

Citizens’ Water Advisory Committee (CWAC) Minutes
August 8, 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, Dennis Dechant

Absent:

Staff Present: Alex Gagliardi, Greg Baker, Rory Franklin (Teams), Melina Bourdeau (Teams), Marshall Brown, Cat Olukotun, Andrea Long, Natalie Brower-Kirton

Visitors Present: None

The meeting was called to order at 6:02 p.m.

1. Approval of July 11, 2023 Minutes

The July 11, 2023 minutes were approved.

2. Introductions/Public Invited to be Heard

None.

3. Communications Update

G. Baker informed committee that the ordinance to change the committee will take effect on September 2. Dennis, Daniel and Angie are up for reappointment next year. There will be an additional commercial representative and resident added next year.

T. Coker asked for an update on the drought rebate issue.

M. Brown explained that the council member pulled the resolution and did not move that forward.

4a. Quarterly Financial Report – Second Quarter 2023

C. Olukotun presented the quarterly financial report for the second quarter of 2023. Combined Operating revenues (Water, Sewer, and Stormwater) in the second quarter of 2023 were 6.0 percent lower than planned and 6.5 percent lower than the second quarter of 2022. In 2023, Aurora Water implemented rate increases of 4.0 percent, 5.0 percent, and 3.5 percent to the water, sewer, and stormwater service respectively.

Combined Development revenues (Water, Sewer, and Stormwater) in the second quarter of 2023 are 28.0 percent lower than planned and 32.7 percent lower than the second quarter of 2022. In 2023, Aurora Water implemented a 6.0 percent average increase in water connection fees and a 6.3 percent average increase in sewer connection fees. No increase was adopted for stormwater development fees. Development in the second quarter of 2023 is effectively lower than previous years. Aurora Water will continue to monitor growth and evaluate market conditions to adjust our

revenue and spending plans.

A. Binder asked if we knew why the number of connections are down from what we projected.

M. Brown answered that developers seemed to have slowed down because of the economic conditions.

T. Coker asked if we picked up any additional overhead costs with our move to SEAM and what moving expenses will be.

C. Olukotun explained that a majority of what we spend at the current location will move over to SEAM.

M. Brown stated that moving expenses are accounted for in that larger SEAM budget.

A. Binder asked if the downgrade in the US Bond Rate would have any effect on Aurora's potential to borrow?

C. Olukotun said that according to Treasury, no.

4b. Capital Improvement Project of the Quarter – Emergency Stormwater Repair at Airport Boulevard and 32nd Street

A. Long presented the project of the quarter. An Aurora Water locator notified Aurora Operations on May 5, 2023 that the bottom of a stormwater pipe (also know as the invert) appeared to be missing. The storm pipe was located near the intersection of E. 32nd Ave. and Airport Blvd., which has constant heavy duty truck traffic due to the proximity of I-70 and the fueling station. Operations went to investigate and found the pipe invert was corroded and had collapsed approximately 8-feet into the pipe. Water was seen openly flowing into the ground. Aurora's web maps indicated the pipe was a 36-inch reinforced concrete pipe (RCP); however, in the field it was confirmed to be a 36-inch corrugated metal pipe (CMP). Aurora Water Operations mobilized traffic control to close the lane while the Aurora Water Principal Engineer called a contractor to the site to help with the repair. The contractor was selected because of their qualifications and crew availability to handle this emergency repair. After completing a site observation, the contractor contacted suppliers and prepared for mobilization to the site on May 8, 2023.

Aurora Water requested an emergency purchase order for the repair of the failed 36-inch CMP storm line. The work included removing the existing CMP pipe, over excavating to remove saturated spoils, installing a new storm pipe, backfilling, and restoring the roadway surface and striping. In the two weeks it took to complete the repair, materials were ordered and crews had to work around constant spring rains.

