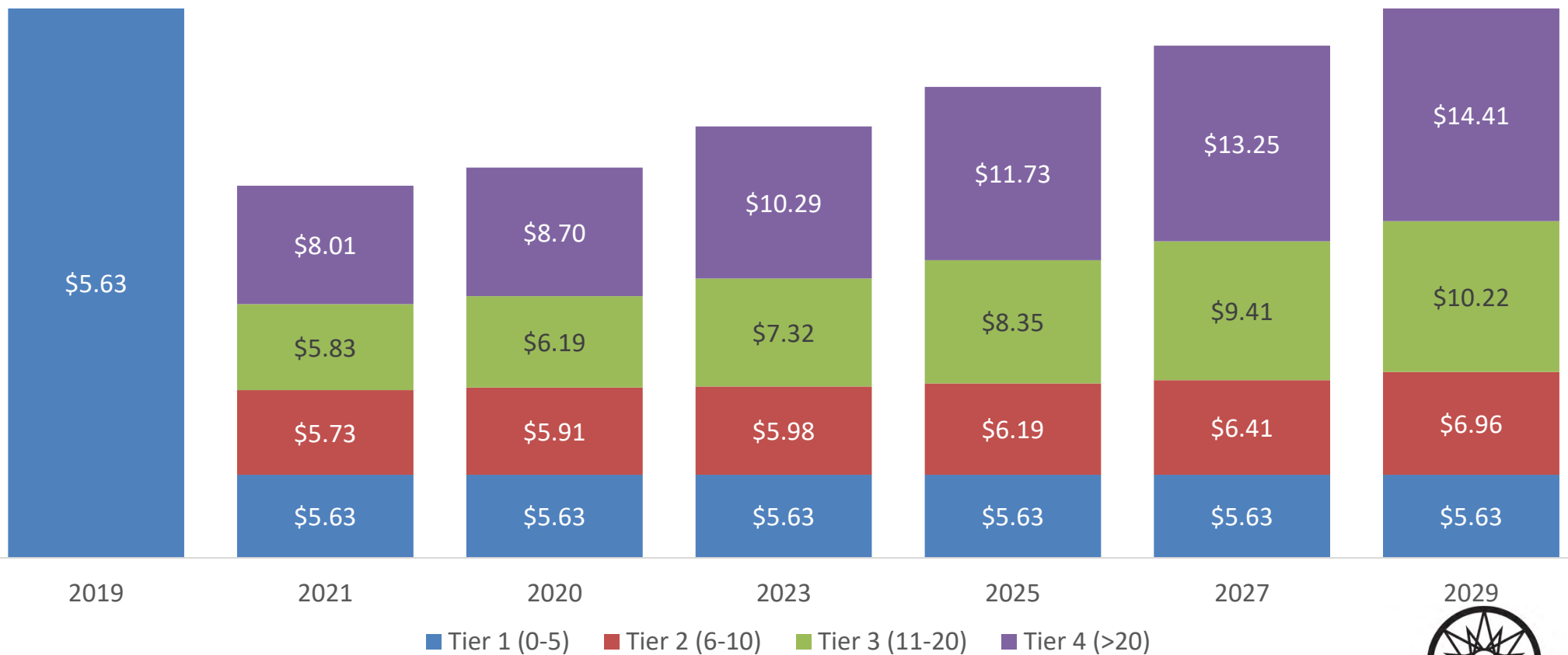
| Aurora Proposed Rates FY2021 - FY2029 | | | | |
|---------------------------------------|---------------|---------------|---------------|---------------|
| | Tier 1 Rate | Tier 2 Rate | Tier 3 Rate | Tier 4 Rate |
| Tier | 1-5 kgal | 6-10 kgal | 11-20 kgal | > 20 kgal |
| FY2021 | \$5.63 | \$5.73 | \$5.83 | \$8.01 |
| FY2022 | \$5.63 | \$5.91 | \$6.19 | \$8.70 |
| FY2023 | \$5.63 | \$5.98 | \$7.32 | \$10.29 |
| FY2025 | \$5.63 | \$6.19 | \$8.35 | \$11.73 |
| FY2027 | \$5.63 | \$6.41 | \$9.41 | \$13.25 |
| FY2029 | \$5.63 | \$6.96 | \$10.22 | \$14.41 |

Assumes 1% annual customer growth and revenue increases of 1.7% in 2021, 1.8% in 2022 and 3.5% bi-annually starting in 2023 .

