SPANAWAY WATER COMPANY
2016 ANNUAL MEETING COMPANY REPORT

November 21, 2016

Thank You for your interest in your water company and participation in the annual meeting. We try to make this meeting and report informative and interesting. You, as property owners are not only served by the Company, you also own the Company as a "non-profit Mutual Corporation". You elect the board of directors that govern the operations of the Company under our Articles of Incorporation and By-laws. Though we are considered a public water system, we are considered "privately owned" by the State and Federal governments. Our single focus is "to provide safe, reliable and high quality water, now and in the future, for domestic use and fire protection in an efficient and cost effective, professional and respectful manner".

CAPITAL PROJECTS:

This year saw the completion of several long awaited major capital projects and the start of several others.

Replacement Well 5: This project involved obtaining a water right approval from the Department of Ecology to install a larger well at the original well 5 site. Based on water chemistry we knew that corrosion control would be required for the site. After reviewing and pilot testing aeration options for pH adjustment, we selected the Lowry Deep Bubble System. This system not only proved to be very effective, simpler in operation, inherently safer, and less costly, but also does not require the addition of any chemicals to the water! The Department of Health approved the Lowry System and well design in August 2015. The approved process removes the naturally occurring dissolved carbon dioxide from the water, raising the pH and greatly reducing the potential for copper or lead corrosion in household plumbing.

Construction of the replacement well facilities was completed by late spring and after testing and final DOH review, the new well was placed on-line June 23rd. The 1,500 gallon per minute facility includes a main well pump with a variable capacity ranging from 800 to 1,500 GPM, Lowry Deep Bubble aeration system, a booster pump, and an on-site chlorine generator. The well's total development cost of $2,454,350, including drilling the 398' x 16" well was fully funded from fees charged to new growth.

Tank #2 Recoating: The recoating project for tank #2, built in 1984, started in October after the 2015 summer demand period. The Department of Health approved project included the complete recoating of the tank interior and exterior. The project required the complete encapsulation of the tank for the sandblasting of the exterior. The size of the tank, 46' in diameter by 127' tall, made this a major project. As part of the project, we replaced the roof vent, addressed a permanent telecommunications mounting system, and made safety improvement to the tank itself. The work on the tank was completed in April, and after disinfection and water quality testing the tank was placed back in service on May 27th. This work was funded by the capital projects billed to existing customers.

8th Ave and SR-7 Main Connection: This 12-inch main project in progress last year, completed connection of the mains on the north and south side of Mtn. Hwy/SR-7 at 8th Ave. E. and received the Fire Marshal approval Nov. 20th last year. This project provides two main connections to the area south of Mtn. Hwy/SR-7, improved fire flows throughout the area, and a more direct connection between well #4 and tank #3. This was an important main looping project and was funded from existing system capital projects fees.

Water Main Replacement Program (R&R) and Infrastructure Replacement: The first of the A/C (asbestos/concrete) main replacement projects not driven by County road, sewer projects or growth was completed this year. The project involved the replacement of aging and nearing the end of useful life 4 and 6 inch mains, rebuilding water services, and replacing fire hydrants between A St and Pacific Ave from 160th to 167th streets. Bid packages for the second R&R project are nearly completed with the intent to have the documents out to bid by the end of November. This project will be replacing the 4 and 6 inch mains on 160th, 161st, and Park Ave. west of Pacific Ave.

This pro-active long-term program is intended to replace over sixty miles of A/C water mains and all related water system components over the next thirty years. The initial projects will focus on the system's most vulnerable mains west of A St from 160th St and working south. This is also the area with the most thin wall 125-PSI service lines, a source of regular leaks between the water main and meter. The capital projects fee on water bills provide revenue for this necessary work.

The costs for replacing approximately two miles of main including water services, valves, fire hydrants, road and land restoration as well as engineering and permitting is over one and a half million dollars per year. Where possible, like the past 176th St and planned 22nd Ave E Intersection County Road Projects, the work will be coordinated with county road and sewer work to reduce costs and improve efficiency. The next major County road rebuild project will be 22nd Ave from 152nd St to 204th St planned to start in 2020. This project will include an additional lane, curbs, gutters, sidewalks, storm water system and will require water main replacement.

When the County does a road project, all utilities, including Spanaway Water, must accommodate the project by replacing and/or relocating their infrastructure – at the utilities' expense. Your water company staff works hard to coordinate with the county both during project planning and construction to ensure the project is completed in as cost effective way possible.

