

Citizens' Water Advisory Committee (CWAC) Agenda

July 11, 2023, 6:00 p.m.
Aspen Room, 2nd Floor, Aurora Municipal Center/Hybrid

Microsoft Teams Link:
[Click here to join the meeting](#)
or
<https://bit.ly/AuroraWaterAdvisoryCommittee>



Call in (audio only) - 720-388-8447
Phone Conference ID: 532 291 8#

Members: Angie Binder - Chair, Richard “Dick” Eason -Vice Chair, Jay Campbell, Tom Coker, Dennis Dechant, William Gondrez, Janet Marlow, David Patterson, Daniel Widrich

- | | | |
|----|--|--------------|
| 1. | Approval of Minutes – May 9, 2023 | Chair |
| 2. | Introductions/Public Invited to be Heard | Chair |
| 3. | Communications Update | Greg Baker |
| 4. | 2024 Preliminary Budget | Cat Olukotun |
| 5. | New/Old Business | Chair |
| 6. | Review Follow-Up Questions | Greg Baker |
| 7. | Confirm Next Meeting – Tuesday, August 8, 2023 | Chair |
| 8. | Adjourn | Chair |

Citizens' Water Advisory Committee (CWAC) Minutes
June 13, 2023, 6:00 p.m.
Aspen Room/Microsoft Teams

Members Present: Angie Binder – Chair, Dick Eason - Vice Chair, Jay Campbell (Teams), Daniel Widrich, Tom Coker, Janet Marlow (Teams)

Absent: Dennis Dechant

Staff Present: Alex Gagliardi, Greg Baker, Rory Franklin (Teams), Fernando Aranda (Teams), Melina Bourdeau (Teams), Sonya Gonzalez (Teams), Gail Thrasher (Teams), Marshall Brown, Tim York, Earl Wilkinson, Cat Olukotun

Visitors Present: None

The meeting was called to order at 6:05 p.m.

1. Approval of May 9, 2023 Minutes

The May 9, 2023, minutes were approved.

2. Introductions/Public Invited to be Heard

M. Brown introduced E. Wilkinson as new AGM of Operations and C. Olukotun as new DD of Business Services. He briefed the board of changes to the organization including the Conservation department becoming part of the Water Resources department making the Supply & Demand department, changes to the P&E department and G. Baker's new position of DD of Internal/External Relations.

3. Communications Update

G. Baker explained that lifting drought restrictions will be presented to City Council on the 26th and that restrictions could end on the 29th.

G. Baker added that Reservoirs are at 75% full.

M. Brown said that Aurora Water could use additional storage to maximize the North Campus Water and looking at storage options out east. Aurora Water will look at using existing storage buckets but modified to utilize some of that North Campus Water. He explained that PFAS has made storage more challenging. Some options could be making existing reservoirs deeper instead of expanding the geographic footprint.

4. Water Fund Funding Scenarios

C. Olukotun, DD of Business Services, presented the Water and Sewer 2024 rate and fees adjustments. The proposed 2024 budget includes an increase in rates based on the most current financial plan, which is largely driven by Aurora Water's Capital Improvement Plan (CIP). Aurora Water understands the significant impacts rate increases have on customers, and

therefore, the agency’s policy is to pursue small incremental rate increases instead of infrequent large rate increases. The proposed rate increases for 2024 are 5% for Water, 7% for Sewer and no change to Stormwater. The proposed rate also includes a 5.0% increase in the monthly service charge.

In 2021 Aurora Water adjusted the residential class water rate structure. Staff developed a multi-year plan that would keep rates at the existing levels for several years for customers with usage of 5,000 gallons and below by changing the “tiers” and implementing the increases to usage above 5,000 gallons. This plan aimed to provide a strong conservation message to large users, while also continuing to provide affordability to low users. The proposed water percentage increase will result in no rate increase for customers with usage of 5,000 gallons and below.

A. Binder mentioned that she has concerns about so many rate increases, she was under the impression that intentions were to only raise rates every other year.

M. Brown explained that cost increases and PFAS costs have driven this change.

5. Water Conservation Overview and Annual Report

T. York provided an update on programs and projects from the last and current years. Also gave an update on programs showing the water savings for 2021 indoor and outdoor programs. He presented highlights of 2021 programs and initiatives. Aurora Water Conservation team is one of three platinum recognized teams in the country. Colorado Senate Bill 23-178 and House Bill 21-1229 which deals with water-wise landscaping in HOA Communities were discussed. There has been a large increase this year in the number of requests for water-wise landscape designs.

