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.
# 2015 BUDGET
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“This budget sustains the Board’s continuing commitment to a strong fiscal position while providing system reliability and readiness today and in the future.”

Terry R. Book
Executive Director
November 18, 2014

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 2015 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 2015.

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 work force as well as clarify the special or major O&M and capital projects we propose in our plan of work for 2015.

After reviewing the critical needs for 2015 and trimming the budget where possible, Staff recommends a water rate increase of 3.25 percent for 2015.

Highlighted below are specific recommendations and notable features included in the proposed plan for 2015 as well as certain estimates regarding results for 2014.

Water Development Fund

The Water Development Fund (WDF) remains the vehicle with which the Board 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 in Staff’s proposed plan for 2015, by funding the WDF through revenue generated from Public Service Company’s Comanche Unit 3.

Ongoing Projects

► Water rights engineering and legal work for the Bessemer Ditch change case continues with a delay in the anticipated water court filing until 2015. Staff is working with our engineering and legal consultants to finalize the Technical Memo which will be utilized to meet with interested parties in late 2014 and early 2015 so that we can keep the change case on track for filing sometime in 2015.

► Phase 8 of the AMR project was completed in 2014. Of the more than 40,000 meters in our system, more than 34,000 have been converted to AMR. Two phases remain to complete the initial installation of the AMR system.

► It should be noted that the proposed 2015 Budget reflects an assessment of $160,000 for the Busk Ivanhoe Water System Authority. This amount is significantly lower than the 2014 assessment of $550,000. During
2014, the Authority passed an additional assessment of $200,000 per member in order to fund emergency
dam repairs and purchase a new track loader.

2014 Metered Water Revenue
Consumption for 2014 is expected to be approximately 7.9 billion gallons, generating metered water sales
of approximately $21.66 million or 93 percent of budgeted projections. At the end of 2014, the unrestricted
operating fund balance is expected to be approximately $17.9 million and is predicted to decline to
approximately $9.6 million in 2020 before rebounding to current levels around 2024.

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 8.1 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.

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 the minimal growth housing market, have been reduced
substantially in the near term with a gradual increase in later years of the ten-year plan.
• Revenue derived from the contract with Public Service Company is based upon the minimum “take-
or-pay” amount of 12,783 acre feet.
• Revenue from the Black Hills contract, for 2015 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 - $3.26 million. This represents a modest decrease due to an anticipated decrease in pumping
costs as a result of reduced consumption.
• Automated Meter Reading Project (Installation performed by Board crews) and other meter related
costs - $1.03 million. This same amount has been allocated each year in the attached ten-year capital
outlay plan since we will continue to rotate/replace meters and AMR equipment after we complete the
initial installation in 2016.
• Main Improvement and Expansion Projects - $1.16 million.
• Generator, Automatic Transfer Switch and Motor Control Center at the Filter Plant - $500,000.
• Retrofit of the Filter Media - $145,000.
• Underdrain Replacement - $155,000.

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 26 percent below the Front Range average, and 59 percent below the highest. When considering the residential rate impact for the Board’s rate increase of 3.25 percent, on average, a customer with a one-inch meter will see a monthly increase of $1.16.

**IN CLOSING, I RECOMMEND THAT THE BOARD CONSIDER FOR ADOPTION THIS BUDGET WITH A 3.25 PERCENT RATE INCREASE FOR 2015.** 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 2015 and beyond. Development of a $35.79 million budget and ten-year financial plan always takes significant work and I want to recognize the outstanding initiative and hard work of Seth Clayton as well as Matt Trujillo and the Division Managers, Managers and Supervisors in producing this solid financial plan and budget. I 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,

Terry R. Book
Executive Director
Board of Directors

Nicholas Gradiser             Dr. Thomas V. Autobee          Kevin F. McCarthy
Michael A. Cafasso                James H. Gardner

Leading With Vision
Serving With Integrity
RESOLUTION NO. 2014-07

A RESOLUTION ADOPTING THE 2015 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 2015 BUDGET.

WHEREAS, the Board of Water Works of Pueblo, Colorado (the Board) desires to continue a sound fiscal policy to support its operation on behalf of the citizens of Pueblo and customers of the Board during the fiscal period commencing January 1, 2015, and ending December 31, 2015, and

WHEREAS, the Executive Director has maintained for the Board 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 2015 budget and appropriate funds in order for the Board to provide water service, and

WHEREAS, the program of financial projection calls for additional revenue to support the operation of the Board.

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

(1) Approves and adopts the attached 2015 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 2015 Budget to each of said Funds.

(3) Approves and adopts for implementation with the January, 2015, utility billing the revised water rate schedule as provided in the 2015 Budget.

ADOPTED THIS 18TH DAY OF NOVEMBER, 2014.

BOARD OF WATER WORKS OF PUEBLO, COLORADO

Michael Cafasso, President

Nicholas Gradiar, Secretary-Treasurer

Thomas V. Autobee, Vice President

James H. Gardner, Vice President

Terry R. Book, Executive Director

Patrick Garcia, Board Attorney

Kevin F. McCarthy, Vice President
## General Fund

<table>
<thead>
<tr>
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<th>Operations &amp; Maintenance Reserve</th>
<th>Capital Projects Reserve</th>
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### Water Development Fund

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<td>Estimated Revenues and Transfers</td>
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## General Fund

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<td><strong>Operating Revenues</strong></td>
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<td>Water sales - Metered</td>
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<td>5,374,089</td>
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<td>Water sales - Raw water</td>
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<td>Water sales - Utility Public</td>
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<td>Taps and meters</td>
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<td>Material sales</td>
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<td>Main assessments</td>
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<td>10,000</td>
<td>500</td>
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<td>Fire protection - public</td>
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<td>Discounts</td>
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<td>1,500</td>
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<td>Rental income</td>
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<td>Late field reading fee</td>
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<td>Turn-on fee</td>
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<td>Check processing fee</td>
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<td>Field collection fee</td>
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<td>Missed appointment fee</td>
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<td>1,700</td>
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<td>Plant water investment fee</td>
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<td>Insurance recovery</td>
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<td>Comanche operations and maintenance reimbursement</td>
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<td>660,000</td>
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<td>Busk-Ivanhoe administration fee</td>
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<td>25,000</td>
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<td>Wastewater billing reimbursement</td>
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<td>409,572</td>
<td>409,572</td>
<td>422,883</td>
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<td>Stormwater billing reimbursement</td>
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<td>177,164</td>
<td>177,164</td>
<td>182,922</td>
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<tr>
<td><strong>Total operating revenue</strong></td>
<td><strong>31,369,100</strong></td>
<td><strong>33,384,965</strong></td>
<td><strong>32,331,451</strong></td>
<td><strong>33,194,265</strong></td>
</tr>
</tbody>
</table>

| **Nonoperating Revenues** |             |             |                |             |
| Interest income          | 121,956     | 82,173      | 115,000        | 132,494     |
| Sale of assets           | 42,050      | 20,000      | 20,000         | 20,000      |
| Contribution (to) from reserve | (2,441,579) | 993,843    | (144,127)      | 2,443,945   |
| **Total nonoperating revenue** | **(2,277,573)** | **1,096,016** | **(9,127)**    | **2,596,439** |

**Total revenue**

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<thead>
<tr>
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<th>2014 Budget</th>
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<td>$29,091,527</td>
<td>$34,480,981</td>
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### GENERAL FUND

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<td><strong>EXPENDITURES</strong></td>
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<td><strong>PERSONNEL SERVICES</strong></td>
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<td>13,200</td>
<td>12,382</td>
<td>-</td>
</tr>
<tr>
<td>Human Resources</td>
<td>3,142</td>
<td>2,400</td>
<td>2,717</td>
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<tr>
<td><strong>Total capital outlay</strong></td>
<td>6,697,901</td>
<td>9,770,831</td>
<td>9,382,728</td>
<td>10,785,346</td>
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<tr>
<td><strong>Total expenditures</strong></td>
<td>$29,051,114</td>
<td>$34,480,981</td>
<td>$32,402,324</td>
<td>$35,790,704</td>
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</table>
# Debt Service Fund

