

October 2008

Dear Resident,

To keep you updated on our efforts to resolve our dispute with the City of Littleton regarding rates they recently set for the Littleton/Englewood wastewater services to all the connector-districts (which includes Roxborough Water and Sanitation District), please note the following:

1) The coalition group (connector-districts) has selected an independent consultant (out of 6 firms who submitted proposals), who is well experienced in industry standards for rate setting. We are meeting with RFC on October 27<sup>th</sup> to begin a 4-month comprehensive study on everything related to wastewater costs affecting the customers served by the Littleton side of the Littleton / Englewood Wastewater Treatment Facility. Their portfolio reads:

**RAFTELIS FINANCIAL CONSULTANTS INC., (RFC)** is a full service water and wastewater financial consulting firm located across the country in Charlotte, North Carolina; Kansas City, Missouri; and Pasadena, California. RFC is made up of more than twenty professionals who specialize in a variety of services for water and wastewater utilities. These services primarily include water and wastewater rate studies, cost of service studies, revenue bond feasibility studies, conservation pricing studies, and strategic financial planning studies. In addition, RFC also provides litigation support, valuation services, procurement assistance, and management consulting for municipal utilities.

2) On October 28<sup>th</sup>, the coalition group will meet with the City of Littleton staff and council members to further our discussion on these matters. The purpose of the meeting is to discuss the proposed 2009 Wastewater Utility Fund Budget and the latest monthly report from the Littleton/Englewood Wastewater Treatment Plant. We hopefully will also discuss sewer service charges for 2009 and projections for sewer taps for next year. We will update city officials on the sewer utility rate study and address questions and issues to city staff and council.

It has always been, and continues to be, our desire to work in cooperation with the City of Littleton to resolve this dispute amicably. We are also working with legislators, Senator Kopp and Representative Jim Kerr. We will advocate for mediation dispute resolution services if needed to reach an agreed-upon solution. It is our hope to avoid litigation, which will only be pursued as a last-resort, should every other option fail to meet a fair and appropriate outcome.

Thank you for your patience. Please check back from time to time for more updates on this matter.

Sincerely,

Larry Moore  
General Manager

The Board of Directors, Roxborough Water & Sanitation District