

City of Westminster- Water Q & A

February 24, 2022
Version 1

This is a living document created to address questions raised by City Council on November 29, 2021 related to water in Westminster. Additional information will continue to be added as members of the City's staff develop answers to questions raised about water treatment, infrastructure, and funding needed to ensure Westminster has clean and safe drinking water for our residents.

Current Topics Include:

- Budget for Water-Related Needs
- Development Funding For Utility Needs
- Resident Notifications and Engagement
- Utility Billing
- Water Conservation
- Water Consumption
- Water Infrastructure
- Water Rates

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Budget for Water-Related Needs:

Question: Please share the utility's Operating and Capital Improvement Plan budget?

Response: Please find links to the City's adopted 2021 and 2022 budgets below.

- [2021 City Budget](#)
 - The utility's operating budget can be found on pages 75-77 and pages 203-218.
 - The utility's Capital Improvement Plan (CIP) can be found on pages 221-259. Utility-specific list on page 233.
- [2022 City Budget](#)
 - The utility's operating budget can be found on pages 45-48 and 173-189.
 - The utility's Capital Improvement Plan (CIP) budget can be found on page 202.

Question: Can you tell me how PWU and PRL will work together to spend American Rescue Plan Act (ARPA) and Parks, Open Space, and Trails (POST) funds?

Response: The City was allocated \$14.5 million dollars from the American Rescue Plan Act (ARPA). In the [10/25/21 agenda memo](#) to City Council, Staff outlined how these federal funds would be used to make long-term investments to benefit the entire community. A summary of the planned spending is included below:

Human Services Board (HSB) (\$450K): The Human Services Board will make recommendations to City Council on how to best invest an additional \$150K for 2022, 2023 and 2024 in our community.

Fleet Electrification (\$744K): This new investment will accelerate the conversion of the City's municipal fleet to electric vehicles by purchasing approximately 20 electric vehicles. It also includes new electric service and charging stations at three locations.

Public Safety Facilities and Vehicle Improvements (\$600K): This investment in the Fire Department storage facility will protect critical fire-fighting equipment and support additional fleet investments.

Utility Water Conservation Program (\$2.5M): This investment would fund a new program focused on replacing large water intensive landscapes through HOAs and other private groups, and expand the existing water conservation programs for residents.

Parks Irrigation & Water Conservation (\$3.5M): The first phase of this investment will replace the irrigation systems and plant water-saving plants and natural grasses at 63 parks over the next 5-7 years. Some of these federal funds will also

be used to acquire small, targeted open space land to “dewater” parcels. These projects would lower the City’s water consumption and reduce the City’s peak water need.

Digital Communications Technology and Audio/Visual (\$1M): Staff proposes investment in livestreaming technology in Council Chambers to provide high-quality audio and video during City Council meetings. This investment in technology will improve accessibility and engagement through higher quality video production and off-site recording and livestreaming.

Street and Roadway Improvement (\$4.0M): Staff proposes to increase street maintenance to help cover the gap in needed investment.

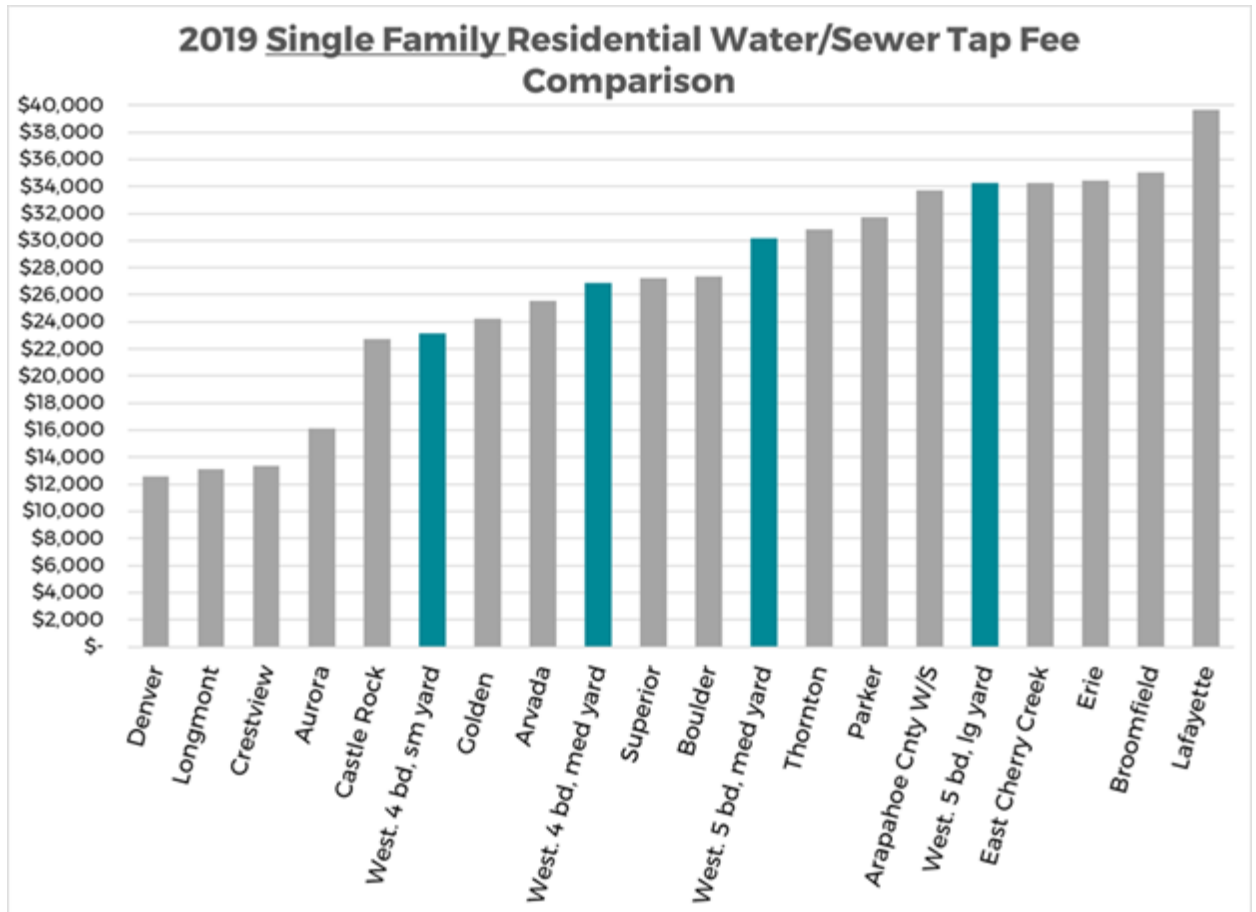
City Hall Xeriscaping (\$1.75M): *While the internal project is called City Hall Xeriscaping, it goes well beyond xeriscaping, and the cost of xeriscaping City Hall is a smaller piece of the project.*

