



BOARD OF TRUSTEES
April 20, 2021
6:30 PM

Leeper Center, 3800 Wilson Avenue, Wellington, CO

Work Session Meeting Agenda

Due to social distancing and limited seating, individuals that wish to appear in person at the meeting will need to register by April 20, 2021 at 4:00 p.m. by sending an email to hpseldon@wellingtoncolorado.gov. Once seating is full, registration will be closed. Individuals attending in person will need to arrive at the meeting by 6:20 p.m. and will be required to wear masks.

Individuals wishing to attend the meeting virtually can view the meeting at the link below or by calling into the phone numbers listed below:

<https://zoom.us/j/94173012815?pwd=RjdaajZqeXFGY2k1TWlvY2hEWnRGUT09>

Passcode: 483317

Webinar ID: 941 7301 2815

Or One tap mobile :

US: +13462487799,,94173012815# or +16699009128,,94173012815#

Or Telephone:

US: +1 346 248 7799 or +1 669 900 9128 or +1 253 215 8782

A. ITEMS

1. Strategic Plan Update-Quarter 1

- Staff presentation: Hallie Sheldon, Management Analyst

2. Wastewater Treatment Plant Expansion Funding Strategy

- Staff presentation: Patti Garcia, Judith Tippetts, Bob Gowing, Cody Bird, Tyler Sexton, Mike Flores, Dave Myer

The Town of Wellington will make reasonable accommodations for access to Town services, programs, and activities and special communication arrangements. Individuals needing special accommodation may request assistance by contacting at Town Hall or at 970-568-3380 ext. 110 at least 24 hours in advance.

Board of Trustees Meeting

Date: April 20, 2021
Submitted By: Hallie Sheldon, Management Analyst
Subject: Strategic Plan Update-Quarter 1

- **Staff presentation: Hallie Sheldon, Management Analyst**

EXECUTIVE SUMMARY

The Board of Trustees created the Strategic Plan to guide Town Staff in the projects and issues they hope to address in the next 2 years. This document has allowed staff to prioritize projects and resources throughout the year and ensure that the Town is following an efficient and successful path. Town Staff will provide quarterly updates to the Board of Trustees to ensure projects and internal work done by staff is aligning with goals set forth by the Strategic Plan. This is the first update reflecting the work done in Quarter 1 of 2021.

BACKGROUND / DISCUSSION

Growth and Development

- Balanced and resilient revenues
 - Increase in sales tax revenue as a result of e-commerce
 - Up approximately 25% in 2021
- Identify, attract and retain commercial development and businesses
 - New businesses in town:
 - Ziggy's, Human Bean, O'Reilly's, Dollar General
 - Staff spoke at the "Breaking Ground" session of the BizWest sponsored *Northern Colorado Real Estate Summit*
 - This focused on commercial projects and opportunities in Northern Colorado communities
 - Staff highlighted the recent projects and areas of opportunity for additional commercial in Wellington
 - Staff met with local commercial bankers to identify financing options options for small businesses in Wellington
 - Identified small business loan programs
 - Gathering additional program materials and local banking contacts to share with businesses if they need financial assistance
- Comprehensive Plan and Master Plans-alignment and execution
 - Draft out for public comments March 9- April 11
 - 982 public comments received
 - 40+ residents at Town Hall event to voice opinions

Infrastructure

- Ensure adequate current and future water supply, treatment and delivery
 - Design WTP Expansion- 30% complete
 - Design WWTP Expansion- 30% underway

