

CITIZENS' WATER ADVISORY COMMITTEE (CWAC) MINUTES

May 12, 2020 6:00 pm

Public Participation through call in number (listen only)

1-720-650-7664

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

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: Alex Davis, Jo Ann Giddings, Fernando Aranda Perozo, Natalie Brower – Kirton, Greg Baker, Sandy Moore

Visitors Present: Courtney Cudlit called into the meeting

---

The meeting was called to order at 6:04 p.m.

1. Approval of Minutes – February 12, 2020 and April 21, 2020

A motion was made to approve the minutes for the meetings of February 12 and April 21.

The February 12, 2020 minutes were approved with Dick Eason abstaining, reasoning at the time, he wasn't serving on the committee.

The April 21, 2020 minutes were approved.

---

2. Introductions/Public Invited to be Heard

There were none.

---

3. New/Old Business

There was no new or old business.

---

4. Communications Update

G. Baker reported the COVID-19 Recovery Committee is planning and reviewing options for a practical, safe return of city employees to their physical work environment.

G. Baker discussed the probable cancellation of the Water Tour due to COVID -19. The final decision will be confirmed at a future date.

---

---

### 5. Quarterly Financial Report - 1<sup>st</sup> Quarter

J. Giddings reviewed the report highlighting areas of importance. The first quarter was prior to COVID-19.

J. Giddings indicated the possibility of business as usual.

G. Baker stated, there has been a rise in new water accounts due to rising home sales.

---

### 6. Educational and Environmental Outreach Overview

N. Brower-Kirton presented an overview of Aurora Water providing water education and outreach programs for the community in many forms, reaching a wide range of community members. The goal of the Water Education and Outreach team is to supply consistent, creative and impactful education promoting water literacy, water conservation, water pollution prevention and water stewardship in Aurora.

N. Brower-Kirton explained, the program has been supplying services for over twenty (20) years. Through the continuing growth of the programs, they reached over 17,000 students and adults during the 2018-2019 school year. The 2019-2020 school year has been a very different experience. Due to the Covid-19 pandemic, the education team came up with new virtual programs consisting of a Virtual Aurora Water Supply Tour, Virtual Classroom Presentations, and a Virtual Water Festival. The program has provided presentations to 385 Aurora Public School teachers to provide to their students.

J. Campbell asked, how things might look like in the new world since COVID-19? N. Brower-Kirton explained, the new programs are currently being provided virtually.

B. Gondrez asked, is there a presentation educating what can occur when pollution enters the storm drain system, and the effects the system. N. Brower- Kirton stated, one of the programs educates and enlightens educating students to the cause and effect of what happens when pollution enters the storm drain system.

---

### 7. Proposed Residential Rate Structure Change

J. Giddings advised the committee, changes were made from last years' proposal, to the current years' proposal of a health and safety tier rate proposal. The current presentation by Fernando Aranda Perozo, reflects proposed changes within the tiered structure of Aurora Water's rating structure which was implemented in 2007.

F. Aranda Perozo gave an overview of the health and safety tier rate proposal, developing a multi-year phased plan, limiting bill increases for lower use customers. The proposed method greatly minimizes rate increases to customers using 5,000 gallons or less per month. We want to still encourage conservation efforts by higher water volume customers, while supporting affordability for lower water volume customers. This is also more equitable as the costs of the system are higher

for high water users.

F. Aranda Perozo continued, over the years, the rates have increased but the structure itself has remained the same. The residential water rate structure consists of a monthly fixed service charge and a monthly volumetric charge based on three (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.

F. Aranda Perozo explained, Aurora Water's Tier 1 is the most generous Tier 1 of all the utilities with tier rate structures in the region. Approximately five percent (5%) of the residential bills have usage above Tier 1, explaining 75% of the residential customers use less than 20,000 gallons every month of the year.

F. Aranda Perozo detailed how the staff evaluated several rate structures and developed a multi-year phased plan, limiting bill increases for lower use customers, and shifts more of the costs to customers with higher usage. A ten (10) year analysis was done to determine the impacts to customers.

F. Aranda Perozo walked the committee through the proposed method, greatly minimizing 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. By having higher costs assessed to the higher water user, the costs are spread more equitably between customers.

F. Aranda Perozo explained the presentation is to obtain feedback from the committee, prior to staff presenting proposed changes for consideration in 2020.

