

Shoreline Water System Preliminary Business Plan

May 25, 2012

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Contents

Introduction 1

Responsibilities & Organizational Plan 3

Start-up & Transition Issues..... 6

Wholesale Water Contract 9

Engineering & Operations..... 13

Administrative & General 16

Introduction

The City of Shoreline (the City) has entered into a verbal Agreement with Seattle Public Utilities (SPU) to purchase SPU's water facilities inside the City boundaries in the year 2020. Formal consideration of the Agreement by Shoreline City Council is anticipated to occur in July of 2012. Currently water service is provided to the City residents directly by SPU. The acquisition will allow the City to operate the water utility on behalf of its residents. It is important to note that about one-third of the residents in the City are served by the Shoreline Water District and this is not expected to change as a result of the acquisition.

Prior to finalizing the purchase agreement, the City is conducting due diligence on the acquisition and will put the issue up for a city-wide vote. As part of the due diligence, the City retained EES Consulting to provide three inter-related analyses. The first is an Engineering Review to assess the SPU assets that are included in the acquisition, develop operating costs and procedures for the new utility, and develop the short-term and long-term capital needs of the utility. The second piece is a long-term financial analysis to determine the projected revenues and costs associated with operating the water utility, along with the associated financial risks. The final component is a Business Plan to address how the tasks and responsibilities required of the new water utility will be carried out.

The findings of the Business Plan are presented in the report.

This report contains five additional sections. The next section addresses the overall responsibilities and organization a plan for the new water utility. This is followed by a discussion of the start-up and transition issues. The final three sections contain details of the proposed plan associated with the three major functions of wholesale water purchases, engineering and operations and administrative and general.

History

In 1995 the City of Shoreline was first incorporated as a City to improve services and have control over decisions that affected their community. One of the goals since the incorporation has been to consolidate services and create greater efficiency, as well as providing "one-stop shopping" for its residents. Acquisition of the SPU water system is one of those services where consolidation was considered.

The City has had discussions regarding the SPU water system in the City since at least 1999 and has evaluated numerous options for how SPU in Shoreline should be operated in the future including acquisition, re-negotiating the franchise agreement, and applying additional surcharges to Shoreline rate payers to fund capital improvements within the City.

In 2009, the City Council has had a specific goal of acquiring the SPU water system in Shoreline, but added a specific objective as the negotiations began:

Acquire the system at a price that, when added to other costs to operate and maintain the system, would fall within a rate structure equal to or less than what SPU would forecast over a reasonable period of time.

The goal of the City Council is based on the desire for the citizens of Shoreline to have a direct say in how rates are set and how the utility is managed. Currently those decisions are made by the City of Seattle. The City also wishes to reinvest in the water system at a higher rate than is planned by SPU. A higher investment in the system will improve fire protection, improve the long-term sustainability of the system and better facilitate economic development. Operation of the water utility by the City will also streamline the permitting process by providing a single government coordination point, allow the City to improve infrastructure in areas where the City wants to encourage growth, and improve coordination between utility work and street work.

Under the current structure, Shoreline residents have no ability to impact the service they receive from SPU. They cannot vote for the Seattle City Council members that oversee SPU and they have little, if no, negotiating strength in terms of capital spending or rate setting. A portion of the rates charged by SPU include a tax paid to the City of Seattle that provides no financial benefit for Shoreline residents. At the same time, because Shoreline residents are outside the City of Seattle, they are subject to an additional 14% charge above the rates for residents within the City of Seattle.

After adopting the goal of acquiring SPU, the City began more detailed negotiations with Seattle on a value for the SPU system within the City. Negotiations were based on preliminary estimates for the costs to own and operate the system.

On November 9, 2011 the City announced it had entered into a tentative agreement with the City of Seattle to purchase the SPU water system located in the City for \$25 million. The acquisition is to take place in the year 2020.

Public Process

A public process is included as an important part of the acquisition process. The City Manager formed a citizen's Steering Committee to provide a recommendation on whether the City should move forward with the acquisition. The Steering Committee is made up of 26 members with varying interests and expertise surrounding water utilities. Meetings were held regularly and started in January of 2012, with completion expected at the end of June.

The Steering Committee was presented with all of the due diligence completed by the City, including the Engineering Review, the Financial Analysis and the Business Plan.