D. Widrich asked if Aurora Water has any rules for rain gardens.

T. York answered that you cannot dam water or divert the flow of water.

D. Eason asked if there is an ETA on fully converting over to AMI.

G. Baker answered that there is a goal to be done by March 2024.

6. New/Old Business

None

7. Review Follow-Up Questions

A. Binder asked for any updates on tours.

G. Baker answered they will be August 15th/16th. Daniel, Dick and Dennis will go on the tour.

A. Binder asked for an update on committee changes.

G. Baker answered they will move forward with keeping the current meeting and advertising for new members.

8. Confirm Next Meeting – Tuesday July 11, 2023.

The next meeting on July 11, 2023 was confirmed.

10. Adjourn

The meeting was adjourned at 8:31 p.m.

Angie Binder, Chair
Citizens' Water Advisory Committee

Adopted: _____

MEMORANDUM



City of Aurora

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To: Citizens' Water Advisory Committee

From: Marshall P. Brown, General Manager, Aurora Water
Catherine Olukotun, Deputy Director Water Financial Administration

Date: July 11, 2023

Subject: 2024 Proposed Budget

SUMMARY

This memorandum reflects Aurora Water's 2024 proposed operating budget and the 2024-2028 capital improvement budget. The budget process is a planning tool used to project what activities will be performed and what capital projects will be completed during the year, and their impact on the financial status of the utility's funds. The 2024 revenue assumptions, 2024 service fees, 2024 proposed operating costs, 2024-2028 capital improvement program, and changes in funds available for the Water and Wastewater Funds are presented for discussion. All figures are preliminary pending final budget recommendations from City Management.

Key dates for review of the 2024 proposed budget are as follows:

- September 11th City Manager, Appointees and staff present to Council
- September 25th Boards & Commissions present to Council
- October 9th Council Fall Budget Workshop
- October 23rd First reading of the 2024 budget by Council
- November 13th Second reading of the 2024 budget by Council

BUDGET

The 2024 budget is being proposed with a five percent increase in water retail revenues, seven percent increase in sewer rates and no proposed increase in stormwater rates. Water connection fees assume a preliminary 10% increase while the study is being finalized. Sewer Connection Fees are proposed to increase \$1,000 from 2023. These increases are necessary to continue to appropriately maintain and build Aurora Water's infrastructure.

The current assumptions were based on expected growth increases of 0.75% in 2023, 1.00% in 2024, 1.15% in 2025, and 1.35% in 2026.

REVENUES

The following table summarizes revenues for the Water Fund.

**WATER FUND
REVENUE SUMMARY (\$ Millions)**

	2022 Actual	2023 Projection	2024 Proposed
Utility Sales	\$138.9	\$138.7	\$152.1
Development Fees	60.7	32.0	41.5
Charges for Services	4.2	2.2	1.7
Investment Income	3.3	3.7	2.0
Other Revenues	5.6	4.0	4.1
Proceeds from Borrowing	0.0	0.0	306.7
Total Revenue	\$212.7	\$180.6	\$508.1

2022 – Utility Sales for 2022 ended higher than expected. Utility sales were 9.2% higher than 2021 due to higher usage than previous years because of a very dry summer. Development fees were a record high in 2021 and 2022 due to strong growth.

2023 – Utility Sales are expected to be lower than plan due to a very wet spring and low WISE water sales. Development fees are significantly lower than the last two years where we experienced a record high. The rapid growth Aurora experienced in 2021 and 2022 is expected to subside causing a decrease in development revenues for 2023.

2024 – Utility Sales are expected to increase compared to 2023. This is due to the proposed average rate increase of 5%. The 2024 projections are based on average usage patterns, temperature, precipitation, and a population growth of 1%.

The following table summarizes revenues for the Wastewater Fund.

**WASTEWATER FUND
REVENUE SUMMARY (\$ Millions)**

	2022	2023	2024
	Actual	Projection	Proposed
Utility Sales	\$69.9	\$74.6	\$78.4
Development Fees	11.3	8.2	8.7
Charges for Services	7.8	6.7	9.0
Investment Income	1.5	1.7	0.9
Other Revenues	1.9	1.9	1.5
Proceeds from Borrowing	0.0	45.5	71.1
Total Revenue	\$92.4	\$138.6	\$169.6

2022 – Utility sales were as expected for 2022. Development fees remained higher than normal, but lower than the record high experienced in 2021. Rate increases of 4% in sewer and 3.5% in stormwater were adopted in 2022.

2023 – Utility sales are projected to increase by 6.7% compared to 2022, mainly due to the rate increase of 7% in sewer and 3.5% in stormwater. Aurora Water issued \$43.78M in revenue bonds to fund expansion of the Sewer System along First Creek, Second Creek and Senac Creek.