- Staff Technical Water Advisory Committee created to meet bi-weekly with contracted water attorney
- Water Policy Committee defined and work is ongoing
- Develop long term funding strategies
 - Updated Water Utility Rates- 1st adjustment October 2020 and 2nd January 2021
 - Updated Raw Water Fees by Developers in August 2020. This policy will continue to be refined on an ongoing basis
 - Fee-in-lieu rates updated for Developers
 - Will continue to be refined on an ongoing basis
 - Working diligently to research grant funding opportunities
 - Contracted with consultant, Gene MacDonald at GLM Design Group to create grant strategy for CIP projects- first meeting April 28
 - Pursuing two potential grants with the Main Street program for potential improvements along Cleveland Avenue
- Plan and develop purposeful facilities
 - Provide adequate intermediate town hall facility
 - Harrison House expansion in development design phase
 - Goes to Board of Adjustments April 22
 - Setback variance approval needed
 - If approved, will go to Planning Commission May 3
 - Construction to start early Summer 2021 pending approvals
 - New Town Hall
 - Staff developing site selection rubric and looking at 3 alternative sites
 - Infusion architects have created site analysis for Library Park per Board request
 - Staff will present 4 options to BOT by the start of Quarter 3
- Create opportunities for transportation and stormwater management improvements
 - B-Dams
 - The Town continues to work with other regional stakeholders regarding implementation of the revised (and hugely reduced) capital improvements needed to bring the B-Dams into compliance
 - RFP has been released for a Stormwater Master Plan-more to come from this.

Community Engagement

- Build awareness about the Town of Wellington services and programs
 - Increase social media presence
 - January-Current
 - 106 new Facebook likes
 - 3,468 unique engagements with content
 - 47,851 unique page and content reach
- Improve access to local government
 - Update of website happening live
 - New accessibility measures in progress
 - SSL implemented for user security
 - Website redirect to .gov activated to reduce confusion between .gov and .com site
 - AudioEye acquired for improved user experience:
 - Integrated screen reader
 - Customizable visual settings per user's needs

- Accessibility compliance certification obtained and available on demand
- Report a complaint so Town notified if user has specific needs we are not currently meeting
- Back end of AudioEye for Staff:
- Compliance support for 24/7 monitoring of changes made to the site
 - Alerts for needed changes to compliance violations such as:
 - Headings, language, links, alt. captions, or scrambled source code.
- Monthly newsletter provides updates and news from Town
- Sent first Wednesday of month starting December 2020
- 217 Subscribers with 27 additional clicks from Facebook
- Averaging over 60% open rate (28.2% government industry average)
- Develop communications strategy for Town's Water Conservation Plan
 - February- The Cost of Water
 - Explanation of what residents pay for and the processes required to provide clean drinkable water
 - Videos, pictures, explanations
 - March-Benefits of Conservation and Tips
 - Fix a Leak Week
 - April- April Showers (in home conservation)
 - Tips and tricks for in home conservation
 - Other Water Conservation Projects that are ongoing:
 - Landscape and Irrigation Standards
 - Town has contracted for professional services to update landscaping and irrigation standards
 - Advanced Metering System
 - iPERL automatic meters replacements ongoing

Organizational Strength

- Provide regular training programs for all employees and develop cross-training plans
 - First monthly manager/supervisor meeting held March 1st
 - Discussed policies across multiple departments
 - These meetings consist of trainings, changes, updates, multiple topics based on current Town matters
 - Several training opportunities presented to staff to sign up for individual signs up
- Create smooth, efficient employee on/off-boarding processes
 - Equipment Check Out Form created for proper inventory of Town equipment
 - IT Work Form created- helps with proper set up of new employee accounts and software and removal of accounts and software during off boarding
 - Intranet launched to help with HR Forms and one stop shop for employee resources

STAFF RECOMMENDATION

For the discussion of the Board of Trustees

ATTACHMENTS

1. Strategic Plan Update-April 20, 2021

Strategic Plan Update

Quarter 1



Hallie Sheldon, Management Analyst

4 Focus Areas

Growth and Development

Infrastructure

Community Engagement

Organizational Strength





Growth and Development

Goal: Balanced and Resilient Revenues



- Increase in sales tax revenue as a result of e-commerce
 - Approximately 25% increase in 2021
- More to come in Treasurer's Report next meeting

Goal: Identify, attract and retain commercial development and businesses

- New Businesses in Town
 - Ziggi's Coffee
 - Human Bean
 - O'Reilly's
 - Dollar General
- Staff spoke at Northern Colorado Real Estate Summit
 - Gave presentation about Wellington Commercial Development
- Staff working with local commercial lenders
 - Identify financing options for small businesses
 - Small Business Loan Programs
 - Gathering materials to provide businesses



Goal: Comprehensive Plan

- Draft out for public comment from March 9 - April 11
 - 982 Public Comments Received
 - 40+ residents at Town Hall event to voice opinions

THANK YOU TO THE COMMUNITY FOR HELPING SHAPE THE FUTURE OF WELLINGTON!