The City is going to use a one-time \$1.75 million stimulus payment from the federal government to create a space for the community to gather for Westminster residents for years to come. Later this year, the City will partner with Western Resources Advocates and engage contractors for project proposals which will include community engagement and educational components including walking trails, a community space, and xeriscape demonstration gardens. We will engage the community early next year to gather feedback.

Development Funding for Utility Needs

Question: Can you provide details about Tap fees for Development?

Response: The City’s tap fee schedule is described in a handout available on the website. Tap feeds for single-family homes are charged based upon the bathroom count and landscaped area of the lot. For example, large homes on large lots pay more than small homes on small lots. The combined water/sewer 2021 tap fee for an average new-single family home in Westminster is approximately \$26,500.



Multifamily buildings are charged based upon the bedroom count, and pay a separate irrigation tap fee. Examples of recent indoor water use multi-family tap fees include:

- Property Example 1:** 48 bedrooms, \$318,208.43
- Property Example 2:** 63 bedrooms, \$441,320.25
- Property Example 3:** 72 bedrooms, \$505,274.17
- Property Example 4:** 158 bedrooms, \$1,075,465.46
- Property Example 5:** 375 bedrooms, \$2,550,527.39
- Property Example 6:** 426 bedrooms, \$2,697,265.00

Commercial property tap fees are based upon the size and type of the business. Similar to residential, businesses that use more water or have greater peak demands e.g., restaurants are charged higher fees than lower water-using businesses e.g., office.

Resident Notifications and Engagement:

Question: Is there a way to increase how we communicate such as door knocks?

Response: The City currently knocks on doors and places door hangers for construction projects that may impact a neighborhood such as the Big Dry Creek Sewer Interceptor project this past summer. In the coming year, the City is exploring additional digital notification tools such as opt-ins for text messaging, robocalls, and emails.

Utility Billing

Question: Is there a water bill waiver program? Is there a low-income assistance program?

Response: The City is required by Charter Article 14.4 to charge for water consumption. However, the City does offer a variety of financial assistance programs for residents with limited incomes.

Please see more information on the City's [water bill assistance website](#).

- **COVID-19 Program:** This program provides a one-time \$100 grant to residents financially impacted by the COVID-19 crisis. There are no income requirements. Applicants must submit documentation showing negative financial impact due to COVID-19 such as job loss or reduced hours, vendor events canceled, COVID-19 illness expenses/income loss, etc.
- **Bill Credit Program:** This program provides a \$180 credit applied over a 12-month period in \$15/month increments for residents who meet the income guidelines. If residents already qualify for the Low Income Energy Assistance Program (LEAP), they will also automatically qualify for this program.
- **Hardship Program:** This program offers a one-time credit (up to \$750) to residents who may have been experiencing short-term difficulties paying their water bill due to a temporary interruption of income, such as an injury or medical emergency.
- **Conservation Program:** This program provides up to two free high-efficiency toilets and free indoor water-use inspections to income-qualified homeowners.
- **Emergency and Essential Repair Program:** This program is available to income-qualified homeowners who may need emergency or essential home repairs up to \$5,000. Eligible repairs include addressing leaking indoor plumbing.
- **Low Income Energy Assistance Program (LEAP):** Financial assistance for income-qualified residents is also available from the state's LEAP program. Information was included in the December water bill insert, and residents can find more information here:



FINANCIAL ASSISTANCE FOR WATER BILLS ARE AVAILABLE FOR LIMITED-INCOME FAMILIES

The Low-Income Energy Assistance Program (LEAP) program now offers support for your water bill! If your income is 60% of the state median income or less, you may qualify for both water and winter heating bill assistance. Please apply as soon as possible, funding is limited:

☎ 866-432-8435

✉ cdhs_lihwap_program@state.co.us

🌐 <https://cdhs.colorado.gov/leap>

Water Conservation

Question: Does the word ‘conservation’ imply waste?

Response: The term “conservation” is used interchangeably with “efficiency” in today’s water management vocabulary, both of which are different than “waste”. The majority of water professionals do not differentiate between conservation/efficiency because the end result is less water use.