2024 – Utility Sales are expected to increase compared to 2023. This is due to the proposed average rate increase of 7% in sewer and no proposed increase in stormwater. The 2024 projections are based on average usage patterns, temperature, precipitation, and a population growth of 1%.

Operating Expenses

The table presented below summarizes changes in the 2024 proposed operating expenses (Water and Wastewater combined) compared to the 2023 adopted budget.

**WATER AND WASTEWATER (COMBINED)
SUMMARY OF CHANGES IN 2024 PROPOSED OPERATING EXPENSES
(\$ Millions)**

	2023 Adopted Operating Budget	2024 Proposed Operating Budget	Increase / (Decrease)	Water Variance	Wastewater Variance
Personal Services	\$54.5	\$58.1	\$3.6	\$2.4	\$1.1
Allocated Expenses	10.0	10.0	0.0	0.0	0.0
Supplies and Services	33.7	37.1	3.4	3.4	0.0
Utilities	45.7	54.6	8.9	8.0	0.9
Interfund Charges	4.5	4.3	(0.2)	0.1	(0.2)
Debt Related	37.2	39.0	1.8	0.0	1.9
Capital Related	5.4	5.1	(0.3)	(0.2)	(0.1)
Transfers Out	0.0	0.0	0.0	0.0	0.0
TOTAL	\$191.0	\$208.2	\$17.2	\$13.6	\$3.6
FTE - Water Dept	494.00	494.00	0.00	0.00	0.00
FTE - City Attorney	3.00	3.00	0.00	0.00	0.00

Changes to the 2024 Adopted budget include the following:

- **Personal Services** increased by \$3.6 million.
 - Regular Salary and allowance increases (\$3,632,259),
 - 5.0% adjustments for overtime compensation, temporary compensation and insurance, and non-salary related benefits (\$141,119),
 - CDL and other certification pay (\$-245,572),
 - VHBE insurance (\$43,214),
 - Annual shoe allowance increased by \$100 for Bargaining Code 50 Labor Trades (\$24,300).

- **Supplies and Services** increased by \$3.4 million.
 - Intergovernmental Agreement payments (\$2.8 million),
 - Treatment Chemicals (\$0.4 million).

- **Utilities** increased by \$8.9 million primarily due to Purchased Water Storage for Pueblo Water long-term and short-term leases.
- **Interfund Charges** decreased by \$0.2 million to align with actual city-wide spending for fleet fuel and maintenance costs (\$159,322).
- **Debt Related** increased by \$1.8 million to account for the principal and interest in the original debt schedules for the Wastewater Fund. There were no significant changes in the debt schedule for the Water Fund.
- **Capital Related** decreased by \$0.3 million primarily for the reduction of 2023 one-time costs.

Capital Improvement Program

The following table summarizes the 2024-2028 Capital Improvement Program by program.

CAPITAL IMPROVEMENT PROGRAM						
2024 -2028						
(\$ millions)						
	2024	2025	2026	2027	2028	TOTAL
Operations & General Management	\$7.4	\$5.9	\$1.6	\$1.6	\$2.5	\$18.9
Pumping	26.0	18.3	0.5	1.8	6.6	53.2
Source of Supply - Other	60.7	61.3	3.2	13.4	11.5	150.1
Source of Supply - Storage	45.2	26.8	158.6	124.1	122.7	477.4
Source of Supply - Water	41.0	32.5	56.5	25.0	18.0	173.0
Transmission & Distribution	35.3	29.4	38.0	38.2	23.3	164.1
Treatment	32.5	51.5	43.0	39.0	21.7	187.6
TOTAL WATER	\$247.9	\$225.5	\$301.4	\$243.1	\$206.2	\$1,224.2
Collection	\$50.7	\$20.4	\$16.4	\$15.5	\$23.1	\$126.0
Operations & General Management	4.5	1.0	2.5	1.2	1.4	10.6
Stormwater	20.0	24.0	15.7	10.2	19.2	89.1
TOTAL WASTEWATER	\$75.1	\$45.4	\$34.6	\$26.8	\$43.7	\$225.7
TOTAL ALL PROJECTS	\$323.1	\$270.9	\$336.1	\$269.9	\$249.9	\$1,449.9

Significant Water Fund projects planned for 2024-2028 by program include the following.