F. Aranda Perozo explained the original plan was supposed to begin in 2021 with rate increases for volumetric use above 5,000 with increases 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. With a new proposed plan for 2021 to start the change in structure, with the smallest impact possible. Moving forward to continue with the original plan for the years 2022,2023,2025,2027, and 2029.

F. Aranda Perozo explained the insights of the new plan, we want to still encourage conservation efforts by higher water volume customers, while supporting affordability for lower water volume customers. The current monthly fixed service charge and the Tier 1 rate would stay at the current level. By using this type of phased structure change, the average residential customer would have less than \$0.4 per month increase in their monthly bills in 2021. Our staff is not proposing at this time methodology changes or rate increases to other customer classes (commercial, irrigation, multi-family). Proposed rate increases for these categories would follow the same timeline described for residential (no proposed increase in 2021 and approximately 3.5% planned for 2022).

D. Patterson asked, does Aurora Water charge more for water than other districts, and how the different tiered rates compare to other water providers? G. Baker replied, other utilities, such as ground water utilities, charge more than Aurora Water. F. Aranda Perozo added, the annual usage rate of Aurora Water is usually a little less than other providers.

D. Patterson asked, how would the chart change if you modeled it to the Tier 2 or Tier 3 of consumption relative to the pricing of that same level from neighboring jurisdictions? F. Aranda Perozo replied, as usage increases, we would appear less expensive because our Tier 1 is so large in comparison to other utilities whose Tier 1 is 0-5k gallons.

D. Patterson asked, does Aurora Water expect pushback because with the new four (4) tiered structure we might not be as competitive? It will appear as though Aurora Water is the upper bracket for water bill comparisons with other utilities. F. Aranda Perozo replied, many of the utilities shown on the chart, such as the City of Denver, are only using water, sewer and stormwater are separate bills. Where, Aurora Water combines water, stormwater and wastewater so we are comparatively less expensive.

T. Coker asked, if a four (4) tiered system would be more confusing to residents than a three (3) tiered structure? Explaining, the simpler the better and there may be a three (3) tiered structure that may make more sense. G. Baker replied, the proposed rate structure would not increase the rate for the lowest tier for ten (10) years making it more affordable to residents. He also stated, the new residential rate structure presentation is scheduled to be presented in June at the Town Hall Meeting with Ward V and is interested in the response.

D. Eason asked, is there be a ten (10) year plan being pushed in parallel for commercial, multi-family and irrigation residents, as this new four (4) tiered structure has only been in relation to residential customers? If not, how is Aurora Water going to explain to residential customers that their rates are increasing, but the rates of the multi-family, commercial and irrigation customers is not increasing? F. Aranda Perozo replied, the previous plan of 3.5% included all classes of accounts. The revised plan reflects a 3.5% raise in 2022 for multi-family and irrigation customers. The increase for commercial accounts will be phased in with a 1.7% increase in 2021 and an additional increase of the remaining 3.5% in 2022.

D. Eason asked, is water provided to users outside city limits? F. Aranda Perozo replied, some areas such as Foxfield might have sewer and storm service, incurring higher surcharges. There are outside customers for raw water but not retail.

A. Binder asked, are there maps reflecting usage? Suggesting they could be used for presentations. F. Aranda Perozo replied, the previous maps were for storm water. A water usage map might be something he could investigate.

G. Baker asked the committee for recommendations and suggestions of how to best communicate and receive feedback from the public regarding a new billing structure. D. Eason replied, by using a push system Telephone Town Halls or Next Door. J. Marlow replied, a possible Virtual Town Hall and advertise through Next Door. N. Brown-Kirton added, possibly promoting the no raise in water rates for the year 2021.

---

---

8. Review Follow-Up Questions at this Meeting

There were no follow up questions.

---

9. Confirm Next Meeting


The next regular meeting will be held Tuesday, June 9, 2020, remotely via WebEx.

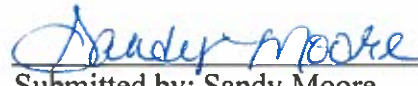
---

10. Adjourn

The meeting was adjourned at 7:54 p.m.

---

  
Janet Marlow, Chair  
Citizens' Water Advisory Committee

  
Submitted by: Sandy Moore  
Administrative Specialist, Aurora Water

ADOPTED: 6/9/20

---