



2020 Annual Budget





## ***Mission Statement***

The Board of Water Works of Pueblo is committed to providing the highest quality of water at the lowest possible cost.

We are equally committed to the workforce that helps achieve that goal.

We strive to create and maintain a professional environment that encourages and recognizes teamwork, individual contribution, and the integrity of each employee while providing the opportunity for each employee to grow within the organization.

## ***Vision Statement***

Our Team is entrusted by the citizens of Pueblo to responsibly manage and protect their most precious natural resource.

We commit to provide the necessary leadership, oversight, and ethical practices to ensure the sustainability of this resource and do our part to ensure a prosperous future for Pueblo.

## ***Core Values***

Guided by our Vision Statement, we will achieve our Mission by adhering to our Core Values:

- ***Trust***
- ***Transparency***
- ***Communication***
- ***Customer Service***

## *In Memoriam*



*Kevin F. McCarthy*

*Feb. 3, 1946 – Sept. 24, 2019*

Board of Water Works board member and president Kevin F. McCarthy was first elected to the board in 1988 and served with distinction as a board member for 32 years. Kevin once said, “Pueblo Water is defined by the people who work there and, more than anything, I have been impressed with the hundreds and hundreds of Water Board staff, union members and board members that I have met over the years who have made Pueblo Water a great place to work. I only hope I played a small role in building that culture.”

Pueblo Water is set to begin construction on a \$4 million hydroelectric plant at its Whitlock Treatment Facility. The plant will be dedicated the “Kevin F. McCarthy Hydroelectric Plant” in honor of his many years of service to the Pueblo community.



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Board of Water Works of Pueblo  
Colorado**

For the Fiscal Year Beginning

**January 1, 2019**

*Christopher P. Morill*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) presented a Distinguished Budget Presentation Award to Board of Water Works of Pueblo Colorado for its annual budget for the fiscal year beginning **January 1, 2019**. In order to receive this award, a governmental unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communication device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.





## 2020 ADOPTED BUDGET

### TABLE OF CONTENTS

	<u>PAGE</u>
INTRODUCTION	
Budget Message	1
About Pueblo Water	4
History	5
Service Area Map	8
Community Profile	9
Accomplishments of Pueblo Water	10
Financial Policies	12
Strategic Plan	16
Water Usage	19
Miscellaneous Facts and Figures	20
ORGANIZATION	
Board of Directors	21
Leadership Team	22
Organization Chart	23
2020 Budget Plan Preparation	24
Contacts	27
DOCUMENTS OF ADOPTION	
Resolution of Adoption	28
Summary of Estimated Cash Available for Operations and Reserves – General Fund	29
Summary of Estimated Cash Available – Water Development Fund	30
Estimated Revenues by Source – General Fund	31
Estimated Expenditures by Object – General Fund	32
Estimated Revenues by Source & Estimated Expenditures by Object – Debt Service Fund	33
Estimated Revenues by Source & Estimated Expenditures by Object – Water Development Fund	34
DETAIL OF EXPENDITURES	
All Divisions	35-66
DEBT RETIREMENT SCHEDULE	68



# Board of Water Works of Pueblo, Colorado

STAFFING SUMMARY – Full Time Positions	69
10-YR PLANS	
10-Yr Capital Outlay Projections	70
Operating and Capital Funds - Cash Flow Analysis	71
COMPARISONS AND SURVEYS	
Current Rate vs. 2020 Adopted Rate	74
History of Water Rate Changes Since 1981	75
Annual Residential Water Charges – Pueblo and Other Front Range Water Utilities	76
Water Rates of Front Range Cities Comparison	77-78
Front Range Water Utility Comparison	79
Plant Water Investment Fee Comparison	80
APPENDIX	
Glossary	81-82
Acronyms	83





November 19, 2019

**HONORABLE PRESIDENT AND MEMBERS OF THE BOARD  
BOARD OF WATER WORKS OF PUEBLO, COLORADO**

Enclosed for your consideration and adoption is the proposed budget for 2020 outlining a program for personnel, operation and maintenance, capital expenditures, and debt retirement for the Board of Water Works of Pueblo, Colorado. The requirements presented herein represent the **minimum operational needs for 2020**.

The Division Overviews in the *Detail of Expenditures* section provide **important highlights** to this proposed budget. These overviews will assist you in better understanding changes in the workforce as well as clarify the special or major O&M and capital projects we propose in our plan of work for 2020.

After reviewing the critical needs for 2020 and trimming the budget where possible, Staff recommends a water rate increase of 3.5 percent for 2020.

Highlighted below are specific recommendations and notable features included in the proposed plan for 2020 as well as certain estimates regarding results for 2019.

Water Development Fund

The Water Development Fund (WDF) remains the vehicle with which Pueblo Water funds long-term “water development” projects. These projects may range from acquisition of additional water rights and storage to large distribution or transmission infrastructure-related projects. Since its inception, the WDF has been used for the financially prudent purpose of utilizing one-time revenue sources for future planning rather than to offset rate increases. That intent remains, however Staff proposes in 2020, to retain the revenue generated from Public Service Company’s Comanche Unit 3 in the general fund to help offset the cost of the Hydroelectric Power Plant project and resume transferring the revenue to the WDF in 2021.

Ongoing Projects

► 2019 is a historic year for our Bessemer Ditch project and marks the conclusion of both the change and exchange cases. When there is a need, the decrees allow Pueblo Water to use the water, purchased between 2009 and 2011, within its municipal system and marks the culmination of a ten-year process to secure Pueblo’s water supply needs for the next 50 years.

► The Kevin G. McCarthy Hydroelectric Power Plant at the Whitlock Treatment Plant will break ground in 2020. The project began in 2019 and is budgeted for \$4 million in 2020. The cost of the project will be partially offset by revenue generated from Public Service Company’s Comanche Unit 3 in 2020.

## 2019 Metered Water Revenue

Consumption for 2019 is expected to be approximately 7.92 billion gallons, generating metered water sales of approximately \$24.5 million or 2.4% below budgeted projections. At the end of 2019, the unrestricted operating fund balance is expected to be approximately \$18.51 million and is predicted to decline, due to increased capital spending during the next ten years, to a low of approximately \$8.47 million in 2022 before increasing to more normal levels.

## Metered Water Revenue Assumptions

As a result of drought induced conservation, Staff has maintained lower consumption projections for most customers in subsequent years. The attached ten-year plan reflects a baseline annual consumption of approximately 8 billion gallons. In addition, Staff continues to project a minimal increase in consumption derived from growth. Since annual consumption is highly dependent upon precipitation received, actual results will vary from projections. In the future, as more climate change data becomes available, we may need to adjust our consumption projections.

## Other Major Revenue Sources

- Raw water revenue is typically based upon long-term contracts and \$750,000 per year in short-term leases.
- Plant Water Investment Fees, as a result of modest growth in the housing market, are reduced in the near term with a gradual increase in later years of the ten-year plan.
- Revenue derived from the contract with an investor owned utility is based upon the minimum “take-or-pay” amount of 12,783-acre feet.
- Revenue from a separate contract with an investor owned utility, for 2020 and beyond, is based upon the minimum “take-or-pay” amount of 1,000-acre feet at potable water rates and 444-acre feet at raw water rates.

## Noteworthy Expenditures

- Utilities - \$3.33 million. The ten-year plan assumes future increases in electric rates, but not annually.
- Repairs and Maintenance - \$1.15 million. A 6.3% increase compared with the 2019 budget.
- Supplies - \$1.4 million. This amount is consistent with the 2019 plan.
- Meter-Related Costs including AMR - \$0.93 million.
- Hydroelectric Power Plant at the Whitlock site - \$4 million.
- Main Expansion and Improvement Projects - \$2.50 million.
- LIMS System for Laboratory - \$250,000.
- Watts Erosion and Drain Improvements - \$325,000.
- Filter Coating, Media, and Underdrain Replacement - \$550,000.
- Facility Maintenance Shop - \$475,000.
- Chemicals - \$866,000.
- Transportation Equipment - \$453,000. Allocation of around \$300,000 for each of the following years in the attached 10-year capital outlay plan.



It should be noted that, when looking at the Front Range cities' average monthly bills (reference Front Range comparison), the Board has the lowest cost of water for major water utilities. For average customers who consume 11,000 gallons per month, the Board's customers pay 32 percent below the Front Range average, and 65 percent below the highest. When considering the residential rate impact for the Board's rate increase of 3.5 percent, on average, a customer with a one-inch meter will see a monthly increase of \$1.45.

**IN CLOSING, WE RECOMMEND THAT THE BOARD CONSIDER FOR ADOPTION THIS BUDGET WITH A 3.5 PERCENT RATE INCREASE FOR 2020.** This budget sustains the Board's continuing commitment to a strong fiscal position while providing system reliability and readiness today and in the future.

We appreciate your continued strong guidance and support for long term planning for the operation, maintenance, capital improvements, salaries and benefits necessary to allow the Board of Water Works and its employees to provide reliable, high quality water service to our customers for 2020 and beyond. Development of a \$42.04 million budget and ten-year financial plan always takes significant work and we want to recognize the outstanding initiative and hard work of Kristen Spicola and Leroy Rittgers as well as Matt Trujillo, Jeanette O'Quin, the Division Managers, Managers and Supervisors in producing this solid financial plan. We also want to take this opportunity to thank all the employees of the Board of Water Works for their great work ethic, positive attitudes and commitment to providing our customers with a dependable supply of high quality water at a reasonable cost, 24 hours a day, 365 days a year.

Sincerely,

A handwritten signature in dark ink, appearing to read 'Seth Clayton', with a stylized flourish at the end.

Seth Clayton  
Executive Director





*"This budget contains the Board's continuing commitment to a strong fiscal position while providing system reliability and readiness for today and in the future."*

SETH CLAYTON  
Executive Director



# ABOUT PUEBLO WATER

Pueblo's drinking water system is owned by the citizens who are served by the system and is financed with revenue provided by everyone's monthly water bill payments.

Pueblo Water employs 134 professionals who specialize in the many skills needed to manage and operate Pueblo's water system. Most of Pueblo's water originates in the Rocky Mountains above Leadville, Colorado, flowing into canals, creeks and streams and eventually into the Arkansas River. It is diverted from the river through intake structures located within Pueblo Dam and moved through a pipeline to the Whitlock Treatment Plant, where it is treated to a standard of excellent quality. The finished water is pumped through a system of transmission mains to storage tanks and adjoining pump stations throughout the city, then is delivered to homes, businesses, schools – all our customers in Pueblo - by a vast network of over 581 miles of water mains in the distribution system. These water treatment and delivery processes continue 24 hours a day, every day of every year.

Pueblo's water system has been self-supporting throughout its history. Major capital expansion and improvements are funded with debt financing, while routine operation, maintenance and capital replacements are paid for with operating revenues. The future prosperity of Pueblo is tied directly to this readily available supply of high-quality water.



Alan C. Hamel Administration Building

# HISTORY

The history of the public water supply in Pueblo, Colorado begins not only before Colorado became a state, but before several smaller towns combined to form one Pueblo.

## Early Years

In the earliest days of the community at the confluence of the Arkansas River and Fountain Creek, water was delivered to users from the river via barrels delivered by horse-drawn wagons. The region included the separate towns of Pueblo, South Pueblo, Central Pueblo, and Bessemer.

After a number of fires in the downtown business district made it clear that barrels of water were not an adequate system of fire protection, the city passed a bond issue to develop a municipal water system. The Holley pump station and a network of pipelines to distribute water were completed in 1874. The three Pueblos consolidated to become one Pueblo by 1886, and the town of Bessemer was annexed in 1894.



Original pump house at  
4<sup>th</sup> and Grand Avenue

Since the entire service area for Pueblo's first water system was north of the Arkansas River, a private company built a separate water supply system to serve areas south of the river. When that company began to fail as a private business, the City of Pueblo purchased it in 1906, resulting in the city operating two completely separate drinking water systems north and south of the Arkansas River.

## Separate Development

Separate was not equal, and as the two systems grew over time, it became apparent that combining the two into one made sense. As a result of a municipal charter convention in 1954, the systems were merged and the Board of Water Works of Pueblo, with a 5-member elected governing board, was created in 1957 to serve all Pueblo's water needs.

## Building a Modern System

Following the creation of the unified water utility, the new Board faced the challenge of efficiently upgrading the aging infrastructure across the whole city.

A main replacement program was put in place, investing large sums of money every year to replace water mains that had been identified as being the most fragile and subject to major breaks. That program continues to this day.

The Whitlock Treatment plant was built in 1977 and added carbon filtration to Pueblo's water treatment regime, helping to protect the health of everyone in the community.

Water quality was not the only concern, however, as the Board realized the water rights Pueblo held to serve its customers would not be sufficient to meet the needs of future growth in the



community. To meet those needs, they invested in the additional water resources that would be required.

The completion of Pueblo Reservoir as part of the Fryingpan-Arkansas Project in 1975 provided boosts to both water quantity and water quality, as a portion of the water imported from the west slope is available for Pueblo's use, and a water supply pipeline built from Pueblo Dam to the Whitlock Treatment Plant conveys higher-quality source water than is available from the previously-used surface intake on the river itself.

As the city grew, customer demand for water naturally increased with it. By the late 1990s, summer demands were approaching the capacity of the treatment plant, so a major expansion was designed, completed in 2002.

In 2009, the St. Charles Industrial Park extended Pueblo's water system southward to serve new industries, including the Vestas wind tower plant and the Rockla railroad tie plant.

We don't often pause to consider the incredible value of a safe, reliable water supply - and the water system that delivers it - in our everyday lives. But consider what tap water does that no other water can do.

### **Only tap water delivers . . .**

#### **. . . public health protection.**

In a world where an estimated 3 million people die every year from preventable waterborne disease, Pueblo's water system allows us to drink from any public tap with a high assurance of safety. Pueblo Water treats our drinking water to meet rigorous federal and state water quality standards to protect the health of all in our community.

#### **. . . fire protection.**

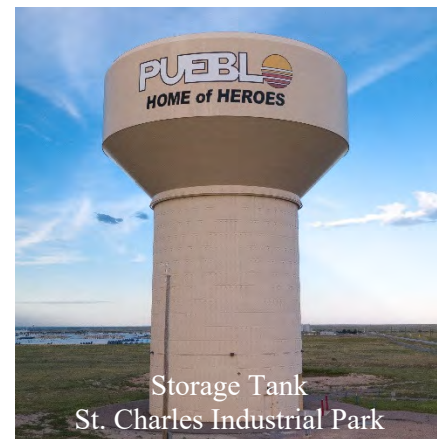
A well-maintained water system is critical in protecting Pueblo from the ever-present threat of fire. Pueblo Water crews maintain the city's fire hydrants, providing Pueblo's Fire Department the reliable water at an adequate pressure they need to keep lives and property safe.

#### **. . . support for the economy.**

Businesses and housing developments do not succeed without a safe and sustainable water supply. Tap water is critical to businesses' day-to-day operation and is often a primary ingredient in attracting new businesses to Pueblo. Since 1984, Pueblo Water has contributed over \$5 million in service to improve Pueblo's economy.

#### **. . . the quality of life we enjoy in Pueblo.**

Any measure of a successful society - low mortality rates, economic diversity, productivity, and public safety - is in some way related to access to safe water. Add the beauty and recreational



opportunities that our parks, golf courses and the Riverwalk Project bring to our lives, and you realize how valuable our most precious resource really is!

Transmission and Distribution personnel maintain all the pipes and valves in the system every day, even though it is all buried underground! They must respond to water main breaks in a timely manner that maintains water service to our customers while minimizing traffic disruptions during the excavation and repair of large pipes. They also test, maintain and repair over 4,000 fire hydrants throughout the city to provide top-rated fire protection for homes and businesses in Pueblo.

### **Taking Care of Business**

Our Customer Service Department provides many payment options to make paying a water bill as convenient as possible for our customers: by mail, online payments, monthly auto-pay, over the phone by check or credit card, or in person at our main office. We also offer budget billing to smooth out the seasonal highs and lows of water charges to make budgeting for this important need much easier. When a customer has a temporary need for assistance in paying a water bill, our customer service representatives utilize our CARES program (funded by Pueblo Water and administered by Catholic Charities of Pueblo) to assist the customer in a time of need.

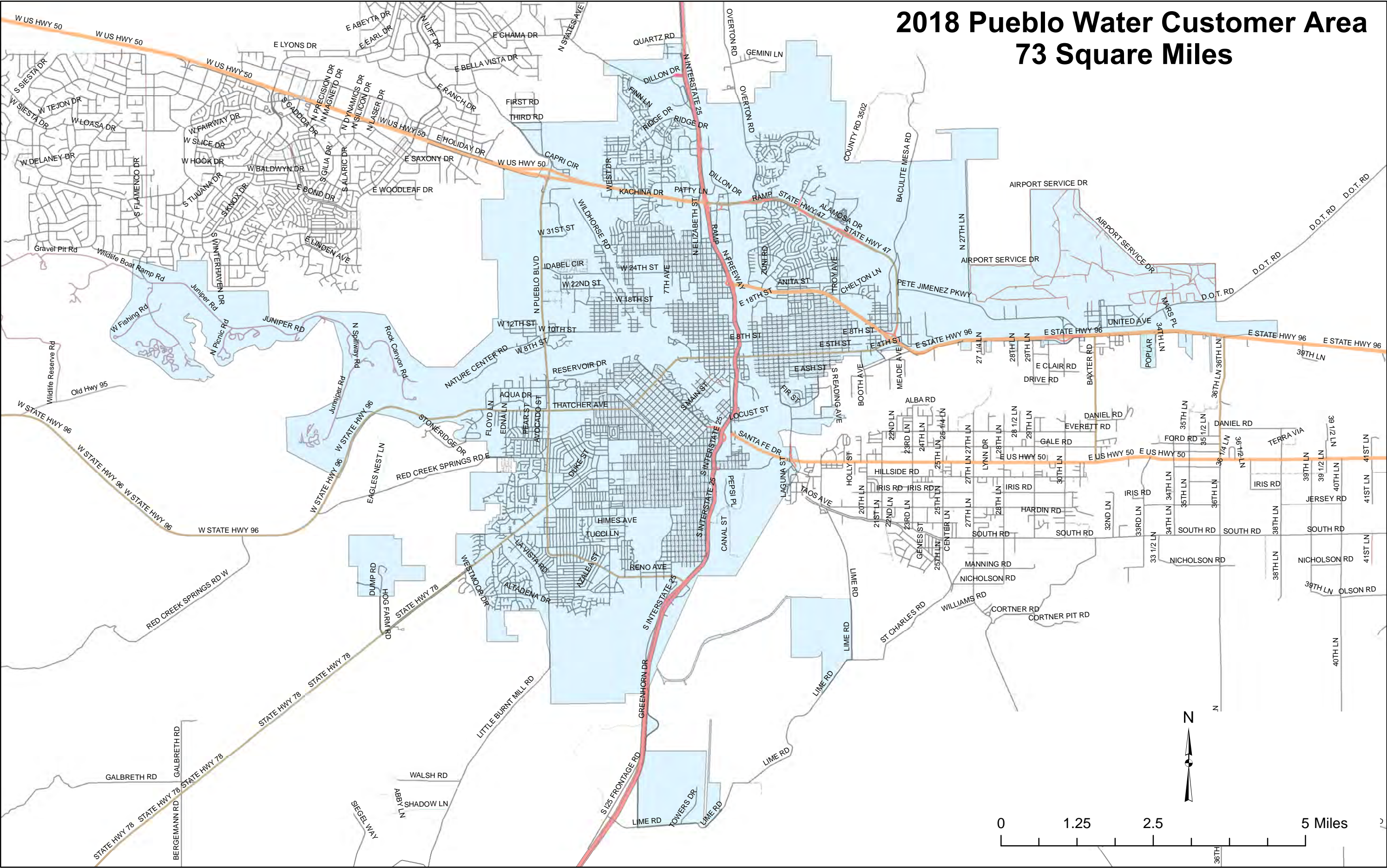
### **Facilities and Information Services**

Every business depends on well-maintained facilities and rapidly evolving technology to stay on top of its game, and Pueblo Water is no exception. Although the plumbing, electrical, heating and cooling of our buildings is “behind the scenes,” they all must function daily to support every activity of Pueblo Water. Similarly, it is obvious that computer technology is at the heart of all our business processes, from water treatment to distribution system mapping, from financial operations to telephone communication. And it all needs to work, every day, at all hours of the day and night. As with all other departments at Pueblo Water, our professional work force is up to the task.