Operations & General Management

- **Meter Replacement Program (AMI) (\$8.0 million)** – This project is to replace the current meter system installed in 2005, which is at the end of its life. There will be annual meter replacements over the next two years.
- **Solar Projects (\$5.6 million)** – Renewable energy opportunities were identified in 2012 Energy Master Plan. Based on this analysis, AW will be implementing a 1MW DC fixed tilt, ballasted ground mount solar PV system project at Binney in 2024. Scheduled for construction in 2025 is the Powhaton & Marina tank mount system. 2026-2028 projects will be identified with the 2023 Energy master plan.
- **SCADA Improvements (\$1.6 million)** – The South Tower and Kings Pointe Tower project scheduled in 2024 will improve emergency communication for Public Safety and SCADA backbone communication for Aurora Water as well as determine options for communication with Aurora Water infrastructure located in the Kings Pointe development. Transformer Risk Mitigation for Wemlinger and Binney is planned in 2024. Microwave Audit Correction for the Aurora Water Towers construction is planned in 2025.

Pumping

- **Pump Station Improvements (\$33.2 million)** – improvements in the five-year plan include expansion of raw water pumping capacity and/or pump replacement at the following pump stations: Wemlinger Zone 5 (2024), Quincy (2024-2025), Robertsdale (2024-2025), Robertsdale (2024-2025), Blackstone (2027-2028), Powhaton Zone 8 (2028). These projects will improve the reliability, dependability and efficiency of the pump stations.
- **Kings Point Pump Station Zone 7 (\$15.0 million)** – based on the Integrated Water Master Plan, this project will assist with providing adequate pressure to the Zone 7 area with the installation of a new Storage Tank and Kings Point Pump Station (2024-2025).
- **PW Raw Water Pump Station Expansion (\$5.0 million)** – expansion of three conveyance pump stations on the Prairie Water Conveyance System (2024).

Source of Supply - Other

- **Rampart Delivery System Expansion (\$98.5 million)** – this project is for the construction of a parallel line that will expand the capacity of the Rampart Delivery System to meet growing demand (2024, 2025).
- **PW North Campus Expansion (\$40.5 million)** – phased expansion of the Prairie Waters North Campus from a firm capacity of approximately 16.0 million gallons per day (MGD) to 30 MGD in future years. Project includes drilling additional wells and construction of related appurtenant facilities (2024-2028).
- **Well Field Land Acquisition (\$5.4 million)** – phased plan for land acquisition related to the Prairie Waters North Campus expansion. (2024-2026).

Source of Supply – Storage

- **Wild Horse Reservoir (\$401.3 million, final amounts yet to be determined)** – land acquisition, design, engineering, geotechnical and environmental studies, and start of construction of Wild Horse Reservoir in the Upper South Platte River basin.
- **Homestake Capital Projects (\$24.1 million)** – improvements to the Homestake Water System under agreement with Colorado Springs Utilities.
- **Lower South Platte Storage/Clare (\$15.3 million)** - Tucson South gravel pit is part of the Lower South Platte River basin in the North Campus Walker Storage Complex. Once completed, this location is estimated to have the capacity of about 3,500 acre-feet of storage.
- **Lower South Platte Storage/Everist (\$14.8 million)** – purchase and development of gravel pit reservoirs near Weld County Road 18 from LG Everist pursuant to the 2011 Amended and Restated Purchase and Sale Agreement. Once completed, Aurora will have about 11,000 acre-foot of water storage at this location.
- **Aquifer Storage and Recovery (ASR) (\$11.0 million)** - geotechnical investigations, testing and analysis of alluvial and confined aquifers under and adjacent to the City. The development of such storage could give Aurora Water additional flexibility in water resources management, help meet storage needs and allow maximum utilization of water supplies.

Source of Supply – Water

- **Water Rights Acquisition (\$130.0 million)** – purchase of water rights to meet future municipal water demands as the population of Aurora grows. The actual budget needed to purchase water rights is very unpredictable and will be updated through budget supplementals as needed.
- **Raw Water Rehabilitation (\$22.5 million)** – the five-year plan is driven by construction for the Rampart prestressed concrete cylinder pipe (PCCP) repair at Quincy & Orchard (2024), Sand Creek Reclaimed Water Line Land Acquisition (2024), and the Strontia PRV Isolation Valve (2025-2026).
- **Arkansas Basin Land Acquisition (\$20.5 million)** - purchase of additional land and associated water rights (when applicable) in the Arkansas River Basin.