\$12.81 per month service charge



Projected Rates 2020 to 2029



\$12.81 per month service charge





DISCLAIMER



Disclaimer

- This 10-year rate plan is based on existing information
- If conditions and factors change these rates may change too
- Factors like
 - Usage patterns
 - Additional rate increases
 - Customer growth
 - Drought



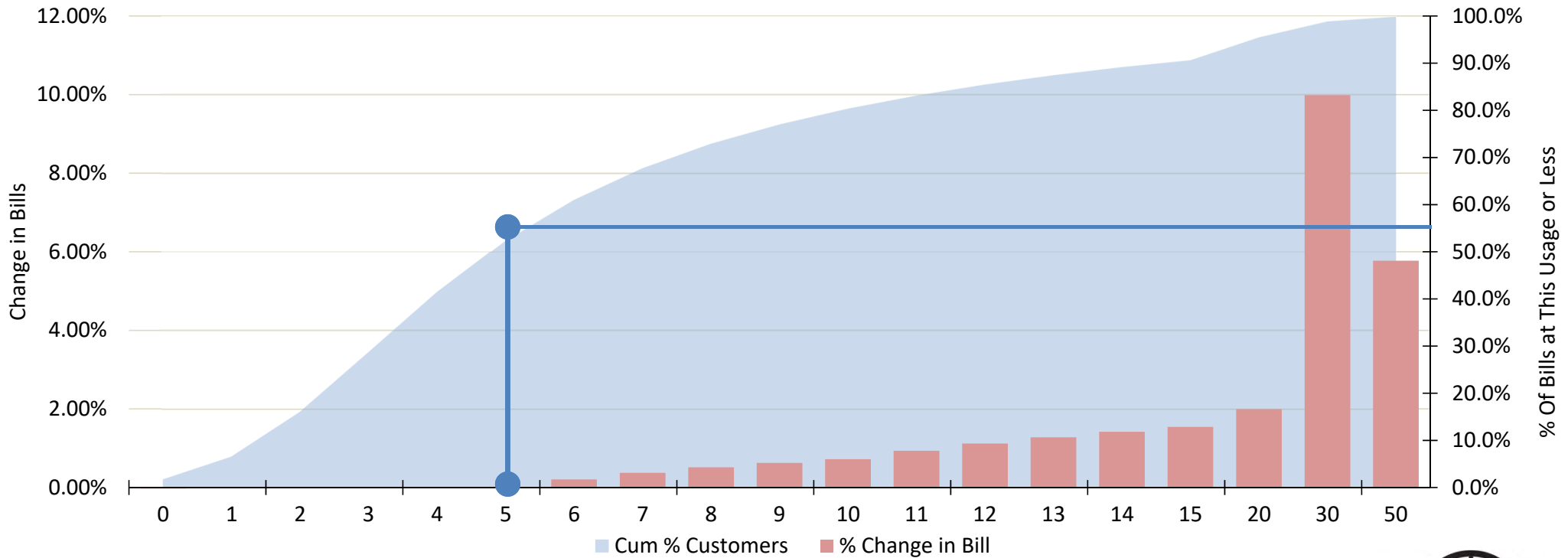
Affordability Benefits

- The new structure will improve affordability for Aurora residents
 - \$5.63 variable rate for tier 1 (52% of bills) remains constant over ten years

