

**Westminster City Council  
Water Rates Workshop  
January 28, 2021  
Meeting Summary – FINAL**

**ATTENDANCE**

*Council Members:* Herb Atchison (Mayor), Anita Seitz (Mayor Pro Tem), David DeMott, Rich Seymour, Kathryn Skulley, Lindsey Smith, Jon Voelz.

*Staff Presenters:* Christine Gray, Larry Dorr, Tammy Hitchens, Chris Lindsey, Max Kirschbaum.

Additional staff and members of the public observed the meeting.

- **Workshops Leading to Tonight’s Discussion:** City Manager Don Tripp provided introductory comments, thanked City Council for their attentiveness and engagement in the topic, and thanked both City Council and the community for their good questions. Mr. Tripp reminded City Council, the public and Staff that it is Staff’s job to both ensure that our entire community has access to safe and reliable water and sewer services (and Staff takes that job very seriously), while being responsive to City Council and the community. Tonight’s workshop is a presentation of policy recommendations (not specific rates) for the 2022 water/sewer rates, as a result of listening to City Council and the community. These policy recommendations incorporate City Council and community questions and concerns, and will ultimately provide the lowest sustainable rates to support a safe and reliable Utility for our community. Tonight’s meeting is an opportunity for City Council to provide feedback about the recommendations, which Staff will use to present specific 2022 rate recommendations to City Council in March or April. Mr. Tripp thanked City Council for their care and concern about this important topic.
- **Agenda for Tonight:** Christine Gray provided a reminder of the workshops held in the Fall of 2020. This meeting on January 28<sup>th</sup> was the final workshop. Staff has considered all of the stars and levers over which the City has control, has separated them into those Staff believes are prudent or imprudent to implement, and will discuss each of them. Staff will receive direction from City Council about how to move forward with 2022 rate recommendations.
- **Community Questions/Comments Since Last Meeting:** Community members have submitted questions and comments about this topic. Christine Gray provided the questions and Staff responses. The questions/comments and responses are listed below:
  - **I think providing homeowner and water users with improved water consumption data would be extremely useful and provide users the opportunity to reduce their water use/identify leaks.** Staff is working right now on a customer portal project. Coming summer 2021.
  - **Is the City trying to stretch its existing water supplies over an expanding population driven by the increase in multi-family apartments? If so, shouldn't those projects bear a heavier development cost vs. the existing population? If the addition of SF and MF dwellings in the city is stretching the capacity of water infrastructure, shouldn't those projects bear a heavier cost of infrastructure replacement through water tap fees or monthly sewer rate fees?** Staff discussed tap fees at length with City Council in November and December 2020 as a part of a request for direction for 2021 tap fee increases. The City charges tap fees for each new connection to its water/sewer system to help ensure that current customers don’t pay for system changes or additional water supply necessary for the new connection. If a project requires system changes above

and beyond what is currently planned by the city, the developer will need to pay for those changes in addition to their tap fee.