COMMUNITY VISION

Our friendly and supportive community welcomes you with a smile. Together, we take pride in celebrating and protecting our town character and values while welcoming forward-thinking ideas that enhance our health and wellbeing. Our dreams take root and blossom in Wellington.

COMMUNITY PILLARS

 COMMUNITY PRIDE	 VIBRANT & HISTORIC DOWNTOWN	 THRIVING ECONOMY	 SUSTAINABLE & RESILIENT PUBLIC SERVICES
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Goal: Highlighted Partnerships Quarter 1

- CDPHE and Larimer County- vaccine clinic
- Larimer County- North Front Range Regional Wasteshed
- Wellington Main Streets- Grants Program Cleveland Avenue
- LCSO & WFPD- Community Events Review
- NPIC- WTP Expansion and Lease Discussions



Infrastructure

Goal: Ensure adequate current and future water supply

- Design Phase of Water Treatment Plant- 30% complete
- Design Phase of Wastewater Treatment Plant- 30% currently underway
- Staff Tech. Advisory Committee Created-meeting biweekly
- Water Policy Committee





Goal: Develop Long Term Funding Strategies

- Updated Water Utility Rates
 - 1st adjustment- October 1
 - 2nd adjustment- January 1
- Updated Raw Water Fees by Development
 - August 2020
 - Fee-in-lieu rates updated for Developers
 - Will continue to be refined on ongoing basis
- Working diligently to research grant funding opportunities
 - Contracted with consultant, Gene MacDonald at GLM Design Group
 - Create grant strategy for CIP projects-first meeting April 28
 - Pursuing two potential grants with the Main Street program for potential improvements along Cleveland Avenue

Goal: Plan and Develop Purposeful Facilities



- Harrison House Expansion Project
 - Development Design Phase
 - Board of Adjustments- April 22, 2021
 - Planning Commission- May 3, 2021
 - Construction to start early Summer 2021
- New Town Hall
 - Staff developing site selection rubric for 3 alternative sites
 - Infusion architects created site analysis for Library Park
 - Staff will present 4 options to Board of Trustees by start of Quarter 3



Goal: Plan and Develop Purposeful Facilities Continued

- Transportation and Stormwater Improvements
 - B-Dams
 - Town continues to work with regional stakeholders regarding implementation of revised capital improvements needed to bring into compliance
 - Updates to come for Board of Trustees
 - RFP released for Stormwater Master Plan



Community Engagement

Goal: Build awareness about Town services & programs

- Increase social media presence
 - January-Current
 - 106 new Facebook likes
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 - 47, 851 unique page and content reaches





Goal: Improve access to local government

- Update of website:
 - SSL implemented for security
 - Website redirect to .gov activated
 - AudioEye acquired for improved user experience
 - Integrated screen reader
 - Customizable visual settings per user's needs
 - Accessibility compliance certification obtained
 - Report a complaint notification active for user specific needs
 - AudioEye for staff:
 - Compliance support for 24/7 monitoring of changes made to site
 - Alerts for needed changes to compliance violations such as:
 - Headings, language, links, alt. captions, or scrambled source code

Goal: Improve access to local government continued

- Monthly newsletter
 - 1st Wednesday of Every Month
 - Started December 2020
 - 217 Subscribers with 27 additional clicks from Facebook
 - Averaging over 60% open rate (28.2% government average)