2018 Pueblo Water Customer Area  
73 Square Miles





# Pueblo Community Profile

**Population (est.) July 2018:** 111,240<sup>1</sup>  
**Pueblo Water Service Area:** 73 square miles

## Workforce Statistics<sup>2</sup>

**Labor Force:** 75,912  
**Employment:** 72,186  
**Unemployment rate:** 4.9%

## Principal Employers<sup>3</sup>

Organization	Employees
Parkview Medical Center	3,100
School District 60	1,766
Pueblo County	1,099
Wal-Mart 4 (Stores)	1,040
School District 70	1,026
EVRAZ Rocky Mountain Steel	979
Vestas Towers America, Inc.	863
City of Pueblo	767
Convergys Corporation	700
Target Corporation (Dist. Center & Store)	700

## Top Industries<sup>4</sup>

Industry	Employment
Education and Health Services	12,779
Trade, Transportation and Utilities	11,169
Leisure and Hospitality	7,173
Professional and Business Services	6,097
Manufacturing	4,343

<sup>1</sup> U.S. Census Bureau, Census 2010 Summary File 1. ESRI forecasts for 2018 through 2023.

<sup>2</sup> <https://www.bls.gov/lau/#cntyaa>. Labor force data by county, 2018 annual average.

<sup>3</sup> Colorado Department of Revenue. For the year ended June 30, 2018.

<sup>4</sup> <http://data/bls.gov/>. US Department of Labor, Bureau of Labor Statistics. Figures are 2<sup>nd</sup> Quarter 2018 and are preliminary.

# ACCOMPLISHMENTS

Ensuring the high-quality of water that we deliver to our community necessitates having a highly qualified workforce. One way that we lead is by assisting our employees in obtaining further certifications and education in their respective areas. This helps us achieve our goal of excellence in everything that we do and allows us to have a number of great accomplishments.

## Employee Professional Licenses and Certifications:



**American RedCross**

First aid, CPR and AED Certified (18)



Project Management Institute (1)



American Society of Sanitary Engineering (3)



Pueblo Regional Building Department (2)



Colorado Groundwater Resource Services Class A & B Underground Storage Tank Operators (7)  
Class C Underground Storage Tank Operators (1)



Certified Scrum Master (1)



Society for Human Resource Management (2)



Colorado Safety Association (3)



Computing Technology Industry Association (1)



Refrigeration Service Engineers Society (1)



Alliance Safety Council (1)



Universal Public Purchasing Certification Council (1)



EPA Universal Technicians (3)



Public Relations Society of America APR (1)



Senior Professional in Human Resources (1)



## State of Colorado

Certified Public Accountant (2)  
Class 1 Water Distribution Operator (8)  
Class 2 Water Distribution Operator (26)  
Class 3 Water Distribution Operator (4)  
Class 4 Water Distribution Operator (34)  
Class A Water Treatment Operator (18)  
Class B Water Treatment Operator (1)  
Class C Water Treatment Operator (1)  
Class D Water Treatment Operator (3)  
Journeyman Electrician (3)  
Professional Engineer (4)



EPA Universal Technicians (1)



International Public Management Association for HR (2)



Cathodic Protection Tester (1)



National Institute For Auto Service Excellence (2)



Computer-specific Certifications (4)



# ACHIEVEMENTS & RECOGNITIONS

Through professional licensing and certification attainment, the highly qualified nature of our workforce is exemplified. This has allowed us to attain some of the following awards and accomplishments:

- United Way Award of Excellence for Corporate Leadership
- United Way Award of Excellence, Campaign Coordinator, Gina Maez
- Colorado Water Congress, Honorary Lifetime Membership, Paul Fanning
- Pueblo Latino Chamber, 40 Under 40 Emerging Leaders, Kristen Spicola
- 4th in Division 2 YMCA Corporate Cup, 1st in Employee Participation
- Government Finance Officers Association Distinguished Budget Presentation Award



**Gina Maez**

Pueblo Water values results-driven strategic leadership and has partnered with the Center for Creative Leadership to develop the skills of its senior leadership team. Employees have attended training on coaching for greater effectiveness and leadership development to enhance personal and professional growth. Additionally, Pueblo Water has invested in supervisor training provided by Rocky Mountain Section AWWA for first level supervisors. Pueblo Water actively participates in Leadership Pueblo, a leadership development training coordinated by the Pueblo Chamber of Commerce. Along with these accomplishments, we are proud to recognize employees that demonstrate excellence throughout the year:



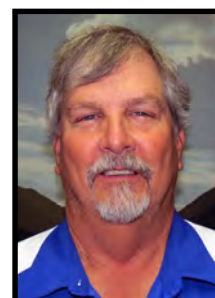
**Lotte Delgado**  
Employee of the Year, 2018



**Ryan Bland**  
Employee of 1Q, 2019



**Anthony Beruman**  
Employee of 2Q, 2019



**Mark Dome**  
Employee of 3Q, 2019



**Lotte Delgado**  
Employee of 4Q, 2018



# FINANCIAL POLICIES

The Board of Water Works of Pueblo, Colorado (the Board) operates as a single enterprise fund for financial statements and budgeting purposes. Enterprise funds are used to account for operations (a) that are financed and operated in a manner similar to private business - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered, primarily through user charges, or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net revenue, financial position and cash flows is appropriate for capital maintenance, public policy, management control, accountability or other purposes. The acquisition, maintenance and improvement of the physical plant facilities required for these goods or services are financed from existing cash resources, the issuance of bonds, Federal or State grants, etc. The generally accepted accounting principles here are those applicable to similar businesses in the private sector and, therefore, assets and liabilities, and revenues and expenses are recognized on the accrual basis of accounting; thus, revenues are recognized when earned and expenses are recorded when incurred.

The Board applies all Governmental Accounting Standards Board (GASB) pronouncements as well as the Financial Accounting Standards Board (FASB) pronouncements issued on or before November 30, 1989, unless those pronouncements conflict with or contradict GASB pronouncements. Subsequent to this date, the Board follows GASB pronouncements.

## **ANNUAL BUDGET**

There shall be prepared, under the direction of the Executive Director, a proposed annual consolidated budget which shall be submitted to the Board of Directors no later than October 15<sup>th</sup> of the year immediately preceding the year to which the budget applies. Upon receipt of the proposed budget, on or before October 15<sup>th</sup> the Board must cause to be published, a one-time notice, in a newspaper of general circulation within the local government's boundaries. Following this a final draft must be submitted to the Board of Directors for adoption no later than the regular Board meeting in December. The proposed budget shall indicate by fund all anticipated expenditures and required reserves and the source of moneys to be used to meet such expenditures and provide such reserves. The proposed budget also shall indicate estimated beginning and ending fund balances which include all unexpended surpluses from the prior years. A workshop on the proposed annual budget will be conducted prior to the November Board meeting. The Board of Directors shall review the proposed budget in its entirety and provide recommendations to the staff.

After considering the proposed budget and making revisions thereto that it may deem advisable, the Board of Directors shall adopt the budget before the beginning of the year to which the budget applies. Following adoption of the budget the Board shall file a certified copy of the adopted budget, including the budget message, with the Division of Local Government of the State of Colorado, no later than January 30<sup>th</sup> of the year to which the budget applies.

## **BALANCED BUDGET**

The Board shall balance the operating budget with current revenues, which may include the use of unallocated reserves less required reserves as established by the Board.

## **ENCUMBRANCES**

The Board shall report encumbrances for construction projects having a value of \$ 100,000 or more in the year the bid and contract are awarded for *budgetary purposes*, which may or may not coincide with the same year used for GAAP reporting. All other encumbrances for equipment, supplies, and construction projects having a value of less than \$ 100,000, which have not been received at the end of the Board's fiscal year, shall be reported in the following year for both budgetary and GAAP purposes.

## **FUNDS ESTABLISHED**

Through its administrative code the Board identifies a number of accounts, which are referred to as funds, to separately track uses of moneys for specific purposes. To provide for accountability of public moneys in accordance with applicable federal and state law and regulations and Board policies, the following active or prospectively active funds have been established in the Treasury of the Board.

## **Unrestricted Funds**

General Fund (established 1957). Moneys not specifically allocated or appropriated may be placed in this fund and used for general purposes of the Board. To maintain the Board's credit rating and meet seasonal cash flow shortfalls, the budget shall provide for an anticipated General fund balance of at least five percent of estimated annual revenues.

Should the General fund balance fall below the five percent threshold. A plan for expenditure reductions and/or revenue increases shall be submitted to the Board by the Finance Division Manager.

Operations and Maintenance Reserve Fund (established 1984). Moneys reserved to equal sixty days of total budget for personnel services and operation and maintenance expenses.

Capital Projects Reserve Fund (established 1999). Moneys reserved to assist with unforeseen emergency capital projects. This fund is maintained at not less than one million dollars.

Water Development Fund (established 1999). Moneys specifically allocated for further acquisition of water rights, protection of existing water rights and other similar uses approved by the Board of Directors. Additions to this fund are to be provided at the discretion of the Board of Directors.

## **Restricted Fund**

Debt Service Fund (established 2000). Moneys transferred from the General Fund specifically for the purpose of principal and interest payments on any then outstanding bond issues or repayment contracts. All transfers shall be made according to the bond covenants then in place.

## **DEBT GUIDELINES, COMPLIANCE WITH FUND REQUIREMENTS, AND BOND PROVISIONS**

### **Debt Guidelines**

#### **Use of Proceeds**

Debt proceeds may not be used for operating and maintenance expenditures. Net proceeds shall only be used for non-routine capital expenditures (less amounts in a reasonably required reserve fund, when necessary) or to refund existing debt.

#### **Advance Refundings**

Advance refundings will be considered when the net present value of the savings is greater than 3% and the refunding is permitted by existing statutory regulations.

#### **Appropriate Use of Debt**

The Board's Finance Division Manager will monitor the marketplace and remain abreast of new types of financing instruments and sources of funds. In determining whether or not debt issuance is appropriate, the Board will consider: the expected life of the asset, the nature of the covenants, the impact on the Board's future financial flexibility, the amount of uncertainty and market risk associated with the type of financing considered, the current regulatory and economic environment and whether long-term projections indicate the Board will be able to sustain the projected level of debt. In making such evaluations, the Board may consult with one or more outside, independent financial advisors.

### **Compliance and Bond Provisions**

#### **Timely Expenditure of Bond Proceeds**

The Board's Finance Division Manager shall be responsible for preparing a draw down schedule (when necessary) that details the anticipated spending schedule of bond proceeds to ensure they comply with the hedge bond rules of



Section 149 of the Internal Revenue Code and determine whether the requirements for a three-year temporary period under Treasury Reg. 1.148-2(e) have been satisfied.

#### **Calculation of Available Project Proceeds**

Once proceeds from the issuance along with costs of the issuance are determinable, and prior to issuance of the bonds, the Finance Division Manager shall calculate (1.) the available project proceeds and (2.) the percentage of issuance costs. Verification shall be performed that such percentage does not violate any regulations or laws governing the issuance of the bonds.

#### **Arbitrage Yield Restriction and Rebate**

The Finance Division Manager shall invest the available bond proceeds so that any income does not materially exceed the arbitrage yield limit of the issuance as defined in the tax compliance certificate associated with the issuance. Three months prior to the five-year anniversary of each issuance, the Finance Division Manager shall review whether or not an arbitrage rebate calculation is due or should be performed.

#### **Refundable Credits**

It is the responsibility of the Finance Division Manager to verify the amount of any refundable credit associated with any of the Board's outstanding bonds and prepare, on an ongoing and timely basis, the appropriate form associated with the refundable credit(s).

#### **Identification of Violations**

It is the responsibility of the Finance Division Manager to review Federal tax requirements, along with arbitrage or tax compliance certificates associated with the Board's outstanding debt, to ensure compliance with said requirements. In the event of any violation of such requirements, the Finance Division Manager will speedily contact bond counsel and after consultation, take appropriate remedial action.

#### **Record Retention**

All records necessary to support the status of the Board's bonds as qualified to receive tax advantaged treatment shall be maintained for a minimum of four years beyond the later of the redemption of the bonds or any obligation issued to refund the bonds. Records shall be maintained in "paper" form and when practical in both "paper" and "electronic" form. Records may be maintained for a longer period of time in accordance with the Board's Financial records retention policy.

#### **Fund Requirements**

As of December 31<sup>st</sup> of each year, the Finance Division Manager shall make a review to determine whether the minimum fund requirements have been met and whether the Board has complied with the provisions of the articles and covenants contained in the resolutions of issuance for all outstanding Board bond issues during the preceding year. The Finance Division Manager shall report the results of his review to the Executive Director.

### **CAPITAL ASSETS**

Purchased and constructed capital assets are recorded at cost. Donated capital assets are recorded at their estimated fair market value on the date received. Net interest costs incurred during periods of construction are capitalized as part of the cost of the asset. Assets are capitalized if they have a cost of \$5,000 or more and have a useful life of more than one year.

Depreciation of capital assets shall be computed on the straight-line method based on estimated service lives of properties by classes. The estimated useful lives to be used in computing depreciation are as follows:

The difference between the cost of assets removed from service and the amount of accumulated depreciation at the time of removal shall be written off as loss on abandonment of assets.

### **INVESTMENTS**

Investments shall be recorded at cost and adjusted to market value for financial reporting purposes. Adjustments, if applicable, are to be made to cost, for any premium or discount, which shall be amortized over the maturity of the investment. For purposes of the statement of cash flows, the Board shall consider all investments with an original maturity of three months or less to be cash equivalents.

### **INVENTORIES**

Inventories shall be valued on the weighted average method.

### **ALLOWANCE FOR DOUBTFUL ACCOUNTS**

The allowance for doubtful accounts shall be computed at one percent of customer receivables at year end.

### **REVENUE**

The Board shall set fees and rates at levels which fully cover the total direct and indirect costs – including operations, capital outlay, and debt service of providing the citizens of Pueblo, Colorado and any extraterritorial customers with high quality water.

### **RATE STRUCTURE**

This section provides an overview of the Board's rate structure. The rate structure is designed to accomplish the following:

**Water Quality** – Support source quality improvements and water treatment systems that ensure the highest quality of water possible.

**Accountability** – Set rates at levels which provide sufficient revenue to operate the System in a manner that ensures the highest quality, while providing the lowest possible price to our customers.

**Rate Covenant** – The Board has agreed to set rates at levels which ensure that total revenue less operating expenses, will cover the combined annual debt service at a minimum of 1.20 times.

**Community Provider** – Ensure that adequate water is provided to the community now and as needs grow.

**Environmental Responsibility** – Encourage wise environmental stewardship and effective demand management.

### **RATE STRUCTURE COMPONENTS**

The different elements of the current rate structure are detailed in the Board's Rules and Regulations and are subject to change.



# STRATEGIC PLAN

## Planning

Planning has been an important visionary component throughout Pueblo Water's history. This is evidenced through the maintenance of long-term financial, capital, main replacement, operation and maintenance, water resource, and work force succession plans.

## Financial, Capital, and Operation & Maintenance

Each year, as part of the budget process, updates are performed to Pueblo Water's financial, capital, and operation and maintenance 10-year plans. Since it is Pueblo Water's practice to finance routine improvements within its normal rate structure, these plans are an integral part of that success. As a consequence, small steady rate increases are implemented each year, which is essential to ensuring adequate revenue and avoiding "rate shock" for customers. As is the case with many water utilities around the United States, Pueblo Water recognizes the coming challenge of replacing its infrastructure and works to continually refine its supplemental 30-year capital plan. This expanded capital plan affords Pueblo Water the ability to make crucial decisions surrounding replacement of its infrastructure.

The following table represents the planned capital projects included in the 2020 budget:

<u>Project Description</u>	<u>Total</u>
HYDRO ELECTRIC POWER AT WHITLOCK TREATMENT PLANT	\$4,000,000
CITY WIDE MAIN RENEWALS	2,250,000
AMR & METER ROTATION	750,000
FACILITIES MAINTENANCE SHOP	475,000
EROSION & DRAINAGE IMPROVEMENTS	325,000
LIMS SYSTEM	250,000
FILTER COATING REPAIRS	250,000
WATER WORKS' CREWS PROJECTS	240,000
NEW 2-1/2 TON PIPELINE TRUCK	155,000
FILTER UNDERDRAIN REPLACEMENT	155,000
FILTER MEDIA REPLACEMENT	145,000
ROUTINE IMPROVEMENTS & REPLACEMENTS	100,000
66" VALVE INSTALLATION	100,000
VARIOUS CAPITAL PROJECTS UNDER \$100,000	1,474,000
<b>TOTAL</b>	<b>\$10,669,000</b>

## **Main Replacement Program**

Pueblo Water's main replacement program was started in the late 1960's and consists of a formal twenty-year plan that is updated approximately every ten years through cooperation with Pueblo Water's internal engineering staff and its consulting engineer. During the intervening ten-year period, Pueblo Water's internal engineering staff regularly updates the plan to ensure customer needs are met. On average, Pueblo Water spends close to \$2 million every year in connection with the program. Through this program Pueblo Water has greatly reduced the number of main breaks experienced each year. In 1972, 196 main breaks occurred, while in 2018 there were just 38.

## **Water Resource Plan**

In 2007, Pueblo Water updated the water resource plan to project and meet the needs of the community for the next fifty years. That process has continued a less formal basis each year since 2007.