- **Shouldn't ALL water users be put on the same cost per 1,000 gallon or cost per gallon basis? Why should a residential homeowners water rates be different from commercial, multi-family, irrigated or HOA properties?** Customer rates are based on the impact they have on the utility system. This differs by each type of customer.
- **What portion and dollar amount of the Water Dept. budget or fund is being used to fully fund contributions to PERA?** The City of Westminster does not participate in Colorado Public Employees' Retirement Association (PERA). The City provides retirement benefits through a defined contribution 401(a) plan for all of its general fulltime benefitted employees & part-time benefitted employees who work at least 20 hours per week and are over age 18. In 2019, the City contributed \$858,896.08 from the Water Fund to employee retirement or 1.5% of the Water Fund expenses in 2019.
- **Stormwater funds are being collected from all water users, yet HOAs are left to fend for themselves in funding for stormwater improvements within their communities, even though the City Planning Dept. may have provided the original guidelines for stormwater management. Why can't the City assist HOA's with stormwater management funding?** The Stormwater Fund has limited resources. Typically, HOAs are responsible for ongoing maintenance of stormwater infrastructure. Staff is currently completing an asset inventory and condition assessment of the stormwater system to better allocate resources within the Stormwater Fund in the future.
- **If the cost of acquiring new water sources is an unusually high cost, why isn't the City exploring more options to provide Recycled Water use to larger water users in the City such as schools, HOA's, commercial irrigated properties, thereby increase its potable water supply.** The City has focused a great deal of effort in connecting larger reclaimed users. There has been great success over the years in making these connections since the construction of the reclaimed facility. At this time, the City is currently utilizing most of its wastewater effluent, the source of water for the reclaimed system, through the summertime.
- **Bill based on actual gallons of water used, not to the lowest 1,000 gallons. This needs to be a high priority and tiered pricing should be suspended until this change is made.** Staff will review this item with City Council tonight.
- **I represent the Silo Townhomes HOA. We have 203 units on 3 meters. Since we are on a shared meter system, our homeowners and residents do not qualify for the low-income or other assistance programs offered by the city. Are there plans to expand that offering out to residents of an HOA?** All of our customers are eligible for the COVID Grant Program. Our income-qualifying programs are currently set up for customers who pay their water bill directly. Multi-family/multi-unit customers are typically on a few very large meters, and don't pay their own bills. We're looking for ways to expand assistance to these customers. Staff has already let this customer know about the Neighborhood Landscape Enhancement Grant program which was shown in the Weekly publication this week, and also about this year's new irrigation audit program for HOAs, as called for in the recently adopted Water Conservation & Efficiency Plan, to help HOAs get their arms around next steps to manage some irrigation challenges.
- **Star/Lever List - Which of all the things we've talked about can the City control or influence?** This slide is quite similar to slides that have been presented to City Council in previous workshops. It has been slightly edited to reflect the stars/levers for discussion.

### **Staff Recommendations for 2022 Rate Setting Process**

- **30-Day Billing Cycle.** An item that City Council requested, and Staff can implement this. Staff will need some flexibility to ensure appropriate staffing resources are available. Because we still have about 10% of our customers on the existing meters, we still have a drive schedule for reading those meters. We also want to have some flexibility for the possibility of technology challenges. Staff will return to City Council in coming months with an update about this.
- **Gallon-Based Billing.** Another item that City Council requested, and Staff can do this as well. Instead of truncating use at the thousand-gallon level and moving any additional gallons ahead to the next month, we will bill on actual gallons used. An example was provided to demonstrate how the rate for 1 gallon would look. Instead of \$3.96/1,000 gallons at current Tier 1 rates, the Tier 1 rate will show as \$0.00396/1 gallon.
- **Maintain or Expand Existing Affordability Programs.** We currently offer four income-qualifying programs, and Staff provided a 2020 summary of program use on 2/8/21. There is a dedicated staff person to administer these programs. City Council approved the Mile High Youth Corp contract on 1/25/21 which supports these programs directly. The City is continuing the COVID Grant Program into 2021. Conservation programs are available for all customers interested in managing their outdoor water use. Reminder of the Neighborhood Landscape Grant Program that the Department of Parks, Recreation and Libraries is offering.
- **Financing Policy Tools.** Chief Financial Officer Larry Dorr recapped that Staff's goal is to recommend the lowest sustainable rates that support a safe and reliable Utility for our community. The Utility Fund budget is different from other City budgets, and includes both capital and operating expenditures. We put these expenditures under a microscope to ensure that we are recommending the lowest sustainable rates. Staff works to find a balance between using cash and debt to fund expenditures. Using all of one or the other sources would either take a very long time, result in higher rates, and would also result in higher borrowing costs to the Utility. Therefore, Staff works to balance these funding sources, and works with third party financial advisors to ensure the appropriate use of each source. Staff also looks for the debt products that both provide customer benefits and meet the City's needs. We include moderate financial assumptions in our rate modeling work. Staff works to refinance existing debt when possible, recently refinanced debt in 2020, and City Council has been quick to approve this. Staff also looks at short and long term expenditures so that we can recommend smoothed rate increases.
- **Utility Reserve Policy Review/Update.** Mr. Dorr provided a recap of the history of the policies, the reserves and how they are used. Staff stated during the fall workshops that we believe that a review and update of the Utility Reserves is due. Staff also believes that a drawdown of the reserves could be used for additional projects and/or to be used to manage the rates. Staff will continue to review and assess the reserve balances to ensure both the lowest sustainable rates and a safe/reliable Utility. Staff will be flexible and nimble with Utility Fund financial policies.
- **Avoid significant spikes in rates.** Staff works to avoid 'rollercoaster' rates. Staff also works to ensure that the Capital Improvement Plan (CIP) is what is needed for the lowest sustainable rates for the Utility. 2019/2020 rates were necessary to maintain a safe and reliable Utility. Staff made a point that any artificially low 2022 rate (e.g., 0%) that doesn't support a safe and reliable Utility will result in a much larger rate increase need in 2023/outyears. In addition, the WATER2025 Program timeline might need to be deferred, which would require additional R&R funding for the Semper Water Treatment Facility, and higher WATER2025 construction costs due to deferral. The City has been working towards the replacement of the Semper Plant for several years, and this program is our highest priority.

