

NORTHWEST LAKEWOOD SANITATION DISTRICT
SUMMARY OF 2013 ACTIVITIES
AND
EXPLANATION OF FACILITIES RENOVATION AND SERVICE FEE INCREASE

Dear Resident,

Happy New Year!

The District has been very busy in 2013 and wanted to take this opportunity to share some of their activities with all of you.

The District continued its annual facilities rehabilitation program in 2013. Several small point repairs and full linings of sewer pipe were completed. The amount spent on this project in 2013 was roughly \$264,000.

In addition to the annual rehabilitation program, the District also held an election in November 2013 which was coordinated by Jefferson County. The election question (Ballot Question 5A) asked voters to allow the District to retain and spend all of its revenues generated from its voter approved mill levy rather than refunding a portion of them back to its customers as mandated by the Taxpayer Bill of Rights (TABOR).

The Official election results related to Ballot Question 5A are as follows:

Yes Votes = 1,839 or 37.67%

No Votes = 3,043 or 62.33%

Total votes = 4,882

Ballot Question 5A failed and therefore a temporary mill levy reduction was included in the total mill levy of 7.285 mills that was certified to Jefferson County for collection in 2014.

After the election results were received, the Board spent time in November and December to finalize their 2014 budget. The annual rehabilitation program will continue in 2014 and funds in the amount of \$400,000 have been committed to this program as well as \$900,000 to finalize Phase 3 of the Kipling Street rehabilitation project. The District will also see an increase in charges paid to Metro Wastewater Reclamation District to treat our sewage from the amount paid in 2013 of \$1,093,100 to \$1,241,923 in 2014 or a 13.6% increase.

Given the 2014 budget and in reviewing the 10 year projections which includes rehabilitation and operation and maintenance needs, the Board voted to increase the Facilities Renovation and Service Fee (FRSF) from \$175 per single-family residential equivalent per year to \$200 per single-family residential equivalent per year effective January 1, 2014.

Fee increases of this nature are never popular, but given the increases in treatment charges, the annual rehabilitation program and the results of the November 2013 election, the Board made a decision to increase the fee. The financial projections indicate an even larger increase in the Fee is necessary to adequately fund future rehabilitation of the 60 year old system as well as operation and maintenance expenses. However the Board understands the economic climate and has agreed on a modest \$25 fee increase for 2014.

Should you have any questions regarding the information contained in this letter, please feel free to contact a member of the Board of Directors or the District Manager at 303-987-0835.

Sincerely,

*MAILED
FEB. 2014*

The Board of Directors
Northwest Lakewood Sanitation District