## **Objectives and Initiatives**

Pueblo Water's strategic plan is built on objectives and initiatives to align business goals and achieve strategies while focusing on the organization's mission, vision and core values. Key objectives and initiatives are listed below:

- **Customer Experience** – Meet future water needs of our customers, enhance the customer experience at every “touch level” and maintain an excellent water collection, treatment and distribution system.
  - ✓ Diverse, flexible and resilient water supply sources
  - ✓ Adaptable, long-range planning approach
  - ✓ Appropriate storage and margin of safety including a drought plan and strategic water reserve
  - ✓ Emergency water supply from/to neighboring water system
  - ✓ Provide outstanding and innovative customer service leveraging new technology
  - ✓ Increase awareness of customer affordability issues
  - ✓ Review impact of repair/replacement cost of service lines on customers
  - ✓ Deliver effective customer communication and education
  - ✓ A reliable infrastructure
  - ✓ Protection of watersheds
  - ✓ Meeting or surpassing all drinking water regulations
- **Financial Stability** – maintain a fiscally strong and stable utility through excellent short and long-term fiscal health, ensuring the provision of the highest quality of water at the lowest possible cost through priority driven budgeting and spending.
  - ✓ Evaluate rates annually to ensure both fiscal health and value for customers
  - ✓ Create and maintain sound performance targets and reserves
  - ✓ Maintain a diversified revenue stream
  - ✓ Ensure the retirement and benefit programs are sustainable over the long term
  - ✓ Manage funds prudently and wisely

- ✓ Strive for efficiency in both automated and manual processes
  - ✓ Evaluate new infrastructure based on realistic demand forecasts
  - ✓ Explore opportunities to maximize the return of Pueblo Water assets
  - ✓ Maintain short and long-term financial and capital plans
  - ✓ Engage employees in the budgeting and spending process
- **Organizational Efficiency** – maintain an effective, efficient and strategically driven organization.
    - ✓ Promote leadership and strategic focus at all levels
    - ✓ Continue and enhance positive working relation with union
    - ✓ Healthy, collaborative and highly capable/motivated workforce
    - ✓ Create a resilient and flexible organization capable of adapting to future challenges and seizing new opportunities
    - ✓ Enhance business processes and acquire assets that improve our efficiency and effectiveness
    - ✓ Promote appropriate risk management of Pueblo Water’s system and operations
- **External Partnerships and Relationships** – maintain and cultivate new effective partnerships and relationships.
    - ✓ Maintain Pueblo Water’s excellent reputation
    - ✓ Maintain and cultivate new strategic relationships and partnerships
    - ✓ Continue as advocates and resourceful drivers of economic development
    - ✓ Play a key role in issues important to Pueblo Water and customers’ success



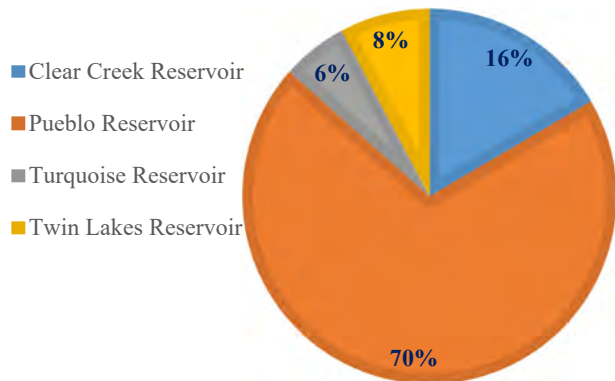
# WATER USAGE

	Acre Feet
Potable - Whitlock Treatment Plant	27,091
Raw Water - Comanche Pump Station	13,894
Raw Water – Outside City Limits	<u>14,503</u>
<b>Total Water Delivery</b>	<b>55,488</b>

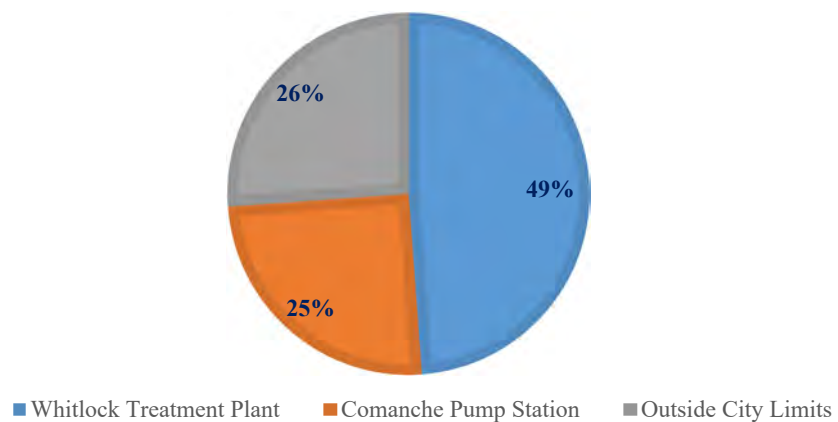
## Water Storage – as of December 31, 2018

Clear Creek Reservoir	6,657
Pueblo Reservoir	24,707
Turquoise Reservoir	2,321
Twin Lakes Reservoir	<u>2,583</u>
<b>Total Water Storage</b>	<b>36,268</b>

# WATER STORAGE



# WATER DELIVERY



## MISCELLANEOUS FACTS & FIGURES

As of December 31, 2018

Active taps:	40,629
Population served:	113,077
Average daily consumption:	23 million gallons
Peak day pumpage in 2018:	51 million gallons
Record peak day pumpage (July 16, 1997):	63 million gallons
Daily consumption per capita:	209 gallons
Treatment plant capacity*:	84 million gallons per day
Miles of pipeline:	581.44 (3" thru 84" in size)
Number of system fire hydrants:	4,154
Full-time employees:	137

*\* Treatment plant capacity will serve a population of up to 200,000 with associated business and industry. Based on current trends in maximum daily demand.*







# BOARD OF DIRECTORS



Pueblo Water's elected Board of Directors include (from left): Steve Nawrocki, Sandy Gutierrez, the late Kevin McCarthy, Mike Cafasso and Dr. Thomas Autobee.

Pueblo Water's five-person Board of Directors is made up of community and business leaders elected by the citizens of Pueblo. Pueblo is fortunate to have a Board that not only performs its expected duties capably — formulating policy, reviewing and approving the budget, setting rates and conducting long-range planning — but also maintains a passionate dedication, to the health and well-being of our community with its service. Board members also have a history of serving multiple six-year terms, and they continue to acquire the complex knowledge required to make the best decisions to ensure Pueblo's water system is operated and maintained in an effective and cost-efficient manner.



- **Dr. Thomas Autobee** (term runs through 2021): Dr. Autobee has been an elected Board member since 2004. He has operated a dental practice in Pueblo since 1977. His great-great-grandfather, Charles Autobee, was one of the original settlers in the Pueblo area in 1828.



- **Mike Cafasso** (term runs through 2019): Mr. Cafasso was appointed to fill a Board vacancy in March of 2007 and then was elected to the Board in November of that same year. He has served ever since. He is the CEO of St. Mary-Corwin Hospital.



- **Sandy Gutierrez** (term runs through 2023): Ms. Gutierrez is the Chief Experience Officer of Health Solutions. Prior to that she was the CEO of the Latino Chamber of Commerce for 18 years. She also serves on the Mental Health Colorado Board of Directors for the Southern and Southeastern Regions.



- **Steve Nawrocki** (term runs through 2019): Mr. Nawrocki was appointed to the Board in March of 2019 by Pueblo City Council to fill a vacancy created by the newly elected Mayor. Mr. Nawrocki has served as the Executive Director of the Senior Resource Development Agency (SRDA) since 1988.

*Board President Kevin F. McCarthy passed away on Sept. 24, 2019. He served on the Board with distinction since 1988. Pueblo Water's new hydroelectric plant at the Whitlock Treatment Facility will be named in his honor in 2020.*

# Leadership Team



**Seth Clayton**  
Executive Director



**Jeanette O'Quin**  
Director  
Administrative Services



**Matt Trujillo**  
Director  
Operations



**Scot Burbidge**  
Division Manager  
TD&E



**Don Colalancia**  
Division Manager  
WQT&P

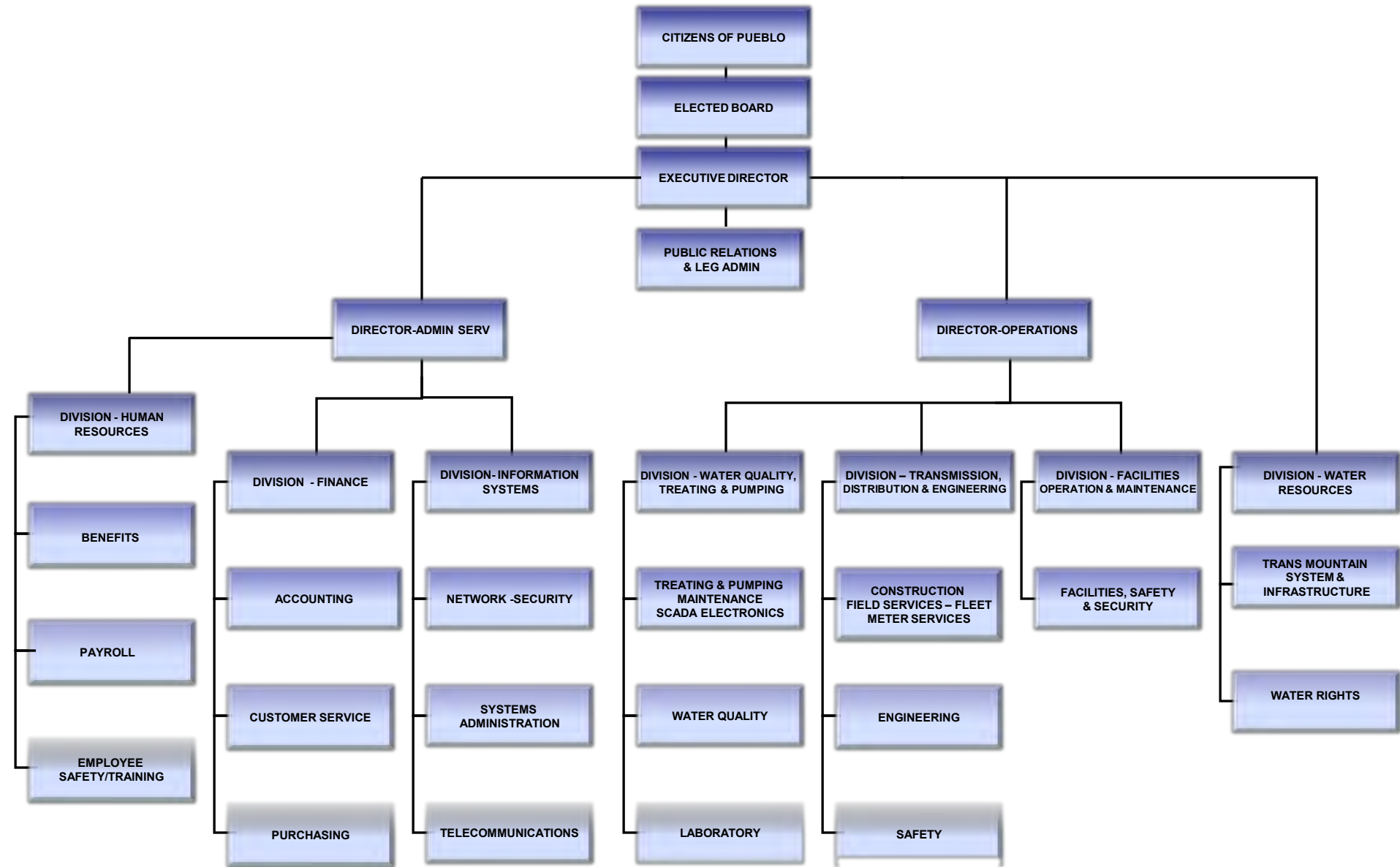


**Kristen Spicola**  
Division Manager  
Finance



**Alan Ward**  
Division Manager  
Water Resources

## Operations and Functional Organizational Chart





## 2020 BUDGET PLAN PREPARATION

Pueblo Water’s budget is determined by a variety of methods. The process begins in early June when a 10-year capital plan workshop is held with all staff to review the status of current projects and discuss changes to any projects in future years of the plan. In July, the budget process is opened up for management staff to develop and input requests. The divisional budget requests are submitted to the Director of Administrative Services. These requests are reviewed by senior management and subsequently used by the Director of Administrative Services to prepare a preliminary budget. The preliminary budget is then submitted to the Executive Director for review and input. In early October the preliminary budget is submitted to the Board of Directors for their input at which time it is made available for public inspection. In October, a management staff budget workshop is held to review the preliminary budget and develop project milestones for the 2020 capital project summary. The final budget, including all appropriate resolutions, is usually adopted at Pueblo Water’s November Board meeting, and subsequently submitted to the State of Colorado Department of Local Affairs.

The calendars below reflect the planning timeline of Pueblo Water’s budget process.

June 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
						1
2	3	4	5	6	7	8
9	10	11	12	13	14	15
16	17	18	19	20	21	22
23	24	25	26	27	28	29
30						

**June 5<sup>th</sup>:** 10-year capital plan workshop

### July 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

**July 5<sup>th</sup>:** Budget input into HTE available

**July 18<sup>th</sup>:** Supervisor review completed

### August 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
				1	2	3
4	5	6	7	8	9	10
11	12	13	14	15	16	17
18	19	20	21	22	23	24
25	26	27	28	29	30	31

**August 1<sup>st</sup>:** Manager review completed

**August 1<sup>st</sup>:** Budget memos to Division Managers

**August 15<sup>th</sup>:** Division Manager review completed

**August 30<sup>th</sup>:** All budget input ability will be removed @ 4:30 p.m.

### September 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30					

**September 6<sup>th</sup>:** Draft of department overviews due to Finance Division Manager

**September 18<sup>th</sup>:** Distribute preliminary draft, revenue requirements and 10-year plans to Directors

**September 25<sup>th</sup>:** Directors review draft, revenue requirements, rate proposals, front range survey, and typical bill comparisons

### October 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
		1	2	3	4	5
6	7	8	9	10	11	12
13	14	15	16	17	18	19
20	21	22	23	24	25	26
27	28	29	30	31		

**October 4<sup>th</sup>:** Directors final discussion and review

**October 10<sup>th</sup>:** Quality review of external proposed draft

**October 11<sup>th</sup>:** Preliminary budget to Board

**October 12<sup>th</sup>:** Publish budget notice in Pueblo Chieftain

### November 2019

Sunday	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30

**November 5<sup>th</sup>:** Budget workshop with Board

**November 19<sup>th</sup>:** Board meeting, public hearing, and budget adoption



# CONTACT US

## **BOARD OF DIRECTORS**

Michael A. Cafasso, Interim President	719.584.0220
Michael A. Cafasso, Secretary-Treasurer	719.584.0220
Dr. Thomas V. Autobee, Vice-President	719.584.0220
Sandy Gutierrez, Vice-President	719.584.0220
Steve Nawrocki, Vice-President	719.584.0220

## **DIRECTORS**

Seth Clayton, Executive Director	719.584.0214
Jeanette O'Quin, Director of Administrative Services	719.584.0233
Matthew Trujillo, Director of Operations	719.584.0277

## **DIVISION MANAGERS**

Scot Burbidge, Transmission, Distribution & Engineering	719.584.0478
Don Colalancia, Water Quality, Treating & Pumping	719.584.0265
Kristen Spicola, Finance	719.584.0414
Alan Ward, Water Resources	719.584.0235

For any additional information or questions, please contact:

Leroy Rittgers, Financial Planning & Rates Analyst, lrittgers@pueblowater.org	719.584.0416
--	--------------







**RESOLUTION NO. 2019-07**

**A RESOLUTION ADOPTING THE 2020 FISCAL YEAR BUDGET AND APPROPRIATING FUNDS FOR THE PURPOSE OF OPERATING THE BOARD OF WATER WORKS OF PUEBLO, COLORADO'S GENERAL FUND, DEBT RETIREMENT FUND, AND WATER DEVELOPMENT FUND AND APPROVING A REVISED WATER SCHEDULE IN SUPPORT OF THE 2020 BUDGET.**

**WHEREAS**, the Board of Water Works of Pueblo, Colorado (Pueblo Water) desires to continue a sound fiscal policy to support its operation on behalf of the citizens of Pueblo and customers of Pueblo Water during the fiscal period commencing January 1, 2020, and ending December 31, 2020, and

**WHEREAS**, the Executive Director has maintained for Pueblo Water a program of financial projection, and

**WHEREAS**, the Board annually reviews said program and establishes the policy for operation and maintenance of all facilities under the Board's control, and

**WHEREAS**, it is necessary for the Board to adopt the 2020 budget and appropriate funds in order for Pueblo Water to provide water service, and


**WHEREAS**, the program of financial projection calls for additional revenue to support the operation of Pueblo Water.


**NOW, THEREFORE, BE IT RESOLVED** that the Board hereby:


- (1) Approves and adopts the attached 2020 Budget and authorizes implementation of said Budget by the Executive Director.
- (2) Appropriates the revenue of the General Fund, Debt Retirement Fund and Water Development Fund, as provided in the 2020 Budget to each of said Funds.
- (3) Approves and adopts for implementation consistent with the dates described in the revised water rate schedule as provided in the 2020 Budget.

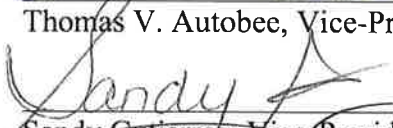
**ADOPTED THIS 19<sup>TH</sup> DAY OF NOVEMBER, 2019.**

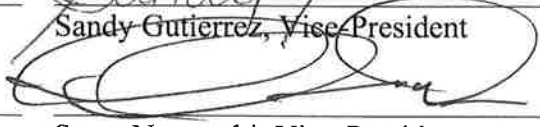
  
Seth J. Clayton, Executive Director

  
Patrick Garcia, Board Attorney

  
Michael A. Cafasso, Secretary-Treasurer

  
Thomas V. Autobee, Vice-President

  
Sandy Gutierrez, Vice-President

  
Steve Nawrocki, Vice-President



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
SUMMARY OF ESTIMATED CASH AVAILABLE FOR OPERATIONS AND RESERVES  
2020 BUDGET

GENERAL FUND

	<u>OPERATIONS</u>	<u>OPERATION &amp; MAINTENANCE RESERVE</u>	<u>CAPITAL PROJECTS RESERVE</u>	<u>TOTAL</u>
ESTIMATED BEGINNING FUND BALANCE	\$ 18,507,268	\$ 4,321,201	\$ 1,000,000	\$ 23,828,469
ESTIMATED REVENUES AND TRANSFERS	<u>30,136,058</u>	<u>233,055</u>	<u>9,807,500</u>	<u>40,176,613</u>
ESTIMATED EXPENDITURES				
Personnel services	16,372,295	-	-	16,372,295
Operation and maintenance	11,332,764	-	-	11,332,764
Capital outlay	861,500	-	9,807,500	10,669,000
Debt retirement	4,525,589	-	-	4,525,589
Transfer to(from) Water Development Fund	<u>(859,700)</u>	<u>-</u>	<u>-</u>	<u>(859,700)</u>
Total estimated expenditures	<u>32,232,448</u>	<u>-</u>	<u>9,807,500</u>	<u>42,039,948</u>
ESTIMATED ENDING FUND BALANCE	<u>\$ 16,410,878</u>	<u>\$ 4,554,256</u>	<u>\$ 1,000,000</u>	<u>\$ 21,965,134</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
SUMMARY OF ESTIMATED CASH AVAILABLE  
2020 BUDGET

WATER DEVELOPMENT FUND

	<u>TOTAL</u>
ESTIMATED BEGINNING FUND BALANCE	\$ 7,433,936
ESTIMATED REVENUES AND TRANSFERS	<u>(455,710)</u>
ESTIMATED EXPENDITURES	
Capital outlay	<u>246,450</u>
Total estimated expenditures	<u>246,450</u>
ESTIMATED ENDING FUND BALANCE	<u><u>\$ 6,731,776</u></u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
ESTIMATED REVENUES BY SOURCE  
2020 BUDGET

GENERAL FUND

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATED	2020 BUDGET
OPERATING REVENUES				
Water sales - Metered	\$ 25,819,695	\$ 25,103,460	\$ 24,500,000	\$ 25,790,802
Water sales - Utility Private	6,254,369	6,275,446	6,275,446	6,495,070
Water sales - Raw water	2,693,435	2,488,871	2,500,000	2,924,527
Water sales - Utility Public	1,176,100	1,217,264	1,217,264	1,259,854
Taps and meters	84,808	55,000	60,000	55,000
Material sales	262,883	55,000	95,000	55,000
Main assessments	14,087	10,000	1,400	10,000
Fire protection - public	12,317	9,365	9,614	9,614
Discounts	6,347	1,500	800	1,500
Rental income	29,026	26,405	26,405	27,329
Late field reading fee	23,300	7,000	16,000	7,000
Turn-on fee	70,900	70,000	70,000	70,000
Check processing fee	13,470	15,000	12,000	15,000
Field collection fee	1,570	1,500	1,500	1,500
Missed appointment fee	2,160	1,500	2,500	1,500
Finance Charges	19,115	1,000	5,033	1,000
Miscellaneous	883,063	75,000	110,000	75,000
Service line protection program	430,307	420,000	420,000	420,000
Plant water investment fee	963,365	750,000	650,000	750,000
Insurance recovery	1,231	10,000	250	10,000
Comanche operations and maintenance reimbursement	596,276	500,000	500,000	500,000
Busk-Ivanhoe administration fee	25,000	25,000	25,000	25,000
TIFF proceeds	-	527,699	600,085	526,751
Wastewater collection fee	461,676	478,265	478,265	495,004
Stormwater collection fee	200,376	206,879	206,879	214,120
Street repair collection fee	-	75,000	68,750	77,625
Total operating revenue	<u>40,044,876</u>	<u>38,406,154</u>	<u>37,852,191</u>	<u>39,818,196</u>
NONOPERATING REVENUES				
Interest income	343,233	531,387	307,213	338,417
Sale of assets	92,918	20,000	45,000	20,000
Bond proceeds	-	4,000,000	-	-
Contribution (to) from reserve	<u>1,098,471</u>	<u>2,160,539</u>	<u>1,364,200</u>	<u>1,863,335</u>
Total nonoperating revenue	<u>1,534,622</u>	<u>6,711,926</u>	<u>1,716,413</u>	<u>2,221,752</u>
Total revenue	<u>\$ 41,579,498</u>	<u>\$ 45,118,080</u>	<u>\$ 39,568,604</u>	<u>\$ 42,039,948</u>



