

Citizens' Water Advisory Commission (CWAC) Minutes
February 13, 2024, 6:00 p.m.
Spinney Mtn. Reservoir Room/Microsoft Teams

Members Present: Janet Marlow, Dick Eason, Daniel Widrich, Tom Coker, Dennis Dechant, Jay Campbell, Angie Binder (Teams)

Absent: None

Staff Present: Alex Gagliardi, Greg Baker, Marshall Brown, John Clark, Richard Vidmar, Kathleen Kitzman, Cat Olukotun, Shonnie Cline, Dean Bedford, Melina Bourdeau (Teams), Cheinette Van Wyk (Teams), Jessi Scott (Teams)

Visitors Present: John Dingess, Gregory Gibson

The meeting was called to order at 6:03PM.

1. Approval of January 9, 2024 Minutes

The January 9, 2024 minutes were approved.

2. Introductions/Public Invited to be Heard

John Dingess, appointed to Commission February 12, 2024 and his term begins March 2024. Gregory Gibson, guest of Jay Campbell.

3. Communications Update

G. Baker shared that media is a little slow. More activity during the summer months.

J. Bender asked how the snowpack is.

G. Baker and M. Brown answered that we are currently doing well at this time.

4a. Quarterly Financial Report – Fourth Quarter 2023

C. Olukotun presented report to Commission. Combined operating revenues (Water, Sewer, and Stormwater) were 6.9 percent lower than planned and 4.7 percent lower than the fourth 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 were 40.7 percent higher than planned and 25 percent higher than the fourth 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 fourth quarter of 2023 increased substantially compared to the first three quarters of the year. This was primarily due to developers paying the fees at the end of the year to avoid the 2024 rate increase.

Total operating expenses, excluding debt service, were \$16.7 million or 9.9 percent lower than planned.

Purchased Vehicle and Equipment Replacement was lower than planned by \$2.9 million.

Total cash in the Water Fund decreased by \$38.1 million compared to the fourth quarter of 2022.

In the Wastewater Fund, total cash increased by \$51.9 million compared to the fourth quarter of

2022. In the Water Fund, the decrease is due to capital spending. In the Wastewater Fund, the increase is due to debt issuance in early 2023.

The number of water connections through the fourth quarter of 2023 is 1,586, ending the year 2.2 percent higher compared to the same period in 2022. Total water connection fee revenues in the fourth quarter of 2023 are 19.5 percent higher than in the fourth quarter of 2022.

Total capital spending in the Water Fund through the fourth quarter was \$121.2 million, which was \$26.7 million less than planned.

Total capital spending in the Wastewater Fund through the fourth quarter was \$68.1 million, which is \$1.2 million less than the spending plan.

T. Coker asked if the drought surcharges last year worked as intended.

M. Brown explained that it generated additional income to help bridge the gap and helped lower usage, so they did work as intended.

T. Coker asked if the decision to shift away from using credit cards has helped revenue.

G. Baker and M. Brown answered that the data still needs to be analyzed and that we will see the benefit primarily in this first full year.

J. Campbell asked what is driving the increase in Tap fees.

M. Brown shared that it was an increase across the board and a lot of developers wanted to pay their fees before the fees increased.

4b. Capital Improvement Project of the Quarter – Eastern Aurora Utility Extension Pipeline

D. Bedford presented to the commission. The City of Aurora has been experiencing an increasing level of growth in the northeastern portion of Aurora which has created a need for utility services to expand and reach the area as well. Potable water service is required for the planned development in the region. This project is designed to deliver potable water to the northeast portion of Aurora. Additional upgrades to the existing distribution system in the future will eventually allow this pipeline to carry 20 million gallons a day.

The new pipeline consists of 8.5 miles of 30-inch diameter steel pipe. 17 butterfly valve vaults and isolation valves are included along the 8.5 miles of pipeline. Provisions for future connections and distribution pipes are also being included along the pipeline.

The new pipeline begins at approximately 1st Avenue and Powhatan Rd. The pipeline alignment takes it north and east where it crosses beneath both Interstate-70 and the Union Pacific Railroad tracks. Both of these crossings utilized boring methods to cross without disturbing the surface highway or tracks. From there the alignment turns east along E. 26th Avenue. At Watkins Rd. the pipeline turns north and east to cross Box Elder Drainageway and finally terminates at Imboden Rd. and 38th Avenue.

This effort also included an active corrosion protection installation in order to protect the steel pipeline from corroding in the future.

T. Coker asked what the source of this water is.

D. Bedford explained that this is Zone 4 and is primarily a blend coming from Binney, the AR train and the South Platte train.