Bond rating agencies and the City Attorney have advised that the acquisition is subject to voter approval. A city-wide election is planned for the November 2012. It is expected that the ballot language will be developed and approved by the City Council in August.

Responsibilities and Organizational Plan

For the new water utility to assume responsibility for operating the acquired service from SPU, it must be prepared to serve all of the necessary functions of a fully operational water utility. For purposes of this report, it is assumed that the responsibilities will be met through a combination of hiring new staff and using City personnel for some of the functions. The City may also choose to look at the potential for outsourcing some of the functions through a competitive bid process, for which the City has a long history when it reduces costs and adds value. However, this process would be detailed closer to the time of the acquisition.

This section will first identify the activities that must be undertaken by the City to meet its responsibilities for providing water service to the acquired customers. This includes laying out the overall governance structure and organization structure.

Functions of the New Utility

There are numerous responsibilities associated with running a water utility. The three major functions of a water utility include the provision of water supply, the transmission of water and the distribution of water, all of which must be done with a high level of reliability in order to protect public health. The new water utility will consist primarily of distribution, and will include some transmission mains. The provision of water supply and transmission of that water to the distribution system will be purchased on a wholesale basis. Based upon the available water supply in the area, it is assumed the wholesale purchase will be from SPU.

The functions of the new water utility fall under the categories of water operations and administrative and general. Table 1 summarizes the main responsibilities under the different categories.

Table 1
Water Utility Responsibilities

Water Operations Tasks	Administrative and General Tasks
<ul style="list-style-type: none"> • Acquire and manage wholesale water purchases • Provide and manage wholesale service to other utilities (Olympic View and SWD) • Plan for new load and facilities • Operate water system infrastructure • Repair and maintain infrastructure • Install and replace infrastructure • Meter reading • Material management of equipment and supplies • Monitor, protect and maintain water quality • Conservation programs • Meet regulatory compliance 	<ul style="list-style-type: none"> • Billing of customers and collections • Accounting • Financial analysis for rates, financing • Maintenance of information systems • Customer service and interface • New connections • Marketing and business development • Media and communications • Purchasing • Contract administration • Human resources • Payroll • Legal

It is envisioned that these tasks will be carried out with a combination of existing City staff and new staff hired specifically for the water utility. The proposed staffing levels for the new water utility were originally developed in the Engineering Review, with those staffing levels based on a stand-alone utility approach. In the Engineering Review, it was expected that certain functions would be performed by existing City staff, with costs for those services estimated at \$1.1 million in 2012 dollars. This cost is listed as Administrative O&M in the report and is also included in the Financial Analysis. Subsequently, the City completed an Operational Efficiency Report that looked at the recommendations within the Engineering Review and made adjustments to reflect existing and planned equipment and staff within other departments of the City. The staffing and organization structure in the Business Plan reflects the staffing levels and positions contained in the Operational Efficiency Report.

While the Business Plan reflects a case where all tasks are performed by new or existing staff, the City will consider alternatives and select the most appropriate and cost-effective methods prior to the operation date. As the acquisition will not occur until the year 2020, the City has eight years to plan for and evaluate the best options for completing each task. For all functions, the City will consider alternatives fully prior to making long-term commitments. This includes a comparison of internal vs outsourcing costs and a competitive procurement process. Note that it may be appropriate to consider different approaches during the initial transition period relative to the long-term operations. For example, the City may choose to outsource O&M functions initially, and

slowly transition to using City employees for O&M functions, or the City may choose to put in place a more formal outsourcing programs from the very beginning.

General Organizational Structure

Currently the City has a seven-person elected City Council as its governing body. Within those seven members, a Mayor and Deputy Mayor are chosen. The City Manager reports directly to the City Council and oversees all City staff. Several Directors manage the various City departments and report to the City Manager. The new water utility staff will fall within that current City structure.