<table>
<thead>
<tr>
<th></th>
<th>2013 Actual</th>
<th>2014 Budget</th>
<th>2014 Estimated</th>
<th>2015 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Nonoperating Revenues</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>$115,265</td>
<td>$10,000</td>
<td>$10,000</td>
<td>$10,000</td>
</tr>
<tr>
<td>Contribution from general fund</td>
<td>4,797,913</td>
<td>4,805,837</td>
<td>4,870,004</td>
<td>5,223,662</td>
</tr>
<tr>
<td><strong>Total revenue</strong></td>
<td>4,913,178</td>
<td>4,815,837</td>
<td>4,880,004</td>
<td>5,233,662</td>
</tr>
</tbody>
</table>

| **Debt Retirement** |             |             |                |             |
| Contribution to reserve | 115,265      | 10,000      | 10,000         | 10,000      |
| Principal - Series 2009 | -            | -           | 64,167         | 387,500     |
| Principal - Series 2005 | 2,219,167    | 2,335,000   | 2,335,000      | 2,451,667   |
| Principal - Series 2000B | 311,933      | 325,766     | 325,766        | 334,245     |
| Interest - Series 2009 (net) | 1,132,673   | 823,586     | 823,586        | 857,105     |
| Interest - Series 2005 | 310,565      | 1,020,751   | 1,020,751      | 902,728     |
| Interest - Series 2000B | 823,575      | 300,734     | 300,734        | 290,417     |
| **Total debt retirement** | 4,913,178    | 4,815,837   | 4,880,004      | 5,233,662   |

<table>
<thead>
<tr>
<th><strong>Excess (Deficiency) of Revenues Over Expenses and Expenditures</strong></th>
<th>$</th>
<th>$</th>
<th>$</th>
<th>$</th>
</tr>
</thead>
</table>
## WATER DEVELOPMENT FUND

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NONOPERATING REVENUES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest income</td>
<td>$36,824</td>
<td>$33,360</td>
<td>$37,060</td>
<td>$27,680</td>
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<tr>
<td>Contribution (to) from reserve</td>
<td>946,109</td>
<td>1,405,226</td>
<td>976,526</td>
<td>626,936</td>
</tr>
<tr>
<td>Total nonoperating revenue</td>
<td>982,933</td>
<td>1,438,586</td>
<td>1,013,586</td>
<td>654,616</td>
</tr>
<tr>
<td><strong>EXPENDITURES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net transfer to (from) General Fund</td>
<td>823,575</td>
<td>823,586</td>
<td>823,586</td>
<td>(1,020,384)</td>
</tr>
<tr>
<td>Outside services</td>
<td>159,358</td>
<td>590,000</td>
<td>190,000</td>
<td>650,000</td>
</tr>
<tr>
<td>Capital Improvements</td>
<td>-</td>
<td>25,000</td>
<td>-</td>
<td>1,025,000</td>
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<tr>
<td>Total expenditures</td>
<td>982,933</td>
<td>1,438,586</td>
<td>1,013,586</td>
<td>654,616</td>
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<tr>
<td><strong>EXCESS (DEFICIENCY) OF REVENUES</strong></td>
<td>$</td>
<td>-</td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td>OVER EXPENSES AND EXPENDITURES</td>
<td>$</td>
<td>-</td>
<td>$</td>
<td>-</td>
</tr>
</tbody>
</table>
Pueblo’s water works for you!
Administration is responsible for the overall planning, management and coordination of all functions of the Water Board’s operations. Included in the Administration budget are funds for personnel services of the Directors and support staff. Along with responsibility for the overall administration and planning for the Water Works, the division focuses on legislation, internal and external communication, as well as major contract negotiations and coordination of outside legal and professional services contracts.

The Water Development Fund (WDF) was established in 1999 to assist with financing future water expansion projects and water rights acquisitions. This year’s 10 year cash flow includes 100% of the Public Service Company Unit 3 revenues being dedicated to the WDF rather than the General Fund. We will continue to fund the on-going engineering and legal expenses in 2015, 2016 and 2017 for the Bessemer Ditch water rights change case out of the funds available in the WDF. We now anticipate delaying the filing of the change case until 2015 to complete additional engineering. The WDF will continue to provide additional flexibility to deal with significant unexpected emergency capital expenditures along with future purchases of additional water rights and funding future water system expansion including development of water storage sites.

In 2015, we will continue to enhance and expand our communication and education outreach programs for external and internal relations through the following programs:

- Annual Mountain Tour (funding identified in Water Resource budget)
- Conduct community outreach via Children’s Water Festival and public education including presentations to students, civic groups and radio talk shows
- Foster positive relationships with media representatives through organized informational sharing
- Keep the Water Board's visibility high by attending and sponsoring community events and meetings of both Chambers of Commerce, Pueblo Downtown Association, CSU-Pueblo, PCC, PEDCO, and others
- Promote improved internal communication through the e-Pipeline newsletter, roundtable forums, employee events, Corporate Cup, employee awards banquet, WET Committee and other employee involvement programs
- Enhance content of pueblowater.org website
- Continue investment in the CARES Program at $100,000
- Continue to participate in the future of Colorado’s water supply through the Front Range Water Council, Colorado Water Congress, Arkansas Basin Roundtable and by actively working with our elected representatives
- Continue to explore new and better ways of communicating to our employees and customers through more efficient use of electronic media.
- Continue to encourage wise use of water

While we continue to see a steady transition of long term employees to retirement each year, we have completed the major changes to our organizational structure so we don’t anticipate significant organizational changes over the next few years. Workforce Development is ongoing so funds have been incorporated throughout the budget, including $7,500 in the Administration budget for continuation of the college tuition reimbursement program for employee education and professional development. Investment in employee education, training, and certification will enhance our ability to deliver quality service to our customers.

Terry R. Book
## PERSONNEL SERVICES
### ADMINISTRATION

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALARIES &amp; WAGES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Director</td>
<td>$387,207</td>
<td>$429,395</td>
<td>$412,219</td>
<td>$440,523</td>
</tr>
<tr>
<td>Specialist</td>
<td>190,108</td>
<td>206,526</td>
<td>198,265</td>
<td>211,879</td>
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<tr>
<td>Part-time/ temporary</td>
<td>-</td>
<td>13,055</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Board Members</td>
<td>13,800</td>
<td>13,800</td>
<td>13,800</td>
<td>13,800</td>
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<tr>
<td><strong>Total salaries and wages</strong></td>
<td>591,115</td>
<td>662,776</td>
<td>624,284</td>
<td>666,202</td>
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<tr>
<td><strong>BENEFITS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Longevity</td>
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<td>3,360</td>
<td>3,360</td>
<td>3,369</td>
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<td>Employee assistance</td>
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<td>150</td>
<td>129</td>
<td>129</td>
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<tr>
<td>Social security</td>
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<td>51,499</td>
<td>49,256</td>
<td>52,676</td>
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<td>Pension</td>
<td>18,861</td>
<td>19,078</td>
<td>18,446</td>
<td>19,572</td>
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<tr>
<td>Health insurance</td>
<td>68,007</td>
<td>72,584</td>
<td>72,567</td>
<td>72,568</td>
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<tr>
<td>Dental insurance</td>
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<td>4,000</td>
<td>4,001</td>
<td>4,785</td>
</tr>
<tr>
<td>Disability insurance</td>
<td>4,303</td>
<td>4,452</td>
<td>4,303</td>
<td>4,567</td>
</tr>
<tr>
<td>Life insurance</td>
<td>7,027</td>
<td>7,240</td>
<td>7,437</td>
<td>7,423</td>
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<td>49,836</td>
<td>33,308</td>
<td>33,308</td>
<td>33,974</td>
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<tr>
<td>Vacation leave</td>
<td>45,517</td>
<td>46,066</td>
<td>46,066</td>
<td>46,987</td>
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<tr>
<td><strong>Total benefits</strong></td>
<td>247,767</td>
<td>241,737</td>
<td>238,873</td>
<td>246,050</td>
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<tr>
<td><strong>Total personnel services</strong></td>
<td>$838,882</td>
<td>$904,513</td>
<td>$863,157</td>
<td>$912,252</td>
</tr>
</tbody>
</table>
**OPERATION AND MAINTENANCE**

**ADMINISTRATION**

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outside services</td>
<td>$793,353</td>
<td>$686,750</td>
<td>$707,490</td>
<td>$574,700</td>
</tr>
<tr>
<td>Utilities - other</td>
<td>4,601</td>
<td>5,150</td>
<td>5,150</td>
<td>5,150</td>
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<tr>
<td>Maintenance</td>
<td>735</td>
<td>2,250</td>
<td>2,288</td>
<td>2,250</td>
</tr>
<tr>
<td>Advertising</td>
<td>11,330</td>
<td>13,000</td>
<td>12,135</td>
<td>13,600</td>
</tr>
<tr>
<td>Travel and training</td>
<td>53,098</td>
<td>61,950</td>
<td>62,916</td>
<td>62,450</td>
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<tr>
<td>Office supplies</td>
<td>1,735</td>
<td>3,000</td>
<td>7,152</td>
<td>3,000</td>
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<td>Subscriptions and memberships</td>
<td>53,878</td>
<td>57,290</td>
<td>65,795</td>
<td>61,550</td>
</tr>
<tr>
<td><strong>Total operation and maintenance</strong></td>
<td><strong>$918,730</strong></td>
<td><strong>$829,390</strong></td>
<td><strong>$862,926</strong></td>
<td><strong>$722,700</strong></td>
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</table>
CAPITAL OUTLAY
ADMINISTRATION

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer and office equipment</td>
<td>$1,571</td>
<td>$2,600</td>
<td>$2,891</td>
<td>$1,400</td>
</tr>
</tbody>
</table>
At Your Service
The Finance Division encompasses the departments of Accounting, Billing, Customer Service, and Purchasing. These departments provide a variety of business services to internal and external customers.