Question: Is it true that an HOA can ban turf replacement?

Response: Colorado State law is very clear that HOAs cannot require residents to have bluegrass lawn, nor limit low-water use landscaping. SB13-183 has been a law for almost a decade and states that “restrictive covenants or declarations, bylaws, and rules and regulations of common interest communities that prohibit or limit xeriscape or drought-tolerant vegetation or require ground covering vegetation to consist of any amount of turf grass are contrary to public policy and unenforceable.”

This information is on the City’s website under the “Outdoor Irrigation Resources” accordion on the conservation page and has been communicated to residents on bill inserts in the past.

The HOA’s Official Development Plan (ODP) identifies the acceptable landscaping materials. While SB13-183 has been law for nearly a decade, HOA covenants may not have caught up with the law. A similar issue occurs with solar panels which HOAs cannot ban either.

The majority of HOAs in Westminster do not prescribe landscaping on individual lots in the ODP, so changes to landscaping are generally a matter to be dealt with between the resident and their HOA.

Water Consumption

Question: Is there a new proactive process to investigate unusually high or unexpected water use?

Response: Yes, we have one current process and another one on the way in 2022.

Our current process is to send postcards to residents to tell them they might have a leak and to investigate in and around their homes. Postcards are sent to all customers that have a new, digital meter that registers continuous water use of 15 gallons per hour for 24 hours in a row. There are approximately 31,000 digital meters in the City out of a total of 33,000. Single family customers are directed to the City’s website for self-serve leak resolution tips that include videos, checklists, and a link to apply for a bill credit once the leak has been repaired. Single family customers can also call our

partner organization Resource Central for personalized leak resolution troubleshooting at no cost. Non single family customers are also directed to the City's website for tips, but are encouraged to call their own plumber or landscaper to investigate leaks because water use at large properties and commercial buildings is so much more variable than in a normal residential home.

Beginning in December 2021, continuous use alert letters are also being sent to all customers on the older, large-meter system. There are approximately 2,000 of these large meters in the City out of a total of 33,000. The language in these letters is the same as what is sent to non-single family customers.

Here is a sample postcard that is tailored to each individual recipient:



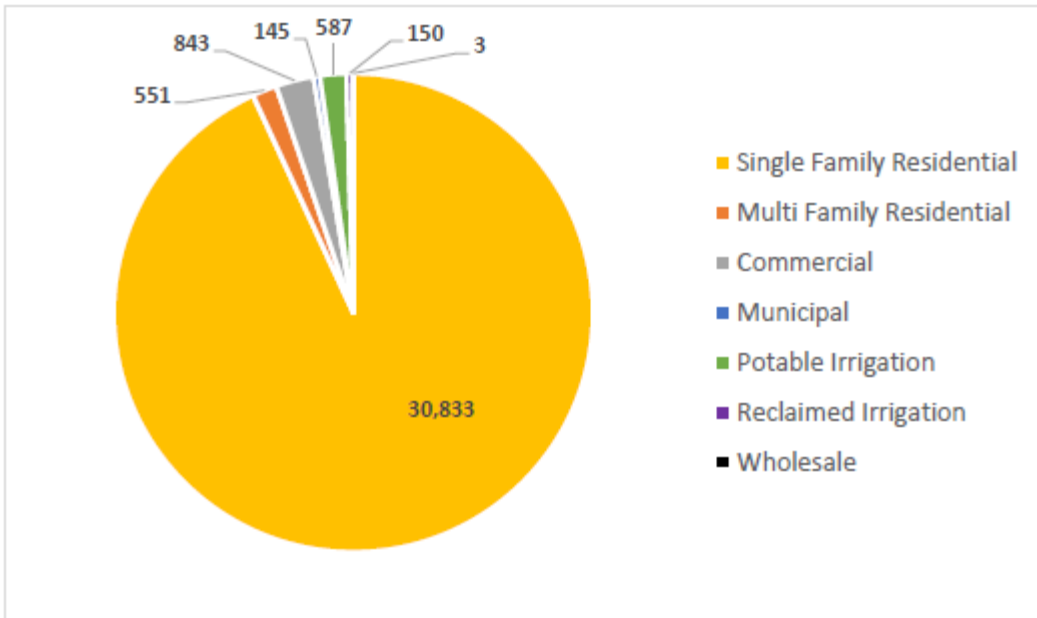
The postcard is divided into two main sections. The left section is a dark grey vertical rectangle containing the Westminster logo at the top, followed by a yellow horizontal line, the text "ALERT! CONSTANT WATER USE" in large white bold letters, and another yellow horizontal line at the bottom. The right section is white and contains the following text: "Dear <Customer Name>", "The water meter at <Address> registered continuous water use for at least 24 hours straight in the past month. This may be caused by a leak.", a teal box containing "The water meter reported continuous use of XX gallons an hour for XX hours in a row on <Start Time>.", "Household leaks are commonly caused by worn toilet flappers and stuck valves in an irrigation system. Learn more about how to diagnose and fix leaks at www.cityofwestminster.us/leak.", "After investigating at home, you may contact the city's partner, Resource Central, who can help troubleshoot the possible leak for free. Call 303-999-3824 or visit ResourceCentral.org/leak to schedule your no cost phone appointment. Save water and reduce your bill today.", and the Resource Central logo at the bottom with the tagline "CONSERVATION MADE EASY".

In the second quarter of 2022, the City anticipates releasing an app that will allow residents to see their water use down to the hour, pay bills, sign up for conservation programs, and several other features including leak detection alerts to help residents better manage their water use and utility bills.