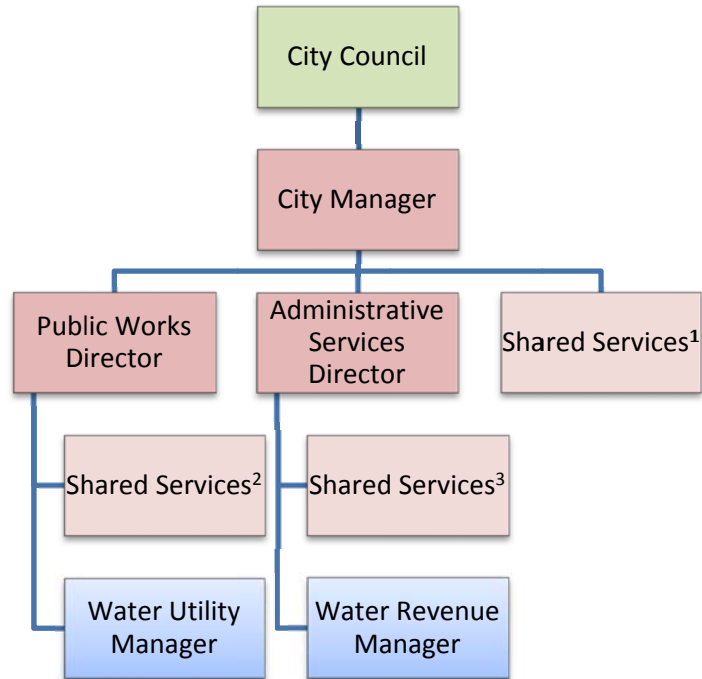
The City Council is responsible for establishing City policies and laws, adopting the annual budget, approving appropriations, contracting for services and granting franchises. These responsibilities will apply as appropriate to the new water utility. This will include the setting of water rates, approval of operating and CIP budgets, approving major planning documents and signing contracts for services.

Staffing for the new water utility includes two key manager level positions. It is expected that the Water Utility Manager would report to the Public Works Director while the Water Revenue Manager would report to the Administrative Services Director. It is expected that while the Directors may not handle day-to-day tasks for the utility, they would provide overall management, assist in major decision-making and oversee strategic and long-term planning.

Many of the functions required for the water utility, particularly within the administrative and general function, can be carried out with existing City departments and staff. Because those functions are needed for other City responsibilities, it is best to use the existing expertise for efficiency, coordination and consistency. Those functions will be referred to as Shared Services within this report. The City currently conducts an overhead allocation of these various Shared Services to different departments and the water utility will be included in this allocation at the time of initial operation. As noted above, the Engineering Review and the Financial Analysis both included costs to reflect the overhead allocation of administrative costs.

The following chart presents how the new managers will fit within the existing City organizational structure. The two new manager positions are shown in blue. Various Shared Services are also included in the chart.

**Figure 1
Proposed Management Structure**



1. Legal, Human Resources, Media & Communications, Marketing
2. Engineering, Conservation
3. Accounting, Budgeting, Finance, Collections, Purchasing, Payroll, IT

Note that the organization structure and responsibilities of new staff are shown in the more detailed sections for the Water Operations Tasks and Administrative and General Tasks.

Start-Up/Transition Issues

There are many tasks that need to be completed prior to initial operation of the new water utility. While the ongoing responsibilities of the utility have been addressed, this section addresses those items that need to be completed between now and 2020. There are three separate periods to consider as they each have different requirements.

Tasks/Staffing for 2012-2016 Period

The primary tasks between now and the beginning of 2016 are to continue the evaluation and planning for the new utility, as well as develop and sign the acquisition agreement with SPU. These tasks are being overseen by the Public Works Director, with assistance from other City departments as appropriate. The feasibility and public process is occurring in 2012 to enable the City Council to make a final determination on whether to proceed with finalizing the SPU agreement.

Once that takes place, the details within the final agreement will all need to be negotiated with SPU with final approval required from the City Council. At the same time it is expected that the wholesale water contract will be negotiated with SPU and approved together with the acquisition agreement.

During this period, Shoreline, SPU, and the SPU wholesale customers supplied through the Shoreline system will need to review existing wholesale contracts and any changes necessary to continue to provide wholesale service to these customers through Shoreline.

Once the agreements are signed, the majority of the preparatory work will not be required until the 2016-2020 period. The City will, however, want to take the upcoming water utility needs into account when planning for other City departments that will be impacted. Also, preparation for the Ronald Wastewater assumption in 2017 will also need to take into account the future water utility, especially in terms of the proposed new maintenance facility that will eventually house the water utility operations department as well as the surface water, streets and new wastewater operating departments.

Tasks/Staffing for 2016-2020 Period

Starting in 2016, the utility will have four years to complete more detailed planning, design work, construction, and other preparations for the new utility. The first two years will consist of the planning phase while the second two years will include the construction and implementation.