The focus of the Division remains on improving the level of service through leveraging available technology. Over the past two years Accounting has partnered with the Information Systems Division (IS) to develop a “Data Warehouse.” This is part of the Division’s “Big Data” initiative and seeks to meet the following strategic objectives:

► Provide outstanding customer service
► Provide efficiency in both automated and manual processes
► Ensure reliable infrastructure

Over the past several years, customers have adapted to and demonstrated a desire for payment methods other than the traditional mail-in form. To that end, Customer Service, supported by Accounting and IS, plans to implement an updated web-based customer portal. The new portal will provide customers with a user-friendly option for making payments, reviewing historical bills, and tracking historical consumption.

During 2014, Purchasing continued to explore initiatives to streamline the procurement process and ultimately, with the assistance of IS, developed a new tool called Opti-Workflow. This web-based workflow allows for the electronic submission and approval of bid requests, vastly improving the efficiency of the entire process. Other benefits include increased communication between departments and automated archival of all bid documents.

In May 2014, Purchasing implemented a Procurement Card/E-payables program that replaced the use of company-issued credit cards. This program improved the procurement process by reducing the need for requisitions and shortening the purchasing and payment process. In addition, it reduced the cost of processing small dollar transactions by reducing the number of field purchase orders, shortening delivery times, and reducing the amount of paperwork involved in the approval process. Along with the aforementioned process improvements, Pueblo Water receives a cash rebate based on the total amount spent with the program over a twelve month period.

Seth J. Clayton
### PERSONNEL SERVICES

#### FINANCE

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALARIES &amp; WAGES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Manager</td>
<td>$160,073</td>
<td>$189,259</td>
<td>$173,285</td>
<td>$196,834</td>
</tr>
<tr>
<td>Specialist</td>
<td>114,591</td>
<td>128,697</td>
<td>123,549</td>
<td>132,032</td>
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<tr>
<td>Skills and trades</td>
<td>553,290</td>
<td>652,418</td>
<td>626,322</td>
<td>671,775</td>
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<td>Part-time/ temporary</td>
<td>16,015</td>
<td>24,977</td>
<td>16,005</td>
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<td>Overtime</td>
<td>5,025</td>
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<td><strong>Total salaries and wages</strong></td>
<td>$848,994</td>
<td>$1,001,351</td>
<td>$948,174</td>
<td>$1,022,534</td>
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<tr>
<td><strong>BENEFITS</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Longevity</td>
<td>6,586</td>
<td>7,440</td>
<td>7,440</td>
<td>7,942</td>
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<td>386</td>
<td>386</td>
<td>365</td>
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<td>74,048</td>
<td>76,632</td>
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<tr>
<td>Pension</td>
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<td>29,111</td>
<td>27,808</td>
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<td>138,388</td>
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<td>133,129</td>
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<td>8,390</td>
<td>8,662</td>
<td>8,453</td>
<td>10,110</td>
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<td>Disability insurance</td>
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<td>6,793</td>
<td>6,489</td>
<td>7,006</td>
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<tr>
<td>Life insurance</td>
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<td>11,122</td>
<td>11,286</td>
<td>11,499</td>
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<tr>
<td>Sick leave</td>
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<td>51,062</td>
<td>51,062</td>
<td>52,084</td>
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<td>Vacation leave</td>
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<td>63,203</td>
<td>63,203</td>
<td>64,467</td>
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<td><strong>Total benefits</strong></td>
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<td><strong>Total personnel services</strong></td>
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<td>$1,392,986</td>
<td>$1,331,479</td>
<td>$1,415,786</td>
</tr>
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</table>
## OPERATION AND MAINTENANCE

### FINANCE

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outside services</td>
<td>$ 208,364</td>
<td>$ 263,600</td>
<td>$ 218,083</td>
<td>$ 231,030</td>
</tr>
<tr>
<td>Utilities</td>
<td>80,232</td>
<td>80,700</td>
<td>71,419</td>
<td>83,600</td>
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<td>Maintenance - office equipment</td>
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<td>6,900</td>
<td>5,880</td>
<td>6,925</td>
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<tr>
<td>Equipment lease and rental</td>
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<td>900</td>
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<td>Interest expense - meter deposits</td>
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<td>1,000</td>
<td>1,000</td>
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<tr>
<td>Collection expense</td>
<td>345</td>
<td>500</td>
<td>500</td>
<td>500</td>
</tr>
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<td>Cash (over) short</td>
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<td>150</td>
<td>150</td>
<td>150</td>
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<tr>
<td>Contingency</td>
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<td>-</td>
<td>200,000</td>
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<td>1,500</td>
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<td>14,250</td>
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<tr>
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<td>Postage</td>
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<td>Subscriptions and memberships</td>
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<tr>
<td><strong>Total operation and maintenance</strong></td>
<td><strong>$ 823,448</strong></td>
<td><strong>$ 1,130,575</strong></td>
<td><strong>$ 858,799</strong></td>
<td><strong>$ 1,104,830</strong></td>
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</tbody>
</table>
CAPITAL OUTLAY
FINANCE

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer and office equipment</td>
<td>$9,425</td>
<td>$4,800</td>
<td>$10,851</td>
<td>$17,200</td>
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<tr>
<td>Transfer to Debt Service Fund</td>
<td>4,797,913</td>
<td>4,805,837</td>
<td>4,805,837</td>
<td>5,223,662</td>
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<tr>
<td>Transfer to Water Development Fund</td>
<td>(823,575)</td>
<td>(823,586)</td>
<td>(823,586)</td>
<td>1,020,384</td>
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<tr>
<td>Total capital outlay and fund transfers</td>
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<td>$3,987,051</td>
<td>$3,993,102</td>
<td>$6,261,246</td>
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</tbody>
</table>
High-Level Technology
The Information Systems Division (IS) is responsible for all technology related services for both internal and external customers. Services include, but are not limited to, custom software development, web development, network administration, systems administration, operations, support for both data and telephone technology through wired and wireless infrastructure, and cyber security.

In 2013 IS began work, which will span multiple years, to consolidate Pueblo Water’s electronic data into a Data Warehouse, providing end users efficient access to data for analysis. While our current software systems meet all of our functional needs, they can be cumbersome at times to extract the data for analysis. In tandem with the Data Warehouse initiative, IS has partnered with the TD&E Division to explore the migration to a Geographic Information System (GIS). The GIS system, Data Warehouse, and Pueblo Water’s Automated Meter Reading software will ultimately provide an efficient real-time view of the distribution system.

In the coming year, IS will begin moving physical servers into a virtual server environment. Virtualization allows multiple instances of servers to run on one physical machine. Over the next couple of years, IS will be able to eliminate multiple physical machines and their associated costs, consolidating them into one machine.

Lastly, IS will continue to monitor electronic security threats and implement appropriate measures to mitigate any such risks against our data and systems.

Kevin G. Naumann
# PERSONNEL SERVICES
## INFORMATION SYSTEMS

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALARIES &amp; WAGES</strong></td>
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<tr>
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This table provides a detailed breakdown of expenditures in personnel services for the Information Systems division, including salaries, wages, and various benefit contributions for the years 2013 to 2015.
### OPERATION AND MAINTENANCE
### INFORMATION SYSTEMS

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Outside services</td>
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<td>Travel and training</td>
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<td>Subscriptions and memberships</td>
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<td>$707</td>
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<td><strong>Total operation and maintenance</strong></td>
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<td><strong>$364,850</strong></td>
<td><strong>$270,478</strong></td>
<td><strong>$353,150</strong></td>
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</table>
## CAPITAL OUTLAY

### INFORMATION SYSTEMS

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td>Computer and office equipment</td>
<td>$208,080</td>
<td>$123,400</td>
<td>$83,638</td>
<td>$123,400</td>
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</table>
We treat water right!
In 2014, workforce planning efforts created the Water Quality, Treating and Pumping Division (WQT&P). This division, formerly known as Water Quality and Treatment Division, experienced a realignment of personnel to reinforce areas affected by resignations and retirements. The Division now includes the Treatment Plant Operations group, the Water Quality Laboratory and Treating and Pumping Maintenance Department personnel. The realignment strengthens the Division and prepares for the challenges in 2015 and beyond.