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
ESTIMATED EXPENDITURES BY OBJECT  
2020 BUDGET

GENERAL FUND

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
EXPENDITURES				
PERSONNEL SERVICES				
Administration	\$ 961,379	\$ 1,057,926	\$ 1,005,732	\$ 963,204
Finance	1,362,330	1,597,864	1,509,051	1,633,080
Information Systems	628,384	704,066	667,726	726,768
Water Quality, Treating & Pumping	3,150,905	3,229,272	3,026,223	3,379,417
Transmission, Distribution and Engineering	5,386,170	5,675,292	5,371,073	5,740,291
Facilities Operation & Maintenance	868,943	1,015,188	942,667	1,065,710
Water Resources	474,460	417,074	395,623	436,502
Human Resources	4,186,871	2,453,955	2,347,736	2,427,323
Total personnel services	<u>17,019,442</u>	<u>16,150,637</u>	<u>15,265,831</u>	<u>16,372,295</u>
OPERATION AND MAINTENANCE				
Administration	610,644	730,250	665,569	705,600
Finance	908,735	1,184,729	1,063,600	1,138,251
Information Systems	407,922	546,625	485,431	502,125
Water Quality, Treating & Pumping	2,198,949	2,358,400	2,288,691	2,381,175
Transmission, Distribution and Engineering	1,127,460	1,497,682	1,344,855	1,407,704
Facilities Operation & Maintenance	3,219,552	3,354,510	3,384,165	3,440,940
Water Resources	1,261,931	1,317,130	1,368,613	1,373,290
Human Resources	261,346	392,162	420,552	383,679
Total operation and maintenance	<u>9,996,539</u>	<u>11,381,488</u>	<u>11,021,476</u>	<u>11,332,764</u>
CAPITAL OUTLAY/ FUND TRANSFERS				
Administration	899	-	-	-
Finance	6,142,603	6,696,605	6,241,041	3,671,889
Information Systems	2,558	216,000	165,155	55,000
Water Quality, Treating & Pumping	20,428	104,600	104,662	277,000
Transmission, Distribution and Engineering	5,048,250	4,108,000	4,045,031	4,276,000
Facilities Operation & Maintenance	3,251,620	6,310,750	2,716,671	5,970,000
Water Resources	96,260	140,000	-	85,000
Human Resources	899	10,000	8,737	-
Total capital outlay	<u>14,563,517</u>	<u>17,585,955</u>	<u>13,281,297</u>	<u>14,334,889</u>
Total expenditures	<u>\$ 41,579,498</u>	<u>\$ 45,118,080</u>	<u>\$ 39,568,604</u>	<u>\$ 42,039,948</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
ESTIMATED REVENUES BY SOURCE &  
ESTIMATED EXPENDITURES BY OBJECT  
2020 BUDGET

DEBT SERVICE FUND

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATED	2020 BUDGET
NONOPERATING REVENUES				
Interest income	\$ 75,328	\$ 10,000	\$ 10,000	\$ 10,000
Contribution from general fund	<u>4,909,705</u>	<u>5,358,102</u>	<u>4,806,502</u>	<u>4,525,589</u>
Total revenue	<u>4,985,033</u>	<u>5,368,102</u>	<u>4,816,502</u>	<u>4,535,589</u>
DEBT RETIREMENT				
Contribution to reserve	75,328	10,000	10,000	10,000
Principal - Series 2015	2,710,000	2,774,167	2,774,167	2,862,500
Principal - Series 2000B	370,838	386,904	386,904	402,969
Principal - Series 2009	430,833	436,667	181,250	-
Principal - Series 2019	-	111,450	-	-
Interest - Series 2015	324,200	265,133	265,133	177,083
Interest - Series 2000B	250,016	236,973	236,973	223,337
Interest - Series 2009 (net)	823,818	812,456	554,513	-
Interest - Series 2019	<u>-</u>	<u>334,352</u>	<u>407,562</u>	<u>859,700</u>
Total debt retirement	<u>4,985,033</u>	<u>5,368,102</u>	<u>4,816,502</u>	<u>4,535,589</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES AND EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
ESTIMATED REVENUES BY SOURCE &  
ESTIMATED EXPENDITURES BY OBJECT  
2020 BUDGET

WATER DEVELOPMENT FUND

	2018 ACTUAL	2019 BUDGET	2019 ESTIMATED	2020 BUDGET
NONOPERATING REVENUES				
Interest income	\$ 125,540	\$ 151,220	\$ 160,000	\$ 103,990
Sale of Property	-	-	-	300,000
Net transfer from General Fund	1,220,350	1,312,503	1,418,301	-
Contribution from reserve	<u>-</u>	<u>576,777</u>	<u>-</u>	<u>702,160</u>
Total nonoperating revenue	<u>1,345,890</u>	<u>2,040,500</u>	<u>1,578,301</u>	<u>1,106,150</u>
EXPENDITURES				
Outside services	528,421	1,440,500	450,000	246,450
Capital improvements	-	100,000	55,000	-
Bessemer escrow	-	500,000	600,000	-
Net transfer to General Fund	-	-	-	859,700
Contribution to reserve	<u>817,469</u>	<u>-</u>	<u>473,301</u>	<u>-</u>
Total expenditures	<u>1,345,890</u>	<u>2,040,500</u>	<u>1,578,301</u>	<u>1,106,150</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENSES AND EXPENDITURES	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>









Board of Water Works  
Alan C. Hamel  
Administration Building

Administration





# Administration



**What do Amazon and Pueblo Water have in common? Our customers touch our service over a billion times per year.** Those of us that are fortunate enough to serve this great community as employees of Pueblo Water accept the responsibility that comes with providing a service critical not only to the health and safety but economic viability of the community. Our team of just 134 employees works tirelessly to provide water service to more than 113,000 customers 24/7/365. That is a responsibility we each accept with a great deal of pride. Our **2020 Vision** at Pueblo Water is to protect Pueblo's most precious natural resource and continue providing safe reliable service.

Weaved throughout the following pages of this document are stories about how our team operates. From the Water Resources Division, maintaining and protecting our source water high in the mountains, to Water Quality, Treating & Pumping that takes our source water and treats it to the highest standard, to the Transmission, Distribution & Engineering Division that ensures it is reliably delivered to our customers whenever they need it. Supporting those efforts include: Customer Service, who works diligently to provide the best-possible experience to those we serve; our Facilities team that ensures all our buildings and equipment are maintained and working efficiently; our Finance team that ensures we have the tools to stare far into the future and maintain the lowest possible rates; and our Information Systems team, that develops and maintains all the systems needed to provide reliable efficient service to our customers. Our Human Resources team then takes care of all of us.

Pueblo Water's workforce may be relatively small, but our team of highly skilled and motivated employees, ever-mindful of our mission, work diligently to provide the highest-quality water at the lowest possible cost.

We currently benefit from the foresight of past generations of Board members and staff and we accept the responsibility of maintaining that same foresight as we plan for future generations of Puebloans. While this plan is focused on 2020, we don't just look out 12 months. Our detailed capital plan looks 30 years into the future and our water supply plan looks out even further — all with the goal of ensuring we provide Pueblo with the highest quality water at the lowest possible cost.

*Seth Clayton*  
*Executive Director*



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

PERSONNEL SERVICES

ADMINISTRATION

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
<b>SALARIES &amp; WAGES</b>				
Director	\$ 481,050	\$ 471,801	\$ 438,775	\$ 485,304
Specialist	193,369	281,122	261,443	198,090
Overtime	-	-	511	-
Board Members	<u>13,800</u>	<u>13,800</u>	<u>13,800</u>	<u>13,800</u>
Total salaries and wages	<u>688,219</u>	<u>766,723</u>	<u>714,529</u>	<u>697,194</u>
<b>BENEFITS</b>				
Longevity	3,580	3,851	3,851	3,137
Employee assistance	130	112	112	137
Social security	51,883	61,401	61,401	55,040
Pension	19,685	22,588	22,588	18,252
Health insurance	95,562	93,547	93,547	89,990
Dental insurance	4,746	4,669	4,669	4,438
Disability insurance	4,677	4,484	4,484	4,784
Life insurance	7,610	8,557	8,557	7,773
Sick leave	32,933	34,939	34,939	31,700
Vacation leave	<u>52,354</u>	<u>57,055</u>	<u>57,055</u>	<u>50,759</u>
Total benefits	<u>273,160</u>	<u>291,203</u>	<u>291,203</u>	<u>266,010</u>
Total personnel services	<u><u>\$ 961,379</u></u>	<u><u>\$ 1,057,926</u></u>	<u><u>\$ 1,005,732</u></u>	<u><u>\$ 963,204</u></u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
 DETAIL OF EXPENDITURES  
 2020 BUDGET

OPERATION AND MAINTENANCE

ADMINISTRATION

	<u>2018</u> <u>ACTUAL</u>	<u>2019</u> <u>BUDGET</u>	<u>2019</u> <u>ESTIMATED</u>	<u>2020</u> <u>BUDGET</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 444,399	\$ 542,750	\$ 478,688	\$ 501,250
Utilities - other	6,345	5,400	5,900	5,900
Maintenance	727	1,500	1,500	750
Advertising	11,103	12,000	12,000	12,500
Travel and training	82,827	101,150	91,355	106,750
Office supplies	2,809	3,000	6,121	11,000
Subscriptions and memberships	<u>62,434</u>	<u>64,450</u>	<u>70,005</u>	<u>67,450</u>
 Total operation and maintenance	 <u>\$ 610,644</u>	 <u>\$ 730,250</u>	 <u>\$ 665,569</u>	 <u>\$ 705,600</u>

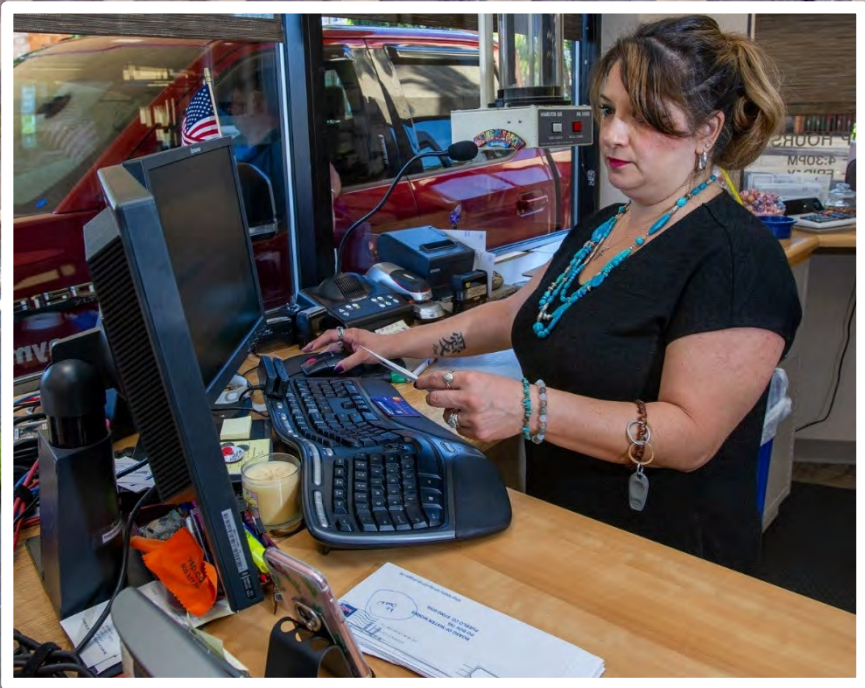
BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

CAPITAL OUTLAY

ADMINISTRATION

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
CAPITAL OUTLAY				
Computer and office equipment	\$ <u>899</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>-</u>





# Finance





**Our 2020 Vision for the Finance Division of Pueblo Water** is to implement the most cost-efficient methods for maintaining the highest standards in customer service. That is not just talk, or corporate-speak. We measure excellence in customer service using our Key Performance Indicators. With these tools, we can monitor how we serve our customers – more than 113,000 and growing – and how we can do it better.

Our 17-person Finance team encompasses the accounting, customer service, and purchasing departments. This team works to optimize performance and meet internal and external customer service goals. In 2018, Pueblo Water’s Customer Service team handled 227,328 payments, answered 653 emails and greeted 64,710 customer phone calls. Even with just six customer service representatives in the lobby, and five more in our call center, the average wait time was just 3.39 minutes. While that rate fell short of our goal of 1 minute or less, it was an improvement from 6 minutes in 2017. Customers received an average response to email inquiries within 22 hours, exceeding our goal of responding within 24 hours.

So, how did we improve? By utilizing all available tools, such as an improved utility billing system to automate processes including mobile work orders, and online customer self-service options such as billing inquiries, move requests and routine service order requests. These tools allow us to streamline our processes to make sure customer concerns are addressed quickly and payments and billing are handed accurately. This, in turn, benefits our customers’ bottom line.

Promotion of reliable customer self-service transactions through our secure online customer portal remains a priority. Nearly 40 percent of customers served by Pueblo Water have a registered online account up 5 percent from the prior year. In 2018, more than 230,000 payments were processed online – an increase of 9 percent from the previous year. Making sure our online services work accurately and efficiently is always a top priority. With 7,908 customers utilizing auto pay and 5,949 on e-billing, customer services’ goal it to increase this by 10 percent from the prior year.

We strive for excellent communication and total transparency. In 2019, Pueblo Water upgraded our financial planning model which is critical to preparing detail specific forecasting for long-term rate planning and financial analysis. We also developed a SharePoint site internally for team planning and communication throughout the budget process. Our financial statements and budgets are readily available to the public on our website.

Our Customer Assistance Referral and Evaluations Services (CARES) program provides emergency funding for qualifying families. Through 2018, CARES has provided more than \$896,566 in assistance to more than 8,100 Pueblo families. Pueblo Water will continue its annual contribution to the program at \$107,500 in 2020.

We have modernized how we operate internally when it comes to vendors. By using procurement cards, much the same as credit cards, we have simplified the purchasing process. This reduces the cost of processing payments and improves the delivery time for required goods and services. That, in turn, helps our bottom line, which is also our customers’ bottom line.

Being more efficient benefits our customers directly. The average annual water bill for a single-family residence with a 1-inch meter in 2018 was \$472.68. The average along the Front Range was \$705.34. That is no accident. Everything we do in Finance, and at Pueblo Water, guides us in staying true to our Mission, which is bringing customers the highest-quality water at the lowest-possible cost.

*Kristen Spicola*  
*Finance Division Manager*

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

PERSONNEL SERVICES

FINANCE

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
<b>SALARIES &amp; WAGES</b>				
Division manager	\$ 76,095	\$ 118,703	\$ 110,394	\$ 130,582
Manager	64,190	-	-	-
Supervisor	39,352	68,302	63,521	77,032
Specialist	146,148	209,668	194,991	161,965
Skills and trades	567,485	696,751	647,978	721,688
Part-time/ temporary	14,269	25,436	15,563	25,650
Overtime	<u>14,695</u>	<u>14,500</u>	<u>12,100</u>	<u>14,500</u>
Total salaries and wages	<u>922,234</u>	<u>1,133,360</u>	<u>1,044,547</u>	<u>1,131,417</u>
<b>BENEFITS</b>				
Longevity	6,197	6,980	6,980	7,239
Employee assistance	369	380	380	388
Social security	77,165	83,268	83,268	82,402
Pension	26,694	29,486	29,486	32,214
Health insurance	187,862	191,026	191,026	224,180
Dental insurance	10,401	10,759	10,759	11,464
Disability insurance	6,498	7,305	7,305	7,639
Life insurance	10,684	12,547	12,547	12,522
Sick leave	50,726	52,408	52,408	52,227
Vacation leave	<u>63,500</u>	<u>70,345</u>	<u>70,345</u>	<u>71,388</u>
Total benefits	<u>440,096</u>	<u>464,504</u>	<u>464,504</u>	<u>501,663</u>
Total personnel services	<u>\$ 1,362,330</u>	<u>\$ 1,597,864</u>	<u>\$ 1,509,051</u>	<u>\$ 1,633,080</u>



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

OPERATION AND MAINTENANCE

FINANCE

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 312,290	\$ 383,902	\$ 399,166	\$ 343,547
Utilities	78,553	93,220	88,270	83,850
Maintenance - office equipment	8,242	9,425	13,178	11,900
Equipment lease and rental	679	900	1,141	900
Interest expense - meter deposits	170	1,000	1,000	500
Collection expense	115	750	750	750
Cash (over) short	105	150	150	150
Contingency	-	150,000	-	150,000
Insurance - property	256,403	274,540	274,540	265,000
Advertising	1,215	1,500	1,500	1,500
Travel and training	6,732	10,350	10,040	13,175
Office supplies	32,338	44,600	59,540	52,950
Postage	210,619	212,000	212,000	212,000
Subscriptions and memberships	<u>1,274</u>	<u>2,392</u>	<u>2,325</u>	<u>2,029</u>
 Total operation and maintenance	 <u>\$ 908,735</u>	 <u>\$ 1,184,729</u>	 <u>\$ 1,063,600</u>	 <u>\$ 1,138,251</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
 DETAIL OF EXPENDITURES  
 2020 BUDGET

CAPITAL OUTLAY

FINANCE

	<u>2018</u> <u>ACTUAL</u>	<u>2019</u> <u>BUDGET</u>	<u>2019</u> <u>ESTIMATED</u>	<u>2020</u> <u>BUDGET</u>
CAPITAL OUTLAY/ FUND TRANSFERS				
Computer and office equipment	\$ 12,548	\$ 26,000	\$ 16,238	\$ 6,000
Transfer to Debt Service Fund	4,909,705	5,358,102	4,776,764	4,525,589
Transfer to Water Development Fund	<u>1,220,350</u>	<u>1,312,503</u>	<u>1,448,039</u>	<u>(859,700)</u>
 Total capital outlay and fund transfers	 <u>\$ 6,142,603</u>	 <u>\$ 6,696,605</u>	 <u>\$ 6,241,041</u>	 <u>\$ 3,671,889</u>



Information  
Systems





# Information Systems



**Safety and security are the top priorities for Pueblo Water's Information Systems department in 2020.** Since information travels through cyberspace at warp speed these days, Pueblo Water remains ever vigilant to ensure its technology is secure, reliable, and helps the team be as efficient as possible. We pride ourselves in being invisible; if you don't need us or know that we are working, then we are doing our jobs perfectly.

Customer communication is critical to every business, but it's especially critical when you provide access to a community's most precious natural resource. We take great pride in providing such a valuable resource to our customers. We ensure that our internal technical infrastructure works seamlessly and efficiently. We tie together customer service and administration with engineering and water treatment. Every department at Pueblo Water must be able to communicate with each other. Our robust network spans three main buildings and departments too numerous to mention. Our six highly skilled team members are the stewards of Pueblo Water's massive amount of information and they ensure that information travels unhindered to the rest of our team. Our redundancies are expansive and interruptions to our network are kept to a minimum.

Much of the treatment, storage, and distribution of water is monitored by our supervisory control and data acquisition (SCADA) system. Our department is responsible for the security of the system and assists, as necessary, with the components, cables, and configuration of the SCADA network. This network spans water towers, pump stations, as well as treatment and filtration systems. Our system can account for almost every drop of water flowing through our vast distribution network.

