



A VOTE ON PROP 1 IS A VOTE FOR

- ◆ Water system reliability
- ◆ Replacement of outdated infrastructure
- ◆ Restoration of previous water treatment capacity
- ◆ And enhanced fire protection

Support water system upgrades and improvements that will benefit the entire community.

WHY YOU SHOULD VOTE YES FOR PROPOSITION 1

- This measure does NOT increase taxes.
- Proposition 1 will fund necessary capital improvements for the water system so Columbia will continue to provide quality service.
- Proposition 1 is part of a multi-year planning process for sound infrastructure management.
- Proposition 1 spreads costs of water system improvements over many years to minimize costs and so future customers help pay for the upgrades.

TOP 8 THINGS TO KNOW ABOUT PROPOSITION 1

1. The requested **\$42.845 million** in bonds will fund necessary capital improvements to benefit all city water customers (Figure 1). The bonds will pay for **\$23 million** in improvements to modernize the city's water treatment plant, **\$10.2 million** to upgrade storage units and pump stations and **\$5.25 million** to replace existing infrastructure. Many of these systems are over 40 years old and need rehabilitation to maintain reliability.
2. The bonds will be paid by city water customers and will have NO impact on taxes.
3. Revenue bonds allow users' payments to be spread out over an extended period of time. Future users who benefit from the improvements will help pay for them through future water fees.
4. Revenue bonds are the fastest way to make improvements with the least impact on rates. **Without revenue bonds**, the city would have to increase water rates **up to 30%** for the next 5 years to fund each project in its entirety prior to construction.

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Figure 1: Proposition 1 Project List

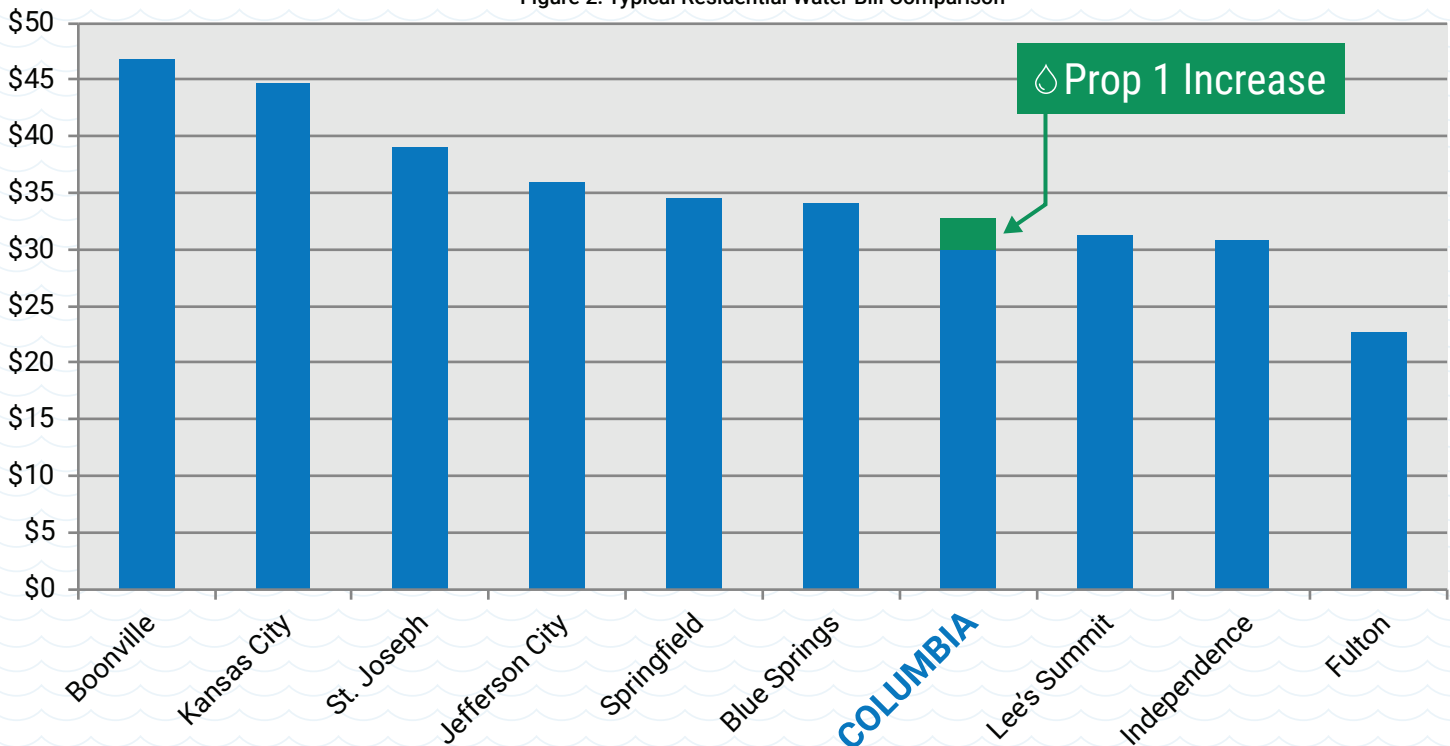
System Modernization	
Water Treatment Plant Upgrade Phase 1	\$23,000,000
West Ash Pump Station Upgrade	\$3,000,000
Well Platforms	\$1,000,000
Subtotal	\$27,000,000
System Reliability	
Elevated Storage - Southwest	\$3,000,000
Pump Station - Southeast	\$3,200,000
Subtotal	\$6,200,000
Infrastructure Replacement	
Main Relocations for Streets	\$1,500,000
Water Main Replacements	\$3,750,000
Subtotal	\$5,250,000
Total for Projects	\$38,450,000
Contingency Fund	\$500,000
Bond Issue Reserve Requirement	\$3,895,000
Total Bond Issue	\$42,845,000



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Kee Groshong & Trent Stober, Co-Chairs | Lisa Evans, Treasurer

5. Passage of Proposition 1 calls for four gradual water rate increases, starting in 2019. The first three increases will be at 3 percent each year. The fourth (in 2022) will be at 2 percent for a total of 11 percent after four years. When completed, the total impact of the increase will be approximately **\$2.71 per month** for the average residential customer.
6. Historically, Columbia has asked voters to approve revenue bond financing for water system upgrades every five years. The last such proposal was in 2008 for **\$38 million**. Thanks to the city's long-term improvements to our water system, Columbia's rates are reasonable in comparison to Missouri communities that deferred maintenance (**Figure 2**). In those cities, customers are paying much higher rates.
7. This water bond issue does not promote growth. Instead, it simply promotes sound planning to serve existing customers by improving reliability and flows necessary for fire protection.
8. All registered voters in Columbia may vote on Proposition 1. Passage depends on approval by a simple majority. The city has an excellent record of meeting its commitments to voters after passage of prior water bond issues.

Figure 2: Typical Residential Water Bill Comparison



Source: 2018 Missouri Public Utilities Alliance Water Rate Survey (5,000 gal/mo user). Columbia's Actual Average Residential User Uses Less Water and Has Lower Bill.

City of Columbia, Proposition 1

Shall the City of Columbia, Missouri issue its Water and Electric System Revenue Bonds in the amount of \$42,845,000.00 for the purpose of extending, expanding, improving, repairing, replacing and equipping the City-owned waterworks system with the cost of operation and maintenance of said water and electric 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 water and electric system, including all future extensions and improvements thereto?

YES NO

💧 KEEP OUR WATER SYSTEM RELIABLE! VOTE YES ON PROP 1