The Company must also address other aging infrastructure including the life expectancy of wells, pumps, treatment equipment, generators, buildings, computer systems, and vehicles. The Company continues work on developing a GIS system and asset management program to address all infrastructure repair or replacement projects with the intent to maximize the asset's useful life.

152nd St E and 22nd Ave E County Road Project: This County project has been reactivated with the intent to rebuild the intersection, add a stop light and install curbs, gutters, and sidewalks. County design is again moving with construction expected in 2017. Our anticipated cost for main replacement is $266,000 funded from existing system capital projects fees.

Comprehensive Water System Plan: We are nearing completion of the update to our 2010 plan as required by the Department of Health and the Washington Administrative Code (WAC) for group A public water systems. Much of the work is being done "in-house" though sections on land use, zoning, PSRC growth requirements, and hydraulic modelling will be completed by RH2 Engineering as required by the WAC. With WAC changes expected this year, we are seeking to increase the length of the plan to ten years rather than the currently required six-year update. It is anticipated that the plan will identify that water storage and the need for additional primary water rights as the major limiting factors for the water system.

Tank 1 Altitude Valve: This planned valve and related piping and vault will address two needs. In normal operations, the valve would close when the tank is full but still allow system wells to run maximizing storage capacity in existing tanks 2 and 3 as well as future tank 5. The valve would effectively force water to any tank which is not already full. The second need involves saving the tank's stored water in the event of an earthquake. Should an earthquake occur the valve would close isolating the tank and saving water that might otherwise be lost through system leaks. This is an existing system improvement and would be funded by existing system capital projects fees.

Emergency Intertie with Tacoma Water: Any water system can suffer a water source failure due to unexpected component failure, fire, or nearby chemical spill. To address this potential emergency event, the Company is working to establish an emergency intertie with Tacoma Water. This is not for the purchase of water from Tacoma on an ongoing or even temporary basis, it is strictly for emergency use. Water could flow in either direction based on the nature of the emergency. The planned location for the intertie is on 38th Ave E near the future Tank 5 site.

New Tanks 4 and 5: These growth driven tanks will provide gravity storage to the upper and main pressure zones respectively. The 2010 water system plan noted that our future limiting factor would be available storage. The current water system plan process will assist in determining which tank will be needed first.

Tank 4: The intent is to construct this tank at the existing Clarewood booster station site. Use of the existing site will save considerably on development costs. This tank will provide gravity pressure for the upper zone which currently relies on a booster station for operational pressure. Tank 4 will be constructed using both existing system and growth related capital reserves as the tank will serve existing customers and growth in the upper zone.

Tank 5: Additional land for tank 5 was purchased in 2016 providing a site that should greatly ease county permitting. This tank will provide approximately two million gallons of additional storage for the main pressure zone to both address future growth and back-up storage for the entire water system. It is anticipated that tank 5 construction costs will be funded entirely from growth fees.

Well 11: Under the Department of Ecology water right change process completed in 2015, the Company received a non-additive water right permit for a new well 11 at the office site. This permit has a construction period through 2029. It is the Company's intent to seek additional additive water right prior to drilling this well. Additional additive water rights are very difficult to obtain from the Department and will almost certainly require mitigation for potential surface water impacts. The exact timing of this well will depend on several factors including available growth related funds and possible new water rights.

Lakewood Intertie, Transmission Main, and Wholesale Water: Understanding that the Company is facing on-going growth, limited water rights, and obtaining additive water rights is practically speaking impossible without mitigation, for several years we have had an on-going agreement that would allow the purchase of wholesale water from Lakewood Water District. The District is now working with Rainier View Water, Firgrove Mutual Water, and Spanaway Water to investigate the construction of a transmission main to those water utilities. The costs for the transmission main would be shared by the utilities seeking additional water supplies based on the quantities planned to be available. Should Spanaway decide to take some water from Lakewood, Department of Ecology staff has acknowledged that the moving of water from near discharge to Puget Sound to the upper watershed would likely serve as mitigation for a new Spanaway additive water right. The Company will continue to investigate this option to address future water supply needs. Cost related to any of this work would be funded by growth related fees.

As you can see your water company is seeking to address both current and long term needs of both current and future members of the water system. Throughout, the Company works to ensure that growth pays for growth while existing customers support the needs of the existing system.