Several projects in the Whitlock Plant were completed in 2014. Filter Aid and Fluoride feed system modifications were designed and installed by Pueblo Water’s maintenance personnel to ensure safe, reliable chemical delivery for the water treatment process. Pueblo Water’s facilities personnel refurbished the filter plant operator laboratory with new cabinetry, sink, fixtures and counter tops and significantly enhanced the appearance and functionality of this heavily utilized, multi-use space. In 2015, improved surveillance cameras will be installed at the Whitlock Plant site and the associated monitors will reside in this work area as well. The new system will allow plant personnel to survey the plant site with high definition and better low light visibility while monitoring the filter plant, SCADA control and the C.I. Verify log-in system. The improvements will enhance the professional work atmosphere in this area and will be appreciated for years to come.

Consumer usage and customer demand for water continued to decline throughout 2014, and the pattern is expected to continue into 2015. WQT&P Division personnel will continue to work with Pueblo Water’s Transmission, Distribution and Engineering (TD&E) Division to address water quality concerns that come with low water usage trends in an effort to ensure that all areas of the city receive the highest quality of water. Additionally, the Water Quality Laboratory will continue to use new ATP test methods adopted in 2014, to obtain additional water quality data from the distribution system in an effort to identify aged water areas. The information will be used to modify and possibly enhance the current flushing program.

In 2015, WQT&P will again be involved in Water Quality Control Commission regulatory rulemaking that may eventually affect the high quality water supply designation currently in place for Pueblo Reservoir. Pueblo Water realizes that Pueblo Reservoir is an invaluable source of high quality raw water for the Citizens of Pueblo. WQT&P will work with Pueblo Water’s own Public Relations and Legislation Administrator and Water Resources Division Manager to monitor the regulatory landscape and help ensure the integrity of this important resource.

Additionally, Zebra and Quagga Mussel monitoring efforts in Pueblo Reservoir will again occur in 2015. Fortunately, results of tests conducted to date have shown that neither Zebra nor Quagga mussels have been detected.

Don A. Colalancia
## PERSONNEL SERVICES
### WATER QUALITY AND TREATMENT

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
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<td><strong>SALARIES &amp; WAGES</strong></td>
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<td>-</td>
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<td>75,040</td>
<td>45,191</td>
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<td>816,543</td>
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# OPERATION AND MAINTENANCE
## WATER QUALITY AND TREATMENT

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<th>Item</th>
<th>2013 Actual</th>
<th>2014 Budget</th>
<th>2014 Estimated</th>
<th>2015 Budget</th>
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</thead>
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<tr>
<td>Outside services</td>
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CAPITAL OUTLAY
WATER QUALITY AND TREATMENT

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<th>2014</th>
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<tr>
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<tr>
<td>ESTIMATED</td>
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</tr>
<tr>
<td>BUDGET</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
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</table>

CAPITAL OUTLAY

Computer and office equipment  $ -  $ 5,000  $ -  $ 18,600
Maintaining A Robust System
The Transmission, Distribution and Engineering Division (TD&E) and its associated seven departments are responsible for all of the field related customer services for Pueblo Water. The Dispatching Department processes all of the field service related calls. The Construction/Maintenance Department provides direct customer contact on water needs at the customer’s point of use as well as installation and repair of mains, taps, meters, valves and fire hydrants. The Meter Services Department performs all the meter reading and testing functions. The Engineering Department maintains Pueblo Water’s water system records and designs system improvements and expansion projects for construction by Pueblo Water crews or contractors. The Field Engineering Department monitors and maintains Pueblo Water’s cathodic protection system for all the large diameter steel mains, performs field surveying work, oversees water main construction by contractors, and inspects mains that cross railroads, highways, irrigation ditches and rivers. The Fleet Maintenance Department maintains and repairs Pueblo Water’s fleet of vehicles, and the Warehouse Department provides support services to maintain an inventory of materials and supplies.

Phase VIII of ten proposed phases of the automatic meter reading (AMR) system installation was completed in 2014. We now have more than 33,400 meters converted to AMR. For 2015, we have budgeted $940,000 for new AMR installations. As we did in the previous phase, we anticipate converting approximately 3,400 additional meters to AMR in 2015 utilizing Pueblo Water employees. As a result of the AMR program, we currently have two Meter Readers, down from six originally. After the 2015 AMR installation, one Meter Reader will move to a Meter Service Worker position, leaving one Meter Reader. The former Meter Readers are being utilized to install and maintain AMR meter sets. The amount budgeted each year in the 10 year projection will allow us to convert the remaining meters to AMR in approximately two more years. The funding will need to be maintained in the future to replace the AMR units and rotate the meters as they near the end of their useful life.

The Construction/Maintenance Department, in conjunction with City of Pueblo projects, relocated water mains as part of the Wastewater Main Renewal projects. One key project was the replacement of 1,415’ of 8” cast iron water main in the alley between Union Avenue and Victoria Avenue from the 100 block to the 300 block. Engineering designed and bid out two City Wide Main Renewal projects which replaced aging distribution mains and made system upgrades recommended in the Black and Veatch Water Distribution System Study. Along with the FO&M group, Engineering was involved with the repair and subgrade stabilization under the Gardner south 5 million gallon tank. Engineering was also involved in the completion of the rehabilitation of the 1.5 million gallon Hellbeck water storage tank. In 2015, Engineering will again design and bid out a City Wide Main Renewal project to replace water mains within the distribution system. The Construction/Maintenance Department will continue relocating mains for Wastewater Main Renewal projects, replace valves on transmission mains and work on several distribution system maintenance projects.

We continue to make progress in our long term goal of providing a maintenance check on 3,900 fire hydrants in our system at least once per year. Pueblo Water’s ongoing program for valve and fire hydrant maintenance will continue in 2015. This includes the goal of exercising each of the approximately 16,000 valves in our system at least once per year along with inspecting the valve slip top and recording its status relative to the surrounding street surfacing.

Matthew C. Trujillo
## PERSONNEL SERVICES
### TRANSMISSION, DISTRIBUTION AND ENGINEERING

<table>
<thead>
<tr>
<th></th>
<th>2013 Actual</th>
<th>2014 Budget</th>
<th>2014 Estimated</th>
<th>2015 Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Salaries &amp; Wages</strong></td>
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<td></td>
<td></td>
<td></td>
</tr>
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<td>Division manager</td>
<td>$70,444</td>
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<td>$120,589</td>
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<td>Manager</td>
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<td>101,111</td>
<td>97,067</td>
<td>103,731</td>
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<td>245,991</td>
<td>287,198</td>
<td>342,490</td>
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<tr>
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<td>130,659</td>
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<td>134,141</td>
<td>119,000</td>
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<tr>
<td><strong>Benefits</strong></td>
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<td></td>
</tr>
<tr>
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<td>33,120</td>
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<td>190,113</td>
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<td>237,483</td>
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<td><strong>1,519,312</strong></td>
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<td><strong>Total personnel services</strong></td>
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<td><strong>$5,035,328</strong></td>
<td><strong>$4,893,482</strong></td>
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### OPERATION AND MAINTENANCE
TRANSMISSION, DISTRIBUTION AND ENGINEERING

<table>
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<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
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<th>2015 BUDGET</th>
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<tr>
<td>Outside services</td>
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<td>Maintenance - meters</td>
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<tr>
<td>Maintenance - hydrants</td>
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<td>Maintenance - valves</td>
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<td>Maintenance - cathodic protection</td>
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<td>-</td>
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<td>Warehouse (over) short</td>
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<td>Shop supplies</td>
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<td>Safety</td>
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<td><strong>$891,922</strong></td>
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### CAPITAL OUTLAY
**TRANSMISSION, DISTRIBUTION AND ENGINEERING**

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2014 BUDGET</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ACTUAL</td>
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<tr>
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<td>85,872</td>
<td>96,000</td>
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<td>Taps</td>
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<td>44,400</td>
<td>44,400</td>
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<td>Heavy equipment</td>
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<td>22,200</td>
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<td>311,652</td>
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Total capital outlay $2,124,246 $4,001,600 $3,691,194 $2,855,400
Improving Systems

Asbestos Abatement

Treatment Plant with new roof
The Facilities Operation & Maintenance Division (FO&M) provides services throughout the company to operate and maintain all facilities including buildings and associated mechanical, electrical, electronic and control systems. FO&M spends a significant amount of its efforts maintaining the systems necessary to pump, treat and store the water from the point it leaves the river to the point where it enters the distribution system, ready to be consumed by Pueblo Water’s customers.

In 2014, FO&M worked in cooperation with a tank contractor to complete warranty items on Pueblo Water’s Greenhorn water storage tank. While the tank was under repair, Pueblo Water personnel worked with a separate contractor to install the cathodic protection system inside the tank. All repairs were completed prior to the peak pumping season.

The Administration Building’s second floor carpet was replaced and work station fabric was upgraded. Facilities maintained a strong presence during the installation to minimize any work disruptions and ensure the project was completed in a timely fashion. In 2015 the third floor will receive new carpet and work station fabric. In addition, several office remodels were completed at the Service Building.