Question: What percent of water users are residential? What percent are commercial?

Response: Approximately 95% of the City's water customers are residential. The City's adopted [Water Conservation & Efficiency Plan](#) has numerous statistics on our customers and their water use.

Figure 6. The vast majority of Westminster's water accounts are single family residential (2019).

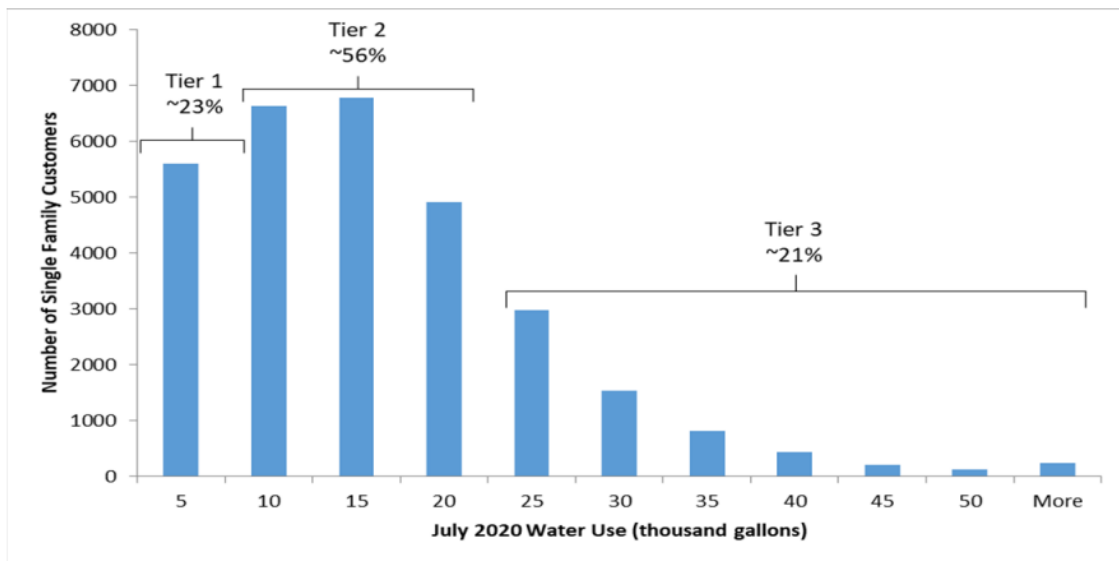


Question: How many residents are in each bucket (tier)?

Response: In the wintertime (Nov – Mar), 90% of residential customers remain in Tier 1. In the peak summer month (Jul or Aug), ~75% of customers remain in Tier 1 or 2. At most, 25% of our customers ever have water use in Tier 3 at any point during the year.

Please see the [November 5th Special Study Sessions](#), slides 51-52:

Single Family Customers' Summer Water Use - JULY 2020

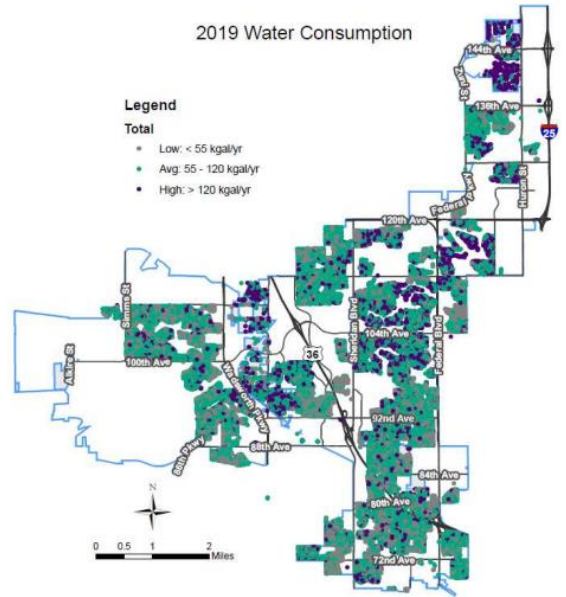
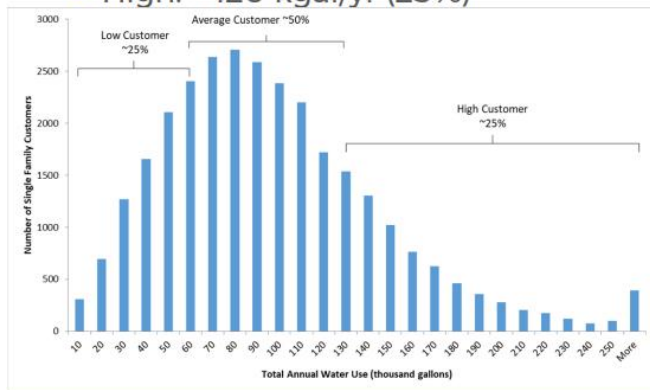


High water use customers (purple dots) that regularly have summertime bills in Tier 3 are located throughout the City, but are predominantly properties with larger lots.

See companion map of income by census block.