The separation and upfront facilities will require a final determination of what is needed along with engineering and design of the facilities. This includes the separation requirements, metering, storage tanks and pump station equipment. Most of the engineering & design work would be completed and approved by DOH by 2018 in order to have time for construction before 2020.

In order to begin the purchasing of equipment and construction, the City will need to arrange financing for the various upfront projects, along with the acquisition cost. This may be completed with short-term construction loans that would be rolled into the acquisition cost when revenue bonds are issued. It may also be accomplished by issuing bonds that capitalize the payments and interest during the construction period, with payments starting at the time of initial operation. The City will need to assess what the best option is and then ensure the funds are available when needed.

Also during this period the City would need to develop a Comprehensive Plan for approval by the Department of Health (DOH). As DOH approval would be needed for the facility designs, the Comprehensive Water System Plan should be agreed to by DOH no later than 2018. The development of the plan would be overseen by City staff but could likely be completed by an engineering firm. Until decisions are made on outsourcing vs internal staffing, facilities needed and operating procedures, this plan cannot be finalized. It would be necessary, however, to have plan approval prior to the beginning of construction.

After design is complete and financing secured, the construction can begin. This is likely to occur during 2018 and 2019. At the same time the City can begin major purchasing for the SCADA system, billing system and heavy equipment needs. Tool, materials and supplies can be purchased in the latter half of 2019 as the lead time is not as great.

During 2018 the City should also solicit bids for outsourcing any functions that might be appropriate. There needs to be time to evaluate alternatives and negotiate contracts well in advance of operations. This would be completed by existing City staff. Outsourcing would be considered only if it is both cost-effective and provides the desired level of service. A decision is needed prior to any hiring of staff.

For those functions where outsourcing is not chosen, staffing will begin sometime during the 2018-2019 period, with the Water Utility Manager being the first staff member hired. The Manager can then help oversee the construction projects, purchasing, hiring of remaining operating staff and training. The Revenue Manager could be hired a little later in the process, but still in advance of the initial operation to allow for hiring of customer service staff, training and setting up policies and procedures.

In the final months before initial operation, the City may want to have staff that has been hired to shadow the crews at SPU, assuming SPU concur. At the same time the billing should be set up and run parallel to SPU to ensure that it is working properly. Transferring of information from SPU will also need to occur at this time and through the initial operation date.

The City will need to develop a public communication plan prior to initial operation to inform customers of the changeover in service, provide information about the new utility, promote a positive image for the new utility, and to provide all the necessary signage, advertising and informational brochures. Distribution of information will most likely be through bill stuffers in the

SPU bills leading up to the change, as well as through the City’s own resident mailings (i.e. “*Currents*”).

Initial Operation Period (2020-2021)

When starting up a new utility, DOH will require a Satellite Management Agency (SMA) be responsible at the initial operating date. That could mean either hiring some other water utility with SMA authority to be responsible for daily operations, or Shoreline may be able to become a SMA itself by hiring certified operators and applying for SMA status with DOH. For the first year of operation, the City may also want to have an agreement with SPU to provide assistance and further training of staff to ensure a smooth transition.

Overview of Timeline

The following table summarizes the timeline associated with the transition and the tasks that need to be completed during different time periods.

*Table 2
Proposed Water Acquisition Timeline*

2011 November	Verbal agreement to Purchase SPU Water Assets
2012 January – June	Engineering Review, Financial Analysis, Business Plan Steering Committee Meetings/Recommendations
July	Shoreline/Seattle Agreement
November	Advisory Vote on Acquisition
2013 January – December	Execute Contract for Acquisition.
2016-2017	Planning & Engineering for Separation and Upfront Capital Projects Evaluate Outsourcing vs Internal Staffing for Various Tasks Develop and Finalize Comprehensive Plan Arrange Financing for Separation and Upfront Capital Projects
2017 October	Acquisition of Ronald Wastewater District Complete
2018-2019	Purchase and Construction of Separation and Upfront Capital Projects Hiring and Training of Staff Purchasing of Tools, Equipment, Materials and Supplies Shadowing of Staff and Billing Functions Execute Wholesale agreement at time of “closing” 12/31/2019
2020 January	Complete Acquisition and Begin Operations

Wholesale Water Contract

Water supply for the new water utility is one of the largest cost items forecast for the utility and reflects about one-third of the annual cost of the utility. Water resources are not part of the assets to be acquired by the City and the City must enter into an agreement for wholesale water supplies to meet customer needs.