In 2014, FO&M assisted Engineering in their efforts to rehabilitate the South 5 MG water storage tank at the Whitlock plant and help develop specifications to replace the roofs at Jones, Belmont, Gardner and the Administration building. FO&M put together a comprehensive plan to bid out the replacement of the asbestos roofing material at the Treating Plant building, which was completed while maintaining daily operations. FO&M was also responsible for the replacement of the failing roof at the Warehouse building.

In 2014, we continued to upgrade the SCADA system and programmable logic controllers (PLCs). The SCADA system continues to be very reliable and is an invaluable tool for water system data acquisition and quality control. In 2014, we replaced the SCADA terminals at the Treating Plant and the Filter Plant. Additionally, we replaced the PLC at the Carbon Building.

For 2015, we will continue to replace the PLC systems in the McCabe Pump Station, La Vista Pump Station and add touch screens to the remainder of the pumping stations. We will de-commission the existing BiF SCADA system and archive the data from its database. We will also continue to focus on control system security with intrusion detection, system firewall, and upgraded security password controls.

With the assistance of the IS Department, FO&M will also complete the new wireless system from Comanche Pump Station to Westmoor Tanks, via equipment placed on a cell tower that provides line of sight between Pueblo Water facilities.

Matthew C. Trujillo
# PERSONNEL SERVICES
## FACILITIES OPERATION AND MAINTENANCE

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SALARIES &amp; WAGES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Division manager</td>
<td>$109,922</td>
<td>$117,543</td>
<td>$26,179</td>
<td>$-</td>
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<td>Manager</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>$103,731</td>
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<table>
<thead>
<tr>
<th><strong>BENEFITS</strong></th>
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<th></th>
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<td>$70,631</td>
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<td>$92,759</td>
<td>$94,614</td>
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<td>$561,773</td>
<td>$584,098</td>
<td>$584,421</td>
<td>$535,489</td>
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</table>

| **Total personnel services** | $1,930,521 | $2,096,466 | $1,886,918 | $1,829,452 |
## OPERATION AND MAINTENANCE

### FACILITIES OPERATION AND MAINTENANCE

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
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</thead>
<tbody>
<tr>
<td>Outside services</td>
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<td>$275,500</td>
<td>$274,090</td>
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<td>4,000</td>
<td>27,000</td>
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<td><strong>$3,323,797</strong></td>
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### CAPITAL OUTLAY
### FACILITIES OPERATION AND MAINTENANCE

<table>
<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2014</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>ACTUAL</td>
<td>BUDGET</td>
<td>ESTIMATED</td>
<td>BUDGET</td>
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<tr>
<td>Improvements and replacements</td>
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<td>171,500</td>
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<td>Heavy equipment</td>
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<td><strong>Total capital outlay</strong></td>
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<td><strong>$1,635,580</strong></td>
<td><strong>$1,596,804</strong></td>
<td><strong>$1,525,300</strong></td>
</tr>
</tbody>
</table>
From the Rockies to you!
The primary responsibilities of the Water Resources Division (WR) are to manage Pueblo Water’s water rights, to operate and maintain the infrastructure associated with those water rights, and to plan for Pueblo Water’s future water supply needs. Individual tasks within those broad responsibilities include, but are not limited to: keeping records of diversions, exchanges and storage; leasing surplus water supplies; maintaining storage facilities and west slope diversion structures; protecting Pueblo Water’s water rights against injury from other water users; and acquisition of new water supplies and storage.

Heavy rains in September 2013 and above average snowpack during the 2013-2014 snow season brought much needed drought relief to the Arkansas Valley. The improved water supply allowed Pueblo Water to resume its spot market water leases in 2014 after a one year hiatus. Pueblo Water leased 8,532 acre-feet on the spot market for a total of $1,073,459 while at the same time increasing water storage reserves by over 6,000 acre-feet.

In order to meet future water supply needs, Pueblo Water completed the purchase of about 28% of the outstanding shares in the Bessemer Irrigating Ditch Company from 2009 to 2011. WR continues to work with its legal team and engineering consultants to gain the necessary approvals to use the shares for municipal use.

Clear Creek Reservoir is in excellent condition, although there continues to be seepage through the glacial moraine foundation of the dam. A new seepage path formed in July 2014 and is being closely monitored. WR plans to do a comprehensive risk analysis of seepage at Clear Creek Dam to determine what, if any, actions should be taken to address the seepage issues. Pueblo Water has long term plans to raise Clear Creek Dam to increase the storage capacity of Clear Creek Reservoir and WR will continue to work on acquiring the property that would be inundated by the expansion.

The Ewing Ditch, Wurtz Ditch and Wurtz Extension are also in good condition. We continue to monitor and make minor repairs to the pipe drop structures on the Ewing ditch which carry the flow in the canal down a steep hillside which washed out in 1984. Eventually the old corrugated metal pipe at the rockslide on the Wurtz Extension will need to be replaced or lined.

WR continues to look for good opportunities to add water storage downstream of Pueblo’s wastewater plant discharge to facilitate better use and management of reusable return flows. One of the Restoration of Yield (ROY) partners has a Letter of Intent to purchase an ideally located storage site and WR will evaluate whether it is beneficial to participate in this potential purchase.

 Alan Ward
### PERSONNEL SERVICES

#### WATER RESOURCES

<table>
<thead>
<tr>
<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
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<tbody>
<tr>
<td><strong>SALARIES &amp; WAGES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Division manager</td>
<td>$103,578</td>
<td>$117,543</td>
<td>$112,841</td>
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<tr>
<td>Supervision</td>
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<td>82,897</td>
<td>88,589</td>
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<td>Specialist</td>
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<td>148,430</td>
<td>158,622</td>
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<td>Total salaries and wages</td>
<td>328,390</td>
<td>358,509</td>
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<td><strong>BENEFITS</strong></td>
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<td>25,968</td>
<td>26,487</td>
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<tr>
<td>Total benefits</td>
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### OPERATIONS AND MAINTENANCE

#### WATER RESOURCES

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<td>Wurtz extension</td>
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<td>1,000</td>
<td>1,250</td>
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**Total operation and maintenance**

$1,044,245 $1,365,120 $1,365,402 $1,228,405
CAPITAL OUTLAY
WATER RESOURCES

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<th></th>
<th>2013 ACTUAL</th>
<th>2014 BUDGET</th>
<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
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<td>Computer equipment</td>
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<td>Expansion</td>
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<td><strong>$13,200</strong></td>
<td><strong>$12,382</strong></td>
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</table>
All hands working for you!
OVERVIEW

HUMAN RESOURCES

The Human Resources Division (HR) is responsible for providing employees, retirees and the public with employment related services and information regarding payroll, benefits, career development, training, certification and recognition while encouraging a safe working environment. Our vision is to provide value-added services and contributions by encouraging change and positive improvements for our organization, employees, retirees and the public. The operating philosophy for HR is to provide fair, consistent, responsive and equitable treatment for everyone we serve. We strive to build partnerships, provide leadership, improve and streamline processes, policies and procedures with information and services delivered through enhanced technology.

Over the past year we completed reviewing, imaging, purging and the destruction of historical records and files. The document management system software has facilitated the records retention efforts for permanent HR records being digitally imaged, thereby streamlining retrieval and retention of records. The concept of going “paperless” was continued using OptiSpool to electronically store payroll and pension reports. OptiWorkFlow is another application that has automated personnel action notices and approvals for payroll changes. MyLeaveTime continued to be utilized by staff employees with enhancements for bargaining unit employees to report exception leave time taken for payroll reporting. MyLeaveRequest was developed and implemented for staff employees and was expanded to select departments for bargaining unit employees to submit leave and vacation requests for approval. In partnership with the Information Systems department, research and development of a mobile HR registration application via employee ID badge bar codes was completed.

HR continues to provide employee communication opportunities with the utilization of the Splash Board and shared documents in Drop Box, as well as on the Cross Divisional drive. Safety initiatives for the year included employee training on the basics of worker’s compensation, accident investigations, review of field procedures in handling asbestos (A/C) pipes, globalized harmonized systems for hazardous chemicals as well as a refresher on proper use and storage of respirators. HR continues to promote wellness benefits for employees with the Water Works Wellness (WWW) program that includes an employee health fair for employees that provides educational and preventative measures that promote, motivate and encourage healthy lifestyles. HR continues to partner with local educational institutions by participating in Job Fairs. Oversight of pension plan investments and pension benefit administration continues in coordination with the Retirement Board.

On the horizon for 2015, HR will continue to support employees’ professional growth, training, and certification requirements. Wellness efforts will continue throughout the year by engaging employees in various health challenges and the health fair. Streamlining processes and cross-training continue to be priorities for HR. Initiatives planned for 2015 include partnering with Information Systems to continue enhancements with tracking leave time and integration with the payroll system to improve efficiencies in tracking employee absences, leave requests and reporting. We also look forward to implementing the mobile HR registration application via employee ID badge bar codes, as well as continuing the NeoGov OnBoard software to facilitate the orientation of new employees. HR would like to improve the administrative process for employee performance reviews, to include an electronic distribution, workflow for approvals, email notifications and reminders. We are exploring the features and costs of a NeoGov companion software module, “Perform.” Perform also has features to assist in the tracking of licenses, certifications and training. In addition, HR will continue to administer the employee tuition assistance program, the Circle of Safety Committee’s initiatives and safety awards program. HR is committed to providing value-added services for the Board, employees, retirees and the public that we serve.