This will improve affordability in the future



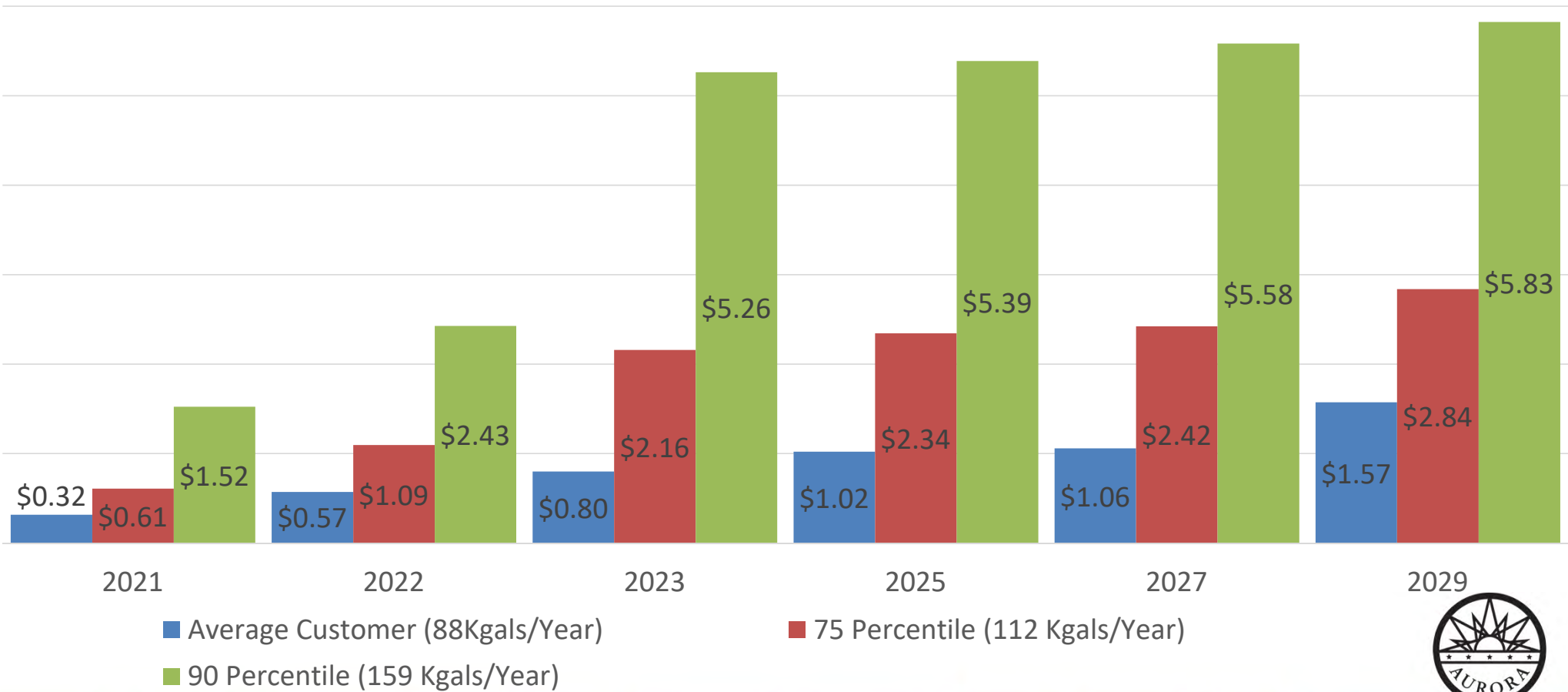
Customer Impact % Change – 2021 Proposed Vs Existing (0-50 Units, 99% of Bills)



Most of Aurora’s residential customers (52%) would see no change in their monthly bills in 2021 compared to 2020. Larger users would see an increase of as much as 10%.