Overview of Regional Water Supply Sources

Currently all Shoreline residents are supplied by SPU's water resources, either through direct service from SPU or from service through the Shoreline Water District, which purchases wholesale water from SPU. While SPU is the obvious source for purchasing water on a wholesale basis once the City forms the new water utility, it is important to understand the overall water resource situation in the region and to determine if any alternatives to SPU exist.

SPU, the City of Everett and Tacoma Water are the three primary water suppliers in the region. Each serves its own large service area, as well as providing water on a wholesale basis to many smaller distributing utilities or purveyors. Some of the smaller utilities have groundwater wells to supply some or all of their water needs, however, this is not considered a viable option for the City's water supply.

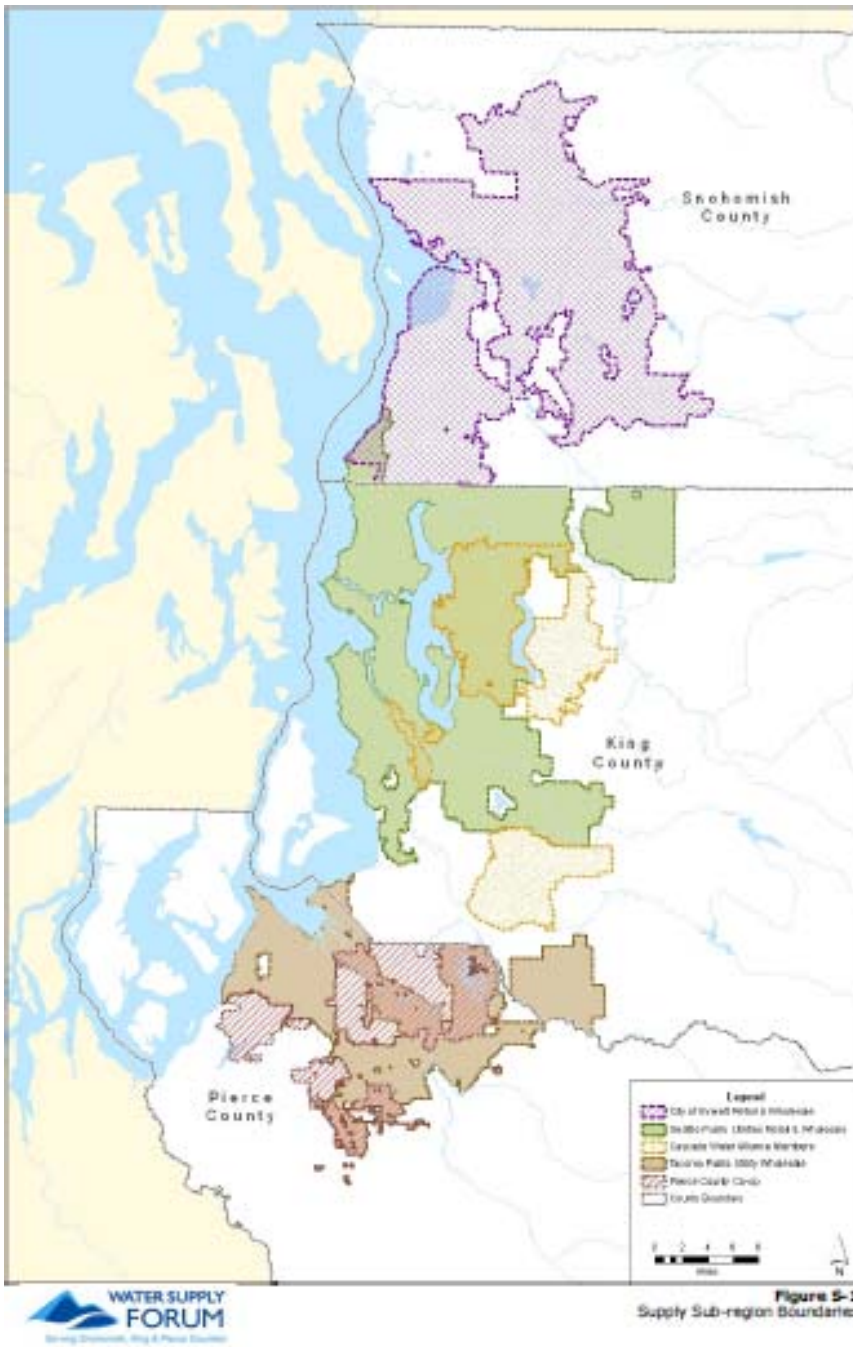
SPU uses the Tolt River at the north end of its system and the Cedar River at the south end of the system to serve much of western King County. The City of Everett uses the Sultan River and Spada Lake to serve much of Snohomish County. Tacoma Water uses the Green River and substantial groundwater supply to serve a number of surrounding communities in Pierce County as well as some utilities in South King County. Figure 2 provides an overview of the water sources in the region. Figure 3 provides the boundaries for many of the water utilities in the region. The figures were taken from the Water Supply Forum report.