Transmission & Distribution

- **Line Replacement (\$75.1 million)** – annual waterline replacement of oldest pipes and pipes with increased frequency of breaks, upgrade of lines to meet new City standards, and addition of fire hydrants to improve fire protection.
- **New T&D Water Mains (\$41.4 million)** – installation of new water mains to support growth and development in the City. Projects anticipated in the five-year plan are predominately located in the northeast portion of the City around Gun Club Road.
- **Transmission and Vault Rehab (\$22.1 million)** – installation of miscellaneous transmission mains, appurtenances, and other water distributions system infrastructure required to improve the City's potable water distribution system.
- **Lead Service Lines (\$12.0 million)** – environmental asset improvements to replace lead service lines to reduce risk from lead exposure and to adhere to U.S. Environmental Protection Agency (EPA) compliance requirements.

Treatment

- **Binney WPF Improvements (\$31.6 million)** – various improvements and renovation projects to Binney Water Purification Facility including Selenium Treatment (2024-2025), Programmable Logic Controllers (PLC) Conversion (2024-2026), Backup Power Generation Improvements (2024-2025), Filter Media (2024-2026), Granular Activated Carbon (GAC) Media (2024-2026), and Perfluoroalkyl and Polyfluoroalkyl Substances (PFAS) Infrastructure for new regulations.
- **Griswold WPF Plan Renovation (\$86.5 million)** – various improvements and renovation projects to Griswold Water Purification Facility including Chemical Feed Improvements (2025-2028), PFAS Infrastructure, HVAC improvements (2024), and Filter Media, Retaining Troughs, Effluent Valves, and Flow Meters (2024-2028).
- **Wemlinger WPF Improvements (\$65.7 million)** – various improvements, renovations, and modifications to Wemlinger Water Purification Facility including chemical feed improvements (2024-2027), Motor Control Center (MCC) replacement (2024), and filter rehabilitation (2024-2028).
- **Direct Potable Reuse (\$3.8 million)** – various projects will identify a comprehensive assessment of requirements, costs, and guidance for the implementation of DPR by 2030. This will include development of regulatory requirements, extensive analysis and pilot testing.

Significant Wastewater Fund projects planned for 2024-2028 by program include the following.

Operations & General Management

- **Structures Demolition projects for Lift Station Abandonment (\$5.9 million)** - Various structures on sites are either currently not in use or slated to come offline in the next few years. If left as is, the sites will be a risk and liability for the City. The purpose of this project will be to prioritize Lift Station sites for demolition based on their risk along with other factors (2024-2028).
- **SCADA Improvements (\$1.6 million)** – upgrades and construction for communication infrastructure. Projects included in the current five-year plan are South Tower (2024), Kings Pointe Tower (2024), Transformer Risk Mitigation (2024), and Microwave Audit Corrections (2024-2025).
- **Sand Creek Water Reuse Plant (\$1.5 million)** – upgrades to the Sand Creek Water Reuse Plant including blower and HVAC improvements. Phase II design will begin in 2026.

Collection

- **New Sewer Line Construction (\$26.0 million)** – New sewer line construction including Sand Creek Interceptor East from E Colfax Ave to E Airport Road, Sand Creek Interceptor East E Airport Road to US 225, E 4th Ave and Kings Pointe Interceptor from S Parker Rd to S Chambers Way, and E 68th Ave near Regional 2nd Creek Lift Station.
- **Senac Creek Interceptor (\$45.7 million)** – will eliminate the need for the Senac Creek Lift Station and convey wastewater flows from SEAM and other additional eastern Aurora future developments.
- **Misc. Sewer Replacement (\$18.6 million)** – Sewer line replacement including US 225 to N Laredo St and Billings St to N Sable Blvd, S Parker Rd from E Hampden Ave to E Quincy Ave, and Toll Gate Creek near S Chambers Rd and E Alameda Pkwy.
- **Annual Collection Sewer Rehab (\$8.3 million)** – Annual rehabilitation of vitrified clay pipe (VCP) ranging from 8” to 18” in diameter using the cured-in-place pipe (CIPP) process. The pipe is over 50 years old and is largely located in the northwest part of Aurora.
- **Interceptor Rehab (\$8.3 million)** - Annual rehabilitation of the City's interceptor sewer lines comprised largely of Reinforced Concrete Pipe (RCP) installed in the 1960's and 70's. Per information obtained from the GIS, approximately 12 miles of RCP ranging from 18" to 42" in diameter exists in the system.
- **First Creek Interceptor (\$8.1 million)** – final construction phase of FCI segment 1B-1D (2024).

