Wastewater Bonding
Ballot Question
April 5, 2022 Election
Wastewater Fund
Capital Project Bonding
Status Recap

1. Jefferson City Citizens vote April 5, 2022, yes or no, to allow bonding within wastewater fund;

2. Current Rate Structure will support bonding up to $44 M in system projects;

3. Perpetual maintenance and improvement of the system will help keep system compliant and functioning properly while keeping rates in check;

4. Bonding or borrowing funds to complete capital projects is one of the best tools to keep wastewater rates low;

5. Dollars will be used for wastewater system upgrades over the next 10 years;

6. Jefferson City Wastewater is a regional system collecting and treating waste from all of Jefferson City, St Martin, Holt Summit, and portions of unincorporated Cole County.
QUESTION

Shall the City of Jefferson, Missouri, issue sewerage system revenue bonds in the amount of $44,000,000 for the purpose of improving and extending the City's sewerage system, the cost of operation and maintenance of said sewerage system and the principal of and interest on said revenue bonds to be payable solely from the revenues derived by the City from the operation of its sewerage system, including future improvements and extension thereto?

[....] Yes
[....] No

If you are in favor of the question, place an "X" in the box opposite "YES". If you are opposed to the question, place an "X" in the box opposite "NO".
Established Rates (that support $44 M in Bonds and/or Borrowing Capital funds)

<table>
<thead>
<tr>
<th>Year</th>
<th>Inside City Limits</th>
<th>Outside City Limits</th>
<th>St. Martins</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021 (+2%)</td>
<td>$31.37...$32.00</td>
<td>$54.03...$55.11</td>
<td>$42.70...$43.55</td>
</tr>
<tr>
<td>2022 (+5%)</td>
<td>$33.66</td>
<td>$57.92</td>
<td>$45.79</td>
</tr>
<tr>
<td>2023 (+5%)</td>
<td>$35.39</td>
<td>$60.87</td>
<td>$48.13</td>
</tr>
<tr>
<td>2024 (+5%)</td>
<td>$37.20</td>
<td>$63.96</td>
<td>$50.58</td>
</tr>
<tr>
<td>2025 (+5%)</td>
<td>$39.11</td>
<td>$67.21</td>
<td>$53.16</td>
</tr>
<tr>
<td>2026 (+5%)</td>
<td>$41.11</td>
<td>$70.63</td>
<td>$55.87</td>
</tr>
<tr>
<td>2027 (+5%)</td>
<td>$43.21</td>
<td>$74.21</td>
<td>$58.71</td>
</tr>
</tbody>
</table>

Based on Average 4,400 gallons domestic water use per month (January-March)

Affordability; Median Annual Household Income = $60,066 (2019, Cole County).

Inside City Limits: $31.37 ... $43.21 = 0.63% ... 0.86%
Outside City Limits: $54.03 ... $74.21 = 1.08% ... 1.48%
St. Martins: $42.70 ... $58.71 = 0.85% ... 1.17%
Statewide Average: 1.45% (per Missouri Public Utility Alliance 2020 Survey)
## Wastewater Rate Comparison (per 5000 gallons/month)

<table>
<thead>
<tr>
<th>Location</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Columbia</td>
<td>$31.49</td>
</tr>
<tr>
<td><em>Jefferson City</em></td>
<td>$34.19</td>
</tr>
<tr>
<td>Springfield</td>
<td>$35.84</td>
</tr>
<tr>
<td>St. Charles</td>
<td>$39.38</td>
</tr>
<tr>
<td>Lee’s Summit</td>
<td>$43.82</td>
</tr>
<tr>
<td>Holts Summit</td>
<td>$48.91</td>
</tr>
<tr>
<td>Taos (MAWC)</td>
<td>$65+WSIRA ($69.98)</td>
</tr>
<tr>
<td>St. Joseph</td>
<td>$74.96 (EPA enforcement)</td>
</tr>
<tr>
<td>Affordability</td>
<td>$100.11 (2% of MHI 2019)</td>
</tr>
</tbody>
</table>

Source: Missouri Public Utility Alliance 2020, PSC
Known Capital Needs $44 M

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Biosolids Processing Facility</td>
<td>$10 M</td>
</tr>
<tr>
<td>Overflow Remediation (SSO’s)</td>
<td>$7 M</td>
</tr>
<tr>
<td>Wet Weather Capacity (resiliency)</td>
<td>$18 M</td>
</tr>
<tr>
<td>Replace Aging Pipes, etc (reliability)</td>
<td>$9 M</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$44 M</strong></td>
</tr>
</tbody>
</table>
The problem(s) with reliability and SSO’s (sanitary sewer overflows)....

>..Threat to public health and environment by backups and overflows... customer satisfaction?;

>..Compliance issues lead to EPA enforcement actions and fines.. Has the potential to greatly increase rates;

>..Deferred maintenance/capital.. will cost more money in the future to address as an emergency or compliance actions by EPA;

>..EPA enforcement typically involves doing many projects in a short amount of time.. Equating to higher rates.. Affordability =2% of MHI or rates of over $100 per month in Cole County.
Why Should Someone Care About this Issue?