- **Continuation of the adopted six integrated policies.** A familiar slide from previous presentations. Staff is recommending to continue these policies, which resulted from our 2018 Cost of Service (COS) Study. While our Staff is a set of subject matter experts about rate setting and rate calculations, we hired a financial firm in 2017 for their specialized assistance with a rate study for our utility. One of the significant results of the COS Study was that our residential customers were not paying what they should be with respect to their use of the utility system, and our businesses were paying too much with respect to their use of the same system.  
Staff walked through each of the policies, which are intended to provide fair and equitable rates. A short recap of the policies here:
  - **Align residential/business rates to cost of service.** Intended to be gradual over several years. 2019/2020 rate recommendations were intended to start that process.
  - **Broaden Tier 1 by 50%.** Tiered rate increases were varied based on customer impacts to the system.
  - **Simplify business tiers, implement surcharge for overuse.**
  - **Enhance fixed water revenues** from approximately 13% in 2018 to approximately 20% in 2026. 2019/2020 rate recommendations included a gradual move to this enhancement. Stabilizes revenues in a variable revenue source, which is looked upon favorably by rating agencies and other financial organizations.
  - **Maintain a single sewer rate** for consistency across the City, regardless of where wastewater originates.
  - **Implement a 2,000 gallon ‘readiness to serve’ wastewater charge.** This acts in a similar fashion to the fixed monthly water fee.
- **Review the CIP and Operating Budgets.** Assistant City Manager/Policy and Budget Director Chris Lindsey spoke to the relationship between the Utility’s capital/operating expenditures and the maintenance of:
  - Public health and safety
  - Levels of customer service that our community has historically said is important and has a high level of quality
  - Reliability of the utility system

Our customers own the Utility, and we as the City/Staff are stewards of this Utility. The City has the fiduciary responsibility to ensure the reliability and sustainability of the system. Mr. Lindsey spoke to the graphic from the 2020 Community Survey Results that highlighted the importance and quality of the City’s drinking water and sewer services.

### **Not Recommended or Imprudent Levers to Pursue for 2022 Rate Setting Process**

- **Debt Service Coverage Policy Changes.** This policy was last amended and adopted by City Council in 2011 with assistance from our financial advisors. Hilltop Securities. The debt coverage ratio is 1.5x, and represents the City’s ability to make debt obligations payments. Finance Director Tammy Hitchens used the analogy of a person with a \$100 paycheck, \$60 of expenses, and a \$20 mortgage payment. In this scenario, the person has \$40 dollars remaining after paying expenses, which is 2 times coverage ( $\$20 \text{ mortgage payment} \times 2 = \$40$ ). If this person’s expenses were \$70, they would have \$30 remaining in their paycheck, which represents 1.5x coverage ( $\$20 \times 1.5 = \$30$ ). In 2019, the City had approx. 5 times coverage. This is calculated by taking the total revenues including tap fees, and subtracting out operations and maintenance expenses.
  - **Educational Slide about Ratings and Financial Fundamentals.** Ms. Hitchens walked through this slide to demonstrate three topics:
    - the Utility’s coverage ratio. At the end of 2019, this amount was 5.13.
    - the Utility’s liquidity, or how many liquid assets do we have available to pay bills. At the end of 2019, this amount was \$110 million.

- the Utility's debt to capitalization ratio, or how much debt do we have in relationship to our capital assets. At the end of 2019, this amount was 19%. Using the assumption that we'll need to issue approximately \$125 million of debt in 2022 to fund the CIP, these three numbers can change. The coverage ratio would decrease to 2.94 times coverage, and the debt to capitalization would go to 42%. Ms. Hitchens showed the range of coverage ratio, liquidity and debt to capitalization that rating agencies use to establish a AAA, AA and A debt rating. These items are important with respect to issuing debt and the Utility's debt rating.