Stormwater

- **Westerly Creek Future Phases (\$26.3 million)** –Westerly Creek improvements including detention facilities and underground pipe infrastructure. Some projects included in the five-year plan are Westerly Creek at Stanley Water Quality Pond (2024-2025), Alameda Storm Outfall pipe (2025-2026), and Additional Twin 10'x6' Concrete Box Culverts (2027-2028).
- **Crossing Structure Projects (\$18.1 million)** – rehabilitation of deteriorating and aging bridges and construction of new culverts throughout the system. Projects include Picadilly and 26th storm sewer (2024), Bridge Replacement at Mexico Ave (2024-2026) and Sand Creek to Alameda Culvert construction (2024-2025).
- **Misc Stormwater Development Projects (\$13.4 million)** – Existing or proposed stormwater infrastructure improvements to support development or re-development throughout the city.

- **Detention Ponds/Improvements (\$7.4 million)** – this project is used to construct various subprojects related to detention ponds and detention improvements to attenuate peak flows resulting from upstream development. Current projects planned include Murphy Creek Irrigation Pond (2024), SCRBT06-WS 8 Pond 8 & Pond B Acquisition (2028), and CHC04-Detention Pond S2 (2028).
- **Storm Drain System Improvements (\$6.6 million)** – miscellaneous replacement and rehabilitation of Storm Water Conveyance Systems. Some projects included in the five-year plan are Misc Storm Improvement Evaluation of Pond #3 off Conservatory (2024), Eagle Ridge Utility Protection (2024-2025), and Annual Misc Storm Improvements (2024-2028).

Ending Funds Available

The following table summarizes Sources, Uses and Changes in Funds Available for the Water Fund.

WATER FUND
Schedule of Sources, Uses and Changes in Funds Available
(\$ Millions)

	2021 Actual	2022 Actual	2023 Adopted Budget	2023 Projection	2024 Proposed
Revenues	\$213.3	\$212.7	\$207.2	\$180.6	\$201.4
Proceeds from Borrowing	388.0	0.0	0.0	0.0	306.7
Sources	\$601.3	\$212.7	\$207.2	\$180.6	\$508.1
Operating Costs	\$69.9	\$80.1	\$88.0	\$89.2	\$101.7
Debt Service	289.4	27.3	28.6	28.6	28.6
Capital Projects (Continuing Appropriations)	178.4	126.3	158.7	125.2	247.9
Total Uses	\$537.7	\$233.7	\$275.3	\$243.0	\$378.2
Beginning Funds Available	\$20.1	\$83.6	\$62.5	\$62.5	\$0.2
Net Changes in Funds Available	63.5	(21.0)	(68.1)	(62.4)	129.9
Ending Funds Available	\$83.6	\$62.5	(\$5.5)	\$0.2	\$130.1

December 31, 2023, ending funds available for the Water Fund are projected to end higher than the 2023 adopted budget due to reduced spending in the capital project budget. Revenues are lower than expected due to a very wet spring with decreased irrigation. Operating costs are slightly higher than planned due to increasing supply costs. December 31, 2024, ending funds available are anticipated to increase by \$129.9M due to a proposed rate increase of 5%, growth projections, and an expected debt issuance of \$306M for capital projects.

Ending Funds Available

The following table summarizes Sources, Uses and Changes in Funds Available for the Wastewater Fund.

WASTEWATER FUND
Schedule of Sources, Uses and Changes in Funds Available
(\$ Millions)

	2021 Actual	2022 Actual	2023 Adopted Budget	2023 Projection	2024 Proposed
Revenues	\$90.2	\$92.4	\$94.3	\$93.1	\$98.5
Proceeds from Borrowing	60.3	0.0	45.0	45.5	71.1
Sources	\$150.5	\$92.4	\$139.3	\$138.6	\$169.6
Operating Costs	\$57.3	\$59.1	\$65.7	\$61.6	\$67.5
Debt Service	22.4	8.5	8.5	10.6	10.4
Capital Projects (Continuing Appropriations)	79.6	47.8	45.7	45.7	75.1
Total Uses	\$159.3	\$115.4	\$119.9	\$117.9	\$153.0
Beginning Funds Available	\$39.2	\$30.3	\$7.3	\$7.3	\$28.0
Net Changes in Funds Available	(8.9)	(23.0)	19.4	20.7	16.6
Ending Funds Available	\$30.3	\$7.3	\$26.7	\$28.0	\$44.6

December 31, 2023, ending funds available for the Wastewater Fund are projected to increase by \$20.7M compared to 2022 actuals. This is mainly due to the \$43.78M sewer bond to fund expansion of the Sewer System along First Creek, Second Creek and Senac Creek. We are expecting a \$2.0M savings in 2023 due to vacancy savings and reduction in supply costs. Capital projects are expected to be close to the budgeted amount for 2023. December 31, 2024, ending funds available are anticipated to increase by \$16M, primarily due to the proposed rate increase of 7% in sewer.