• It’s a cost of living issue at its core.. keeping rates as low as possible, predictable and without large fluctuations while perpetual maintaining the system = sustainability;

• It’s easy.. “flush it and forget it”.. Jefferson City has a professionally managed system in a continual state of upgrade;

• It’s local.. Customer fees stay in the community and support local jobs and contractors, management by your City Council;

• The City has a good track record of environmental compliance and keeping our neighborhood streams and creeks clean and when issues occur we respond immediately..
City of Jefferson
2022 Bond Issue
Proposed Projects

BIOSOLIDS UPGRADE
- Beneficial Reuse of treatment plant sludge
- Less volume based on moisture
- More efficient use of chemicals
- Replace parts of building from 1960s & 70s, equipment from 1998.
City of Jefferson
2022 Bond Issue
Proposed Projects

WESTVIEW PUMP STATION,
FORCEMAIN AND SEWER CAPACITY
- Remove dry and wet weather sanitary sewer overflows
- Improve reliability and redundancy
- Energy efficiency with variable frequency drives
- Improve hydraulic capacity of downstream sewers
City of Jefferson
2022 Bond Issue
Proposed Projects

ST. MARYS BLVD SEWER MAIN REPLACEMENT
Sanitary sewer is over 80 years old and beyond its useful life. Replacing and updating this sanitary sewer will improve sanitary sewer service to 39 customers.
City of Jefferson
2022 Bond Issue
Proposed Projects

HOLTS SUMMIT METER AND INTERCEPTOR UPGRADE

The wholesale contract with Holts Summit has a 35 year life. The existing meter is 24 years old and undersized for Holts Summit’s future flows.
City of Jefferson
2022 Bond Issue
Proposed Projects

BASIN 7 RELIEF SEWER – PHASE III
To improve wet weather capacity, Relief sewers were installed from McCarty Street east to Leslie Blvd and west to Monroe Street. There is still long term wet weather capacity issues west of Highway 54. This would complete the multi-phase project that was broken up to accommodate Highway 50 improvements and break improvements down for cost. A new bore of Highway 54 will be required.
City of Jefferson
2022 Bond Issue
Proposed Projects

CURED-IN-PLACE PIPELINING SEWER MAIN REPLACEMENT
This process allows a minimum of service interruption and little to no disruption of traffic. The cost for this process is approximately one-third of conventional excavating to replace pipelines and the contracts allow economy-of-scale for storm sewer replacement.

We have replaced over 49 miles of sewer main from 2005-2020 with this technology.
City of Jefferson
2022 Bond Issue
Proposed Projects

GRAY’S CREEK INTERCEPTOR – PHASE I

The Gray’s Creek sewer system includes a large interceptor sewer installed for the Cole County Regional Sewer District and taken over by the City of Jefferson in the 1990s. Although the Cole Junction Pump Station Upgrade in 2013 has greatly improved performance of the Gray’s Creek sewer, there are still wet weather capacity issues in the system and a need to address ultimate capacity for growth. The first phase proposal is to address the pipeline from Cole Junction west to Scott Station Road.
City of Jefferson
2022 Bond Issue
Proposed Projects

GUN CLUB PUMP STATION REPLACEMENT
This station serves a subdivision in Cole County. The station does not meet current sewer design standards. New pumps, wetwell and storage need to be installed. The forcemain was replaced by City forces in 2006 and is correctly sized.
City of Jefferson
2022 Bond Issue
Proposed Projects

INDIAN HILLS PUMP STATION REPLACEMENT
This pump station is over 40 years old. Pumps and equipment are beyond reliable life. The lower end of the PVC forcemain has failed twice in the last 16 years and needs to be upgraded/replaced. Current peak flow storage is open and can be a vector attractant.
City of Jefferson
2022 Bond Issue
Proposed Projects

SEWER MAIN REPLACEMENTS FOR MORRIS AND WOODCREST SUBDIVISIONS

Many of the sewer mains that serve the area north of Stadium Dr. and west of Jackson St. are very old and many need to be replaced. Redevelopment will allow some of the sewer mains to be relocated or abandoned. Sewer service to 24 customers could be improved through this project.
City of Jefferson
2022 Bond Issue
Proposed Projects

CLARK AVENUE SEWER MAIN REPLACEMENTS

The sanitary sewers on each side of the Clark Ave Highway 50/Clark Avenue interchange are old and need to be replaced. Service for approximately 44 customers can be improved. This could be done in conjunction with Clark Lane interchange work for less traffic and neighborhood disruption.
City of Jefferson  
2022 Bond Issue  
Proposed Projects  

CONSOLIDATE ST MARTINS PUMP STATIONS  
Two pump stations south of Highway 50 can be consolidated for more reliability and less maintenance and power costs in the future. It is proposed to partner with St. Martins to achieve this.
City of Jefferson
2022 Bond Issue
Proposed Projects

EAST BRANCH WEARS CREEK RELIEF SEWER

Despite success in reducing infiltration and inflow, long term capacity will still require a sewer main upgrade from McCarty/ Marshall Street to Missouri Blvd/Walnut Street. This is very deep with many obstacles so as the sewer will not have any connections, trenchless technology could be used.
City of Jefferson
2022 Bond Issue
Proposed Projects

REPLACE BLOWERS
The treatment plant blowers originally installed in 2003 operate 7 days per week and are nearing the end of their useful life. New blowers are more energy efficient than this generation. Some air piping and control work will need to be included with the blower replacement.