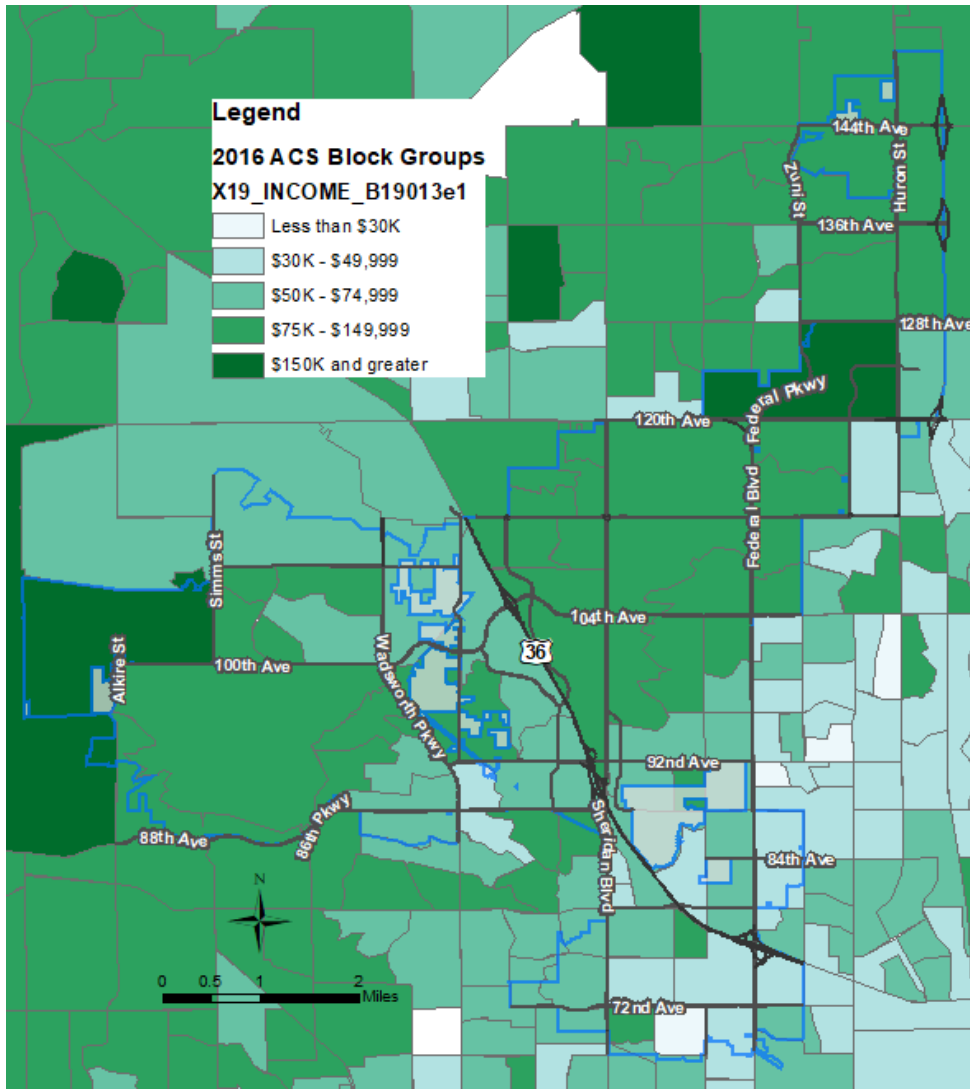
Single Family Residential Annual Use

- Low: < 55kgal/yr (25%)
- Avg: 55-120 kgal/yr (50%)
- High: > 120 kgal/yr (25%)



Question: Do we have demographic information that includes household income?

Response: Income data by census block is available to the City through our ArcGIS license/subscriptions. Census block data is generalized by nature.



Question: True or False: We have peak demands in the summer and demand doubles.

Response: True. Outdoor water use in the City of Westminster, and virtually all communities in the western United States, peaks during the summer by a factor of 3 or 4 times the wintertime use. This summertime “peaking factor” drives the cost of utility infrastructure. The City uses ~50% of our treated drinking water outdoors to irrigate Kentucky bluegrass and other plants.

The City’s adopted Water Conservation & Efficiency Plan discusses this issue in depth and provides the rationale for prioritizing outdoor water use efficiency programs with our customers. Please see the November 5th Special Study Sessions, slides 47-49:

Figure 9. Kentucky bluegrass needs nearly 2 feet of extra water to survive in Colorado's arid Front Range.

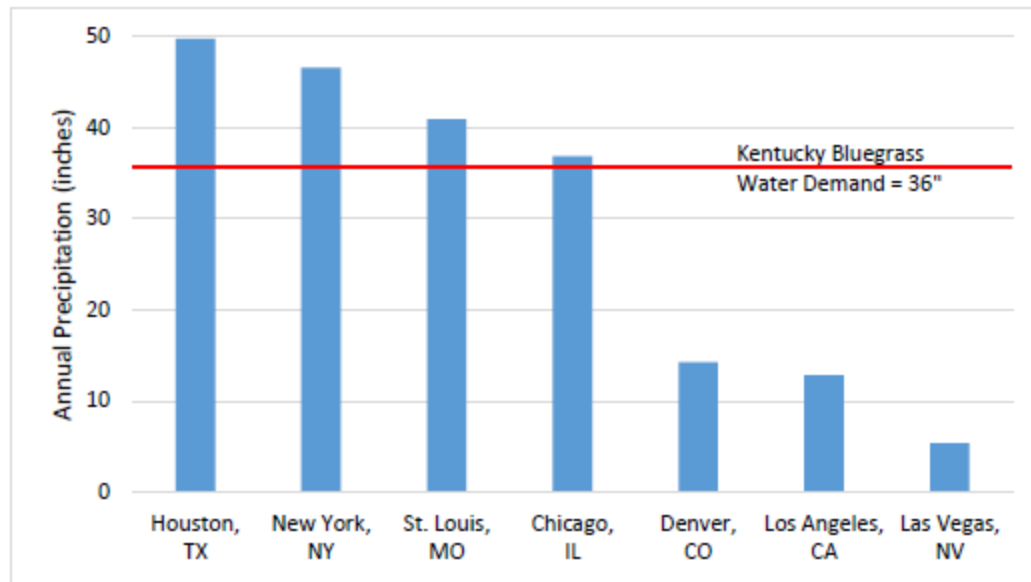


Figure 10. Top household water uses include the yard, followed distantly by toilets, showers, and clothes washers.