Pueblo Water will transition to an upgraded website in 2020. This new site will be user-friendly on every platform (phone, tablet, computer, etc.) allowing our customers to manage their accounts from the palm of their hands. The new site will be an integral part of Pueblo Water's external communications providing education and emergency management.

While water planning can take decades, technology can change in an instant. We work tirelessly to make sure Pueblo Water's information can flow as freely as the product we provide.

*Mark Higdon*  
*Information Systems Manager*

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

PERSONNEL SERVICES

INFORMATION SYSTEMS

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
SALARIES & WAGES				
Manager	\$ 92,062	\$ 100,494	\$ 93,459	\$ 109,826
Specialist	208,316	246,955	229,668	246,612
Skills and trades	102,279	122,812	114,215	124,504
Part-time/ temporary	10,964	13,151	12,230	14,907
Overtime	<u>4,139</u>	<u>7,500</u>	<u>5,000</u>	<u>7,500</u>
Total salaries and wages	<u>417,760</u>	<u>490,912</u>	<u>454,572</u>	<u>503,349</u>
BENEFITS				
Longevity	3,374	3,610	3,610	2,896
Employee assistance	129	134	134	137
Social security	35,526	36,409	36,409	37,055
Pension	11,901	11,934	11,934	12,117
Health insurance	92,105	92,320	92,320	103,656
Dental insurance	4,501	4,600	4,600	4,988
Disability insurance	2,817	3,292	3,292	3,367
Life insurance	4,606	5,376	5,376	5,495
Sick leave	24,251	23,315	23,315	23,840
Vacation leave	<u>31,414</u>	<u>32,164</u>	<u>32,164</u>	<u>29,868</u>
Total benefits	<u>210,624</u>	<u>213,154</u>	<u>213,154</u>	<u>223,419</u>
Total personnel services	<u>\$ 628,384</u>	<u>\$ 704,066</u>	<u>\$ 667,726</u>	<u>\$ 726,768</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

OPERATION AND MAINTENANCE

INFORMATION SYSTEMS

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 373,399	\$ 398,875	\$ 357,944	\$ 406,500
Utilities - other	1,339	5,000	1,500	2,000
Maintenance - office equipment	14,102	4,500	8,821	5,500
Equipment lease and rental	585	600	608	625
Travel and training	898	19,200	20,448	15,550
Office supplies	17,393	114,700	92,335	67,350
Subscriptions and memberships	<u>206</u>	<u>3,750</u>	<u>3,775</u>	<u>4,600</u>
 Total operation and maintenance	 <u>\$ 407,922</u>	 <u>\$ 546,625</u>	 <u>\$ 485,431</u>	 <u>\$ 502,125</u>



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

CAPITAL OUTLAY

INFORMATION SYSTEMS

	<u>2018</u> <u>ACTUAL</u>	<u>2019</u> <u>BUDGET</u>	<u>2019</u> <u>ESTIMATED</u>	<u>2020</u> <u>BUDGET</u>
CAPITAL OUTLAY				
Computer and office equipment	\$ <u>2,558</u>	\$ <u>216,000</u>	\$ <u>165,155</u>	\$ <u>55,000</u>





# Water Quality, Treating & Pumping



# Water Quality, Treating & Pumping



**Pueblo Water treats, stores and pumps 8 billion gallons of water a year.** Yes “b”illion. Our Water Quality, Treating & Pumping (WQT&P) division uses science and technology, along with tried-and-true treatment methods, to process plentiful amounts of the highest-quality water for our customers. For just pennies on the dollar. Our **2020 Vision** is to ensure Pueblo Water customers receive the highest-quality water possible.

Water enters our Whitlock Treatment Plant through a 66-inch raw water pipeline that connects directly to the Pueblo Reservoir or from intakes on the Arkansas River. We begin the treatment process immediately as water flows into our plant. Our Water Quality Lab Specialists (biologists and chemists), along with plant operators who staff the facility 24 hours a day, collect water samples and perform approximately 275 water analyses each day. We test the raw water as it enters our treatment plant, as it is being processed, and, of course, the finished product. We also have automated monitors that measure water quality in our storage tanks on a continual basis. All told, our division pulls more than 100,000 water samples a year for testing. We are responsible for meeting every one of the numerous EPA regulations regarding water quality.

The finished product, regarded as some of the best-tasting water in North America, then travels through almost 600 miles of pipe through seven pump stations into 18 water storage tanks located throughout the city. At capacity, Pueblo Water’s system can store almost 60 million gallons (MG) at one time. Pueblo’s peak usage in 2019 was on July 19, where consumers used 47.52 MG.

Computer science also plays an important role in our division. Treating, pumping, storage, system pressure and transmission all function with the aid of a highly customized Supervisory Control and Data Acquisition (SCADA) system. This system helps us to monitor the water we produce from the reservoir to the tap. Pueblo Water ensures that this system remains functionally sound and secure in an environment of ever-evolving cyber threats.

Pueblo Water’s Water Quality Lab uses state of the art technology. In 2019, a Total Carbon Analyzer was certified for in-house raw water testing. Also new in 2019, an Inductively Coupled Plasma/ Mass Spectroscopy (ICP/MS) instrument was purchased that allows us to test for multiple trace metals concurrently. These analytical tools allow us to streamline some of the testing processes and pass the savings onto our customers.

We continue to provide free water quality testing for all Pueblo Water customers, including lead testing for schools and businesses. In 2019, Pueblo Water worked with Pueblo West Metropolitan District to create a Source Water Protection Plan. This plan educates the public on the importance of protecting our valuable source water for both drinking water systems by disposing of household waste properly (including paint, fertilizer, pharmaceuticals and other hazardous materials). It also alerts boaters to help avoid aquatic nuisance species (ANS) that can invade streams, lakes and reservoirs.

Despite the involved process, using the latest advances in science and technology, one gallon of Pueblo’s water delivered to your home or business 24/7/365, costs just \$.003. Producing the cleanest, best-tasting drinking water and meeting customer demands are among Pueblo Water’s goals. The WQT&P division works diligently all day, every day, to help Pueblo Water meet those goals.

*Don Colalancia*  
*WQT&P Division Manager*



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

PERSONNEL SERVICES

WATER QUALITY, TREATING AND PUMPING

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
<b>SALARIES &amp; WAGES</b>				
Division manager	\$ 117,991	\$ 131,042	\$ 121,869	\$ 132,847
Manager	102,982	112,724	104,833	114,277
Supervision	241,922	187,911	174,757	195,191
Specialist	204,031	223,009	207,399	226,081
Skills and trades	1,291,091	1,453,174	1,326,782	1,542,386
Part-time/ temporary	38,776	106,255	51,071	76,351
Overtime	<u>162,685</u>	<u>75,000</u>	<u>99,355</u>	<u>75,000</u>
Total salaries and wages	<u>2,159,478</u>	<u>2,289,115</u>	<u>2,086,066</u>	<u>2,362,133</u>
<b>BENEFITS</b>				
Longevity	14,566	13,717	13,717	15,636
Employee assistance	672	647	647	684
Social security	182,843	166,820	166,820	172,478
Pension	58,768	57,707	57,707	64,536
Health insurance	410,499	393,327	393,327	435,431
Dental insurance	20,216	19,567	19,567	20,574
Disability insurance	14,392	14,236	14,236	15,475
Life insurance	23,539	23,679	23,679	25,297
Sick leave	110,579	107,703	107,703	112,093
Vacation leave	<u>155,353</u>	<u>142,754</u>	<u>142,754</u>	<u>155,080</u>
Total benefits	<u>991,427</u>	<u>940,157</u>	<u>940,157</u>	<u>1,017,284</u>
Total personnel services	<u><u>\$ 3,150,905</u></u>	<u><u>\$ 3,229,272</u></u>	<u><u>\$ 3,026,223</u></u>	<u><u>\$ 3,379,417</u></u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

OPERATION AND MAINTENANCE

WATER QUALITY, TREATING AND PUMPING

	<u>2018</u> <u>ACTUAL</u>	<u>2019</u> <u>BUDGET</u>	<u>2019</u> <u>ESTIMATED</u>	<u>2020</u> <u>BUDGET</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 82,392	\$ 132,600	\$ 117,310	\$ 129,050
Utilities	1,125,077	1,231,400	1,175,900	1,214,025
Repair and maintenance - equipment	1,138	16,500	16,500	19,250
Maintenance - office equipment	994	1,050	1,050	1,050
Chemical (over) short	854	2,500	2,500	1,000
Travel and training	608	7,150	7,150	3,900
Office supplies	3,802	2,850	2,850	3,850
Safety	4,162	4,700	4,700	5,700
Chemicals	862,040	838,000	838,001	866,000
Laboratory	117,882	121,000	122,166	136,700
Subscriptions and memberships	<u>-</u>	<u>650</u>	<u>564</u>	<u>650</u>
 Total operation and maintenance	 <u>\$ 2,198,949</u>	 <u>\$ 2,358,400</u>	 <u>\$ 2,288,691</u>	 <u>\$ 2,381,175</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
 DETAIL OF EXPENDITURES  
 2020 BUDGET

CAPITAL OUTLAY

WATER QUALITY, TREATING AND PUMPING

	<u>2018</u> <u>ACTUAL</u>	<u>2019</u> <u>BUDGET</u>	<u>2019</u> <u>ESTIMATED</u>	<u>2020</u> <u>BUDGET</u>
CAPITAL OUTLAY				
Computer and office equipment	\$ -	\$ -	\$ -	\$ 270,000
Lab equipment	<u>20,428</u>	<u>104,600</u>	<u>104,662</u>	<u>7,000</u>
 Total capital outlay and fund transfers	 <u>\$ 20,428</u>	 <u>\$ 104,600</u>	 <u>\$ 104,662</u>	 <u>\$ 277,000</u>



**PUEBLA**   
**HOME of HEROES**



**Transmission,  
Distribution &  
Engineering**





# Transmission Distribution & Engineering



With more than 50 team members, the Transmission, Distribution and Engineering Department (TD&E) is the largest department at Pueblo Water. That said, the TD&E team is relatively lean considering the scope of the work performed and the size of our customer base. The department is diverse: the “T” and “D” areas are all about pipes, while the “E” is all about planning and problem-solving. There are seven mission-critical sub-divisions that fall under TD&E. Together, we are responsible for making sure water is delivered reliably to our customer, 24/7/365. That singular goal is our **2020 Vision** and motivates us to be better every day.

Our seven sub-divisions: dispatch, construction/maintenance, meter services, engineering, field engineering, fleet and warehouse; work in harmony to ensure system facilities are operating at their optimum levels. This includes maintaining and replacing more than 580 miles of pipe and aging valves. Our main replacement program identifies infrastructure in need of repair or replacement according to metrics that relate the greatest likelihood and greatest consequence of failure. In 2019, we replaced more than 3 miles of aging water mains and will replace approximately 4 more in 2020 as part of this program.

At TD&E “business as usual” includes near-immediate response to service interruptions 24/7/365. Our crews are mobile at a moment’s notice to ensure that any inconvenience our customers experience is minimal. From repairs under our service line replacement program to large main breaks, we have the personnel and equipment to restore any disruption in service. Pueblo Water’s system averages a mere 38 main breaks a year or 7 breaks per 100 miles of main. This is well below the industry average of 25 to 30 breaks per 100 miles of main and speaks to the success of our main replacement program.

TD&E also is taking full advantage of advances in technology. Our geographic information system (GIS) mapping project of Pueblo Water’s elaborate system is nearly complete. This provides our field personnel critical and accurate information. GIS is critical to emergency response: we can produce maps of areas affected during events to educate and inform our customers. As our capabilities improve with this technology, we will be able to utilize GIS for predictive strategy in helping to identify where to focus our capital outlay on infrastructure improvements.

TD&E works with every division at Pueblo Water. In 2019, TD&E helped facilitate the refurbishment of Filter No. 11 in the Whitlock Treatment Plant and Belmont tank No. 2 near Colorado State University-Pueblo. TD&E also coordinated a major system improvement to isolate the cathodic protection system that serves the La Vista Pump Station from the 48-inch steel main that feeds three major pressure zones. The planning and diligence by all involved ensured that this critical effort was executed flawlessly.

Pueblo Water is proactive about the provision of service to our customers. Our service line repair/replacement program has been a great platform to facilitate our “Get the Lead Out” initiative. In 2019, we replaced nearly 50 service lines, three of which were lead services. We will look to replace all lead services that are identified in the current potholing contract. The planning for these replacements has begun.

TD&E is housed in our 3<sup>rd</sup> and Elizabeth building and is full of team players and over-achievers. We take great pride in knowing that there is no challenge we won’t meet nor project too big or too small that we won’t attempt. We go above and beyond the daily work needed to ensure our customers receive the highest-quality water and the lowest possible rate.

*Scot Burbidge*  
*TD&E Division Manager*

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

PERSONNEL SERVICES

TRANSMISSION, DISTRIBUTION AND ENGINEERING

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
<b>SALARIES &amp; WAGES</b>				
Division manager	\$ 149,014	\$ 126,560	\$ 117,701	\$ 132,847
Manager	291,711	330,022	306,920	334,569
Supervision	176,244	192,538	179,060	195,190
Specialist	123,575	140,609	130,766	152,123
Skills and trades	2,548,465	2,940,948	2,723,031	2,958,982
Part-time/ temporary	63,838	80,239	55,206	93,961
Overtime	<u>145,090</u>	<u>125,000</u>	<u>140,649</u>	<u>125,000</u>
Total salaries and wages	<u>3,497,937</u>	<u>3,935,916</u>	<u>3,653,333</u>	<u>3,992,672</u>
<b>BENEFITS</b>				
Longevity	27,874	28,216	28,216	27,028
Employee assistance	1,365	1,317	1,317	1,323
Social security	309,760	286,018	286,018	291,423
Pension	109,299	109,080	109,080	110,308
Health insurance	809,235	766,084	744,448	767,718
Dental insurance	40,216	38,907	38,907	37,400
Disability insurance	25,732	26,114	26,114	26,417
Life insurance	42,263	42,799	42,799	43,213
Sick leave	253,602	189,520	189,520	190,316
Vacation leave	<u>268,887</u>	<u>251,321</u>	<u>251,321</u>	<u>252,473</u>
Total benefits	<u>1,888,233</u>	<u>1,739,376</u>	<u>1,717,740</u>	<u>1,747,619</u>
Total personnel services	<u>\$ 5,386,170</u>	<u>\$ 5,675,292</u>	<u>\$ 5,371,073</u>	<u>\$ 5,740,291</u>



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

OPERATION AND MAINTENANCE

TRANSMISSION, DISTRIBUTION AND ENGINEERING

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 76,721	\$ 228,057	\$ 73,365	\$ 130,789
Engineering consulting	-	8,000	8,000	6,500
Utilities	92,985	111,200	111,661	93,700
Auto and truck	126,581	131,000	136,865	133,500
Repair and maintenance - equipment	3,921	7,000	7,000	6,000
Maintenance - office equipment	13,598	20,250	21,708	12,400
Maintenance - mains	178,059	158,000	208,000	203,000
Maintenance - meters	3,942	9,000	9,000	7,000
Maintenance - hydrants	16,801	15,500	15,500	15,650
Maintenance - valves	23,898	19,000	28,998	28,000
Maintenance - cathodic protection	2,788	3,500	3,500	5,000
Maintenance - private service lines	294,567	420,000	364,226	420,000
Service lines	35,467	20,000	25,000	20,000
Tool replacement	49,959	90,400	75,487	71,700
Barricades	783	2,500	2,500	2,500
Warehouse (over) short	16,391	6,000	6,000	6,000
Uninsured small claims	(5,253)	10,000	10,000	10,000
Communication	-	1,300	1,300	1,300
Travel and training	11,790	33,150	28,669	31,750
Gasoline and oil	149,486	145,000	155,000	150,000
Office supplies	5,844	12,200	7,150	7,000
Shop supplies	11,532	15,000	15,000	15,000
Safety	5,440	14,500	14,500	10,500
Meter shop supplies	2,647	3,500	3,500	6,500
Subscriptions and memberships	<u>9,513</u>	<u>13,625</u>	<u>12,926</u>	<u>13,915</u>
 Total operation and maintenance	 <u>\$ 1,127,460</u>	 <u>\$ 1,497,682</u>	 <u>\$ 1,344,855</u>	 <u>\$ 1,407,704</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
 DETAIL OF EXPENDITURES  
 2020 BUDGET

CAPITAL OUTLAY

TRANSMISSION, DISTRIBUTION AND ENGINEERING

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
CAPITAL OUTLAY				
Mains	\$ 3,319,145	\$ 2,546,000	\$ 2,315,773	\$ 2,676,000
Valves	48,519	43,000	43,629	45,000
Meters	1,077,941	942,000	1,041,612	927,000
Fire hydrants	83,936	65,000	65,000	70,000
Taps	19,237	12,000	12,000	12,000
Cathodic protection	27,588	82,500	82,500	65,000
Computer and office equipment	33,242	5,000	-	10,000
Heavy equipment	50,385	-	-	18,000
Transportation	<u>388,257</u>	<u>412,500</u>	<u>484,517</u>	<u>453,000</u>
 Total capital outlay	 <u>\$ 5,048,250</u>	 <u>\$ 4,108,000</u>	 <u>\$ 4,045,031</u>	 <u>\$ 4,276,000</u>





# Facilities Operation & Maintenance



# Facilities, Operation & Maintenance



**The 2020 Vision for Facilities Operation & Maintenance (FO&M) is bold, to say the least.** Our department's responsibilities touch all of Pueblo Water. To maintain our massive and varied infrastructure and plan for future growth requires that we spend our dollars wisely. Our duty is in the details. From constructing a new power plant to replacing doorknobs and lightbulbs, our department ensures that Pueblo Water is running as efficiently as possible regardless of the size or scope of the project.

Maintaining a healthy infrastructure is critical. Pueblo Water operates out of three main locations – the Alan Hamel Administration Building, the Whitlock Treatment Plant, and the Transmission, Distribution and Engineering complex. Maintaining each location, and the many others out in the field, offers distinct maintenance challenges. As a service-oriented department, our goal is to provide top notch service to our customers, while minimizing disruptions to the employees we serve. Whether its scheduling an outage for maintenance of major equipment or planning for the annual pond washing, the FO&M team prides itself on meeting the needs of all the departments by being a partner in their critical process planning.

An exciting addition to Pueblo Water in 2020 will be the construction and operation of the Kevin F. McCarthy Hydroelectric Plant, which will be housed in the Whitlock Treatment Plant compound. Investing in such infrastructure will have immediate and long-term financial benefits for Pueblo Water. We spend nearly \$2 million annually to power our treatment plant. This hydro plant will help cut those costs by reducing our energy consumption and lowering our peak demand. The return on our initial investment of approximately \$2.4 million should be recovered in just 5-6 years. The project will be complimented by combining three meters into a single meter and taking full advantage of Black Hills' Time-Of-Use rate. FO&M has worked closely with our consultants as well as Black Hills Energy to ensure the final product is worthy of the name that will adorn the new facility.

Pueblo Water also plans to construct a building at its Whitlock Plant dedicated to FO&M. The facilities staff has been de-centralized for years and the construction of the 6,000-square-foot building will house our eight-person facilities staff and much of our equipment. Additionally, the new building will provide material storage space and a workshop dedicated to the needs of the electricians and the facilities crew. The proposed building will be located along the north fence line of the Whitlock Treatment Plant.

Safety is our top priority when it comes to our workers and our customers. FO&M helps develop and implement safety-related programs. In 2020, Pueblo Water will employ an AlertMedia system that will allow us to contact any and all personnel immediately during emergencies. This system can be activated and push notifications immediately.

We reach Pueblo Water's Mission of providing the highest-quality water for the lowest-possible cost by making sure we are diligent in our own housekeeping. We make sure we are up to code with all our facilities and we make sure our own capital improvement projects remain on schedule and on budget.