Jeanette O’Quin
### PERSONNEL SERVICES

#### HUMAN RESOURCES

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<thead>
<tr>
<th></th>
<th>2013</th>
<th>2014</th>
<th>2014</th>
<th>2015</th>
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<tbody>
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<td>ACTUAL</td>
<td>BUDGET</td>
<td>ESTIMATED</td>
<td>BUDGET</td>
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<td><strong>SALARIES &amp; WAGES</strong></td>
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<td>Disability insurance</td>
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<td>11,414</td>
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OPERATION AND MAINTENANCE
HUMAN RESOURCES

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<th>2014 ESTIMATED</th>
<th>2015 BUDGET</th>
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<td>Outside services</td>
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<td>39,655</td>
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<td>3,040</td>
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CAPITAL OUTLAY
HUMAN RESOURCES

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<th>2014 ESTIMATED</th>
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<tr>
<td>Computer and office equipment</td>
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Clear Creek Reservoir - photo by Rick Sexton
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 2015 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:

Director of Administrative Services
Board of Water Works of Pueblo, Colorado
P.O. Box 400
Pueblo, Colorado 81002-0400
# Debt Retirement Schedule

## Pueblo Board of Water Works

### 2015 Budget

### BOARD OF WATER WORKS OF PUEBLO, COLORADO

### DEBT RETIREMENT SCHEDULE

#### SERIES 2005

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<th>INTEREST</th>
<th>TOTAL</th>
<th>PRINCIPAL</th>
<th>INTEREST</th>
<th>35% SUBSIDY</th>
<th>EST. RESERVE FUND</th>
<th>TOTAL</th>
<th>35% SUBSIDY</th>
<th>EST. RESERVE FUND</th>
<th>TOTAL</th>
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<td>1,218,955</td>
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$19,510,000 $3,957,369 $23,467,369 $6,447,500 $1,993,729 $8,441,229 $25,870,000 $16,011,863 $(5,604,152) $(3,697,660) $32,580,051 $64,488,649

**Note:**

CWRPDA 2000 B interest payment includes an administration fee of $76,470 for years 2015 through 2022.

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

Earnings on reserve fund are estimated at 3%.
### Staffing Summary - Full Time Positions

#### Totals by Division

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<th>Number of Positions</th>
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**Total Full Time Positions**

1 2014 Budgeted number of Full Time Employees

2 2014 Actual number of Full Time Employees

3 2015 Budgeted number of Full Time Employees
## 10 Year Capital Outlay Projections

**Pueblo Board of Water Works**  
**2015 Budget**

### EQUIPMENT

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### IMPROVEMENTS AND REPLACEMENTS

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### OPERATING FUND

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<td>29,374,300</td>
<td>30,175,289</td>
<td>31,004,295</td>
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<td>Routine Capital Replacements</td>
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<td>922,900</td>
<td>446,000</td>
<td>401,800</td>
<td>493,400</td>
<td>700,400</td>
<td>694,400</td>
<td>544,300</td>
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<tr>
<td><strong>Annual Surplus (Deficiency)</strong></td>
<td></td>
<td></td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Gain on Sale of Assets</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
<td>20,000</td>
</tr>
<tr>
<td>Interest Income</td>
<td>100,000</td>
<td>121,866</td>
<td>103,767</td>
<td>94,887</td>
<td>96,268</td>
<td>97,100</td>
<td>100,418</td>
<td>112,544</td>
<td>144,136</td>
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<tr>
<td><strong>Total Operating Fund Revenue</strong></td>
<td>28,096,548</td>
<td>29,254,265</td>
<td>30,713,577</td>
<td>32,011,558</td>
<td>33,542,228</td>
<td>34,253,101</td>
<td>35,204,226</td>
<td>36,586,827</td>
<td>40,027,415</td>
<td>38,937,877</td>
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**Operating and Capital Funds Cash Flow Analysis**

**Pueblo Board of Water Works**

**2015 Budget**

**Supplementary Information**

47
# Operating and Capital Funds Cash Flow Analysis

## Pueblo Board of Water Works

### 2015 Budget

### BOARD OF WATER WORKS OF PUEBLO, COLORADO

#### OPERATING AND CAPITAL FUNDS

### CASH FLOW ANALYSIS

#### CAPITAL FUND

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<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
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<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
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**Sources of Funds**

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<tr>
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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer From (To) Operating Fund</td>
<td>3,643,400</td>
<td>3,692,800</td>
<td>3,728,000</td>
<td>4,374,500</td>
<td>4,208,500</td>
<td>4,016,500</td>
<td>3,763,500</td>
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<td>3,376,500</td>
<td>3,789,500</td>
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<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
<td>10,000</td>
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<tr>
<td>Contributions</td>
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<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Plant Water Investment Fees</td>
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<td>250,000</td>
<td>350,000</td>
<td>350,000</td>
<td>400,000</td>
<td>450,000</td>
<td>650,000</td>
<td>750,000</td>
<td>850,000</td>
<td>950,000</td>
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<td>Proposed Bond Proceeds</td>
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<td>-</td>
<td>-</td>
<td>-</td>
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<td>-</td>
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</tr>
<tr>
<td>Interest Income</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
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<td><strong>Total Sources</strong></td>
<td>$3,903,400</td>
<td>$3,952,800</td>
<td>$4,088,000</td>
<td>$4,734,500</td>
<td>$4,618,500</td>
<td>$4,476,500</td>
<td>$4,423,500</td>
<td>$4,069,500</td>
<td>$4,236,500</td>
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**Uses of Funds**

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<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Major Capital Improvements</td>
<td>$3,903,400</td>
<td>$3,952,800</td>
<td>$4,088,000</td>
<td>$4,734,500</td>
<td>$4,618,500</td>
<td>$4,476,500</td>
<td>$4,423,500</td>
<td>$4,069,500</td>
<td>$4,236,500</td>
<td>$4,749,500</td>
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</tbody>
</table>

**ENDING ESTIMATED CASH AVAILABLE**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
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<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
<td>$1,000,000</td>
</tr>
</tbody>
</table>

### OPERATION & MAINTENANCE RESERVE FUND

|------|------|------|------|------|------|------|------|------|------|------|

**Sources of Funds**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer From (To) Operating Fund</td>
<td>293,933</td>
<td>96,717</td>
<td>55,265</td>
<td>65,053</td>
<td>75,513</td>
<td>124,511</td>
<td>89,466</td>
<td>92,885</td>
<td>96,433</td>
<td>100,114</td>
</tr>
<tr>
<td>Interest Income</td>
<td>32,494</td>
<td>33,016</td>
<td>34,058</td>
<td>34,775</td>
<td>35,577</td>
<td>36,469</td>
<td>37,762</td>
<td>38,784</td>
<td>39,842</td>
<td>40,937</td>
</tr>
<tr>
<td><strong>Total Sources</strong></td>
<td>$326,427</td>
<td>$129,733</td>
<td>$89,323</td>
<td>$99,828</td>
<td>$111,090</td>
<td>$160,980</td>
<td>$127,228</td>
<td>$131,669</td>
<td>$136,275</td>
<td>$141,051</td>
</tr>
</tbody>
</table>

**ENDING ESTIMATED CASH AVAILABLE**

|------|------|------|------|------|------|------|------|------|------|------|
Operating and Capital Funds Cash Flow Analysis

Pueblo Board of Water Works
2015 Budget

|------------------------|---------|----------|---------|----------|---------|---------|---------|---------|---------|---------|

Sources of Funds

Net Transfer From Operating Fund & Other Revenue | 1,020,384 | 1,138,057 | 1,245,492 | 1,341,821 | 1,451,736 | 1,547,528 | 1,635,202 | (488,704) | (426,936) |

Interest Income | 27,680 | 27,192 | 33,830 | 43,087 | 52,845 | 63,507 | 70,976 | 75,546 | 75,639 | 70,762 |

Total Sources | 1,048,064 | 1,165,249 | 1,279,322 | 1,384,908 | 1,504,581 | 1,611,035 | 1,706,178 | 1,886,243 | (413,065) | (356,174) |

Uses of Funds

1,675,000 | 660,000 | 125,000 | 225,000 | 225,000 | 225,000 | 1,225,000 | 1,225,000 | 225,000 | 225,000 |

ENDING ESTIMATED CASH AVAILABLE | $3,146,340 | $3,651,589 | $4,805,912 | $5,965,820 | $7,245,400 | $8,631,436 | $9,112,614 | $9,773,857 | $9,135,792 | $8,554,618 |

TOTAL OPERATING & RESERVE FUNDS

| Operating Fund Cash Balance | 15,043,397 | 12,198,339 | 10,452,727 | 9,872,077 | 10,193,674 | 10,211,377 | 10,348,863 | 10,861,981 | 15,676,339 | 18,694,458 |
| 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 |

Total Ending Estimated Cash Balance | $23,300,207 | $21,090,131 | $20,588,164 | $21,267,251 | $22,979,519 | $24,544,236 | $25,290,128 | $26,596,159 | $30,908,728 | $33,406,723 |

Note:

(a) Operating & Maintenance reserve cash balance is maintained at an amount equal to 60 days of operation and maintenance expense.
(b) Capital Fund reserve cash balance is maintained at not less than $1 million.