Goal: Water Conservation Plan Strategic Communication

- Themed Education Content:
 - February- The Cost of Water
 - Explanation of what residents pay for and the processes required to provide clean drinkable water
 - Videos, pictures, explanations
 - March-Benefits of Conservation and Tips
 - Fix a Leak Weak
 - April- April Showers (in home conservation)
 - Tips and tricks for in home conservation
- Landscape and Irrigation Standards
 - Town contracted professional services
- Advanced Metering System Replacements Ongoing





Organizational Strength

Goal: Training Programs

- First monthly manager/supervisor meeting held March 1st
 - Discussed policies across multiple departments
 - These meetings consist of trainings, policy changes, updates, etc.
- Several training opportunities presented to staff to sign up for individual training



Goal: Efficient employee on/off boarding process

- Equipment Check Out Form created for proper inventory of Town equipment
- IT Work Form created:
 - Helps proper set up of new employee accounts and software
 - Removal of accounts and software during off boarding
- Intranet launched to help simplify location of employee resources





Questions?

Board of Trustees Meeting

Date: April 20, 2021
Submitted By: Dave Myer, Engineer, Patti Garcia, Town Administrator , Bob Gowing, Public Works Director, Tyler Sexton, Finance Director, Judy Tippetts, Finance Director , Cody Bird, Planning Director , mike flores
Subject: Wastewater Treatment Plant Expansion Funding Strategy

- **Staff presentation:** Patti Garcia, Judith Tippetts, Bob Gowing, Cody Bird, Tyler Sexton, Mike Flores, Dave Myer

EXECUTIVE SUMMARY

In December of 2020, Dave Myer and Tyler Sexton began working on funding options for the Wastewater Treatment Plant (WWTP) expansion as part of the State Revolving Fund (SRF) loan application process. Given the magnitude of the project and after giving a status update to our Town Administrator, a task force was created to ensure we used all available resources and considered all factors that would impact funding.

Members of the team include Patti Garcia, Tyler Sexton, Dave Myer, Judi Tippetts, Cody Bird, Bob Gowing, and Mike Flores.

The team has been meeting at least once a week since the beginning of this year and has created a financial spreadsheet model of the Town's sewer utility projected rate performance and to demonstrate options for funding the WWTP expansion.

BACKGROUND / DISCUSSION

The original Wastewater Treatment Plant was constructed in 2002 (Phase 1). An expansion to the plant occurred in 2016 to service existing demands and population to roughly 10,000 (Phase 2). At that time, the Town secured a bond in the amount of \$2,500,000. The current balance on that outstanding loan is \$1,880,000 and is expected to be paid off August 1st of 2034.

A Master Plan was initiated by Jacobs in August 2019 for the Collection System and WWTP. The WWTP portion of the Master Plan completed in July 2020 demonstrated the need for WWTP expansion (Phase 3). The needs are primarily expansion-driven (hydraulic and biological loadings to the current plant) but also with needed replacement of aged equipment and infrastructure. State regulatory requirements also play a role in this needed expansion and the plant's ability to properly treat the incoming wastewater. This Phase 3 expansion would double the existing plant's hydraulic capacity (0.9 MGD to 1.8 MGD), provide treatment ability to meet State regulatory requirements, come online in early 2024, and provide future service to a population of roughly 25,000. The Master Plan estimated the cost of the Phase 3 plant expansion to be approximately \$40M (including design and construction fees).

A final expansion to the plant (Phase 4) would be needed to serve the Town's estimated full buildout population of roughly 36,000. Depending on growth rate, this could be as early as 2033 if the Town population continues to grow at the historic annual average of near 6 percent. However, the Town's growth rates can be controlled to an overall slower rate, so the next plant expansion can be initiated around 2037. This would also provide the timing required to pay off the Phase 3 SRF loan prior to initiating the next expansion and taking on



additional debt.

Current Status

Design of Phase 3 expansion was initiated with Jacobs in December 2020 for roughly \$4.9M. (This includes design fees and construction management fees.) Design decisions are currently being made as the team approaches the 30 percent level with that package expected to be delivered early May. This Phase 3 expansion is providing “placeholders” for the ultimate full buildout expansion (Phase 4).