*Matt Trujillo*  
*Director of Operations*

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

PERSONNEL SERVICES

FACILITIES OPERATION AND MAINTENANCE

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
SALARIES & WAGES				
Manager	\$ 101,731	\$ 112,724	\$ 104,833	\$ 114,277
Specialist	127,486	139,349	129,595	141,269
Skills and trades	275,924	389,948	362,652	409,867
Part-time/ temporary	20,666	18,423	20,843	23,271
Overtime	<u>42,698</u>	<u>70,000</u>	<u>40,000</u>	<u>70,000</u>
Total salaries and wages	<u>568,505</u>	<u>730,444</u>	<u>657,923</u>	<u>758,684</u>
BENEFITS				
Longevity	3,570	3,610	3,610	3,620
Employee assistance	171	156	156	205
Social security	49,953	49,743	49,743	51,418
Pension	17,276	19,261	19,261	16,336
Health insurance	116,316	119,586	119,586	138,909
Dental insurance	6,085	6,520	6,520	6,795
Disability insurance	3,939	3,761	3,761	4,658
Life insurance	6,449	7,331	7,331	7,608
Sick leave	46,338	32,145	32,145	33,499
Vacation leave	<u>50,341</u>	<u>42,631</u>	<u>42,631</u>	<u>43,978</u>
Total benefits	<u>300,438</u>	<u>284,744</u>	<u>284,744</u>	<u>307,026</u>
Total personnel services	<u>\$ 868,943</u>	<u>\$ 1,015,188</u>	<u>\$ 942,667</u>	<u>\$ 1,065,710</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

OPERATION AND MAINTENANCE

FACILITIES OPERATION AND MAINTENANCE

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 285,356	\$ 294,090	\$ 294,811	\$ 301,490
Engineering consulting	9,017	28,000	15,800	60,000
Utilities	1,952,154	1,912,700	1,817,700	1,912,500
Repair and maintenance - equipment	208,700	212,900	321,215	253,400
Maintenance - building	699,941	819,200	836,769	819,100
Communication	3,588	8,550	8,550	6,550
Tool replacement	22,106	18,640	25,980	18,970
Travel and training	7,859	6,920	7,814	6,050
Office supplies	546	900	900	900
Safety supplies	14,062	11,750	14,026	24,800
Janitorial supplies	11,281	10,000	10,000	11,500
Subscriptions and memberships	<u>4,942</u>	<u>30,860</u>	<u>30,600</u>	<u>25,680</u>
 Total operation and maintenance	 <u>\$ 3,219,552</u>	 <u>\$ 3,354,510</u>	 <u>\$ 3,384,165</u>	 <u>\$ 3,440,940</u>



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
 DETAIL OF EXPENDITURES  
 2020 BUDGET

CAPITAL OUTLAY

FACILITIES OPERATION AND MAINTENANCE

	<u>2018</u> <u>ACTUAL</u>	<u>2019</u> <u>BUDGET</u>	<u>2019</u> <u>ESTIMATED</u>	<u>2020</u> <u>BUDGET</u>
CAPITAL OUTLAY				
Improvements and replacements	\$ 431,397	\$ 5,010,000	\$ 1,207,066	\$ 5,179,000
Communication	-	10,500	10,500	6,000
Computer equipment	7,634	78,750	88,277	3,000
Pumping equipment	2,153,189	466,500	466,766	88,500
Treating equipment	659,400	745,000	944,062	660,000
Heavy equipment	<u>-</u>	<u>-</u>	<u>-</u>	<u>33,500</u>
 Total capital outlay	 <u>\$ 3,251,620</u>	 <u>\$ 6,310,750</u>	 <u>\$ 2,716,671</u>	 <u>\$ 5,970,000</u>



# Water Resources



The logo for Water Resources features a stylized blue graphic of a water drop or wave to the left of the text "Water Resources" in a serif font.

# Water Resources



**The 2020 Vision for the Water Resources Division of Pueblo Water** is the same as it has been since the department was created nearly 40 years ago: *to ensure the city of Pueblo has an adequate supply of high-quality water*. Not just for now but for the future as well. We do that by using and protecting Pueblo's water rights, some of which date back to 1861 when Colorado still was a territory, and by looking to procure additional rights as needed. We also are tasked with operating and maintaining all the infrastructure associated with those rights and planning for future water needs. Along with those opportunities, Water Resources is charged with putting any surplus water supply to good use by leasing water to agriculture, other municipalities, and various other water users. We are in the business of leasing surplus water to help ensure our customers are paying the lowest-possible rates.

In some respects, you could say that Pueblo Water customers, basically, drink snow. One hundred percent of Pueblo's water is surface water (no groundwater) and comes from the Rocky Mountains. The snowpack melts and flows into creeks, rivers, streams, lakes and reservoirs. That water then finds its way to Pueblo and into our treatment facility, where it is then pumped to storage tanks, homes, and businesses. Our job is to ensure that there is no interruption in that flow – from the mountains to the tap.

Pueblo Water owns and maintains Clear Creek Reservoir and Dam near Leadville. This reservoir is a primary storage reservoir for Pueblo's water and the care and custody of Clear Creek Reservoir and Dam falls on us. In 2020, Pueblo Water will continue the exploration of expanding Clear Creek Reservoir (raising the dam) to increase storage while at the same time addressing its repair needs.

In 2019, Water Resources began using a new computer model to plan for multiple future scenarios. The model uses a platform called RiverWare and can be used to predict how Pueblo's water collection system will perform under a variety of conditions such as sustained drought, population growth, and climate change.

By the end of 2019, decrees will be obtained from the Water Court allowing Pueblo Water's Bessemer Ditch shares to be used for municipal uses in addition to their current use of irrigation. It is anticipated that these shares will continue to be leased to farmers for irrigation use for many years into the future but provides Pueblo with a hedge against climate change and population growth.

Pueblo Water continues to look for opportunities to add storage downstream of Pueblo's wastewater plant discharge to facilitate better reuse and management of return flows. This will be an expensive project but will allow us to maximize the yield of our transmountain and Bessemer Ditch water. We will develop this storage in partnership with other water providers and will need to coordinate the timing of the project with all the partners.

Pueblo's has an abundant supply now and Water Resources works diligently maintain that supply for generations to come.

*Alan Ward*  
*Water Resources División Manager*



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

PERSONNEL SERVICES

WATER RESOURCES

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
SALARIES & WAGES				
Division manager	\$ 125,358	\$ 131,042	\$ 121,869	\$ 132,847
Supervision	85,977	96,269	89,530	97,595
Specialist	<u>128,689</u>	<u>79,122</u>	<u>73,583</u>	<u>86,477</u>
Total salaries and wages	<u>340,024</u>	<u>306,433</u>	<u>284,982</u>	<u>316,919</u>
BENEFITS				
Longevity	2,994	1,925	1,925	1,931
Employee assistance	86	67	67	68
Social security	27,471	23,637	23,637	24,763
Pension	10,180	6,819	6,819	9,508
Health insurance	58,502	32,198	32,198	36,141
Dental insurance	2,942	1,737	1,737	1,695
Disability insurance	2,375	2,145	2,145	2,219
Life insurance	3,864	3,497	3,497	3,617
Sick leave	2,791	16,493	16,493	16,974
Vacation leave	<u>23,231</u>	<u>22,123</u>	<u>22,123</u>	<u>22,667</u>
Total benefits	<u>134,436</u>	<u>110,641</u>	<u>110,641</u>	<u>119,583</u>
Total personnel services	<u>\$ 474,460</u>	<u>\$ 417,074</u>	<u>\$ 395,623</u>	<u>\$ 436,502</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

OPERATION AND MAINTENANCE

WATER RESOURCES

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 136,437	\$ 160,400	\$ 175,624	\$ 98,500
Consulting services	55,321	52,500	43,000	112,500
Comanche return flow	-	750	750	750
Homestake Aurora	7,500	7,500	7,500	7,500
Twin Lakes water rights	344,305	344,305	344,305	344,305
Busk Ivanhoe water rights	225,000	225,000	225,000	225,000
Water storage and transportation	300,659	297,200	296,798	300,200
Short-term water purchases	68	18,565	19,579	36,200
Utilities	20,889	16,600	20,715	17,200
Maintenance - equipment	9,632	17,000	17,000	17,000
Maintenance - office equipment	727	1,500	1,500	750
Tool replacement	1,975	2,600	2,600	1,600
Clear Creek reservoir	3,173	9,400	9,400	13,700
Wurtz ditch	428	1,000	1,000	1,350
Wurtz extension	-	1,000	1,000	1,000
Ewing ditch	-	1,000	1,000	1,000
Ranch property maintenance	5,871	8,500	9,409	12,100
Dwelling - Leadville	1,670	1,000	1,190	1,000
Dwelling - Clear Creek	1,908	2,000	2,000	5,000
Snowplowing operations	32,326	35,000	58,948	50,000
Transmountain maintenance	79,874	70,000	79,631	79,000
Travel and training	17,307	38,500	44,798	41,675
Office supplies	300	1,000	1,000	1,000
Subscriptions and memberships	16,561	4,810	4,866	4,960
Total operation and maintenance	<u>\$ 1,261,931</u>	<u>\$ 1,317,130</u>	<u>\$ 1,368,613</u>	<u>\$ 1,373,290</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
 DETAIL OF EXPENDITURES  
 2020 BUDGET

CAPITAL OUTLAY

WATER RESOURCES

	<u>2018</u> <u>ACTUAL</u>	<u>2019</u> <u>BUDGET</u>	<u>2019</u> <u>ESTIMATED</u>	<u>2020</u> <u>BUDGET</u>
CAPITAL OUTLAY				
Clear Creek resevoir	\$ 96,260	\$ -	\$ -	\$ 35,000
Expansion	<u>-</u>	<u>140,000</u>	<u>-</u>	<u>50,000</u>
Total capital outlay	<u>\$ 96,260</u>	<u>\$ 140,000</u>	<u>\$ -</u>	<u>\$ 85,000</u>





# Human Resources





# Human Resources



**Human Resources succeeds by finding the best and brightest.** Through strategic partnerships and collaboration, the Human Resources Department recruits, develops and retains a high performing and diverse workforce while working to foster a healthy, safe and productive work environment for all employees. Our mission is to provide services that maximize the potential of our greatest assets – our employees. We set the tone for positivity and productivity. What we do, and how we do it, actively affects every employee. We strive to make their lives a bit easier and their workdays better. Our **2020 Vision** is to seek and provide solutions to workplace issues that support and optimize the Mission of Pueblo Water while continuing to foster the culture of excellence and family spirit that is Pueblo Water.

The ever-changing world of corporate culture can be challenging. We help guide our people through all employment-related services – payroll, insurance, benefits, career development, training, certification, safety and compliance. We are fair and consistent and strive to provide an accessible environment. We have instituted HR office hours at each of our three facilities, not just in our central administration office, so that we may better communicate with every team member regardless of department or shift. Pueblo Water is known for its outstanding customer service and in HR we pride ourselves in providing that same outstanding service internally to our team members.

We hold ourselves to the highest standards of professionalism, trust, and respect. We understand that the employees of Pueblo Water are responsible for its success and aim to support the team so that they can focus on our customers.

Pueblo Water promotes professional growth and development. More than 77 percent of our employees have earned accreditation or advanced degrees in their respective areas of expertise. Accreditations, certifications and advanced degrees span the entire company. From service workers to administration, Pueblo Water boasts highly skilled and motivated team members serving our customers. We promote a work environment of continual learning and to support this mission we offer a tuition assistance program that reimburses employees up to \$5,200 annually for advanced education.

Along with professional development and personal growth programs, Pueblo Water supports the health of the team by sponsoring an annual health fair, encouraging participation in wellness contests, and the community's Corporate Cup. We promote teamwork within and across every department.

Taking advantage of the newest technologies will help HR in 2020 and beyond. One such example, is a company-sponsored health insurance tool called HealthiestYou (HY). With HY, employees have access to medical assistance 24 hours a day via an app on their mobile phone, tablet or computer. This app allows employees to speak directly with health care professionals. In many instances, health care professionals can answer questions and even prescribe medicine without the need for an office visit or co-payment and without counting towards the utilization of Pueblo Water's primary insurance program. Pueblo Water has one of the highest utilization rates of this program – and it comes at no cost to the employees. That usage has helped reduce office visits, which in turn, helps reduce the cost of health insurance premiums.

Human Resources exists to help our dedicated employees optimize their time and talents so that they may better serve Pueblo Water's 113,000 customers.

*Collette Ferguson*  
*Human Resources Manager*

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

PERSONNEL SERVICES

HUMAN RESOURCES

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
SALARIES & WAGES				
Manager	\$ 72,319	\$ 79,218	\$ 73,673	\$ 95,162
Specialist	228,699	264,398	245,890	270,627
Part-time/ temporary	15,311	21,063	-	21,063
Overtime	<u>3,499</u>	<u>-</u>	<u>832</u>	<u>-</u>
Total salaries and wages	<u>319,828</u>	<u>364,679</u>	<u>320,395</u>	<u>386,852</u>
BENEFITS				
Longevity	1,522	1,203	1,203	1,448
Employee assistance	106	89	89	114
Social security	33,610	28,145	28,145	28,038
Social security - retirees	-	-	2,766	-
Pension	9,482	10,309	10,309	10,974
Defined benefit pension plan	3,201,720	1,493,460	1,493,460	1,431,560
Worker's compensation insurance	375,238	401,450	324,179	401,450
Unemployment insurance	115	1,500	1,500	1,500
Health insurance	41,373	41,650	41,650	49,535
Health insurance - retirees	124,497	55,000	67,570	55,000
Dental insurance	2,920	3,045	3,045	3,432
Disability insurance	2,074	1,851	1,851	2,561
Life insurance	3,405	3,930	3,930	4,178
Life insurance - retirees	13,775	12,000	12,000	12,000
Sick leave	30,877	15,932	15,932	17,038
Vacation leave	<u>26,329</u>	<u>19,712</u>	<u>19,712</u>	<u>21,643</u>
Total benefits	<u>3,867,043</u>	<u>2,089,276</u>	<u>2,027,341</u>	<u>2,040,471</u>
Total personnel services	<u>\$ 4,186,871</u>	<u>\$ 2,453,955</u>	<u>\$ 2,347,736</u>	<u>\$ 2,427,323</u>



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

OPERATION AND MAINTENANCE

HUMAN RESOURCES

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
OPERATION AND MAINTENANCE				
Outside services	\$ 40,094	\$ 69,355	\$ 89,229	\$ 41,224
Employment costs	40,298	63,235	60,735	58,500
Utilities - other	874	700	940	700
Maintenance - office equipment	3,055	-	3,078	3,200
Health reimbursement - In-patient copay	9,952	60,000	75,000	85,000
Pension supplement	125,877	135,427	130,427	130,427
Travel and training	28,402	49,850	47,651	51,800
Office supplies	3,552	4,040	3,048	3,040
Subscriptions and memberships	<u>9,242</u>	<u>9,555</u>	<u>10,444</u>	<u>9,788</u>
 Total operation and maintenance	 <u>\$ 261,346</u>	 <u>\$ 392,162</u>	 <u>\$ 420,552</u>	 <u>\$ 383,679</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
DETAIL OF EXPENDITURES  
2020 BUDGET

CAPITAL OUTLAY

HUMAN RESOURCES

	2018 <u>ACTUAL</u>	2019 <u>BUDGET</u>	2019 <u>ESTIMATED</u>	2020 <u>BUDGET</u>
CAPITAL OUTLAY				
Computer and office equipment	\$ <u>899</u>	\$ <u>10,000</u>	\$ <u>8,737</u>	\$ <u>-</u>







## **OVERVIEW SUPPLEMENTARY INFORMATION**

The Board of Water Works of Pueblo, Colorado (Pueblo Water) is committed to providing its customers with the highest quality of water at the lowest possible cost. To ensure that it accomplishes this mission, Pueblo Water develops many long range plans. To assist the reader in understanding elements of those plans we have provided the following charts: debt service schedule, staffing summary, ten year capital projections, ten year cash flow projections, typical bill comparison, listing of new water rates, history of water rate changes, and comparisons of Front Range utilities, their water rates, and plant water investment fee rates.

Two of the afore-mentioned charts are the cornerstone of our long range plan. The first details Pueblo Water's capital outlay projections for the next ten years. It lists projected dollar amounts of equipment, improvements and replacements, and expansion for all divisions within Pueblo Water. The second is a cash flow analysis of the next ten years. In developing the cash flow analysis, Staff must make many assumptions. Examples of these assumptions include, but are not limited to: growth rate of Pueblo Water's customer base, inflation rates for various operating costs, interest rates, and water rate increases. The assumptions are incorporated with historical data in order to project Pueblo Water's cash flow out into the future. This is a very important tool to ensure Pueblo Water will be adequately positioned to support the needs of the citizens of Pueblo now and in the future.

It is important to note that all projections beyond 2020 are not adopted by the Board and are subject to change. There are various factors which influence the assumptions underlying these projections and these projections are constantly changing. These charts are simply tools which help Pueblo Water meet its goal of providing the highest quality of water at the lowest possible cost. They are reviewed not less than annually and are updated to reflect changes in factors influencing the assumptions.

Please direct any questions concerning the information provided in this report or requests for additional information to:

Leroy Rittgers  
Financial Planning & Rate Analyst  
Board of Water Works of Pueblo, Colorado  
P.O. Box 400  
Pueblo, Colorado 81002-0400  
719.584.0416

BOARD OF WATER WORKS OF PUEBLO, COLORADO

DEBT RETIREMENT SCHEDULE

YEAR	SERIES 2015			CWRPDA 2000 B			SERIES 2019			ANNUAL
	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	PRINCIPAL	INTEREST	TOTAL	TOTAL
2020	2,862,500	177,083	3,039,583	402,969	223,337	626,306	-	859,700	859,700	4,525,589
2021	2,950,000	88,500	3,038,500	412,340	215,179	627,519	-	859,700	859,700	4,525,719
2022	-	-	-	3,871,714	199,471	4,071,185	-	859,700	859,700	4,930,885
2023	-	-	-	-	-	-	2,225,000	859,700	3,084,700	3,084,700
2024	-	-	-	-	-	-	2,335,000	748,450	3,083,450	3,083,450
2025	-	-	-	-	-	-	2,545,000	701,750	3,246,750	3,246,750
2026	-	-	-	-	-	-	2,670,000	574,500	3,244,500	3,244,500
2027	-	-	-	-	-	-	2,800,000	441,000	3,241,000	3,241,000
2028	-	-	-	-	-	-	2,935,000	301,000	3,236,000	3,236,000
2029	-	-	-	-	-	-	3,085,000	154,250	3,239,250	3,239,250
2030	-	-	-	-	-	-	-	-	-	-
	<u>\$ 5,812,500</u>	<u>\$ 265,583</u>	<u>\$ 6,078,083</u>	<u>\$ 4,687,023</u>	<u>\$ 637,987</u>	<u>\$ 5,325,010</u>	<u>\$ 18,595,000</u>	<u>\$ 6,359,750</u>	<u>\$ 24,954,750</u>	<u>\$ 36,357,843</u>

Note: CWRPDA 2000 B interest payment includes an administration fee of \$ 76,470 for years 2020 through 2022.

Debt retirement schedule is based on actual amounts due on respective semi-annual and annual dates. Schedule does not reflect budgeted transfers.