According to the report, water supplies in the region are adequate to meet all water needs in the region through the year 2050 under all scenarios considered. Under some of the scenarios, supplies are adequate through 2060. Specific conditions, such as growth beyond current projections or failure to adaptively manage the impact of climate change could result in shortages before 2050. Water supply projects to meet water shortages have been identified.

Figure 2
Major Water Supply Sources



Figure 3
Supply Sub-Regions



In addition to SPU there are potential alternative sources of water supply, however, there is no transmission in place to transmit the water to Shoreline at the present time. The Cascade Water Alliance (CWA) is a wholesale purchaser from SPU but has some available water supply. They have not scheduled development of a long-term permanent supply but water rights have been obtained. Transmission to Shoreline may be problematic with this alternative supplier. The City of Everett has obtained a substantial water right from a local mill but the development of this water source has not yet been scheduled. The City of Everett has not yet declared its intent for the use of this water right. Again, transmission would also be problematic.

Wholesale Water from SPU

SPU is a wholesale provider to 25 other utilities, including the Cities of Bellevue, Bothell and Edmonds, the Shoreline Water District, the Olympic View Water & Sewer District, the Lake Forest Park Water District and the Northshore Utility District. SPU sets wholesale rates using a cost of service study and rates are standardized and publicly available.

SPU is a highly professional utility with a strong water quality ethic. They are a skilled operator on a large scale with sound short and long range planning. They provide high quality sources of supply and have adequate water availability beyond 2050. On the other hand, the utility can be politically driven and they have a strong negotiating position in terms of water supply.

As Shoreline residents are already served by SPU, there is no question about the adequacy of water supplies for wholesale use by the City as the acquisition does not change the amount of water needed. It just changes the water supply from retail to wholesale service.

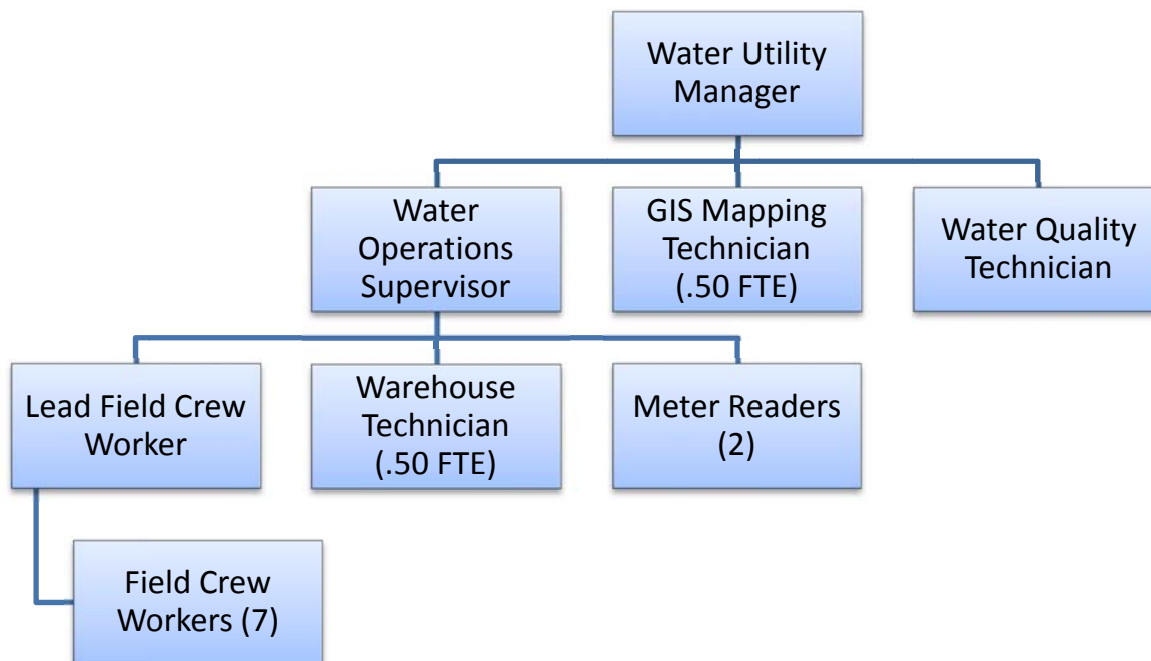
A standard wholesale contract is used by the majority of SPU's wholesale water customers and SPU has indicated the City would be served under that standard contract and would consider additional clauses for provision of access to SPU system storage where needed. For example, the SE area will have to rely entirely on SPU's storage (having none of it own), and the area to the west of I-5 may also need access to some SPU storage in order to have sufficient standby storage and emergency backup.