Data used in Model

- Additional population of 12,000 divided by 3.2 persons per household: 3,750 taps
- Estimated cost of construction from the WWTP Master Plan: \$36,000,000 (loan amount)
- Estimated interest rate: 2.5%
- Years financed: 20 years
- Payment: \$2.3M annually
- Current number of taps: 4,103 residential users plus 146 commercial users for a total of 4,249

Model Discussion

Dave Myer created a spreadsheet model which allowed the team to input funding scenarios and see the results immediately. More than 50 different scenarios were explored. The goal is to find a balance between impact fees, sewer base rate, usage rates and maintain fund balance without chasing away development, over burdening current users, and the ability to service the debt. Because the water and sewer plans are so closely related, the team originally used the same number of taps over the next 3 to 4 years (through 2024 when the new water and wastewater plants are commissioned) based on the assumption that the water plant (including the Conventional, Nano, RO, and Microfiltration facilities) will continue to support the water demands moving forward. A slightly different allocation was ultimately used based on input from Cody and the status of several ongoing development projects. The total number of taps is same; however, the allocation used in the model is 121, 99, and 80 for years 2021, 2022, and 2023, respectively. This is consistent with prior discussions that used 100 taps per year through 2023.

An additional consideration that will need to be carefully monitored during the design and construction phase is the biological loading the wastewater plant can process. This was discussed previously during the WWTP Master Plan presentation to the Board. The team has included the biological oxygen demand (BOD) peak numbers so that additional population growth can be considered. BOD is a characteristic of wastewater and provides a measurement of the “strength” of the wastewater. The spreadsheet model assumes the existing wastewater plant will be able to manage the influent loadings provided operators are duly informed of any commercial permits that are being considered.

In addition, after the water plant discussion and the consideration of several pieces of debt being stacked within a fund, the team discussed the need to be financially responsible to the current and future citizens of Wellington. The concept of the sinking fund was added to the scenarios so that we have the funding in place to pay off the existing loan prior to Phase 4 of the WWTP coming on board. For example, if the population base reaches 25,000 in 2033 as originally estimated by Jacobs, the loan balance outstanding will be approximately \$15,000,000. The goal and fiscally responsible plan would be to pay off the existing debt in addition to saving some of the impact fees for the future plant expansion and funding. The model allows for the sinking fund to be added at different times with different amounts being used to service the debt.



The team has selected three scenarios to demonstrate the results. The first example would be to do nothing. The tap fees, base rate and user fees remain the same. This scenario would not allow us to make the debt service for even one year.

Scenario two displays the option of increasing the tap fees to \$9,700 with annual increases of \$300 programmed, and an average flat base rate increased to \$46 per month and average usage rate increased to \$15 per month. This scenario works; however, the initial increase results in the average user paying \$61 per month.