BOARD OF WATER WORKS OF PUEBLO, COLORADO

STAFFING SUMMARY - FULL TIME POSITIONS

TOTALS BY DIVISION

	NUMBER OF POSITIONS			SALARY
	2019 <sup>1</sup>	2019 <sup>2</sup>	2020 <sup>3</sup>	2020
<b>ADMINISTRATION</b>				
Director	3	3	3	\$ 485,304
Specialist	4	4	3	198,090
Total	7	7	6	683,394
<b>FINANCE</b>				
Division Manager	1	1	1	130,582
Supervision	1	1	1	77,032
Specialist	2	2	2	161,965
Skills & Trade	14	13	13	721,688
Total	18	17	17	1,091,267
<b>INFORMATION SYSTEMS</b>				
Manager	1	1	1	109,826
Specialist	3	3	3	246,612
Skills & Trade	2	2	2	124,504
Total	6	6	6	480,942
<b>WATER QUALITY, TREATING &amp; PUMPING</b>				
Division Manager	1	1	1	132,847
Manager	1	1	1	114,277
Supervision	2	2	2	195,191
Specialist	3	3	3	226,081
Skills & Trade	23	23	23	1,542,386
Total	30	30	30	2,210,782
<b>TRANSMISSION, DISTRIBUTION &amp; ENGINEERING</b>				
Division Manager	1	1	1	132,847
Manager	3	3	3	334,569
Supervision	2	2	2	195,190
Specialist	2	2	3	152,123
Skills & Trade	51	51	49	2,958,982
Total	59	59	58	3,773,711
<b>FACILITIES OPERATIONS &amp; MAINTENANCE</b>				
Manager	1	1	1	114,277
Specialist	2	2	2	141,269
Skills & Trade	6	6	6	409,867
Total	9	9	9	665,413
<b>WATER RESOURCES</b>				
Division Manager	1	1	1	132,847
Supervision	1	1	1	97,595
Specialist	1	1	1	86,477
Total	3	3	3	316,919
<b>HUMAN RESOURCES</b>				
Manager	1	1	1	95,162
Specialist	4	4	4	270,627
Total	5	5	5	365,789
<b>TOTAL FULL TIME POSITIONS</b>	<u>137</u>	<u>136</u>	<u>134</u>	<u>\$ 9,588,217</u>

<sup>1</sup> 2019 Budgeted number of Full Time Employees

<sup>2</sup> 2019 Actual number of Full Time Employees

<sup>3</sup> 2020 Budgeted number of Full Time Employees



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
10 YR CAPITAL OUTLAY PROJECTIONS

DESCRIPTION	BUDGET	PROJECTED								
	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>EQUIPMENT</b>										
Administration	\$ -	\$ 10,000	\$ -	\$ 10,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 10,000
Finance	6,000	21,000	6,000	6,000	16,500	26,000	6,000	16,000	6,000	11,000
Information Systems	55,000	90,000	155,000	220,000	76,500	-	135,000	15,000	-	143,000
Water Quality, Treating & Pumping	277,000	15,000	5,000	5,000	165,000	5,000	60,000	55,000	5,000	55,000
Transmission, Distribution & Engineering	481,000	372,000	335,000	325,000	335,000	325,000	335,000	366,000	347,000	325,000
Facilities Operation & Maintenance	42,500	19,750	19,750	19,750	19,750	59,750	29,750	19,750	19,750	174,750
Water Resources	-	28,000	-	-	-	-	7,000	32,000	-	-
Human Resources	-	-	-	-	5,000	10,000	-	-	-	5,000
Total equipment	<u>861,500</u>	<u>555,750</u>	<u>520,750</u>	<u>585,750</u>	<u>617,750</u>	<u>425,750</u>	<u>572,750</u>	<u>503,750</u>	<u>377,750</u>	<u>723,750</u>
<b>IMPROVEMENTS AND REPLACEMENTS</b>										
Administration	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Information Systems	-	-	-	-	-	-	-	-	-	-
Water Quality, Treating & Pumping	-	-	-	-	-	-	-	-	-	-
Transmission, Distribution & Engineering	3,589,000	4,637,500	3,883,500	4,130,500	3,713,500	3,713,500	4,143,500	4,573,500	4,573,500	4,573,500
Facilities Operation & Maintenance	5,927,500	5,413,000	4,098,000	1,472,000	1,118,500	1,108,500	1,853,000	868,000	4,935,000	868,000
Water Resources	85,000	-	-	-	25,000	25,000	25,000	25,000	25,000	25,000
Human Resources	-	-	-	-	-	-	-	-	-	-
Total improvements and replacements	<u>9,601,500</u>	<u>10,050,500</u>	<u>7,981,500</u>	<u>5,602,500</u>	<u>4,857,000</u>	<u>4,847,000</u>	<u>6,021,500</u>	<u>5,466,500</u>	<u>9,533,500</u>	<u>5,466,500</u>
<b>EXPANSION</b>										
Administration	-	-	-	-	-	-	-	-	-	-
Finance	-	-	-	-	-	-	-	-	-	-
Information Systems	-	-	-	-	-	-	-	-	-	-
Water Quality, Treating & Pumping	-	-	-	-	-	-	-	-	-	-
Transmission, Distribution & Engineering	206,000	964,300	721,000	57,000	2,883,000	1,947,000	1,059,000	1,047,000	647,000	647,000
Facilities Operation & Maintenance	-	-	-	-	-	-	-	-	-	-
Water Resources	-	-	-	-	-	-	-	-	-	-
Human Resources	-	-	-	-	-	-	-	-	-	-
Total expansion	<u>206,000</u>	<u>964,300</u>	<u>721,000</u>	<u>57,000</u>	<u>2,883,000</u>	<u>1,947,000</u>	<u>1,059,000</u>	<u>1,047,000</u>	<u>647,000</u>	<u>647,000</u>
Total capital outlay	<u>\$ 10,669,000</u>	<u>\$ 11,570,550</u>	<u>\$ 9,223,250</u>	<u>\$ 6,245,250</u>	<u>\$ 8,357,750</u>	<u>\$ 7,219,750</u>	<u>\$ 7,653,250</u>	<u>\$ 7,017,250</u>	<u>\$ 10,558,250</u>	<u>\$ 6,837,250</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
OPERATING AND CAPITAL FUNDS  
CASH FLOW ANALYSIS

OPERATING FUND	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>BEGINNING ESTIMATED CASH AVAILABLE</b>	<b>\$ 18,507,268</b>	<b>\$ 16,410,878</b>	<b>\$ 11,123,013</b>	<b>\$ 8,469,573</b>	<b>\$ 12,696,942</b>	<b>\$ 13,607,999</b>	<b>\$ 15,781,368</b>	<b>\$ 17,095,075</b>	<b>\$ 19,243,641</b>	<b>\$ 17,566,589</b>
<b>Revenues</b>										
<b>Sales Revenue Under Existing Rates</b>										
General Water Sales	24,845,250	24,845,250	24,845,250	24,845,250	24,849,439	24,849,439	24,849,439	24,849,439	24,849,439	24,849,439
Raw Water Sales	9,595,203	9,417,910	9,429,870	9,429,870	7,918,060	7,859,674	7,652,017	7,583,412	7,254,894	7,254,894
Public Fire Protection	9,614	9,614	9,614	9,614	9,614	9,614	9,614	9,614	9,614	9,614
Private Fire Protection	71,544	71,544	71,544	71,544	71,544	71,544	71,544	71,544	71,544	71,544
<b>Total Sales Revenue Under Existing Rates</b>	<b>34,521,611</b>	<b>34,344,318</b>	<b>34,356,278</b>	<b>34,356,278</b>	<b>32,848,657</b>	<b>32,790,271</b>	<b>32,582,614</b>	<b>32,514,009</b>	<b>32,185,491</b>	<b>32,185,491</b>
Additional Sales Revenue Required	1,208,256	2,623,906	4,104,064	5,546,327	6,733,627	7,907,017	9,070,130	10,297,983	11,465,317	12,774,841
<b>Total Sales Revenue</b>	<b>35,729,867</b>	<b>36,968,224</b>	<b>38,460,342</b>	<b>39,902,605</b>	<b>39,582,284</b>	<b>40,697,288</b>	<b>41,652,744</b>	<b>42,811,992</b>	<b>43,650,808</b>	<b>44,960,332</b>
Raw Water Sales	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000	750,000
Other Operating Revenue	2,578,329	2,609,926	2,642,804	2,202,538	2,185,284	2,213,717	2,243,003	2,273,168	2,304,239	2,336,240
<b>Transfers</b>										
Transfer (to) from Working Capital Reserve	(165,647)	(86,774)	(44,769)	(93,207)	(74,564)	(77,783)	(131,796)	(83,853)	(87,478)	(146,221)
Transfer (to) from Water Development Fund	859,700	(1,897,634)	(2,007,928)	109,536	(3,282)	67,416	(30,214)	(131,956)	(238,144)	(339,119)
Transfer (to) from Capital Fund	(9,047,500)	(10,154,800)	(7,842,500)	(4,799,500)	(6,780,000)	(5,834,000)	(6,120,500)	(5,503,500)	(9,170,500)	(5,103,500)
<b>Nonoperating Revenue</b>										
Gain on Sale of Assets	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000	20,000
Interest Income	271,009	236,312	177,265	173,552	212,796	235,423	262,713	289,084	293,444	295,543
<b>Total Operating Fund Revenue</b>	<b>30,995,758</b>	<b>28,445,254</b>	<b>32,155,215</b>	<b>38,265,525</b>	<b>35,892,517</b>	<b>38,072,061</b>	<b>38,645,949</b>	<b>40,424,936</b>	<b>37,522,368</b>	<b>42,773,276</b>
<b>Revenue Requirements</b>										
Operation & Maintenance Expense	27,705,059	28,651,650	29,357,019	30,367,706	31,280,261	32,226,191	33,514,993	34,531,619	35,585,671	37,013,004
Existing Debt Service	4,525,589	4,525,719	4,930,885	3,084,700	3,083,450	3,246,750	3,244,500	3,241,000	3,236,000	3,239,250
Routine Capital Replacements	861,500	555,750	520,750	585,750	617,750	425,750	572,750	503,750	377,750	723,750
<b>Total Revenue Requirements</b>	<b>33,092,148</b>	<b>33,733,119</b>	<b>34,808,654</b>	<b>34,038,156</b>	<b>34,981,461</b>	<b>35,898,691</b>	<b>37,332,243</b>	<b>38,276,369</b>	<b>39,199,421</b>	<b>40,976,004</b>
<b>Annual Surplus (Deficiency)</b>	<b>(2,096,390)</b>	<b>(5,287,865)</b>	<b>(2,653,439)</b>	<b>4,227,369</b>	<b>911,056</b>	<b>2,173,370</b>	<b>1,313,706</b>	<b>2,148,567</b>	<b>(1,677,053)</b>	<b>1,797,272</b>
<b>ENDING ESTIMATED CASH AVAILABLE</b>	<b>\$ 16,410,878</b>	<b>\$ 11,123,013</b>	<b>\$ 8,469,573</b>	<b>\$ 12,696,942</b>	<b>\$ 13,607,999</b>	<b>\$ 15,781,368</b>	<b>\$ 17,095,075</b>	<b>\$ 19,243,641</b>	<b>\$ 17,566,589</b>	<b>\$ 19,363,860</b>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
OPERATING AND CAPITAL FUNDS  
CASH FLOW ANALYSIS

CAPITAL FUND	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>BEGINNING ESTIMATED CASH AVAILABLE</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>	<b>\$ 1,000,000</b>
<b>Sources of Funds</b>										
Transfer From (To) Operating Fund	9,047,500	10,154,800	7,842,500	4,799,500	6,780,000	5,834,000	6,120,500	5,503,500	9,170,500	5,103,500
Main Assessments	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000	10,000
Contributions	-	-	-	-	-	-	-	-	-	-
Plant Water Investment Fees	750,000	850,000	850,000	850,000	950,000	950,000	950,000	1,000,000	1,000,000	1,000,000
Proposed Bond Proceeds	-	-	-	-	-	-	-	-	-	-
Interest Income	-	-	-	-	-	-	-	-	-	-
<b>Total Sources</b>	<b><u>9,807,500</u></b>	<b><u>11,014,800</u></b>	<b><u>8,702,500</u></b>	<b><u>5,659,500</u></b>	<b><u>7,740,000</u></b>	<b><u>6,794,000</u></b>	<b><u>7,080,500</u></b>	<b><u>6,513,500</u></b>	<b><u>10,180,500</u></b>	<b><u>6,113,500</u></b>
<b>Uses of Funds</b>										
<b>Major Capital Improvements</b>										
Funded by Reserves	9,807,500	11,014,800	8,702,500	5,659,500	7,740,000	6,794,000	7,080,500	6,513,500	10,180,500	6,113,500
Funded by Bond Proceeds	-	-	-	-	-	-	-	-	-	-
<b>Total Major Capital Improvements</b>	<b><u>9,807,500</u></b>	<b><u>11,014,800</u></b>	<b><u>8,702,500</u></b>	<b><u>5,659,500</u></b>	<b><u>7,740,000</u></b>	<b><u>6,794,000</u></b>	<b><u>7,080,500</u></b>	<b><u>6,513,500</u></b>	<b><u>10,180,500</u></b>	<b><u>6,113,500</u></b>
Debt Issuance Expense	-	-	-	-	-	-	-	-	-	-
Debt Service Reserve	-	-	-	-	-	-	-	-	-	-
Capitalized Interest	-	-	-	-	-	-	-	-	-	-
<b>Total Uses</b>	<b><u>9,807,500</u></b>	<b><u>11,014,800</u></b>	<b><u>8,702,500</u></b>	<b><u>5,659,500</u></b>	<b><u>7,740,000</u></b>	<b><u>6,794,000</u></b>	<b><u>7,080,500</u></b>	<b><u>6,513,500</u></b>	<b><u>10,180,500</u></b>	<b><u>6,113,500</u></b>
<b>Annual Surplus (Deficiency)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>ENDING ESTIMATED CASH AVAILABLE</b>	<b><u>\$ 1,000,000</u></b>	<b><u>\$ 1,000,000</u></b>	<b><u>\$ 1,000,000</u></b>	<b><u>\$ 1,000,000</u></b>	<b><u>\$ 1,000,000</u></b>	<b><u>\$ 1,000,000</u></b>	<b><u>\$ 1,000,000</u></b>	<b><u>\$ 1,000,000</u></b>	<b><u>\$ 1,000,000</u></b>	<b><u>\$ 1,000,000</u></b>
<b>OPERATION &amp; MAINTENANCE RESERVE FUND</b>	<b>2020</b>	<b>2021</b>	<b>2022</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>	<b>2026</b>	<b>2027</b>	<b>2028</b>	<b>2029</b>
<b>BEGINNING ESTIMATED CASH AVAILABLE</b>	<b>\$ 4,321,201</b>	<b>\$ 4,554,256</b>	<b>\$ 4,709,860</b>	<b>\$ 4,825,811</b>	<b>\$ 4,991,952</b>	<b>\$ 5,141,961</b>	<b>\$ 5,297,456</b>	<b>\$ 5,509,314</b>	<b>\$ 5,676,431</b>	<b>\$ 5,849,699</b>
<b>Sources of Funds</b>										
Transfer From (To) Operating Fund	165,647	86,774	44,769	93,207	74,564	77,783	131,796	83,853	87,478	146,221
Interest Income	67,408	68,830	71,182	72,934	75,445	77,712	80,062	83,264	85,790	88,409
<b>Total Sources</b>	<b><u>233,055</u></b>	<b><u>155,604</u></b>	<b><u>115,951</u></b>	<b><u>166,141</u></b>	<b><u>150,009</u></b>	<b><u>155,495</u></b>	<b><u>211,858</u></b>	<b><u>167,117</u></b>	<b><u>173,268</u></b>	<b><u>234,630</u></b>
<b>ENDING ESTIMATED CASH AVAILABLE</b>	<b><u>\$ 4,554,256</u></b>	<b><u>\$ 4,709,860</u></b>	<b><u>\$ 4,825,811</u></b>	<b><u>\$ 4,991,952</u></b>	<b><u>\$ 5,141,961</u></b>	<b><u>\$ 5,297,456</u></b>	<b><u>\$ 5,509,314</u></b>	<b><u>\$ 5,676,431</u></b>	<b><u>\$ 5,849,699</u></b>	<b><u>\$ 6,084,329</u></b>



BOARD OF WATER WORKS OF PUEBLO, COLORADO  
OPERATING AND CAPITAL FUNDS  
CASH FLOW ANALYSIS

<b>WATER DEVELOPMENT FUND</b>	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
<b>BEGINNING ESTIMATED CASH AVAILABLE</b>	<b>\$ 7,433,936</b>	<b>\$ 6,731,776</b>	<b>\$ 7,622,064</b>	<b>\$ 9,579,000</b>	<b>\$ 9,336,328</b>	<b>\$ 9,355,802</b>	<b>\$ 9,378,896</b>	<b>\$ 2,246,299</b>	<b>\$ 2,362,823</b>	<b>\$ 2,588,099</b>
<b>Sources of Funds</b>										
Net Transfer (To)/From Operating Fund & Other Revent	(859,700)	1,897,634	2,007,928	(109,536)	3,282	(67,416)	30,214	131,956	238,144	339,119
Sale of Property	300,000	-	-	-	13,200,000	-	-	-	-	-
Interest Income	103,990	107,654	129,008	141,865	41,191	140,510	87,189	34,568	37,132	41,300
<b>Total Sources</b>	<b>(455,710)</b>	<b>2,005,288</b>	<b>2,136,936</b>	<b>32,329</b>	<b>13,244,473</b>	<b>73,094</b>	<b>117,403</b>	<b>166,524</b>	<b>275,276</b>	<b>380,419</b>
<b>Uses of Funds</b>	<b>246,450</b>	<b>1,115,000</b>	<b>180,000</b>	<b>275,000</b>	<b>13,225,000</b>	<b>50,000</b>	<b>7,250,000</b>	<b>50,000</b>	<b>50,000</b>	<b>50,000</b>
<b>ENDING ESTIMATED CASH AVAILABLE</b>	<b>\$ 6,731,776</b>	<b>\$ 7,622,064</b>	<b>\$ 9,579,000</b>	<b>\$ 9,336,328</b>	<b>\$ 9,355,802</b>	<b>\$ 9,378,896</b>	<b>\$ 2,246,299</b>	<b>\$ 2,362,823</b>	<b>\$ 2,588,099</b>	<b>\$ 2,918,518</b>
<b>TOTAL OPERATING &amp; RESERVE FUNDS</b>	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Operating Fund Cash Balance	\$ 16,410,878	\$ 11,123,013	\$ 8,469,573	\$ 12,696,942	\$ 13,607,999	\$ 15,781,368	\$ 17,095,075	\$ 19,243,641	\$ 17,566,589	\$ 19,363,860
Capital Fund Cash Balance	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000
Operation & Maintenance Reserve Cash Balance	4,554,256	4,709,860	4,825,811	4,991,952	5,141,961	5,297,456	5,509,314	5,676,431	5,849,699	6,084,329
Water Development Fund Cash Balance	6,731,776	7,622,064	9,579,000	9,336,328	9,355,802	9,378,896	2,246,299	2,362,823	2,588,099	2,918,518
<b>Total Ending Estimated Cash Balance</b>	<b>\$ 28,696,910</b>	<b>\$ 24,454,937</b>	<b>\$ 23,874,384</b>	<b>\$ 28,025,223</b>	<b>\$ 29,105,761</b>	<b>\$ 31,457,720</b>	<b>\$ 25,850,688</b>	<b>\$ 28,282,895</b>	<b>\$ 27,004,387</b>	<b>\$ 29,366,707</b>
<b>Note:</b>										
<b>(a) Operating &amp; Maintenance reserve cash balance is maintained at an amount equal to 60 days of operation and maintenance expense.</b>										
<b>(b) Capital Fund reserve cash balance is maintained at not less than \$1 million.</b>										
<b>(c) Debt Service Coverage:</b>	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029
Water Sales Revenue Increases (%)	3.50%	4.00%	4.00%	3.75%	3.75%	3.00%	3.00%	3.00%	3.00%	3.00%
No. of Months Increase is in Effect	12	12	12	12	12	12	12	12	12	12
<b>Debt Service Coverage Calculation</b>										
Revenue	40,580,603	41,620,946	43,110,601	44,123,494	57,027,000	45,094,650	46,055,711	47,272,076	48,151,413	49,501,824
Operation & Maintenance Expense	27,705,059	28,651,650	29,357,019	30,367,706	31,280,261	32,226,191	33,514,993	34,531,619	35,585,671	37,013,004
Net Revenue	12,875,544	12,969,296	13,753,582	13,755,788	25,746,739	12,868,459	12,540,718	12,740,457	12,565,742	12,488,820
Total Debt Service	4,525,589	4,525,719	4,930,885	3,084,700	3,083,450	3,246,750	3,244,500	3,241,000	3,236,000	3,239,250
Debt Service Coverage	285%	287%	279%	446%	835%	396%	387%	393%	388%	386%

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
TYPICAL BILL COMPARISONS  
CURRENT RATE -VS- 2020 RATE  
3.50% INCREASE

**DEFINITIONS:**

**MINIMUM CONSUMER** - The minimum consumer is one who may only use 2,000 gallons per month, or less. The majority of all minimum customers are serviced by the smallest water meter (3/4"). This can differ in some cases. Summer usage may rise above minimum.

