



## MEMORANDUM

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Work Session Date: January 20, 2016 at 6:00 p.m.  
City Council Chambers  
448 East 1<sup>st</sup> Street, Room 190  
City of Salida, Colorado

To: Mayor and City Council

From: Dara MacDonald, City Administrator

Re: Special Work Session Items

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### Discussion Points

- I. Revisions to the water and wastewater 2016 budget
  - a. 2016 Budget Resolution rescinded the restructuring and net increase in rates recommended by the rate study and adopted in October with Resolution 2015-74; budgeted revenue was reduced with no corresponding decrease in expenditures
  - b. Additional staffing planned in public works for water system maintenance and regulatory compliance project
  - c. Council's direction to implement the ultraviolet (UV) disinfection option at the water treatment plant increases the amount of unfunded expenditures in the budget
  - d. 2016 Budget – Expenditures exceed revenues
    1. Water Fund - \$220,800.... now projected to be over \$1,000,000 (before loan proceeds)
    2. Wastewater Fund - \$599,100
  - e. Process begun to secure debt and possibly grants for UV project
    1. Need assumptions to use in 20-year projection of water fund (rate increases, CIP)
    2. See schedule of debt service obligations including proposed new loan
- II. Financial Assistance for water and wastewater bills – see draft policy in work session packet
  - a. Leverages existing resources in Chaffee County Health & Human Services (HHS) for screening of applicants; recipients must qualify for public assistance through HHS
  - b. City program is funded by donations
  - c. Awards of assistance are subject to available funding; granted on a first come first serve basis
  - d. Waiting list will be maintained
  - e. Assistance provided for one year or end of lease term; may re-apply
  - f. Applicants must reside in the property (landlords and commercial property not eligible)
  - g. Flat amount of assistance
    1. \$10.00 for water and wastewater service customers per month (24% of \$42.50 base fees)
    2. \$5.00 for water only or wastewater only customers per month (27% of \$18.50 base fee)