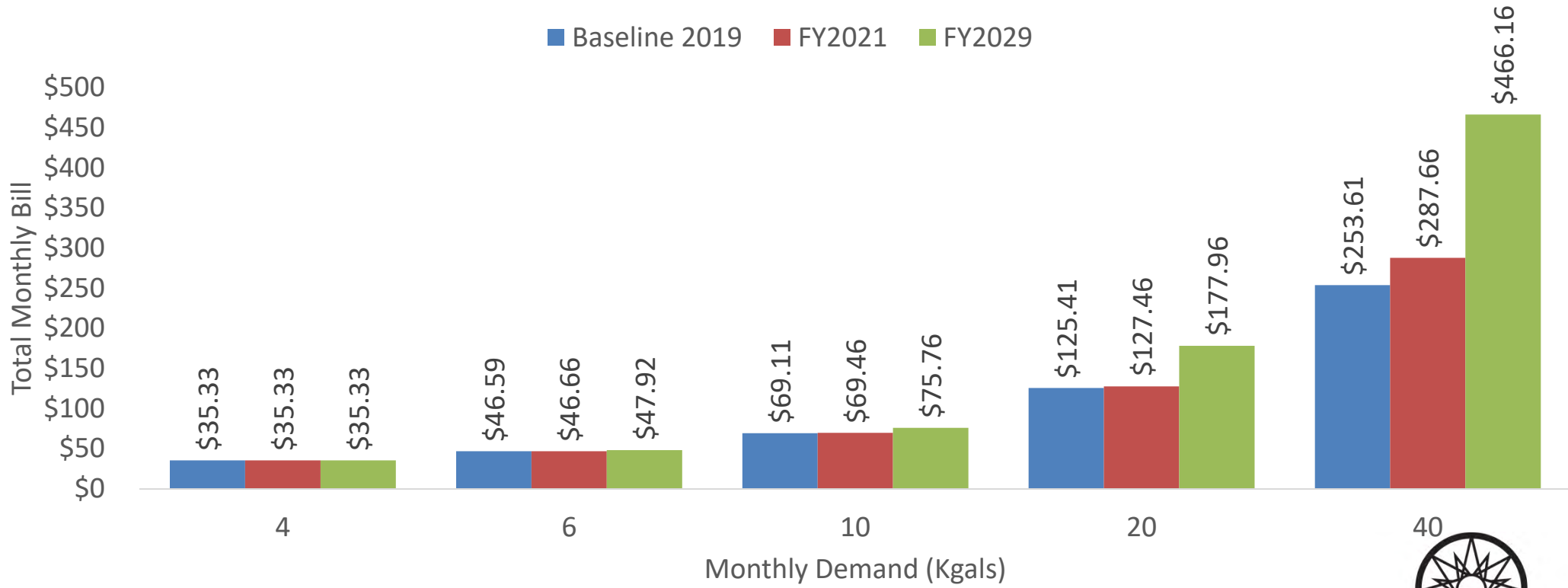


Average Monthly Dollar Impact

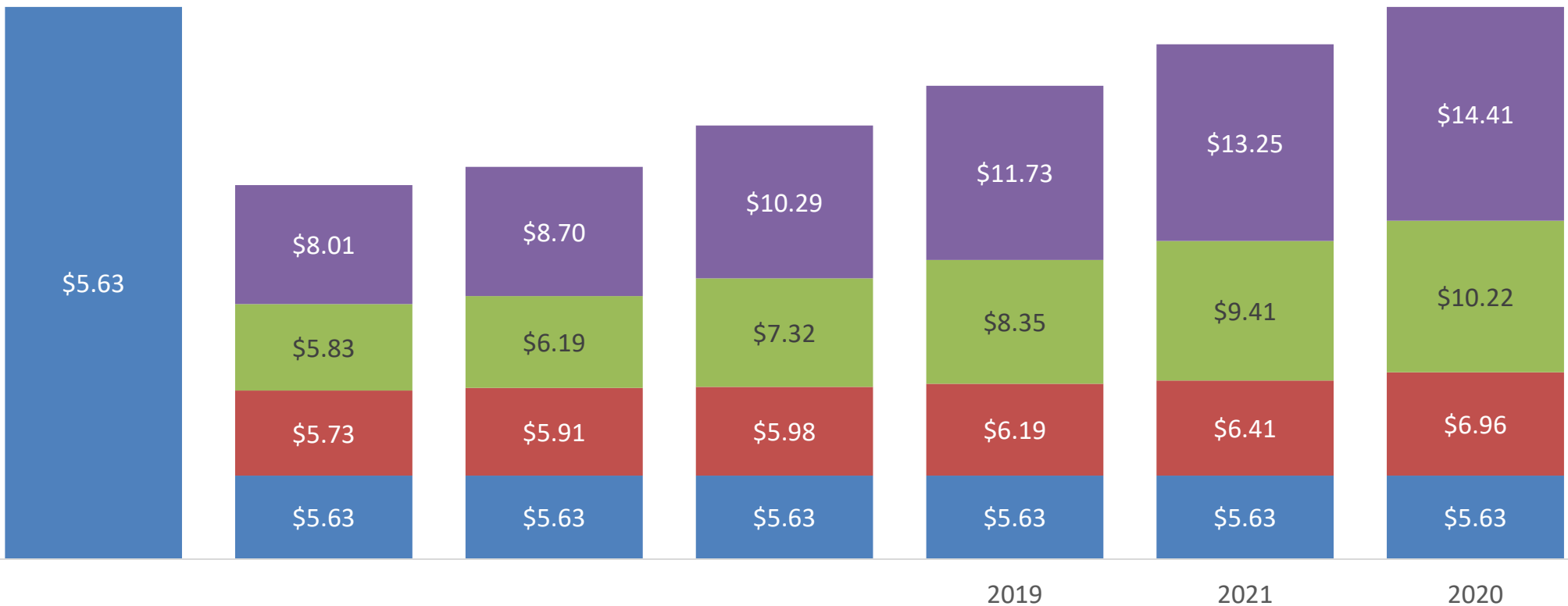


Comparison of Bill Impacts

Monthly Bill Comparison Between Baseline 2019, 2021, and 2029



Projected Rates 2020 to 2029

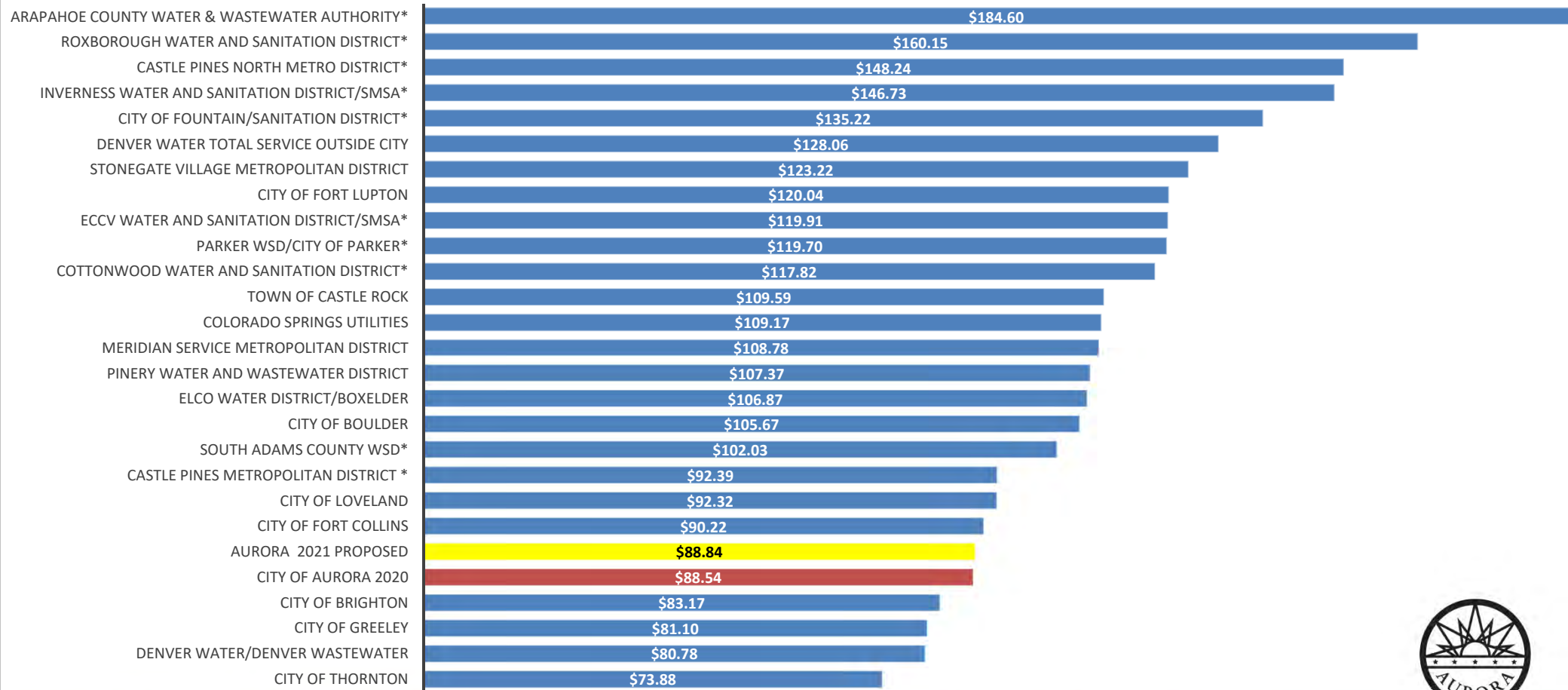


■ Tier 1 (0-5) ■ Tier 2 (6-10) ■ Tier 3 (11-20) ■ Tier 4 (>20)

\$12.81 per month service charge



Monthly Average Water, Sewer & Storm Bill Comparison 2020 - (88,000 gallons a year, 4 people house , 7,700 sq. ft. lot size, 4,230 Irrigable Area



Rate Design Next Steps

- Present to Committees
- Develop Public Outreach Campaign
 - Inserts
 - Others
- Changes to 2021 Code (Summer 2020)



QUESTIONS