- **Interest Rate Costs - AAA to A Ratings.** Ms. Hitchens demonstrated that the total interest cost changes, depending on the City's rating. Higher ratings lead to lower interest rates. Hilltop Securities, our financial advisors, provided some estimates based on the issue of \$125 million of debt at December market rates. The A rating interest costs are approx. \$3.6 million more than the AA rating, and the AA rating interest costs are approx. \$2.8 million higher than the AAA rating. We know that if we issue a significant amount of debt, our rating may change, so Staff is very interested in maintaining the highest rating possible while ensuring that needed infrastructure is being constructed.
- **Use of General Fund for Utility Fund Expenses.** Mr. Lindsey spoke to the reasons that Staff does not recommend using General Fund monies towards the Utility Fund, either through a subsidy or a tax. Industry best practice and financial best practice both support the concept that users pay the fees to fund the services they receive. The City's Charter document also states that rates and charges are fixed to at least meet all of the Utility's operating costs. Staff believes that a General Fund subsidy of the Utility Fund, even within TABOR limits, is not in the City's best interests:
  - The General Fund has a sizable infrastructure funding gap (e.g., Municipal Court replacement, street repairs, etc.)
  - Using the General fund means that some General Fund services would need to be reduced and/or the General Fund revenues would need to be increased.
- **Water Rate Structure Changes.** This recommendation to not change the rate structure is in line with the implementation of the six integrated policies adopted for 2019 and 2020. The City recently implemented a rate structure change in 2019 with the expansion of Tier 1, and the move away from across the board rate increases with respect to the residential tiered rates. Regardless of the type of rate structure in place, there is a certain amount of revenue required to provide a safe and reliable Utility for our customers. Staff pointed out that the banner at the bottom of the slides shows a Utility mission statement of "Delivering safe, high quality, compliant and reliable drinking water and wastewater services". Rate structure changes mean changes for our customers.
  - For example, eliminating Tier 3 would mean that the Tier 3 revenues would need to be gained from either Tier 1 or Tier 2, and/or Staff would need to reduce or cut some CIP project(s).
  - Another example of a rate change would be changing the rate structure to a flat rate. This would result in no water conservation signals being sent for water use, and water conservation is a key component of the City's water supply planning efforts. In addition, those customers who use a lower amount or average amount of water would be paying for the water used by high water users.

Staff recommends that rate structure changes should be made over longer time periods to avoid confusion for our customers.

- **Re-Negotiate the Wholesale Water Contract with the City of Federal Heights.** Westminster provides treated water to our neighbor, the City of Federal Heights. Staff believes that the rate we charge them is fair and accurate, based on a recent third-party evaluation. Our contract requires that when the City of Westminster raises rates, the

Federal Heights' rate is increased by the same rate. And, Federal Heights charges its residential customers in a tiered rate structure, similar to many of the Front Range utilities. The 2021 budgeted revenue from this contract is approx. \$2.3 million. Any increase to the contract, if approved by both parties, would not result in a substantial increase to the overall water fund revenues.

- **Next Steps in the 2022 Rate Setting Process/2022 Rate Adoption Timeline.** Public Works and Utilities Director Max Kirschbaum presented next steps in the overall process. Staff completed the series of rates workshops with City Council this evening, and would like to return to City Council in late May/early June for adoption of the 2022 water/sewer rates. Between now and that time, Staff will begin an information outreach campaign with all of our customers that is based on the direction provided, all within the philosophy of 'taking care of what we own'. We would return to City Council in mid-March to discuss the expenses associated with rate recommendations, then spend more time gathering feedback about the recommendations from the community, with a return to City Council in late May for 1<sup>st</sup> reading of the 2022 rate adoption, early June for 2<sup>nd</sup> reading.