(c) Debt Service Coverage:

| Water Sales Revenue Increases (%) | 3.25% | 4.25% | 4.50% | 4.25% | 4.00% | 3.50% | 3.00% | 3.00% | 3.00% | 2.00% |
| No. of Months Increase is in Effect | 12   | 12  | 12  | 12  | 12  | 12  | 12  | 12  | 12  | 12  |

Debt Service Coverage Calculation

| Operation & Maintenance Expense | 25,005,358 | 25,794,566 | 26,379,950 | 26,945,236 | 27,621,034 | 28,600,331 | 29,374,300 | 30,175,289 | 31,004,295 | 31,862,350 |

Net Revenue | 8,369,081 | 8,707,481 | 9,832,273 | 11,285,559 | 12,155,364 | 11,901,285 | 12,086,832 | 12,498,951 | 12,982,831 | 11,609,903 |


Debt Service Coverage | 160% | 167% | 189% | 217% | 234% | 229% | 232% | 240% | 369% | 330% |
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 117,000 gallons annually, for the purposes of this comparison 132,000 gallons has been used.

### DEScriptions 2014 2015 INCREASE

<table>
<thead>
<tr>
<th>DESCRIPTIONS</th>
<th>2014</th>
<th>2015</th>
<th>DOLLAR</th>
</tr>
</thead>
<tbody>
<tr>
<td>MINIMUM CONSUMER</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Readiness to serve charge (includes 2000 gallons)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3/4&quot; Meter</td>
<td>$10.56</td>
<td>$10.90</td>
<td>$0.34</td>
</tr>
<tr>
<td>1&quot; Meter</td>
<td>13.49</td>
<td>13.93</td>
<td>0.44</td>
</tr>
<tr>
<td>AVERAGE RESIDENTIAL CONSUMER</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>3/4&quot; Meter - Readiness to serve charge</td>
<td>10.56</td>
<td>10.90</td>
<td>0.34</td>
</tr>
<tr>
<td>9,000 gallons @ $ 2.42 and $ 2.50 respectively</td>
<td>21.78</td>
<td>22.50</td>
<td>0.72</td>
</tr>
<tr>
<td>Total average monthly bill</td>
<td>$32.34</td>
<td>$33.40</td>
<td>$1.06</td>
</tr>
<tr>
<td>1&quot; Meter - Readiness to serve charge</td>
<td>$13.49</td>
<td>$13.93</td>
<td>$0.44</td>
</tr>
<tr>
<td>9,000 gallons @ $ 2.42 and $ 2.50 respectively</td>
<td>21.78</td>
<td>22.50</td>
<td>0.72</td>
</tr>
<tr>
<td>Total average monthly bill</td>
<td>$35.27</td>
<td>$36.43</td>
<td>$1.16</td>
</tr>
<tr>
<td>YEAR</td>
<td>1^ CPI CHANGE</td>
<td>WATER RATE CHANGE</td>
<td>VOLUME CHARGE PER 1000/GAL</td>
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<td>--------------</td>
<td>------------------</td>
<td>--------------------------</td>
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<tr>
<td></td>
<td></td>
<td></td>
<td>BEGIN</td>
</tr>
<tr>
<td>1981</td>
<td>10.10%</td>
<td>11.80%</td>
<td>$</td>
</tr>
<tr>
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<td>8.50%</td>
<td>7.00%</td>
<td>0.85</td>
</tr>
<tr>
<td>1983</td>
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</tr>
<tr>
<td>1984</td>
<td>3.70%</td>
<td>6.00%</td>
<td>1.01</td>
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<tr>
<td>1985</td>
<td>2.60%</td>
<td>4.00%</td>
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<tr>
<td>1986</td>
<td>0.70%</td>
<td>6.00%</td>
<td>1.11</td>
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<tr>
<td>1987</td>
<td>2.60%</td>
<td>-</td>
<td>1.18</td>
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<tr>
<td>1988</td>
<td>2.60%</td>
<td>3.00%</td>
<td>1.18</td>
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<tr>
<td>1989</td>
<td>1.80%</td>
<td>-</td>
<td>1.22</td>
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<tr>
<td>1990</td>
<td>4.30%</td>
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<td>1.22</td>
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<tr>
<td>1992</td>
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<td>1.22</td>
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<td>3.50%</td>
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<td>1997</td>
<td>3.40%</td>
<td>2.90%</td>
<td>1.36</td>
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<td>1998</td>
<td>2.20%</td>
<td>2.00%</td>
<td>1.40</td>
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<td>1999</td>
<td>2.90%</td>
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<td>1.43</td>
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<tr>
<td>2000</td>
<td>3.18%</td>
<td>2.25%</td>
<td>1.45</td>
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<td>2001</td>
<td>5.40%</td>
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<td>1.73%</td>
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<td>-0.69%</td>
<td>2.35%</td>
<td>1.60</td>
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<td>1.50%</td>
<td>3.00%</td>
<td>1.64</td>
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<td>2006</td>
<td>3.75%</td>
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<tr>
<td>2007</td>
<td>2.52%</td>
<td>4.00%</td>
<td>1.76</td>
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<tr>
<td>2008</td>
<td>3.72%</td>
<td>4.50%</td>
<td>1.83</td>
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<tr>
<td>2009</td>
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<td>2011</td>
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<tr>
<td>2012</td>
<td>1.78%</td>
<td>3.50%</td>
<td>2.21</td>
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<tr>
<td>2013</td>
<td>2.77%</td>
<td>2.75%</td>
<td>2.29</td>
</tr>
<tr>
<td>2014</td>
<td>2.90%</td>
<td>3.00%</td>
<td>2.35</td>
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</table>

TOTAL 110.27% 118.2%

^1CPI - 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
## Annual Residential Water Charges Comparison

**PUEBLO AND OTHER FRONT RANGE WATER DISTRIBUTORS**

### 2014

<table>
<thead>
<tr>
<th>INSIDE CITY</th>
<th>ANNUAL WATER SERVICE CHARGE</th>
<th>PERCENT OF PUEBLO CHARGES</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>132 thous gallons</td>
<td>180 thous gallons</td>
</tr>
<tr>
<td>Aurora</td>
<td>$908.88</td>
<td>$1,161.84</td>
</tr>
<tr>
<td>Colorado Springs</td>
<td>978.36</td>
<td>1,398.96</td>
</tr>
<tr>
<td>Golden</td>
<td>753.12</td>
<td>1,005.60</td>
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<tr>
<td>Englewood</td>
<td>477.16</td>
<td>635.08</td>
</tr>
<tr>
<td>Greeley</td>
<td>664.08</td>
<td>858.00</td>
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<tr>
<td>Pueblo West</td>
<td>589.56</td>
<td>838.20</td>
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<td>Northglenn</td>
<td>609.00</td>
<td>846.60</td>
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<td>Westminster</td>
<td>565.44</td>
<td>768.96</td>
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<tr>
<td>Highlands Ranch</td>
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<td>693.00</td>
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<td>Thornton</td>
<td>510.00</td>
<td>677.04</td>
</tr>
<tr>
<td>Broomfield</td>
<td>508.20</td>
<td>652.20</td>
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<tr>
<td>Fort Collins</td>
<td>539.04</td>
<td>689.04</td>
</tr>
<tr>
<td>Boulder</td>
<td>509.16</td>
<td>625.32</td>
</tr>
<tr>
<td>Arvada</td>
<td>491.70</td>
<td>657.78</td>
</tr>
<tr>
<td>Glenwood Springs</td>
<td>506.64</td>
<td>651.12</td>
</tr>
<tr>
<td>Lafayette</td>
<td>441.00</td>
<td>552.84</td>
</tr>
<tr>
<td>Denver</td>
<td>432.72</td>
<td>600.00</td>
</tr>
<tr>
<td><strong>Pueblo</strong></td>
<td><strong>423.24</strong></td>
<td><strong>539.40</strong></td>
</tr>
<tr>
<td><strong>Louisville</strong></td>
<td><strong>403.44</strong></td>
<td><strong>573.84</strong></td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td><strong>$571.69</strong></td>
<td><strong>$763.94</strong></td>
</tr>
</tbody>
</table>
## Detailed Water Rate Comparison