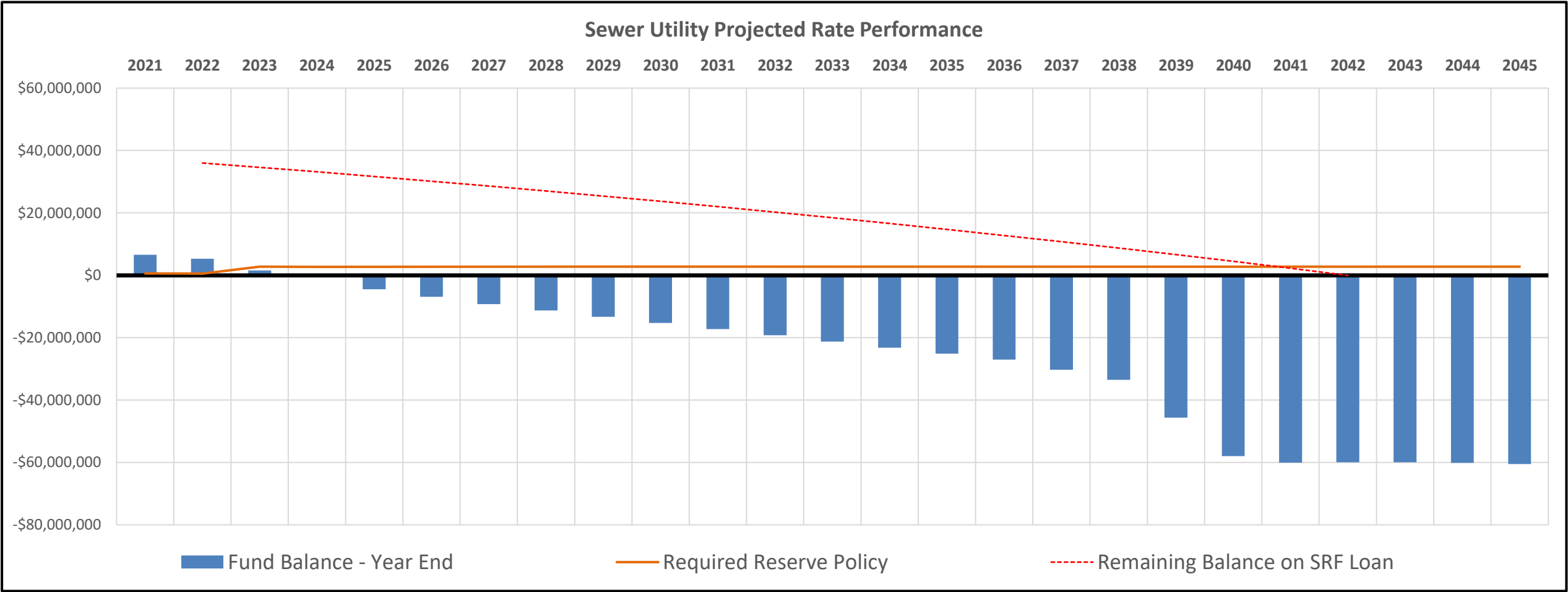
Scenario three displays the recommended option the team believes demonstrates the best compromise while achieving Town goals. This scenario involves increasing tap fee to \$9,700 with annual increases of \$300 programmed in addition to gradual increases in both the base rate and usage rate. This scenario recommends the base rate initially increases to \$36 per month and the usage rate increases to \$13 per month for a total average residential monthly bill of \$49 which is significantly less than scenario 2. Over time small increases are anticipated which allow the users to plan accordingly. In addition, the sinking fund does not begin until 2026 yet still would provide pay off ability of the Phase 3 SRF loan in about 2036 and fund portions of the Phase 4 expansion.