Aurora Water

2024 Proposed Operating and Capital Improvement Program Budget

Citizens' Water Advisory Committee
July 11, 2023



1

2024 Proposed Budget

Council Dates to Remember

- September 19th City Manager, Appointees and staff present to Council
- September 19th Boards & Commissions present to Council
- September 30th Council Fall Budget Workshop
- October 23rd First reading of the 2024 budget by Council
- November 13th Second reading of the 2024 budget by Council

Assumptions used to develop the proposed 2024 budget

- Average year temperature and precipitation
- Population growth rate of 1.0% for 2024



2

2024 Proposed Budget Water Fund Summary (\$ Millions)

WATER FUND Schedule of Sources, Uses and Changes in Funds Available (\$ Millions)

	2021 Actual	2022 Actual	2023 Adopted Budget	2023 Projection	2024 Proposed
Revenues	\$213.3	\$212.7	\$207.2	\$180.6	\$201.4
Proceeds from Borrowing	388.0	0.0	0.0	0.0	306.7
Sources	\$601.3	\$212.7	\$207.2	\$180.6	\$508.1
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Net Changes in Funds Available	63.5	(21.0)	(68.1)	(62.4)	129.9
Ending Funds Available	\$83.6	\$62.5	(\$5.5)	\$0.2	\$130.1



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2024 Proposed Budget Wastewater Fund Summary (\$ Millions)

WASTEWATER FUND Schedule of Sources, Uses and Changes in Funds Available (\$ Millions)

	2021 Actual	2022 Actual	2023 Adopted Budget	2023 Projection	2024 Proposed
Revenues	\$90.2	\$92.4	\$94.3	\$93.1	\$98.5
Proceeds from Borrowing	60.3	0.0	45.0	45.5	71.1
Sources	\$150.5	\$92.4	\$139.3	\$138.6	\$169.6
Operating Costs	\$57.3	\$59.1	\$65.7	\$61.6	\$67.5
Debt Service	22.4	8.5	8.5	10.6	10.4
Capital Projects (Continuing Appropriations)	79.6	47.8	45.7	45.7	75.1
Total Uses	\$159.3	\$115.4	\$119.9	\$117.9	\$153.0
Beginning Funds Available	\$39.2	\$30.3	\$7.3	\$7.3	\$28.0
Net Changes in Funds Available	(8.9)	(23.0)	19.4	20.7	16.6
Ending Funds Available	\$30.3	\$7.3	\$26.7	\$28.0	\$44.6



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2023 to 2024 Operating Budget Comparison Water and Wastewater (Combined)

WATER AND WASTEWATER (COMBINED) SUMMARY OF CHANGES IN 2024 PROPOSED OPERATING EXPENSES (S Millions)

	2023 Adopted Operating Budget	2024 Proposed Operating Budget	Increase / (Decrease)	Water Variance	Wastewater Variance
Personal Services	\$54.5	\$58.1	\$3.6	\$2.4	\$1.1
Allocated Expenses	10.0	10.0	0.0	0.0	0.0
Supplies and Services	33.7	37.1	3.4	3.4	0.0
Utilities	45.7	54.6	8.9	8.0	0.9
Interfund Charges	4.5	4.3	(0.2)	0.1	(0.2)
Debt Related	37.2	39.0	1.8	0.0	1.9
Capital Related	5.4	5.1	(0.3)	(0.2)	(0.1)
Transfers Out	0.0	0.0	0.0	0.0	0.0
TOTAL	\$191.0	\$208.2	\$17.2	\$13.6	\$3.6
FTE - Water Dept	494.00	494.00	0.00	0.00	0.00
FTE - City Attorney	3.00	3.00	0.00	0.00	0.00



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2023 to 2024 Operating Budget Comparison General Fund and Development Review Fund

DEPARTMENT 52 GENERAL FUND SUMMARY OF CHANGES IN 2024 PROPOSED OPERATING EXPENSES

	2023 Adopted Operating Budget	2024 Proposed Operating Budget	Increase / (Decrease)
Personal Services	586,190	581,309	(4,881)
Allocated Expenses	0	0	0
Supplies and Services	51,704	51,704	0
Utilities	0	0	0
Interfund Charges	0	0	0
Debt Related	0	0	0
Capital Related	0	0	0
Transfers Out	0	0	0
TOTAL	637,894	633,013	(4,881)
FTE - Access Aurora	7.0	7.0	0.0