Engineering and Operations

Most of the new employees needed for the water utility will work on the operations side. This department will be managed by the Water Utility Manager, reporting to the Public Works Director (PWD). The operations tasks required for the new utility are not currently performed by existing City departments, however, there may be some overlap and cross-training between the existing City staff with further gains through the Ronald Wastewater assumption when that occurs.

The following figure represents the proposed organizational structure for the new operations staff. While the City is assuming it will hire staff for these tasks in developing its plan, operations is an area that could be outsourced in whole or in part on a short-term or long-term basis. The evaluation and review of outsourcing options for some or all of these functions is appropriate to consider closer to the date of operation.

Figure 4
Organizational Structure for Operations Side



It is expected that the operations staff will be located at a new 29,000 square-foot maintenance facility that will accommodate the water, wastewater and surface water and streets operations. This facility can be built at an existing 3-acre site owned by the City, or at another similar sized site owned by King County, but negotiating with the City for ownership.. The facility will be sufficient for the expected staff as well as all necessary heavy equipment, rolling stock and parts inventory. The facility will also house the Public Works maintenance yard.

Oversight of the wholesale water purchase contract will be the responsibility of the Water Utility Manager. Bills will need to be reviewed for accuracy and data will need to be provided to SPU as requested to meet the terms of the contract. The rate setting process will also need to be reviewed when SPU proposes to change wholesale rates.

Planning responsibilities will also fall to the Water Utility Manager, with assistance as needed from water operations staff and the existing Engineering Department, currently reporting to the PWD. This includes planning for routine CIP, large projects and the mains replacement program. It is expected that outside engineering assistance may be needed for larger projects. One key planning requirement is the completion of a Comprehensive Plan on a periodic basis, as required by the Department of Health. In addition, other plans, such as an emergency response plan, hazard mitigation plan etc. may have to be completed. This will be overseen by the Water Utility Manager, however, it is likely to be developed by an outside engineering firm that specializes in such plans.

A Supervisory Control and Data Acquisition (SCADA) system is included in the upfront capital costs and will be operated by new staff. The system is expected to be more automated than SPU's current system and should be designed to alert assigned staff to any system alarms. It will also be connected to facilities to allow for communications to and from facilities to facilitate operations. The SCADA system will be purchased shortly before initial system operations and the City will be able to take advantage of any technological improvements within the next eight years.

The GIS Mapping Technician will maintain GIS data used to assist in both planning and operations.

The routine operation, maintenance, installation and replacement of water system infrastructure will be performed by the Water Operations Supervisor and the 8 field crew workers. In addition, the City will need to develop mutual aid agreements with nearby water utilities to ensure adequate coverage in the event of an emergency. SPU has agreed to consider such an agreement.

Meter reading will be performed by two meter readers. Data collected by the meter readers will be forwarded to the billing department for bill processing.

While purchasing is expected to be done through the City's existing purchasing department, the Warehouse Technician will handle material management of equipment and supplies.

Water quality testing will be performed by the new water quality technician. This includes routine bacteriological and chlorine residual sampling, as well as other organic and inorganic samples required by the EPA. Sampling will also be required in conjunction with new construction projects to check for contamination. Samples will need to be processed by a certified laboratory.