WATER USE EFFICIENCY PROGRAM GOAL FOR 2016 and 2016 WATER USE:

From a water perspective, it was nice to see the return of more normal weather conditions in 2016. This year's more normal weather helped reduce metered water use to the second lowest usage level ever

after last year's overall record high use. This yearly variability is the reason the Company adopted a six-year rolling average pumped usage as a basis for our water use efficiency goal required under Washington law and Washington Department of Health regulations for municipal water suppliers. The six-year rolling average tempers the impact of unusual weather years both dry and wet.

So how did we do on the rolling six-year average? Our 2016 rolling average pumped use goal, established in 2013, was to be at or below 283.7 gallons per day (GPD). The actual 2016 rolling six-year average was 268.33 GPD easily meeting our efficiency goal. After 2015's high use, 2016's much lower use will help lower our future rolling average and make meeting the steadily declining water use efficiency goal easier to reach.

Regardless of the weather, wise water use is important.

Leak Detection and Repair: At the time of last year's meeting it was clear that our unaccounted for water – water loss – was on the rise. Starting in January Utility Services Associates began a complete water system leak detection study, listening to every meter, fire hydrant, and valve/valve cluster. As a result of the three-month study 80 leaks were identified and repaired. Though this fiscal year's total will not fully reflect the water saved, simply looking at last Oct/Nov/Dec's average daily water use of over 2,600,000 gallons per day (GPD) in comparison to this year's October and November 2,100,000 GPD shows how effective the leak study and repair was in reducing leakage. This work is saving over 500,000 gallons a day! Last year's unaccounted water was 17.33%, we expect this year's to be below 10% for the first time ever, our goal!

WATER RATES:

For 2017, the Capital Projects Fee will increase one dollar from $19 to $20 for continued funding of existing system infrastructure replacement noted above and the EPA Treatment charge will also increase one dollar from $6 to $7 to address increases in treatment chemical costs and treatment equipment maintenance. The base rate and water use charges will be unchanged for 2017. These changes will affectively add one dollar per month to a water bill. Even with this increase, our rates remain in the lower third of local utilities. Attached is a spreadsheet with a comparison of local utility water rates most of which will also increase for 2017.

REGULATORY ISSUES:

Lead and Copper Rule: This rule has been in place for many years but has been prominent as a result of the problems in Flint, Michigan. The rule establishes lead and copper action levels of 0.015 milligrams/liter (mg/L) and 1.3 mg/L respectively for the 90th percentile sample in a water system. Spanaway Water has never exceeded the lead action level and this year's testing ranged from no detection to 0.005 mg/L (median = 0.001). Unlike Flint, Spanaway Water has utilized corrosion control treatment since 1999 for potential copper corrosion. This year's testing ranged from 0.030 to 0.760 mg/L (median = 0.224). Both lead and copper are well below the EPA's action levels and our system is considered optimized for corrosion control. Congress and the EPA are discussing possible changes to this federal rule. We do not anticipate that the proposed rule changes will have an impact on Spanaway's water system.

Federal Revised Total Coliform Rule: This revised EPA rule, went into effect in April. The revised rule addresses issues related to positive total coliform water quality samples and will require a system sanitary assessment should positive tests occur. The revised rule maintains the current sampling schedule but requires "Level 1" assessments and corrective actions for any positive total coliform results including sampling from all sources that may have contributed to the water supply. If positive samples continue, a more through "Level 2" assessment is required. The rule also dictates that the primacy agency for the

rule, Department of Health in Washington, must conduct more frequent sanitary surveys of all group A public water systems. Spanaway Water has historically addressed any positive samples in a manner closely following these new requirements.

GENERAL WATER ITEMS:

USGS Modeling Update Project: We continue to participate in this update of the geo-hydraulic model of the Chambers/Clover Creek basin. This update incorporates much smaller model cell size and will use "stream cell" to more accurately model surface water flows and impacts. This update project is supported and funded by the USGS, Pierce County Surface Water Programs, State Departments of Health and Ecology, and seven local water utilities including Spanaway Water.

The original model provided the basis for 2015 approval of the Company's umbrella water right application. The updated model is necessary as the Company seeks new additive water rights. USGS models are considered the best available science, the "gold standard" of ground water models.