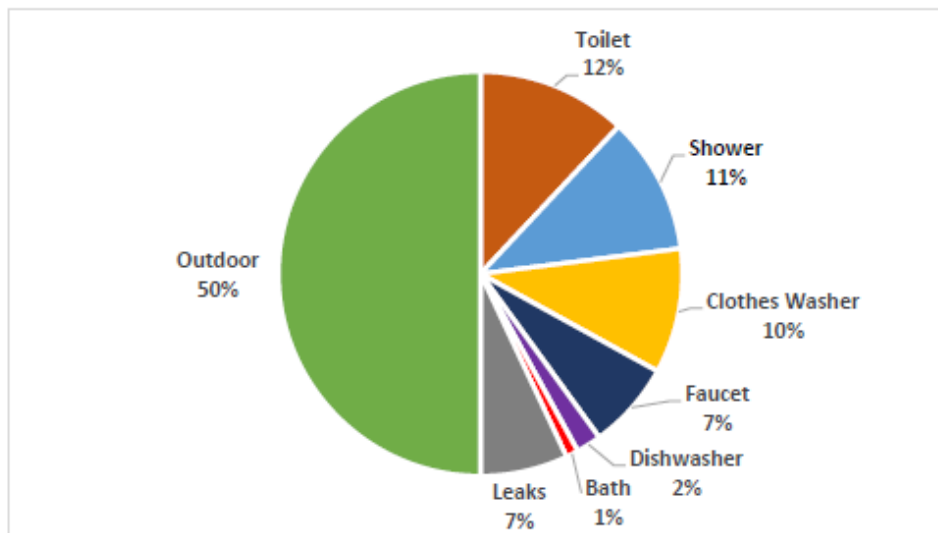
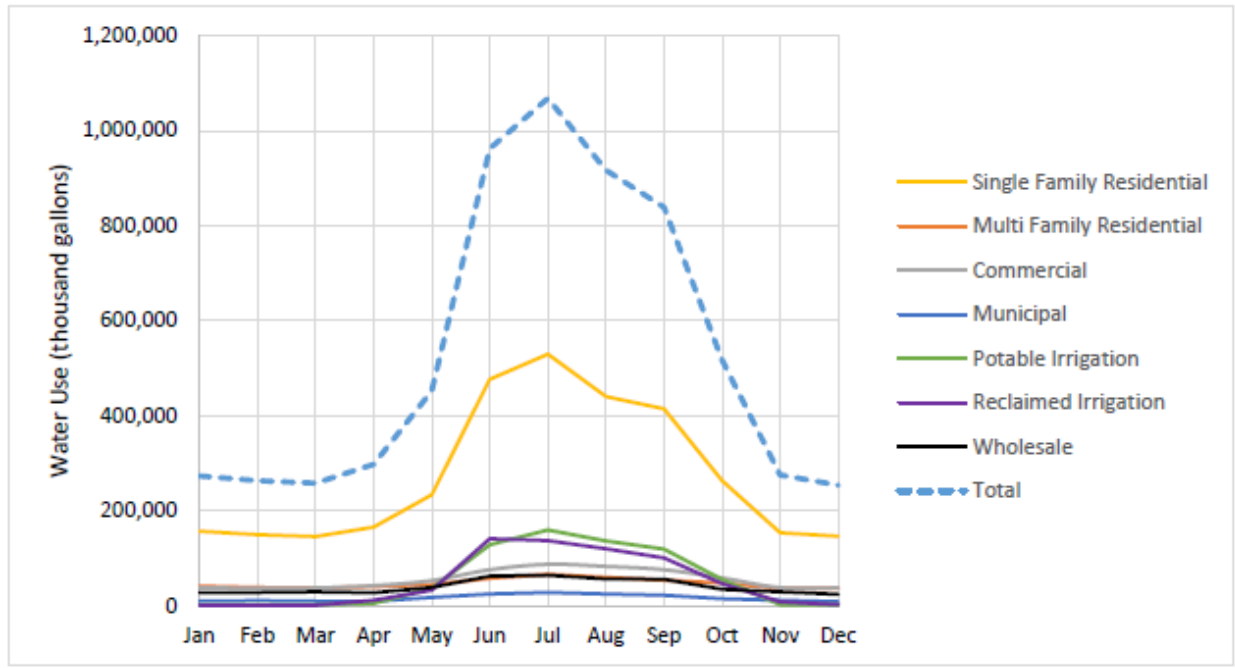


