

Water & Sewer Department

MEMORANDUM

TO: Sean Chambers, Director of Water and Sewer
FROM: Virgil Pierce, Rates and Budget Analyst
DATE: July 14, 2022
RE: Existing and Planned Water and Sewer Debt

Debt issuance is a critical component of the department's financial planning strategy, providing the up-front investment necessary to continuously fund the replacement and expansion of Greeley's water and sewer systems. The following tables summarize existing and future bond issuances in the water and sewer funds, detailing remaining principal and associated debt service costs. Note: future bond issuances are subject to change as capital planning evolves. Pages two and three contain a list of major capital projects driving future debt issuances.

Water Fund - Existing	Principal Remaining	Years Remaining	Annual Debt Service
2014 Revenue	\$ 2,135,000	2	\$ 1,124,350
2016 Revenue	\$ 18,795,000	6	\$ 4,247,250
2018 Revenue	\$ 39,125,000	18	\$ 3,577,700
2022 Revenue	\$ 61,580,000	20	\$ 4,956,985
2021 Windy Gap	\$ 60,500,000	29	\$ 3,275,847
Total Existing Water	\$ 156,615,000		\$ 15,457,502

Water Fund – Future	Proposed Issuance	Payment Period	Est. Debt Service
2024 Revenue	\$ 42,500,000	20	\$ 2,856,667
2026 Revenue	\$ 50,000,000	20	\$ 3,679,087
2028 Revenue	\$ 44,500,000	20	\$ 3,274,388
2030 Revenue	\$ 36,500,000	20	\$ 2,685,734
2032 Revenue	\$ 31,000,000	20	\$ 2,281,035
Total Future Water	\$ 204,500,000		\$ 14,776,911

Sewer Fund - Existing	Principal Remaining	Years Remaining	Annual Debt Service
2015 Revenue	\$ 3,265,000	7	\$ 533,244
2018 Revenue	\$ 9,500,000	16	\$ 840,600
2022 Revenue	\$ 21,355,000	20	\$ 1,509,446
Total Existing Sewer	\$ 34,120,000		\$ 2,883,290

Sewer Fund – Future	Proposed Issuance	Payment Period	Est. Debt Service
2024 Revenue	\$ 50,000,000	20	\$ 3,518,054
2026 Revenue	\$ 18,500,000	20	\$ 1,361,262
2028 Revenue	\$ 6,500,000	20	\$ 478,281
2031 Revenue	\$ 62,000,000	20	\$ 4,562,069
Total Future Sewer	\$ 137,000,000		\$ 9,919,666

The following tables list the major capital projects driving future debt issuances for the water and sewer funds. Future project costs are estimated.

Projects Driving Future Debt - Water			
	2 Year Project Budget	Proposed Bond Funding	% of Bond Issuance
2024 Issuance: \$42.5M (expended 24-25)			
Bellvue Pipeline Gold Hill	\$ 12,915,000	\$ 12,000,000	28%
Future Water Acquisition	\$ 11,544,000	\$10,500,000	25%
Milton Seaman Outlet Works	\$ 5,526,000	\$ 5,500,000	13%
Distribution Pipeline Replacement	\$ 4,724,000	\$4,700,000	11%
Lead Service Line Replacement	\$ 4,260,000	\$ 4,200,000	10%
Transmission System Rehab.	\$ 3,101,000	\$ 3,000,000	7%
Water and Sewer Facilities Prog.	\$ 3,000,000	\$ 2,600,000	6%
	\$ 45,070,000	\$ 42,500,000	
	2 Year Project Budget	Proposed Bond Funding	% of Bond Issuance
2026 Issuance: \$50M (expended 26-27)			
Water and Sewer Facilities	\$ 20,983,000	\$ 20,900,000	42%
Future Water Acquisitions	\$ 12,240,000	\$ 11,000,000	22%
Bellvue Pipeline Gold Hill	\$ 7,855,000	\$ 7,500,000	15%
Boyd Process Improvements	\$ 4,625,000	\$ 4,600,000	9%
Transmission System Rehab	\$ 4,527,000	\$ 4,500,000	9%
Lead Service Line Replacement	\$ 4,260,000	\$ 1,500,000	3%
	\$ 54,490,000	\$ 50,000,000	
	2 Year Project Budget	Proposed Bond Funding	% of Bond Issuance
2028 Issuance: \$44.5M (expended 28-29)			
Equalizer 83 rd Ave Non-Pot Water	\$ 17,456,000	\$ 17,400,000	39%
Future Water Acquisition	\$ 16,212,000	\$ 16,000,000	36%
Boyd WTP Process Improvements	\$ 7,950,000	\$7,900,000	18%
Bellvue Residuals Gravity Thickener	\$ 8,417,000	\$ 2,100,000	5%
Transmission System Rehab	\$ 5,631,000	\$ 1,100,000	2%
	\$ 55,666,000	\$ 44,500,000	
	2 Year Project Budget	Proposed Bond Funding	% of Bond Issuance
2030 Issuance: \$36.5M (expended 30-31)			
Future Water Acquisitions	\$ 18,387,000	\$ 18,300,000	51%
71 st – 83 rd Pump Station and Pipe	\$ 16,504,000	\$ 10,000,000	28%
Boyd WTP Process Improvements	\$ 8,164,000	\$ 7,000,000	19%
Overland Trails Ponds	\$ 2,634,000	\$ 700,000	2%
	\$ 45,689,000	\$ 36,500,000	

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	2 Year Project Budget	Proposed Bond Funding	% of Bond Issuance
2032 Issuance: \$31M (expended 32)			
Reservoir Rd Reservoir Replacement	\$ 21,159,000	\$ 21,100,000	68%
Future Water Acquisition	\$ 10,100,000	\$ 9,000,000	29%
Bellvue Treatment Trains Ph. 2	\$ 6,221,000	\$ 900,000	3%
	\$ 37,480,000	\$ 31,000,000	
Grand Total	\$ 238,395,000	\$ 204,500,000	

Projects Driving Future Debt - Sewer			
	2 Year Project Budget	Proposed Bond Funding	% of Bond Issuance
2024 Issuance: \$50M (expended 24-25)			
WTRF Treatment Phase II	\$ 43,282,000	\$ 43,200,00	86%
Highland Hills 47 th Ave Sewer Cap	\$ 2,550,000	\$ 2,500,000	5%
WTRF Secondary Digesters Rehab	\$ 2,446,000	\$ 2,400,000	5%
WTRF Additional Cake Hopper	\$ 2,364,000	\$ 1,900,000	4%
	\$ 50,642,000	\$ 50,000,000	
2026 Issuance: \$18.5M (expended 26-27)			
WTRF Blower Replacement Ph. 2	\$ 6,768,000	\$ 6,400,000	36%
Lift Station #9	\$ 6,455,000	\$ 6,400,000	35%
WTRF Secondary Clarifier Upgrd.	\$ 4,475,000	\$ 4,400,000	24%
North Poudre RR Sewer Phase 1	\$ 4,060,000	\$1,000,000	5%
	\$ 21,758,000	\$ 18,500,000	
2028 Issuance: \$6.5M (expended 28-29)			
Lift Station #9	\$ 7,210,000	\$ 6,500,000	100%
2031 Issuance: \$62M (expended 31-32)			
WTRF Treatment Phase III	\$ 91,300,000	\$ 62,000,000	100%
Grand Total	\$ 170,910,000	\$ 137,000,000	