**AVERAGE RESIDENTIAL CONSUMER** - For this comparison, the average residential consumer is one who uses more than the minimum and consumes 11,000 gallons per month over a one year period. These consumers may be serviced by a 3/4" water meter, but more likely would have a 1" meter. Although, due to drought induced conservation, a typical residential customer is projected to use 104,000 gallons annually, for the purposes of this comparison 132,000 gallons has been used.

DESCRIPTIONS	2019	2020	DOLLAR INCREASE
<b>MINIMUM CONSUMER</b>			
<b>Readiness to serve charge (includes 2000 gallons)</b>			
3/4" Meter	\$ 12.33	\$ 12.76	\$ 0.43
1" Meter	\$ 15.76	\$ 16.31	\$ 0.55
<b>AVERAGE RESIDENTIAL CONSUMER</b>			
3/4" Meter - Readiness to serve charge	\$ 12.33	\$ 12.76	\$ 0.43
9,000 gallons @ \$ 2.83 and \$ 2.93 respectively	25.47	26.37	0.90
Total average monthly bill	<u>\$ 37.80</u>	<u>\$ 39.13</u>	<u>\$ 1.33</u>
1" Meter - Readiness to serve charge	\$ 15.76	\$ 16.31	\$ 0.55
9,000 gallons @ \$ 2.83 and \$ 2.93 respectively	25.47	26.37	0.90
Total average monthly bill	<u>\$ 41.23</u>	<u>\$ 42.68</u>	<u>\$ 1.45</u>

BOARD OF WATER WORKS OF PUEBLO, COLORADO  
HISTORY OF WATER RATE CHANGES - SINCE 1981

YEAR	<sup>1</sup> CPI CHANGE	WATER RATE CHANGE	VOLUME CHARGE	
			PER 1000/GAL	
			BEG.	END
1981	10.10%	11.80%	\$	\$ 0.85
1982	8.50%	7.00%	0.85	0.91
1983	5.40%	11.00%	0.91	1.01
1984	3.70%	6.00%	1.01	1.07
1985	2.60%	4.00%	1.07	1.11
1986	0.70%	6.00%	1.11	1.18
1987	2.60%	-	1.18	1.18
1988	2.60%	3.00%	1.18	1.22
1989	1.80%	-	1.22	1.22
1990	4.30%	-	1.22	1.22
1991	3.60%	-	1.22	1.22
1992	3.60%	-	1.22	1.22
1993	4.20%	2.50%	1.22	1.25
1994	4.00%	-	1.25	1.25
1995	4.90%	4.00%	1.25	1.30
1996	3.50%	4.40%	1.30	1.36
1997	3.40%	2.90%	1.36	1.40
1998	2.20%	2.00%	1.40	1.43
1999	2.90%	1.50%	1.43	1.45
2000	3.18%	2.25%	1.45	1.48
2001	5.40%	2.25%	1.48	1.51
2002	2.20%	2.50%	1.51	1.55
2003	1.73%	3.00%	1.55	1.60
2004	-0.69%	2.35%	1.60	1.64
2005	1.50%	3.00%	1.64	1.69
2006	3.75%	4.25%	1.69	1.76
2007	2.52%	4.00%	1.76	1.83
2008	3.72%	4.50%	1.83	1.91
2009	-0.62%	4.75%	1.91	2.00
2010	1.70%	5.00%	2.00	2.10
2011	3.83%	5.00%	2.10	2.21
2012	1.78%	3.50%	2.21	2.29
2013	2.77%	2.75%	2.29	2.35
2014	2.90%	3.00%	2.35	2.42
2015	1.00%	3.25%	2.42	2.50
2016	3.00%	3.00%	2.50	2.58
2017	3.10%	3.25%	2.58	2.66
2018	3.50%	2.75%	2.66	2.73
2019	2.10%	3.50%	2.73	2.83
TOTAL	122.97%	134.0%		

Note: As of 2018 CPI was reported bi monthly, CPI for 2019 is as of July 31

<sup>1</sup>CPI - Denver area urban consumer price index as of June 30th (Base period: 1982-84=100)

Source: U.S. Department of Labor, Bureau of Labor Statistics







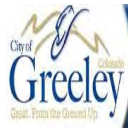




**PUEBLO AND OTHER FRONT RANGE WATER UTILITIES  
2019**

<b>INSIDE CITY <sup>1</sup></b>	<b>ANNUAL WATER CHARGES</b>			<b>PERCENT OF PUEBLO CHARGES</b>		
	132 thous gallons	180 thous gallons	216 thous gallons	132 thous gallons	180 thous gallons	216 thous gallons
Colorado Springs	\$ 1,405.05	\$ 1,821.20	\$ 2,133.32	283.99%	288.80%	291.25%
Aurora	978.24	1,248.48	1,451.16	197.72%	197.98%	198.12%
Thornton	876.24	1,134.48	1,328.16	177.10%	179.90%	181.32%
Westminster	829.56	1,182.36	1,446.96	167.67%	187.50%	197.54%
Greeley	776.64	998.40	1,164.72	156.97%	158.33%	159.01%
Englewood	766.68	924.60	1,043.04	154.96%	146.62%	142.40%
Golden	753.12	1,005.60	1,194.96	152.22%	159.47%	163.14%
Northglenn	731.76	1,014.00	1,225.68	147.90%	160.80%	167.33%
Boulder	713.40	877.08	999.84	144.19%	139.09%	136.50%
Denver	701.16	1,096.92	1,096.92	141.72%	173.95%	149.75%
Highlands Ranch	668.76	847.80	982.08	135.17%	134.44%	134.08%
Pueblo West	637.80	906.60	1,108.20	128.91%	143.77%	151.29%
Lafayette	635.76	874.80	1,112.40	128.50%	138.73%	151.87%
Louisville	621.72	884.28	1,081.20	125.66%	140.23%	147.61%
Fort Collins	589.92	746.40	885.84	119.23%	118.36%	120.94%
Arvada	557.70	747.78	890.34	112.72%	118.58%	121.55%
Broomfield	545.16	699.72	815.64	110.19%	110.96%	111.35%
Glenwood Springs	531.72	683.40	803.34	107.47%	108.37%	109.67%
<b>Pueblo</b>	<b>494.76</b>	<b>630.60</b>	<b>732.48</b>	<b>100.00%</b>	<b>100.00%</b>	<b>100.00%</b>
<b>Average</b>	<b>727.11</b>	<b>964.45</b>	<b>1,131.38</b>			

<sup>1</sup>Based on residential rates using 1" meters

# Water Rates of Front Range Cities Comparison

										<b>FRONT RANGE AVERAGE</b>
<b>BILL FOR 11,000 GAL.</b>	\$41.23	\$49.39	\$81.52	\$93.91	\$58.43	\$49.98	\$64.72	\$53.15	\$73.02	\$62.82
<b>BILL FOR 20,000 GAL.</b>	\$66.70	\$85.03	\$132.19	\$177.89	\$95.51	\$81.96	\$106.30	\$103.55	\$121.44	\$107.84
<b>BILL FOR 40,000 GAL.</b>	\$123.30	\$204.23	\$275.99	\$439.46	\$205.51	\$155.16	\$198.70	\$215.55	\$282.64	\$233.39
<b>FIXED CHARGE</b>	\$15.76*	\$5.83**	\$19.59	\$21.72	\$22.26	\$17.87	\$13.90	\$20.90	\$13.84	\$18.58
<b>COST PER 1,000 GAL.</b>	\$2.83	0-30K \$3.96 30-60K \$4.96 60-90K \$5.94 >90K \$7.92	0-20K \$5.63 20-40K \$6.41 >40K \$8.01	0-7473gal 0.0415 7451-18649 .0647/gal >18656 .0976/gal	0-5k \$2.29 6-20K \$4.12 Over 21K \$5.50	0-7K \$2.77 7-13K \$3.18 >13K \$3.66	\$4.62	1-5K \$2.13 5-10K \$3.20 >10K \$5.60	1-20K \$5.38 >20K \$8.06	
<b>+/- Change</b>	+3.5%	+3.5%	+3.5%	+5.8%	+3.83%	0%	+6.5%	+2.0%	+3.0%	

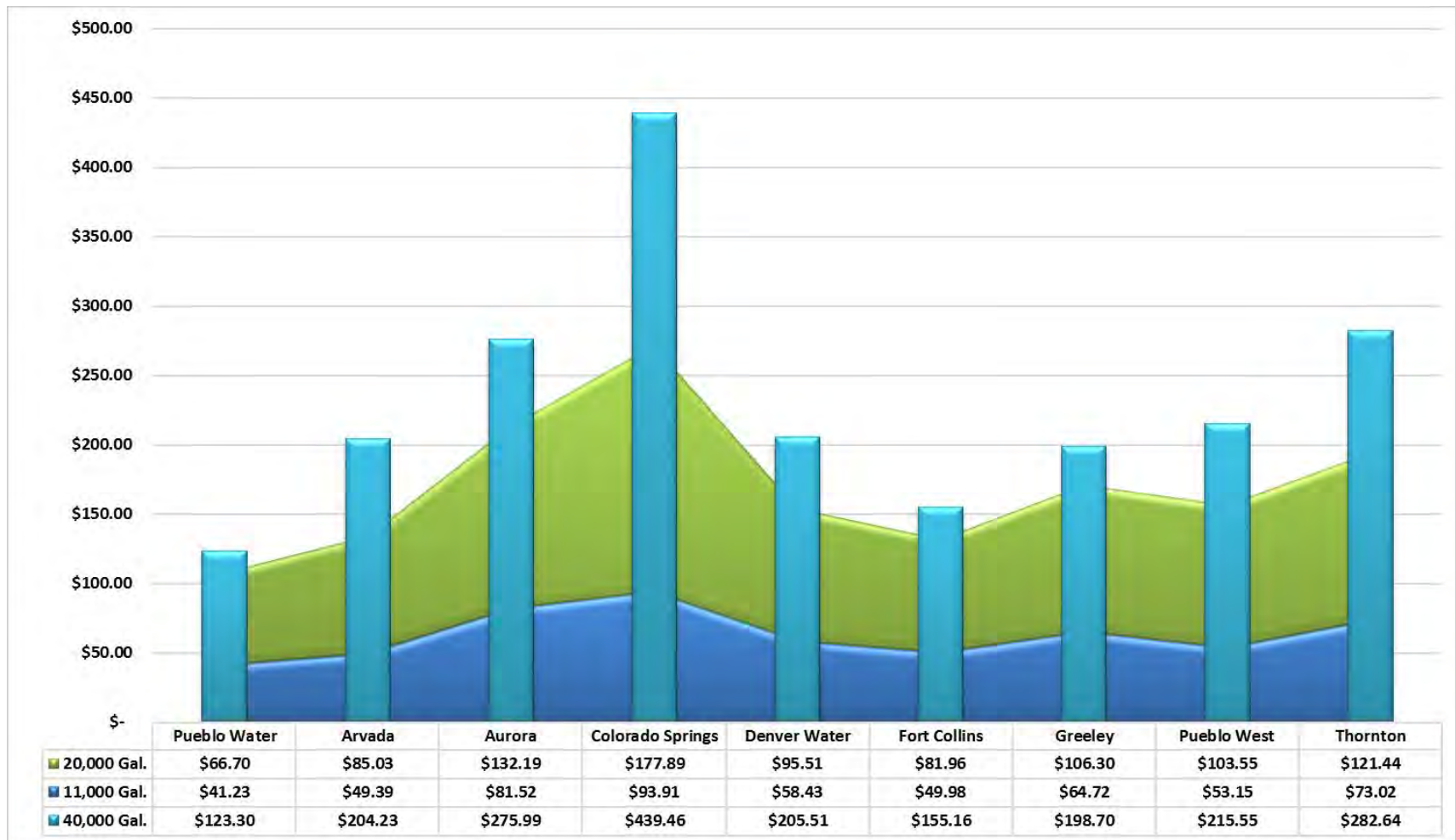
\* Includes first 2,000 gallons of water.

\*\* Bi-monthly charge.

Charges based on 1" meter rates.







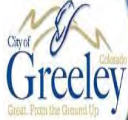


Figures based on 2019 rates.

# Water Rates of Front Range Cities Comparison





# Front Range Water Utility Comparison

									
<b>NUMBER OF METERED ACCOUNTS</b>	40,276	38,931	87,105	144,823	312,675	35,629	27,405	11,900	40,750
<b>POPULATION</b>	111,650	120,375	373,368	473,928	719,796	167,236	107,081	29,637**	141,052
<b>NUMBER OF EMPLOYEES</b>	137	69	463	329*	1,000	86	83	35*	52











\* Includes water and wastewater employees.

\*\*City of Pueblo West figures: Suburbanstats.org

Source, population figures: 2018 Colo County & Municipal population estimate ([https://gis.dola.colorado.gov/apps/ctf\\_estimates\\_final/](https://gis.dola.colorado.gov/apps/ctf_estimates_final/))

Figures as of July 31, 2019.

# Plant Water Investment Fees Comparison

										
<b>3/4" Residential</b>	5,069	19,720	17,082	5,779-12,913	3,030/.70 sq ft	730/.36 sq ft	10,800	7,690	12,360	9,115
<b>1" Residential</b>	5,069	19,720	17,082	15,487	3,030/.70 sq ft	1,237/.36 sq ft	18,000	7,690	19,669	24,306
<b>Multi-Family</b>	2,880/unit	9,863/unit	9,760/unit	5,295/unit	10,040*	530/.26 sq ft	5,400/unit	5,510/unit	n/a	4,934/unit
<b>Duplex</b>	5,760	14,794	19,520	10,590	10,040	530/.26 sq ft	10,800	11,020	n/a	5,443
<b>3/4" Commercial</b>	2,515	28,910	22,195	9,292	10,730	7,940	10,800	11,380	12,360	15,191
<b>1"</b>	4,909	48,190	39,729	15,487	19,170	20,960	18,000	22,760	19,669	24,306
<b>1 1/2"</b>	25,029	96,380	87,227	30,973	42,180	43,520	36,000	45,520	38,626	30,382
<b>2"</b>	31,725	154,200	**	49,557	76,690	72,470	57,500	91,040	61,272	97,222
<b>3"</b>	60,973	327,680	**	92,920	126,426	**	126,000	204,840	121,831	194,445
<b>4"</b>	210,439	578,250	**	154,867	229,917	**	216,600	****	***	303,820
<b>6"</b>	434,157	n/a	**	495,542	517,374	**	450,000	****	***	n/a
<b>8"</b>	1,007,583	n/a	**	867,222	774,957	**	n/a	****	***	n/a

\*Multi-family rate covers first two units. Each unit after is \$2,420 each.

\*\*Anything 2"-3" and above is based on peak day demand.

\*\*\*Rates based on compound meter. Rates for turbine meters: 3" is \$132,231. larger sizes upon request.

\*\*\*\*Anything over 2" or 3" is based on demand needs or individual basis.

# GLOSSARY

## A

**Appropriation** – a sum of money or total assets devoted to a specific purpose.

**Average Residential Consumer** – For this comparison, the average residential consumer is one who uses more than the minimum and consumes 11,000 gallons per month over a one-year period. These consumers may be serviced by a ¾” water meter, but more likely would have a 1” meter. Although, due to drought induced conservation, a typical residential customer is projected to use 110,000 gallons annually, for the purposes of this comparison, 132,000 gallons has been used.

**Acre-Foot** – volume of water equal to one foot in depth covering an area of one acre, or 43,560 cubic feet; approximately 325,851 gallons.

**Aquatic Nuisance Species** – aquatic plants and animals that invade lakes, reservoirs, rivers and streams.

## B

**Backflow and Cross Connection** – back flow is the flow of wastewater back into the treated water system and a cross connection is when drinking water piping connects to various plumbing fixtures or water utilizing equipment.

**Budget** – an estimate of income and expenditure for a set period of time.

## C

**Capital Outlay (Capital Expenditures)** – money spent to acquire a fixed asset or to extend its useful life over \$5,000.

**Cathodic Protection** – a technique used to control the corrosion of a metal surface by making it the cathode of an electrochemical cell.

**Conduit** – a 24-inch (or larger) diameter pipe carrying raw or potable water from or to treatment facilities, reservoirs, and delivery points feeding a distribution system.

**Conveyance** – the process of transporting water from one location to another.

## D

**Debt Retirement** – the act of repaying debt.

**Debt Service** – principal and interest due on long-term debt.

**Diversion Structures** – a structure constructed to direct water to a desired location.

## E

**Environmental Protection Agency** – an independent agency of the United States federal government for environmental protection.



## **F**

**Fund Balance** – the difference between fund assets and fund liabilities.

## **M**

**Memorandum of Agreement** – a formal business agreement that outlines an agreement made between two parties.

**Minimum Consumer** – The minimum consumer is one who may only use 2,000 gallons per month, or less. The majority of all minimum customers are serviced by the smallest water meter (3/4”). This can differ in some cases. Summer usage may rise above minimum.

## **N**

**Non-Operating Revenues** – revenues that do not come from basic, day-to-day operations, example, interest income.

## **O**

**Operating Revenue** – revenue from the sale of water.

## **P**

**Petty Cash** – an accessible store of money for expenditure on small items.

**Plant Water Investment Fees** – fees associated with the construction or remodel of a structure.

## **R**

**Raw Water** – water that has not been treated.

**Redundancy** – the inclusion of extra components which are not strictly necessary to functioning, in case of failure in other components.

**Requisition** – a written request for an organization’s purchasing department to buy goods or services.

**Reservoir** – an impoundment to collect and store water.

## **S**

**Seepage** – the slow escape of water through a porous material or through small holes.

**Spot Market** – cash market where trades take place immediately.

## **T**

**Transmountain Collection** – collection of water through a mountain.

## **W**

**Water Rights** – historical rights that give a party the rights to water usage from specific channels.

# ACRONYMS

CIS – Customer Information System

EPA – Environmental Protection Agency

ERP – Enterprise Resource Planning

FO&M – Facilities, Operation, and Maintenance Division

GFOA – Government Finance Officers Association

GIS – Geographic Information System

HARP – Historic Arkansas Riverwalk Park

HR – Human Resources

HRIS – Human Resource Information System

ICP/MS – Inductively Coupled Plasma Mass Spectrometer

IS – Information Systems

KPI – Key Performance Indicator

MCC – Motor Control Center

O&M – Operations and Maintenance

PCS – Pueblo City Schools

PFD – Pueblo Fire Department

ROY – Restoration of Yield

SCADA – Supervisory Control and Data Acquisition

TD&E – Transmission, Distribution, and Engineering

WDF – Water Development Fund

WQT&P – Water Quality, Treating, and Pumping

WR – Water Resources

WWW – Water Works Wellness

For more information, please contact:

Leroy Rittgers

Financial Planning & Rate Analyst

Board of Water Works of Pueblo

P.O. Box 400

Pueblo, CO 81002-0400

719.584.0416