**Questions/Comments from City Council, Staff Responses:**

- **Does expanding the affordability plans include a LEAP-like program where low-income customers can apply for assistance?** The City currently offers four income-qualifying assistance program, and we currently auto-enroll LEAP customers in the bill credit program. Our assistance programs are for income-qualifying customers, while our COVID-19 Grant Program is a separate program for any customer who has been financially impacted by COVID.
- **Does the City have a program where a customer's bill can be averaged over the year to prevent summer bills from being higher than those during the rest of the year?** This can be a tricky scenario for customers, especially if their bill is set artificially low due to the averaging calculation. When customers need to 'true up' and pay the final amount, it's usually at the end of the year and can be potentially challenging for customers who may owe the City more funds for services than they anticipated. Providing customers with the same bill amount every month also doesn't send a water conservation message, as customers only see the averaged amount, not the true amount for water used. Staff can evaluate this 'budget billing' concept once the billing system upgrade is completed.
- **Can we consider reducing the reserve we keep to supplement the CIP program? We could provide a longer -term rate projection to give our community more transparency and planning ability with respect to rates. How will use of the reserve balances impact our debt rating?** Staff has been discussing the need to review the Utility Fund's reserve policies and can't comment yet on a dollar amount that could be used. Based on direction from this meeting, Staff will research the most appropriate amount that can be used while maintaining financial sustainability, and will return to City Council. Yes, Staff anticipates issuing debt in the near future to fund upcoming projects. the ratings will be impacted by total debt to total capital ratio.
- **Do we have details on the impacts of deferring the Water2025 Program? Can we see the difference of what would be deferred based on specific percentage increments?** Staff has a cost/benefit analysis from a 2015 Master Plan that took into consideration all options with respect to replacing the existing Semper Water Treatment Plant with the WATER2025 Program. Staff is working towards recommending the lowest sustainable 2022 water/sewer rates that will support a safe and reliable Utility, which includes moving ahead with the planned replacement of the Semper plant. Current timing of the WATER2025 projects is geared towards achieving that goal. Staff will present City Council with a specific list of CIP projects that are associated with the 2022 rate recommendations, and the WATER2025 Program is a significant part of the CIP work that Staff is planning for the next

five years. Staff believes that it is critical to maintain the WATER2025 timeline, for reasons of the impacts of cost escalation (4% escalation each year deferred), as well as the fact that the existing Semper Water Treatment Plant cannot adequately treat the impacts of a watershed wildfire in Standley Lake.

- **Does anyone in the city use less than 2,000 gallons of water per month?** Yes, approximately 2,500-3,000 customers fall into that category. The minimum monthly 'readiness to serve' sewer charge is intended to provide a more stable funding source for the Sewer Fund, similar to the Water Fund monthly meter service fee. The 2kgal minimum charge was identified as the appropriate amount to somewhat match what we're charging our customers on the Water Fund side.
- **We have a number of out of City districts that receive water service from Westminster. They each have different 'adders' (to the rates charged) based on previously negotiated contracts, should we reevaluate those?** Yes, we have different rates for Shaw Heights and out of City (unincorporated county) residents. These rates are based on contracts with each respective entity. The 'adders', or additional increases, are based on the fact that the customers who live in each of these areas did not originally pay tap fees to the City when we began providing water/sewer services. Because these customers did not pay a tap fee, we charge them a higher rate. Shaw Heights' customers pay a 10% 'adder', and Out of City customers pay us a 25% 'adder'. Staff believes that these amounts and contracts are appropriately set at this time.
- **Do we have adders (to the rates charged) for Hylands Hills?** We charge Hyland Hills an irrigation rate.
- **Does that include WaterWorld?** A non-issue for the City, as we sell water to Federal Heights per a wholesale contract. The City has no role in how Federal Heights uses the water we provide to them. Some of the contract water goes to Water World.
- **What about Brighton? That's strictly a pass-through contract?** Yes, that is a pass-through contract. Westminster facilitates the delivery of water from the City of Thornton to the City of Brighton. The revenues that the City of Brighton pays to Westminster for water are then paid to the City of Thornton for the delivery of that water.
- **Please repeat/expand upon the response to the deferment of the WATER2025 project.** WATER2025 projects are some, but not all, of the CIP projects for the Utility. WATER2025 is the planned replacement of the aging Semper Water Treatment Facility. The analogy of an aging car was used to explain that an aging piece of equipment requires more maintenance and replacement costs, along with increase of labor costs. Staff is managing the intersection of the cost-benefit of replacing the Semper plant with the new plant. Staff will provide more information about the impacts of deferment of WATER2025 projects at a future meeting.
- **Please provide updates, timeline, summary about the WATER2025 program as City Council begins discussing upcoming 2022 rates.** Staff can provide an update and summary of WATER2025 projects in the near term.
- **If the 2019 coverage ratio is +5 times, can that be rolled over to future years?** The coverage will decrease as borrowing and associated payments increase. Staff believes that the current policy is moderate and appropriate, and is therefore not recommending any change in policy related to debt service coverage policy.
- **A concern about the impact of issuing debt and a changing coverage ratio on the City's ratings.** The coverage ratio relates to a borrower's ability to repay the loan. Income divided by payment amount=coverage ratio. The City's ratio is high at the moment, we are preparing to undertake the WATER2025 project, which will require significant funds (debt and cash) to complete. As borrowing increases, payments will increase, which will impact the coverage ratio. Staff is not recommending a change in ratio coverage policies. Staff believes that maintaining the existing policy will provide a moderate financial position for