Rural Water Supply and the Hirst Supreme Court Decision: In this decision, the Court determined that local governments must make the determination or whether water is "legally" available before a building permit may be issued. The Court noted that "outdated" Dept. of Ecology instream flow rules may not be relied upon by the local government in making these determinations. For the Chambers/Clover Creek watershed, a DOE "closed" basin, this means that the county cannot issue building permits unless an existing water system with water rights available has agreed to serve the property. Alternatively, the building permit applicant could 1) try to prove that a new well would not impact a lake, stream, or other earlier water right, even one molecule, a nearly impossible and very expensive task; or, 2) provide mitigation for the lake or stream impacts at the same location and same time as the impacts.

This ruling when viewed with the earlier Swinomish, Foster, and Postema decisions will make any building permits outside established water service areas extremely difficult and will certainly result in a large number of bills before the legislature to address the issue. We are fortunate that the USGS model for the basin is being updated and improved. This tool will provide a means by which to try to address these issues.

Local Water Organizations: Your water Company remains active with the Regional Water Cooperative of Pierce County, Central Puget Sound Water Suppliers Forum, Washington Water Utility Council, and DOE Water Rights Advisory Committee in "behind the scene" activities as we try to address the water needs of the Company's members.

- We remain very active within the Regional Water Cooperative of Pierce County. The "Co-op" has 23 members and continues to benefit members through group purchase price reductions, representation of public water interests at state and local governmental levels, member shared equipment, water quality coordination, and information sharing. The Co-op and its members, representing non-governmental public water purveyors, actively participate within the Washington Water Utility Council to address legislative and legal issues including preparing amicus briefs for Supreme Court cases.

  For the 2016 legislative sessions, the Co-op did not pursue any issues with legislators although we did closely monitor legislative activity. The monitoring included issues related to fluoridation and proposed county utility taxes.

  The 2017 session will likely see these water related issues in addition to potential revisions to the Growth Management Act, instream flow setting, definitions of "impairment", "base flows", and "minimum flows". All of these will be critical to how we meet your water service needs. The Co-op will once again try to address the funding needs of the Departments of Health and Ecology by

dedicating 10% of the existing water utility taxes to the agencies. This effort will likely be very difficult as the State faces serious budget issues.

- The Central Puget Sound Water Suppliers Forum has moved from working to minimize the drought impacts in King, Pierce, and Snohomish Counties to addressing the broader issue of water system resiliency. This effort looks at improving the regions ability to address water supply in the event of a major earthquake, multi-year drought, water quality/contamination, and long term climate change.
- The Washington Water Utility Council (WWUC) continues activities on the statewide level representing public water systems before the legislature, stage agencies, and the courts. The WWUC is currently working to address public water supply issues as a result of the Hirst Supreme Court case and the application of the Municipal Water Law.
- Pacific Northwest Section of the American Water Works Association is a valuable resource that provides required training to maintain Department of Health operator certifications and a forum for information sharing.
- South Sound Subsection of the AWWA serves the southern sound area and is active in providing continuing education classes and support for the AWWA's international "Water for People" through their "Wheels for Water" benefit at the Lemay Car Museum and support for Living Access Support Aalliance through a regional golf tournament.

IN CONCLUSION:

Again, we hope the annual meeting serves to keep you informed of Company activities and issues. We will continue the effort through the Company's Newsletters, News Notes, Phone Tree, billing notes, and the Company's website at spanaway-water.org. We continue to strive to provide you with safe reliable water with as little chemical addition as possible at as low a rate as possible while meeting our responsibilities to our members, Pierce County, the Washington Department of Health, and federal EPA. Thank you again for your interest in your Water Company.

Summary of Water Company operations for 10/1/2015 to 9/30/2016:

- 139 new residential meters were installed.
- As of Sept. 30, 2016 we served a total of 10,538 residential and 452 non-residential units through 9,705 and 343 meters respectively, with another 141 residential memberships paid but not active or installed.
- 598 water service, main, and fire hydrant repairs were completed.
- 1,271 meters were upgraded/replaced with radio read meters.
- 2 new fire hydrants were installed for a total of 902.
- 3,415 feet of new mains were installed.
- 1,036,742,000 gallons of water were pumped from Oct. 1, 2014 to Sept. 30, 2015 – a 10.35% drop from 2015.
- Single family metered use declined from 2015's 222 GPD (gallons per day) to 191 GPD in 2016, or about a 14% reduction.
- Peak day use of 5,308,523 gallons was very early this year on June 5th and was 1.87 times the average daily use.