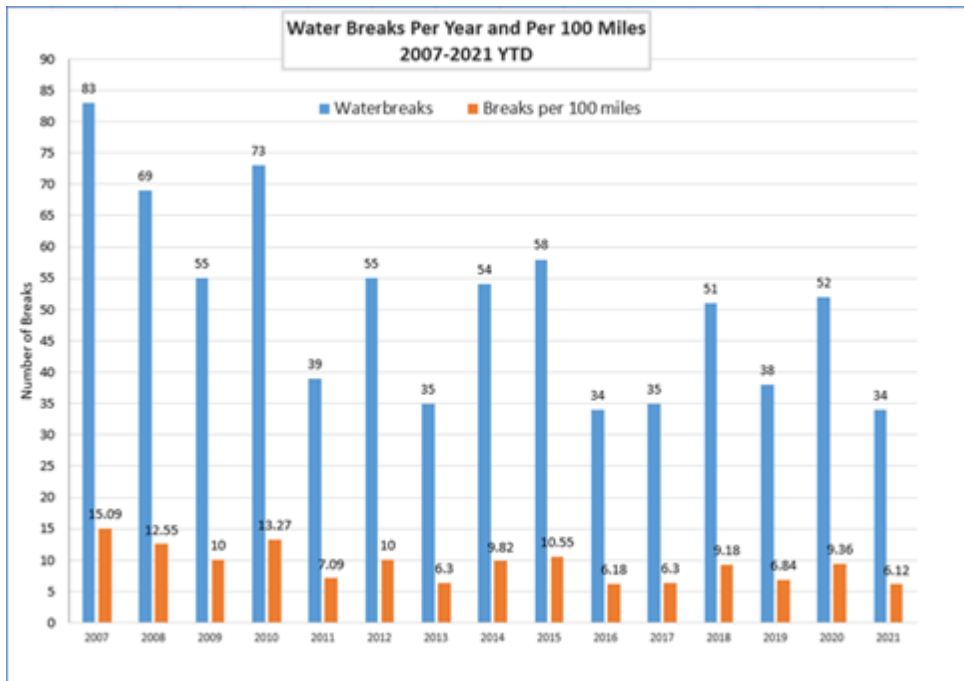
Figure 8. Westminster's water demands peak in the summer and are lowest in the winter (2018 use).



Water Infrastructure

Question: What is the number of water and sewer breaks in the city?


Response: There is an industry standard from the American Water Works Association (an international non-profit, scientific and educational association founded to improve water quality and supply) for a water utility to have no more than 15 water breaks per 100 miles of pipe per year. The City has exceeded this standard in the past, but now we are below the standard and well within compliance. This is due to a combination of investments in our leak detection program, installation of equipment that manages pump starts/stops and water surges, and large water pipeline repair and replacement projects. Staff will provide sewer information in a future response.




Question: Can you provide factual evidence that water meters are functioning correctly?

Response: The new meters installed in 2020 were tested by a third party before they were installed. The City’s very large commercial meters are tested on a regular basis by the City. Please see the information in the slide below, and please reference the [10/20/20 workshop presentation](#).

How Do We Know the Meters Are Accurate?

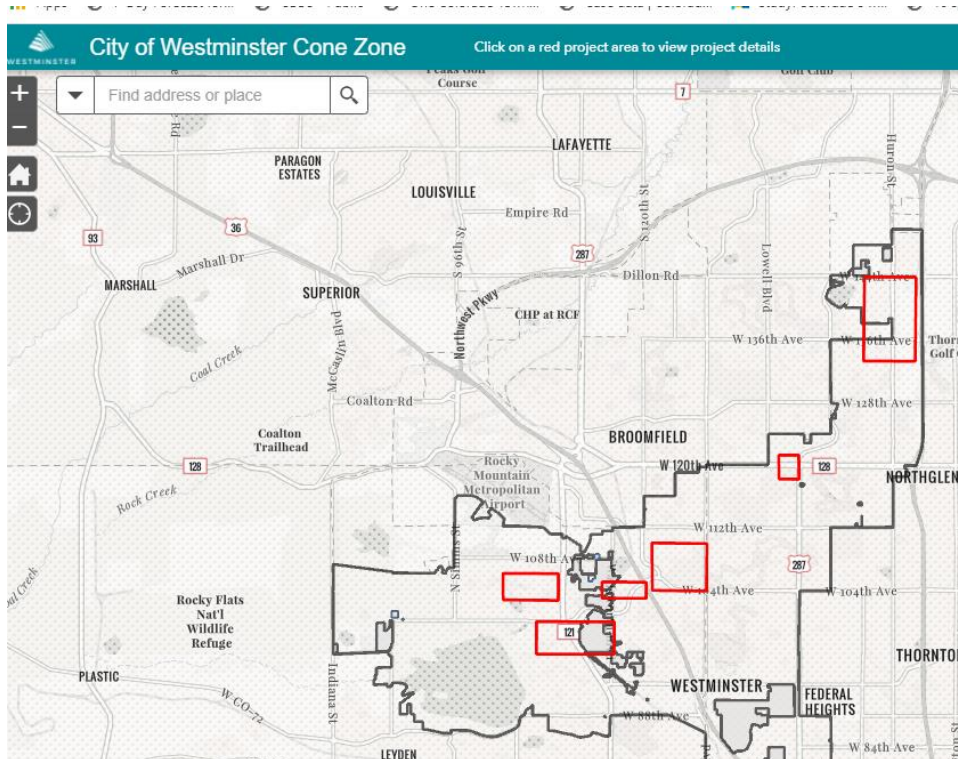


- Exceeds the most recent revision of the American Water Works Association (AWWA) Standard C-715 for accuracy
- Tested by 3rd party
- Tested by staff using meter test bench
- Customer requests to test


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Question: How often do we report fixes to residents?