D. Widrich asked if this will be the main pipeline for that area.

D. Bedford answered that it will be major, but not the only major pipeline in that area.

5. Legislative Update

K. Kitzmann provided an update on recent legislation to the commission. The Second Regular Session of the Seventy-fourth General Assembly convened on January 10th and is scheduled to

adjourn on May 8th. Aurora Water is tracking several bills this session, a few that are being followed closely were shared with the commission.

HB24-1062 - Warrants for Metro Sewage Disposal Districts, is flying through the legislature and Aurora does support. This streamlines much of what Metro Water Recovery does. This bill will provide the two metropolitan sewage disposal districts (special districts that provide regional wastewater services) in Colorado with independent administrative warrant authority, authorizing them to work quickly and directly with the court system, when necessary, to enter a business that may pose a danger to public health and/or the environment.

T. Coker asked what there is to prevent this group from going too far.

S. Cline answered that Metro is regulated by the Feds and constrained.

SB24-005 - Prohibit Landscaping Practices for Water Conservation. Aurora has an ordinance that goes a little bit further so we support this bill.

SB24-127 - Regulate Dredged & Fill Material State Waters, will be controversial. SB 127 restores protections to state waters that the Army Corps 404 Permit Program provided prior to the Sackett decision by the US Supreme Court – fills the gap. The Sackett decision declared “significant nexus” test unlawful; this bill proposes clear lines of jurisdiction to make it clear for the public and to be constitutional. There will be two versions of this bill competing in the legislature. Many details need to still be worked out, among them would this reside with Colorado Department of Public Health & Environment or Department of Natural Resources.

A. Binder asked if this could be funded through fees.

G. Baker responded that CDPHE is always looking at that and K. Kitzmann thinks it will be funded by fees.

Aurora is advocating for the extension of the Upper Colorado River Endangered Fish Program.

J. Dingess asked if the Colorado Water Congress is still a robust force.

K. Kitzmann answered that it is in state affairs but there have been a lot of changes in the last several years. Because they have grown so diverse it is harder to take a position, creating subcommittees has helped with that.

6. Wild Horse Reservoir Project

J. Clark and R. Vidmar provided a project update to the commission. In May 2011, Aurora Water began investigating the Wild Horse reservoir site near the Town of Hartsel. The site was predominantly owned by Hartsel Springs Ranch with some private inholdings and three parcels of federal land owned by the Bureau of Land Management (BLM). The original reservoir concept would have been approximately 32,000 acre-feet in volume and included a main dam in the canyon and a saddle dam on the western side. In 2016, Aurora Water purchased the Hartsel Springs Ranch land holdings in the area.

In 2018, Aurora Water determined that the dam heights could be raised and the topography could support a reservoir of up to 96,000 acre-feet. Aurora Water initiated additional geotechnical studies of the site. This study found that the southern end of the reservoir site was part of an inland seabed and foundation conditions may be less suitable for a dam. In 2020, Aurora Water initiated additional feasibility studies to develop a reservoir configuration that could be constructed given the geology on the site. It was determined that a layout that includes a dam that closes off the southern end of the site is feasible. Within this layout, the dam heights were raised to the maximum potential, and the resulting storage volume is estimated to be around 92,000 acre-feet.

To advance the project, Aurora Water has the 30% design phase underway. Aurora Water has conducted more detailed geotechnical investigations which will include about 22,000 linear feet of drilling site-wide. Trenching to visually inspect the soil and rock stratifications will be

performed this summer, along with advanced geophysical assessments including gravity and seismic surveys.

The permitting of the project has also advanced in the last year. Aurora Water has applied for a right-of-way on the federal lands needed to build the reservoir. In addition, the city has executed a collection agreement with the BLM which will allow the BLM to fund staff for the project review. Aurora Water has engaged with the BLM and their 3rd party contractor to issue a Notice of Intent and formally begin the Environmental Impact Statement (EIS) process.

Aurora Water recently selected a firm to provide design assistance to the engineering team (TetraTech) under a Construction Manager/General Contractor (CM/GC) model. Contract negotiations are underway with the final contract being taken to council for review and approval soon.

D. Dechant asked if there will be a hydroelectric facility there.

J. Clark answered that is yet to be determined. It is something that is being considered but would bring in an additional federal agency so it could be added supplementally.

J. Dingess asked how much more land needs to be acquired.

R. Vidmar answered we still need to acquire about 2200 more acres. Most of that are smaller, five acre parcels.

D. Widrich asked if there are plans to open this for recreational use.

R. Vidmar shared that there will be some sort of recreation but not exactly sure what yet.

7. Review Follow-Up Questions


None.

8. Confirm Next Meeting

The next meeting on March 12, 2024 was confirmed.

9. Adjourn

The meeting was adjourned at 8:04PM.


Janet Marlow (Mar 22, 2024 14:43 MDT)
Janet Marlow, Chair
Citizens' Water Advisory Committee

Adopted: March 12, 2024