- Major non-growth expenses and non-development main extensions included: Tank 2 recoating, A/C main replacement and related engineering and permitting, 8th Ave E main installation and connection at SR-7, Comprehensive Water System Plan update development, telemetry improvements, share of USGS Chambers/Clover Creek model update, a Ford Transit, and continued GIS mapping development. Totaling $ 1,559,667.02
- Major growth-related expenses included: Replacement Well 5 construction including permitting, well and booster pumps, on-site chlorine generation system, and Lowry Deep Bubble Systems, purchase of property for future Tank 5, and Lakewood water right contract. Totaling $ 1,759,549.35

- Cash flow profit/loss summary for 10/1/2015 to 9/30/2016:

Existing System: (non-growth)		
Operations and Maintenance	Income:	$ 3,488,797.52
	Expense:	$ 2,878,502.21
Capital improvements	Income:	$ 1,207,804.95
	Expense:	$ 1,634,479.05
Existing System net for year		$ 183,621.20 *
New System Additions: (growth)		
Capital improvements	Income:	$ 362,355.00
	Expense:	$ 1,800,020.24
Construction	Income:	$ 159,940.25
	Expense:	$ 118,929.03
Growth System net for year		$ -1,396,654.02 **
Total net for the 10/1/2015 to 9/30/2016		$ -1,213,032.81

*Added or deducted from existing system reserve. (non-growth)
** Added or deducted from new system reserve. (growth)

- Company field staff - hours were used as follows:

Operations	=	5,734.5 hours	35.93%
Maintenance	=	8,942.5 hours	56.04%
Capital Improvements:			
For existing System	=	450.5 hours	2.82%
For new growth	=	114.0 hours	0.71%
New Construction	=	718.5 hours	4.50%
Totals:	=	15,960.0 hours	100.00%

Planned operations and improvements for 2017:

- Continue Main Replacement Program for 4 and 6 inch A/C mains; between Lakeside Drive and Pacific Avenue working south from 160th St, budgeted $900,000 from existing system capital projects funds. 2017
- Install a 16 inch altitude control valve with automatic seismic shut down at Tank 1 to allow better utilization of existing wells and storage and to preserve stored water in the event of an earthquake. Budgeted, $120,000 from existing system capital projects funds. 2017

- Complete main relocation work as required by the Pierce County for the planned 152nd St E and 22nd Ave E intersection project, budgeted $266,000 from existing system capital projects funds. 2017
- Construct emergency intertie with Tacoma Water on 36th Ave E to provide emergency source of supply in the event of major well failure or contamination, budgeted, $100,000 from existing system capital projects funds. 2017
- Complete update of the Water System Comprehensive Plan as required by the Department of Health, budgeted $60,000 from existing system funds. 2017
- Continue meter replacement program with Automatic Meter Read (AMR) meters while awaiting further development of Advanced Metering Infrastructure (AMI) meters with pressure sensor alarms and remote shut-off capabilities, budgeted $100,000 from existing system funds. 2017
- Continue system GIS development coordinated with implementation of asset management implementation, budgeted $48,000 from existing system funds. 2017
- Replace on-site chlorine generation system components as required if unit is unserviceable, budgeted $6,000 from existing system capital projects funds. 2017
- Replace well mainline swing check valves at wells 3, 4, 8, and 10 with Cla-Vals to stop back leakage, budgeted $60,000 from existing system capital projects funds. 2017
- Continue to participate with Firgrove Mutual, Rainier View Water, and Lakewood Water District on the possible joint transmission main and booster station including routing, connection points, and cost allocation. 2017
- Based on results of engineering related to the Water System Plan, prioritize and begin engineering and permitting for either upper zone Tank # 4, approximately 140 feet tall and forty-two feet in diameter with 318,000 gallons above 40 PSI pressure at 500' elevation; or Tank # 5, main pressure zone Tank # 5, approximately 3.2 MG storage with 1.0 MG usable storage. 2017, dependent on permitting and growth demands, budgeted $100,000 for both from growth funds.
- Upgrade the 2010 server system to in-house private cloud based system with internal redundancy for programs, data storage, and back-up capacity. $90,000 2017
- Anticipated 2017 Budget: (based on water rates as discussed above.)