While most of the identified operations tasks will be completed by the new water utility staff, engineering and conservation planning will fall to existing departments in the City that report to the PWD. Engineering is mentioned above and is primarily related to the planning process. Water conservation activities can likely be performed through the *Saving Water Partnership*, which is an organization of SPU and other water utilities buying wholesale water from SPU. The partnership works together to provide education and other conservation measures to water customers.

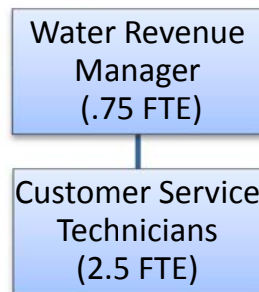
In addition to the tasks performed by water operations staff or existing City departments, there are some cases where it will be appropriate to hire outside services. Some of the services likely to be contracted for include SCADA maintenance and modifications, cathodic protection system maintenance and modifications, extraordinary maintenance, locating, main tapping, and large meter maintenance.

Administrative and General

The water utility will require a significant number of administrative functions that cover a broad spectrum of expertise ranging from accounting to communications. While the water operations side will require a significant number of new employees, the administrative side will be primarily supported by existing City departments.

The management of the administrative functions will include a new Water Revenue Manager, reporting to the Administrative Services Director. Three employees will report to the Water Revenue Manager, who is expected to devote .75 FTE to the water utility, with the remaining time devoted to the wastewater utility or other City functions. It is expected that the three new staff will also provide some support of the wastewater or other City functions, resulting in 2.5 FTEs assigned to the water utility. The reporting structure is relatively simple, as shown in Figure 5.

Figure 5
Organizational Structure for Administrative Side



The new staff will be responsible for customer service. Technicians will be available to assist customers in person and by phone with issues related to billing, new service (connections and permits) as well as accepting payments. Staff will be located at City Hall to provide the best access and visibility to customers. Outsourcing of customer service is not a viable option.

Billing is also a new function and the plan is to rely on the new staff for implementation. Water billing will be coordinated with surface water utility and wastewater utility billing. Whether or not a new billing system will be needed at the operation date will depend on the circumstances at the time. The City would gain a billing system with the Ronald wastewater assumption, however, whether that system will be optimal will need to be considered in the future. Considerations for a billing system will be the ability for billing of multiple services, integration with the City's other IT systems, and technological advances.

The other administrative and general functions will be provided through the Shared Services from the City. It has been assumed that an estimated \$1.1 million will be assigned to the water utility to cover the labor, rent, materials and overhead associated with these functions in the

base case financial assumptions. There may be some cases where the City will need to expand staffing to accommodate the extra work resulting from the water utility in the area of Shared Services which has been taken into account in developing the \$1.1million estimate.,. Many of the Shared Services required are for departments reporting to the Administrative Services Director (ASD). A few of the departments needed report to the City Manager.

All tasks related to accounting, collections, financial reporting and financing will be completed by departments within the City and reporting to the ASD. These functions are already needed for City operations and will be kept in house. Long- and short-term projections of sales, revenues and costs will be needed. For the issuing of the revenue bonds to finance the acquisition, it is expected that existing staff will work with outside bond counsel to facilitate the financing process. The analysis required for rate setting will be coordinated by the Revenue Manager and the appropriate City staff, with outside consulting services as needed.

Budgeting will be completed by the appropriate water staff and integrated with the City's total budget by existing City staff. IT services will also be provided by the City and will integrate the billing and accounting functions as needed. Other miscellaneous functions to be provided are collections, purchasing and payroll. All of these functions fall under the ASD.

Other Shared Services fall within departments reporting to the City Manager. This includes Human Resources, which will be required to facilitate hiring, manage benefits and coordinate training programs. Legal assistance also falls in this category. The third function in this category is communications, which encompasses media relations, marketing and public relations. It is expected that there will need to be a major effort in communication surrounding the operation date to ensure that new customers are aware of the change in service and are provided with all of the necessary information related to the change.

Conclusion

This preliminary Business Plan has been developed to address how the tasks and responsibilities required of the new water utility will be carried out once acquired. Given the acquisition date of 2020, the City has eight years to plan for and evaluate the best options for completing each task listed in this plan. This plan is therefore a high level summary and it will be updated on a continually basis as the City moves forward towards acquisition.