

Legislation Text

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Agenda Date: 08/08/2017

Subject:
Sewer Utility Status and Financial Plan Update

Presented By: Keith Reester, Acting Public Works Director

POLICY QUESTION:

Does city council support an update to the Sewer Utility Financial Plan and rate projections for 2018 including cost implications of capital projects at the Littleton/Englewood Wastewater Treatment Plant?

BACKGROUND:

The City of Littleton participates with the City Englewood in jointly owning and operating the Englewood Wastewater Treatment Plant (WWTP). Recently the WWTP has updated their short term, and long term financial and capital plans to reflect projected plant needs. Littleton staff has prepared a new 5-year financial model for the Littleton Sewer Utility utilizing the information provided by the WWTP, including the impact on rates for customers served by the utility.

City staff is undertaking a project within the sewer utility to assess the current state of the wastewater collections infrastructure that is solely owned and operated by the City of Littleton. The project will include a modernization of the data profile of the assets, risk analysis to system components and community, and strategic planning to provide preventative maintenance and capital planning to enhance collections systems management.

This asset management platform will help provide a better understanding of our long-term sewer infrastructure needs and will provide a key basis for a future rate study for the utility including residential, commercial, and development fees; currently, the rate study is contemplated to commence in 2019 and conclude in 2020.

STAFF ANALYSIS:

The new financial model reflects all current information available to establish and support rates to be proposed in the 2018 budget and going forward to support both the Littleton sewer collection system and WWTP.

FISCAL IMPACTS:

The proposed financial model reflects no increase for users in 2018. Additional rate increases are projected to be under 2% per year through 2022.

STAFF RECOMMENDATION:

Review and comment on key strategic initiatives and financial models.