Existing System: (non-growth)			
Operations and Maintenance	Income:	$	3,361,328.66
	Expense:	$	2,792,420.51
Capital improvements (Cap. Proj. Fees)	Income:	$	1,269,802.00
	Expense:	$	1,801,108.04
Existing System net for year		$	37,602.11 *
New System Additions: (growth)			
Capital improvements (new memberships)	Income:	$	330,412.50
	Expense:	$	268,420.58
Construction	Income:	$	207,537.05
	Expense:	$	191,990.65
Growth System net for year		$	77,538.32*
Total net for the 10/1/2016 to 9/30/2017		$	115,140.43*

*The excess capital expenses this fiscal year were anticipated and will be funded by cash reserves in the respective existing system and growth accounts.

Planned operations and improvements for 2018-25:

- Continue to fund main/service replacement program for approximately 10,500 feet of main per year (70-year life cycle). Emphasis on smaller, older A/C mains. On-going, budgeting annual increasing amount until fully funded, approximately $1,365,000 per year in 2016 dollars.
- Continue to participate with Firgrove Mutual, Rainier View Water, and Lakewood Water District on the construction of the joint transmission main and booster station including routing, connection points, and cost allocation between purveyors. 2019-20, budgeted $1,200,000 from growth funds.
- Secure permitting for storage Tank #4 to serve the upper pressure zone and construct an approximate 1.3 MG tank, or elevated tank, with minimum 300,000 gallons of usable storage. 2017-20, budgeted $2,050,000 split between growth and existing system funds.
- Complete 12" main looping on Waller Road from Military to 173rd St E. 2018, budgeted $230,000 from growth funds.
- Install manganese filtration at Yakima Well site (3 wells). This project will also eliminate the need for corrosion control and cost of using sodium hydroxide for well 1. 2018-19, Budgeted $450,000 from existing system capital projects funds.
- Secure permitting and construct main pressure zone 3.2 MG storage Tank #5 with over 1.0 MG usable storage. 2020-22. Dependent on growth demands, budgeted $3,200,000 from growth funds.
- Seek additional primary water rights for Spanaway Water's well system, 2020-22, and possible new well 12. Will likely required mitigation utilizing a portion of Lakewood wholesale water to meet stream mitigation. Process will utilize the updated USGS model. 2020-22+. $150,000 budget will be from growth funds.
- Complete meter replacement program with meters capable of Advanced Metering Infrastructure (AMI), pressure sensing, leak alarms, and remote turn on/off technologies. 2020-2025 Budgeted $2,130,000. $375,000 per year from existing system funds.
- Evaluate, and if cost benefit found, replace sodium hydroxide corrosion control treatment at wells 3 and 9 with Lowry Deep Bubble systems. 2020-21 Budgeted $500,000 from existing system funds.
- Continue system GIS development coordinated with implementation of asset management implementation. 2017 - 25, budgeted $48,000 per year from existing system capital projects funds.
- Redevelop the Well # 10 site to include hollow line-shaft turbine pump and on site chlorine generation. Budgeted $300,000 from existing system capital projects funds. 2022-25
- Construct a new well 11 at the office/shop facility under water right consolidation permit received in 2015. Budget for $1,320,000 from growth funds. 2023-24
- Drill, design, engineer, and construct new well 12 in southeast portion of the water system. 2025-26. Budget will be from growth funds.

- Continue participation in the Regional Water Cooperative of Pierce County, Washington Water Utilities Council, and Central Puget Sound Water Suppliers Forum. These groups continue to work toward resolution of water issues that affect the public. The 2017 and future legislatures will see proposals to resolve the Supreme Court Hirst decision, water and fee related legislation involving possible annual water right fees, exempt wells, water right processing fees and reform, water related growth management requirements, and other water matters. On-going
- Continue to monitor road and sewer projects, both County and developer planned, to take advantage of system improvement opportunities. Prepare to address the planned county road projects for 22nd Ave. E. beginning in 2021. Note, water system relocation costs for County-initiated projects are not reimbursed by the County and are funded from existing system funds. New main installations for growth completed in coordination with sewer extensions are funded from new connection fees. On-going
- Continue to monitor the timing of capital, operation, and maintenance expenses in relationship to Company revenue/reserves. Review water rate structure considering inflation, increasing regulations, and timing of capital expenses. Monitor income and expenses to minimize water rate increases. On-going
- Finally, continue to work with other utility groups, the County Council, and State elected representatives on water related issues. On-going