STAFF RECOMMENDATION

ATTACHMENTS

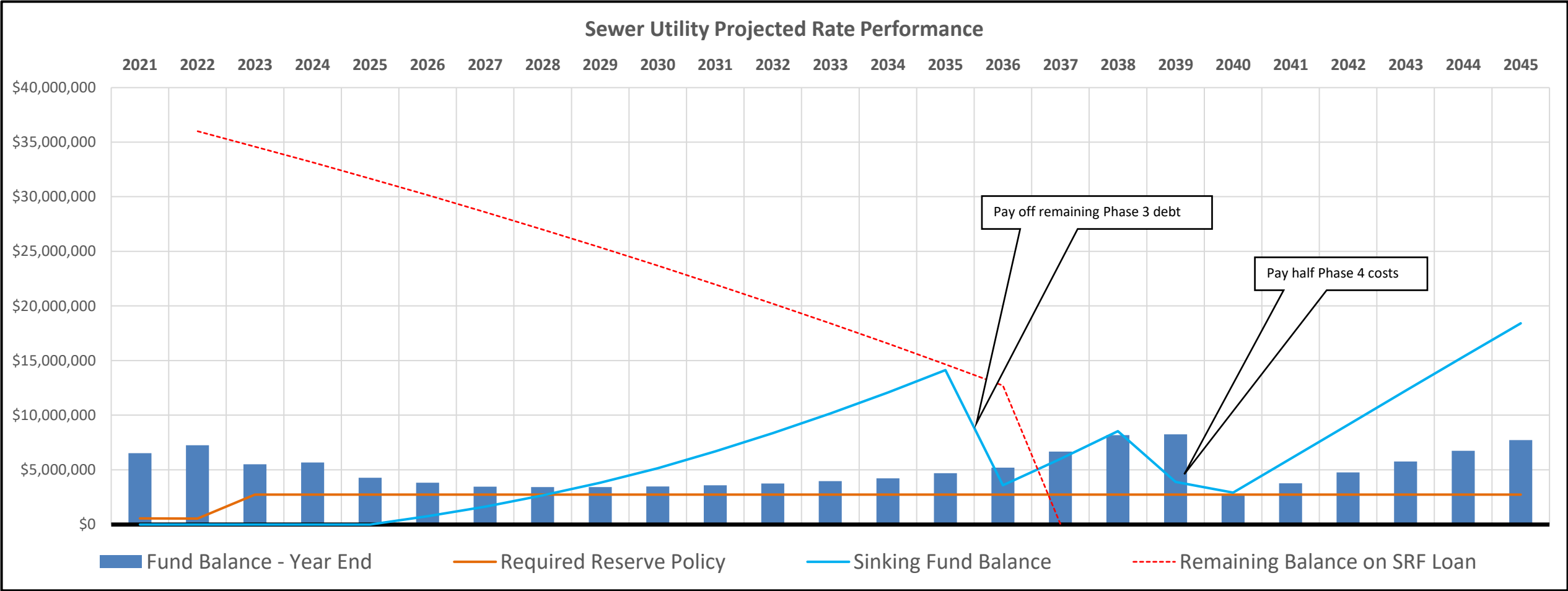
1. WWTP Funding Analysis Option 1 NO ACTION
2. WWTP Funding Analysis Option 2 FLAT INCREASES
3. WWTP Funding Analysis Option 3 RECOMMENDED

Option 1: No Action											
Item	Current Rates	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Impact Fees	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500	\$7,500
Sewer Base Rates	\$20.63	\$20.63	\$20.63	\$20.63	\$20.63	\$20.63	\$20.63	\$20.63	\$20.63	\$20.63	\$20.63
Sewer Usage Rates (per 1,000 gal)	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50	\$6.50
			Reserve Met	Reserve Not Met \$1,209,284 short	Reserve Not Met \$3,328,932 short	Reserve Not Met \$7,253,408 short	Reserve Not Met \$9,636,809 short	Reserve Not Met \$11,972,349 short	Reserve Not Met \$14,008,907 short	Reserve Not Met \$16,032,792 short	Reserve Not Met \$18,045,417 short



Option 2: Flat Increases

Item	Current Rates	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Impact Fees	\$7,500	\$7,500	\$9,700	\$10,000	\$10,300	\$10,600	\$10,900	\$11,200	\$11,500	\$11,800	\$12,100
Sewer Base Rates	\$20.63	\$20.63	\$46.00	\$46.00	\$46.00	\$46.00	\$46.00	\$46.00	\$46.00	\$46.00	\$46.00
Sewer Usage Rates (per 1,000 gal)	\$6.50	\$6.50	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00	\$15.00
			Reserve Met	Reserve Met	Reserve Met	Reserve Met	Reserve Met	Reserve Met	Reserve Met	Reserve Met	Reserve Met



Option 3: Recommended

Item	Current Rates	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Impact Fees	\$7,500	\$7,500	\$9,700	\$10,000	\$10,300	\$10,600	\$10,900	\$11,200	\$11,500	\$11,800	\$12,100
Sewer Base Rates	\$20.63	\$20.63	\$36.00	\$38.00	\$41.00	\$43.00	\$45.00	\$45.00	\$45.00	\$45.00	\$45.00
Sewer Usage Rates (per 1,000 gal)	\$6.50	\$6.50	\$13.00	\$14.50	\$16.50	\$18.50	\$20.50	\$20.50	\$20.50	\$20.50	\$20.50
			Reserve Met	Reserve Met	Reserve Met	Reserve Met	Reserve Met	Reserve Met	Reserve Met	Reserve Met	Reserve Met