DEPARTMENT 52 DEVELOPMENT REVIEW FUND SUMMARY OF CHANGES IN 2024 PROPOSED OPERATING EXPENSES

	2023 Adopted Operating Budget	2024 Proposed Operating Budget	Increase / (Decrease)
Personal Services	328,289	1,144,228	815,939
Allocated Expenses	0	0	0
Supplies and Services	6,000	0	(6,000)
Utilities	0	0	0
Interfund Charges	0	0	0
Debt Related	0	0	0
Capital Related	0	0	0
Transfers Out	0	0	0
TOTAL	334,289	1,144,228	809,939
FTE - Engineering Services-DRF Storm	3.0	8.0	5.0



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2024 Operating Budget

- **Personal Services** increased by \$3.6 million due to career progressions and salary related benefits with a 5.0% proposed salary increase.
- **Supplies and Services** increased by \$3.4 million.
 - Intergovernmental Agreement payments \$2.8 million
 - Treatment Chemicals \$0.4 million
- **Utilities** increased by \$8.9 million primarily due to Purchased Water Storage for Pueblo Water long-term and short-term leases.
- **Interfund Charges** decreased by \$0.2 million due to city-wide reduction for fleet.
- **Debt Related** increased by \$1.8 million for Wastewater Fund interest payments.
- **Capital Related** decreased by \$0.4 million primarily for the reduction of 2023 one-time costs.



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Capital Improvement Program 2024-2028 (\$ Millions)

	2024	2025	2026	2027	2028	TOTAL
TOTAL WATER FUND	\$247.9	\$225.6	\$301.4	\$243.1	\$206.2	\$1,224.2
Sanitary Sewer	\$54.1	\$21.3	\$18.9	\$16.7	\$24.6	\$135.6
Storm Drain	\$21.0	\$24.0	\$15.8	\$10.1	\$19.2	\$90.1
TOTAL WASTEWATER FUND	\$75.1	\$45.3	\$34.7	\$26.8	\$43.8	\$225.7
TOTAL CIP	\$323.0	\$270.9	\$336.1	\$269.9	\$250.0	\$1,449.9



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Capital Improvement Program Highlights 2024-2028 By Program

Water Fund

Operations & General Management (\$18.9 million)

- Automated Meter Reading System \$8.0 million

Pumping (\$53.2 million)

- Expanding capacity and maintenance at various pump stations \$33.2 million

Transmission & Distribution (\$164.1 million)

- Line Replacement, New Water Mains, and other maintenance \$147.0 million
- Lead Service Lines \$12.0 million

Treatment (\$187.6 million)

- Various improvements to three Water Treatment Facilities \$183.7 million
- Direct Potable Reuse (DPR) feasibility/permitting \$3.8 million

Source of Supply - Other (\$150.1 million)

- Rampart Water Delivery System \$98.5 million
- Prairie Water North Campus Expansion \$40.5 million

Source of Supply - Storage (\$477.4 million)

- Wild Horse Reservoir \$401.3 million

Source of Supply – Water (\$173.0 million)

- Water Rights Acquisitions \$130.0 million



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Capital Improvement Program Highlights 2024-2028 By Program

Wastewater Fund

Collection (\$126.0 million)

- Misc Sewer Replacement \$18.6 million
- New Sewer Line Construction \$26.0 million
- Senac Creek Interceptor \$45.7 million

Operations & General Management (\$10.6 million)

- Structures Demolition projects for Lift Station Abandonment \$5.9 million
 - The city has identified 10 facilities through out Aurora that are slated to be demolished. This program is to evaluate and prioritize the different sites. Aurora will use this prioritization to determine which structures get demolished each year.

Stormwater (\$89.1 million)

- Misc Stormwater Development Projects \$13.4 million
- Crossing Structure Projects (Bridge/Culverts) \$18.1 million
- Westerly Creek Future Phases \$26.3 million



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Looking Ahead 2024 and Beyond

- **Master Planning for future growth**
- **Continue to work on partnering opportunities for effective regional solutions to water and wastewater challenges (Metro, WISE, etc.) and ensure watershed/source water protection**
- **Continue to monitor long-term water supply availability and continue to look for creative ways to acquire water**
- **Integrated Water Master Plan 2 (IWMP2) update**
- **Direct Potable Reuse (DPR) feasibility/permitting activities**
- **Waters of the United States (WOTUS) decision**
- **Water Quality Municipal (MS4) permit changes**
- **Water Quality regulations (PFAS, Lead and Copper, nutrient's, selenium, etc.).**
- **Grant program and federal funding opportunities**



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2024 Proposed Budget

Questions?



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