the City moving forward. The ratio will change in the near future based on the WATER2025 project. If the revenues, expenses or debt obligations change, then there will be an impact on the coverage ratio.

- **How do the maintenance costs at Semper Water Treatment Plant relate to the costs of the WATER2025 Program?** The purpose of the 2015 Water Treatment Plant Master Plan was to research the most cost-effective and sustainable way for continuing to provide safe, reliable, compliant and high-quality drinking water. The most cost-effective decision was to build a new water treatment facility. Since moving ahead with planning a new plant, the City has authorized eight or nine contracts towards that effort. Staff will provide City Council with a summary of the work to date, and the 2022 rate recommendation will show the associated construction components by line item, timing and amount.
- **If one of the financial metrics could push us to a lower rating, will the City's other financial positions be taken into consideration?** The ratings are provided by each of the rating agencies that works with the City. These are S&O (Standard & Poor's) and Fitch. The ratings are proprietary to each agency. There are many variables that go into the rating that each agency provides, and the ratings range based on how each agency values the totality of the variables.
- **What is the impact to the City's rating with the anticipation of a larger debt issue anticipated for 2022?** Staff will weigh all of the variables and the potential impacts to our credit rating as we move forward with the WATER2025 Program. The City balances when it issues debt to fund projects, based on existing and anticipated debt issues. The coverage ratio can't be held constant as it is based on unknown revenues and expenses. The City's coverage ratio has dipped in the past (for example, when there was little to no tap fee revenue due to decreased development) with little impact to the City's rating. Again, the rating agencies look at a number of variables, and they look at trends to provide a rating based on their assessment of the City's financial position. Staff will provide a copy of a recent rating agency document to demonstrate the many variables that go into a rating calculation.
- **Please provide an update about how new development is impacting the City's water supply?** This information was provided to City Council on 11/16/20. Staff also talked about this topic with City Council at the 12/7/20 Study Session during a conversation about 2021 tap fees. Please see the 36:00 minute mark.
- **Please clarify - are we at capacity for what irrigation water we can provide with the Reclaimed System?** At this time, we are at the maximum number of customers we can handle. Two issues that limit the amount of reclaimed water we can provide:
  - Storage limitation: we don't have a reclaimed water storage tank, and deliver water "by the order".
  - By law and regulation, we are required to return a certain amount of water to the river, in this case, wastewater effluent into the Big Dry Creek to go downstream.
- **How much more reclaimed capacity could we get with storage?** Staff will research and provide to City Council at a future date.
- **Before 2014, how did the Utility plan for fires in watershed with respect to water treatment?** Wildfires cause operational issues for conventional water treatment facilities, such as Semper, and others in the Front Range. One reason the City built the Northwest Water Treatment Facility was to meet the City's indoor water demand if there were an extreme water quality event. Due to Semper's age, the WATER2025 plant will be able to handle extreme water quality events, such as a watershed fire. Staff will provide additional information at a future date.

**City Council direction to Staff:**

1. Continue with the per-gallon billing recommendation
2. Continue towards a 30/31-day billing cycle recommendation. Requires some flex to address tech challenges and staff resources (still reading some meters not yet replaced). Staff will return to City Council in the next few months to provide an update.
3. Keep affordability programs
4. Keep finding/using the best financial tools for the Utility and our customers
5. Review the potential to reduce Utility Reserves to use towards infrastructure and to manage rates
6. Provide predictable/level rates
7. Continue the six integrated policies

City Manager Don Tripp reiterated that Staff will use this direction to provide the lowest possible rates, which will fund a number of significant capital projects, to sustain the Utility.

The Mayor stated that we all want the lowest possible rates to pay for our system, and that the public has told us that they want what is on the slide banner: “Delivering safe, high quality, compliant and reliable drinking water and wastewater services”. We are all striving to make sure we can deliver this to our customers.