### Comparison of 2014 Water Rates of Front Range Cities

<table>
<thead>
<tr>
<th>BILL FOR 11,000 GAL. ON 1&quot; METER</th>
<th>ARLINGTON</th>
<th>AURORA WATER</th>
<th>COLORADO SPRINGS UTILITIES</th>
<th>DENVER WATER</th>
<th>FORT COLLINS</th>
<th>GREELEY</th>
<th>PUEBLO</th>
<th>PUEBLO WEST</th>
<th>FRONT RANGE AVERAGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>$35.27</td>
<td>$49.89</td>
<td>$75.74</td>
<td>$81.53</td>
<td>$36.06</td>
<td>$45.68</td>
<td>$55.34</td>
<td>$49.13</td>
<td>$42.50</td>
<td>$51.68</td>
</tr>
<tr>
<td>BILL FOR 20,000 GAL. ON 1&quot; METER</td>
<td>$57.05</td>
<td>$75.03</td>
<td>$137.77</td>
<td>$166.45</td>
<td>$84.30</td>
<td>$74.88</td>
<td>$91.70</td>
<td>$95.75</td>
<td>$73.82</td>
</tr>
<tr>
<td>BILL FOR 40,000 GAL. ON 1&quot; METER</td>
<td>$105.45</td>
<td>$179.43</td>
<td>$257.77</td>
<td>$431.23</td>
<td>$218.30</td>
<td>$141.68</td>
<td>$172.50</td>
<td>$147.55</td>
<td>$178.22</td>
</tr>
<tr>
<td>FIXED CHARGE ON 1&quot; METER</td>
<td>$53.49</td>
<td>$55.83</td>
<td>$17.77</td>
<td>$15.60</td>
<td>$6.58</td>
<td>$16.33</td>
<td>$10.90</td>
<td>$19.30</td>
<td>$12.22</td>
</tr>
</tbody>
</table>

| COST PER 1,000 GAL.             | 2.42*     | 0-20K        | 0-20K                     | 0-7473/gal   | 0-11K       | 0-7K   | 4.04  | 1-5K       | $3.48               |
|                                  |          | 30-60K       | 20-40K                    | 7451-18649   | 12-30K      | 7-13K  | 7.97  | 5-10K      | $1.97               |
|                                  |          | 54.34        | 60-90K                    | 0.0654/gal   | 7-13K       | 5.36   | 2.91  | 5-10K      | $2.96               |
|                                  |          | 60-90K       | >40K                      | >18656       | >13K        | >13K   | >13K  | >10K       | $5.18               |
|                                  |          | 55.20        | 50-80K                    | 0.0988/gal   | >40K        | >40K   | >3.7% | >3.7%      | 5.22 to 10.44       |
|                                  |          | 66.92        | >80K                      | $10.72       | 0%          | 0%     | 0%    | 0%         | 0%                  |

*Includes first 2,000 gallons of water.

Thornton’s Excess Use Rates is anything over 20,000 and 40,000 gal.
## 2014 Front Range Water Utility Comparison

<table>
<thead>
<tr>
<th></th>
<th>Arvada</th>
<th>Aurora Water</th>
<th>Colorado Springs Utilities</th>
<th>Denver Water</th>
<th>Fort Collins</th>
<th>Greeley</th>
<th>Pueblo West</th>
<th>Pueblo</th>
<th>Pueblo West</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>NUMBER OF METERED ACCOUNTS</strong></td>
<td>39,432</td>
<td>35,500</td>
<td>80,419</td>
<td>135,019</td>
<td>312,232</td>
<td>33,348</td>
<td>26,335</td>
<td>11,132</td>
<td>38,007</td>
</tr>
<tr>
<td><strong>POPULATION</strong></td>
<td>107,682</td>
<td>109,157</td>
<td>339,331</td>
<td>431,710</td>
<td>634,619</td>
<td>148,167</td>
<td>95,476</td>
<td>29637***</td>
<td>124,134</td>
</tr>
<tr>
<td><strong>NUMBER OF EMPLOYEES</strong></td>
<td>148**</td>
<td>76*</td>
<td>422</td>
<td>480</td>
<td>1062**</td>
<td>75</td>
<td>79</td>
<td>31*</td>
<td>58</td>
</tr>
</tbody>
</table>

* Includes water and wastewater employees.

**Figure includes part time and temporary employees

***City of Pueblo West 2010 Census

Source, population figures: 2012 census population estimate
## Front Range Plant Water Investment Fee Comparison

**Pueblo Board of Water Works**  
2015 Budget

### 2014 Plant Water Investment Fee Comparison

<table>
<thead>
<tr>
<th>Size</th>
<th>Arvada</th>
<th>Aurora Water</th>
<th>Colorado Springs Utilities</th>
<th>Denver Water</th>
<th>Fort Collins</th>
<th>Greeley</th>
<th>Highlands Ranch</th>
<th>Pueblo West</th>
<th>City of Thornton</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>3/4” Residential</strong></td>
<td>4,342</td>
<td>18,345</td>
<td>16,429</td>
<td>5887-12913</td>
<td>3030/.70 sq ft</td>
<td>720/32 sq ft</td>
<td>10,600</td>
<td>7,690</td>
<td>11,875</td>
</tr>
<tr>
<td><strong>1” Residential</strong></td>
<td>4,342</td>
<td>18,345</td>
<td>16,429</td>
<td>15,487</td>
<td>3030/.70 sq ft</td>
<td>720/32 sq ft</td>
<td>17,700</td>
<td>7,690</td>
<td>18,911</td>
</tr>
<tr>
<td><strong>Multi-Family</strong></td>
<td>2468/unit</td>
<td>9,173</td>
<td>8814/unit</td>
<td>5295/unit</td>
<td>10040*</td>
<td>540/25 sq ft</td>
<td>5300/unit</td>
<td>5510/unit</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Multi-Family Senior</strong></td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Mobile Home</strong></td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>Duplex</strong></td>
<td>4,936</td>
<td>13,759</td>
<td>17,628</td>
<td>10,590</td>
<td>10,040</td>
<td>540/25 sq ft</td>
<td>10,600</td>
<td>11,020</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>3/4” Commercial</strong></td>
<td>2,154</td>
<td>26,850</td>
<td>20,043</td>
<td>9,292</td>
<td>10,730</td>
<td>7,000</td>
<td>10,600</td>
<td>11,380</td>
<td>11,875</td>
</tr>
<tr>
<td><strong>1”</strong></td>
<td>4,204</td>
<td>44,750</td>
<td>35,876</td>
<td>15,487</td>
<td>10,040</td>
<td>19,050</td>
<td>17,700</td>
<td>22,760</td>
<td>18,911</td>
</tr>
<tr>
<td><strong>1 1/2”</strong></td>
<td>21,434</td>
<td>89,500</td>
<td>78,767</td>
<td>30,973</td>
<td>42,180</td>
<td>41,600</td>
<td>35,300</td>
<td>45,520</td>
<td>37,109</td>
</tr>
<tr>
<td><strong>2”</strong></td>
<td>27,168</td>
<td>143,200</td>
<td>143,104</td>
<td>49,557</td>
<td>76,690</td>
<td>64,410</td>
<td>56,500</td>
<td>91,040</td>
<td>58,845</td>
</tr>
<tr>
<td><strong>3”</strong></td>
<td>52,215</td>
<td>304,300</td>
<td><strong>2</strong></td>
<td>92,920</td>
<td>*****</td>
<td>****</td>
<td>123,700</td>
<td>204,840</td>
<td>116,953</td>
</tr>
<tr>
<td><strong>4”</strong></td>
<td>180,213</td>
<td>53,700</td>
<td><strong>2</strong></td>
<td>154,867</td>
<td>*****</td>
<td>****</td>
<td>211,900</td>
<td>*****</td>
<td>***</td>
</tr>
<tr>
<td><strong>6”</strong></td>
<td>371,799</td>
<td>n/a</td>
<td><strong>2</strong></td>
<td>****</td>
<td>*****</td>
<td>****</td>
<td>441,600</td>
<td>****</td>
<td>n/a</td>
</tr>
<tr>
<td><strong>8”</strong></td>
<td>522,862</td>
<td>n/a</td>
<td><strong>2</strong></td>
<td>****</td>
<td>*****</td>
<td>****</td>
<td>n/a</td>
<td>****</td>
<td>***</td>
</tr>
</tbody>
</table>

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

**Anything 3” and above is based on peak day demand.

***Rates based on compound meter. Rates for turbine meters 3” is $126,895. larger sizes upon request.

****No change in Colorado Springs utility rates for 2014. The 6” and 8” meter fee is based on potential average daily usage and peak day demand of that customer.

*****Anything over 2” is based on demand needs or individual basis.