5. Water & Sewer Connection Fees

C. Olukotun presented the proposed Water and Sewer Connection Fees for 2024.

Aurora Water's connection fees are a one-time payment to connect to Aurora's water system to compensate the city for the cost of acquiring, constructing, and extending infrastructure to support new development. The 2024 fiscal year budget includes an increase in connection fees based on an updated cost of service model and the most current financial plan. Aurora Water understands the significant impact fee increases have on the development community, and therefore, the policy of the utility is, whenever possible, to have phased incremental fee increases.

Aurora Water updated the water connection fees based on updated costs and projections, with a major increase for water rights purchase costs and the inclusion of other costs associated with water connection fees. Costs to purchase water went up from \$19,250/AF to \$26,500 and the water connection fee now includes allocations for land, engineering, and legal costs, including

water losses. This change resulted in a 27% overall increase from last year. Even with this impactful increase, the City of Aurora Water connection fees remain low when compared to peer cities.

Aurora Water updated the sanitary sewer connection fees and the sewer interceptor development fees based on the updated development related sewer collection projects and used the sanitary sewer fixed assets values as of December 31, 2022, and the updated sewer CIP projection for the period 2023-2041. The last time Aurora Water's Engineering and Planning Division updated the sewer master plan was in 2017. The update resulted in a 60% increase on current fees, which will be phased in over the next 3 years (20% annually) to allow the development community to adjust to the changes. The charges assessed under the previous schedule were not adequately covering the City's costs for sewer infrastructure and future growth.

A. Binder asked what size properties correspond with meter size.

G. Baker explained that 5/8" and 3/4" are typically single-family homes, 1" and above are usually commercial or multi-family properties.

D. Eason asked how long it has been since we last raised connection fees.

M. Brown answered that we did fee increases last year and do them most years. What hit us this year were the cost increases that Cat shared.

D. Eason asked if we have had any feedback from the development community.

M. Brown explained that the information has not been shared with them yet. Typically that information is shared around the time that this goes to Water Policy to avoid getting ahead of Council.

J. Marlow asked if we are considering people installing pet washes in their home and additional dwelling units (ADU).

M. Brown said there is a process for garages and detached dwellings but will have to check on basements. There are no plans for the pet washing stations at this point.

D. Eason asked how often Metro update their connection fees.

M. Brown answered annually.

A. Binder asked why Denver's fees are so much lower.

M. Brown explained that Denver isn't really acquiring or developing any new water rights currently. 65% of our connection fees for water goes towards acquisition and development of water supply.

6. Environmental Education and Outreach Team

N. Brower-Kirton presented highlights of the Education team's work during the 2022-2023 school year. EE & O programs include Youth Education, Professional Development Workshops for Teachers, Pipeline – Careers in Water and Community Education & Outreach. The Youth Education programs include classroom presentations, assembly presentations, field trips (Youth Water Festival), H2O Outdoors and Teacher Resources. Activity booklets, tools and prizes are provided to participating students. Forests to Faucets I & II and the APS 5th Grade Teacher Workshop make up the Professional Development Workshops for Teachers. The Pipeline – Careers in Water program includes educational career fairs and developing an apprenticeship program with APS-Pickens Tech. Various events, classes and the Water Course are offered as

part of the Community Education & Outreach Program. A brief description of the Trumbull Experimental Forest and Statewide Water Education Action Plan (SWEAP) were provided.

7. Water Tour Details/Itinerary

G. Baker provided the itinerary for the upcoming Water Tour.

8. Letter to Council for Special Study Session (Sept. 19)

A. Binder led a brief discussion and asked that committee members provide input via email to compose letter to Council.

9. Review Follow-Up Questions

None

7. Confirm Next Meeting –

No meeting in September, will do a Water Tour instead.
Next meeting will be October 10, 2023.

8. Adjourn

The meeting was adjourned at 8:20PM



Angie Binder, Chair
Citizens' Water Advisory Committee

Adopted: 10/10/2023