Response: The City has the Cone Zone on the City’s website in this location: <https://www.cityofwestminster.us/conezone>. The site provides information about the project background, costs, maps and offers an email update to interested people. Pre - COVID we held community celebrations and invited residents to explore the facility, ask questions, take a tour. These were very successful events. We hope to do more of them.



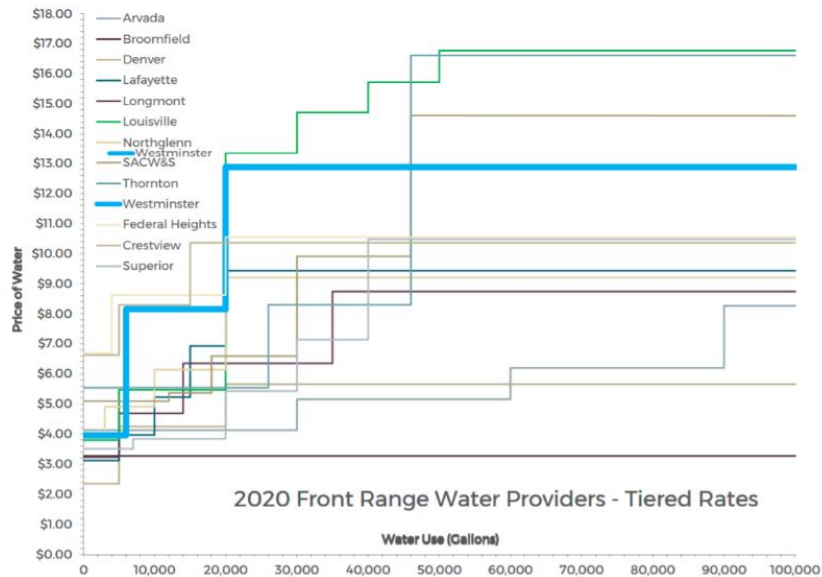
Water Rates

Question: Is there a breakout of the rates across the Metro area with details about the tiers?

Response: Utilities across the Front Range charge for water use in a variety of ways. Please see the information in the following slide and please reference the [11/5/21 workshop presentation](#)

Virtually all neighboring communities use an “inclining block rate” structure with 3 or more tiers – this rate structure is considered an industry best practice for water providers in the western United States and is designed to promote water conservation. Westminster’s Tier 1 is in the lower half of communities surveyed, and Tier 3 is in the higher portion but it is not the highest.

2020 Front Range Water Providers and Tiers



Question: Do residential residents pay 32% less than the cost of service?

Response: The Utility’s Cost of Service (COS) study was used as the basis for recommending the 2019 and 2020 water/sewer rates to City Council. Completed in 2018, it was determined that based on their impacts to the water utility system, residential customers were not paying their fair share for service as compared to commercial customers.

A ‘flash increase’ of 32% would have been required to make an immediate adjustment. Staff, with the help of Raftelis Financial Consultants, Inc., developed an eight-year phased approach to gradually ensure all customers would pay the appropriate cost to provide water and sewer services.

This phased approach is a strategy to align all customer classes without the burden of a one-time, high increase to water rates. These type of imbalances between customer classes are commonly found when this type of study is conducted and can be partly contributed to customer growth over time. Table 7 shows the difference between the cost of service and rates we charge for water and sewer services

The entire Cost of Service Study is on the City’s website [here](#), under the FAQ tab called “What is the Rate Setting Process?”

Table 7: 2019 Water Cost of Service Study Results

Line No.	Customer Class (Note 1)	2019 Estimated Revenue at 2018 Rates	2019 Estimated Cost of Service	Required \$ Change	Required % Change
1	Inside City				
2	Residential	\$15,272,923	\$20,210,750	\$4,937,827	32.3%
3	Blended Multi-Unit Residential	162,183	192,337	30,154	18.6%
4	Multi Unit, Public and Residential Irrigation	10,743,156	9,888,763	-854,393	-8.0%
5	Commercial	6,236,490	5,473,792	-762,697	-12.2%
6	Total	32,414,751	35,765,642	3,350,891	10.3%
7	Shaw Heights				
8	Residential	889,388	1,176,717	287,329	32.3%
9	Blended Multi-Unit Residential	10,444	10,459	15	0.1%
10	Multi Unit, Public and Residential Irrigation	60,765	63,401	2,636	4.3%
11	Commercial	18,522	18,854	332	1.8%
12	Total	979,119	1,269,431	290,312	29.7%
13	Outside City				
14	Residential	328,901	430,731	101,830	31.0%
15	Blended Multi-Unit Residential	0	0	0	
16	Multi Unit, Public and Residential Irrigation	34,991	37,784	2,793	8.0%
17	Commercial	13,361	11,164	-2,197	-16.4%
18	Total	377,253	479,679	102,426	27.2%
19	Federal Heights	2,229,067	2,085,457	-143,609	-6.4%
20	Total	\$36,000,190	\$39,600,209	\$3,600,019	10.0%

Note 1: This table shows the cost of service study results for potable water customer classes. Reclaimed water service revenues are an offset to the potable water cost of service.

Question: Why wasn't lot size considered in the 2018 rate structure?

Response: Following an upgrade to our system, the City's utility billing software is now able to bill on an individualized tier system. This was not an available option in 2018. Should City Council wish to pursue this structure, it will take time to create to develop and implement after an extensive community engagement process.

Question: Where can I find the rate model from the February 22, 2022 study session?

Response: You can find the rate model on the February 22, 2022 agenda memo [here](#).