City of Arvada
City Council Agenda
JULY 28, 2026

Councilmembers:
Lauren Simpson, Mayor
Randy Moorman, Mayor Pro-Tem
Shawna Ambrose, District 2
Sharon Davis, At large
Bob Fifer, District 4
Michael P. Griffith, At large
Rebecka Lovisone, District 3

Staff Members Usually Present:
Don Wick, City Manager
Linda Haley, Deputy City Manager
Allison Scheck, Deputy City Manager
Rachel Morris, City Attorney
Jacqueline Rhoades, Director of Infrastructure
Jessica Garner, Director of Community & Econ. Dev.
Bryan Archer, Chief Financial Officer
Gabriella Bommer, Director of Human Resources
Ryan Stevenson, Director of Vibrant Community & Neighborhoods
Rachael Kuroiwa, Director of Communications & Engagement
Ed Brady, Chief of Police
Kristen Rush, City Clerk

Info: 720-898-7550

EXECUTIVE SESSION
Third Floor Conference Room
4:00 P.M.

Legal Advice, Pursuant to CRS 24-6-402(4)(b), related to the two ongoing ethics investigations

SPECIAL MEETING
City Council Chambers
6:00 P.M.

1. Call to Order/Roll Call of Councilmembers
2. Council Discussion and Motion on Next Steps in Pending Ethics Investigations

WORKSHOPS
CITY COUNCIL CHAMBERS
6:05 P.M.

1. Call to Order/Roll Call of Councilmembers
2. Workshops
   - A. 2027 Water, Wastwater and Stormwater Rates/Fees
   - B. 2026 Arvada Human Services Grant Recommendations
   - C. Staff Updates
3. Adjournment

CITY OF ARVADA

REPORT TO CITY COUNCIL WORKSHOP	AGENDA ITEM 2.A.

TO: THE HONORABLE CITY COUNCIL DATE: July 28, 2026

SUBJECT: 2027 Water, Wastwater and Stormwater Rates/Fees

Report in Brief

The Infrastructure Work System will return to City Council to continue the rate and fee conversation that was started at the May 12 workshop, and to present draft rate/fee scenarios for the water, sewer and stormwater funds.

The City team has historically held workshops with City Council ahead of rate/fee adoption requests to provide foundational utility information and to receive questions and concerns from City Council. In this workshop, the City team will continue the discussion with City Council about how to address the City's water, wastewater and stormwater infrastructure condition and capacity challenges. The City team will provide rate and fee revenue scenarios that are intended to close existing resource gaps and support the sustainability of the Infrastructure Department's Level of Service delivery to our residents and businesses. (Presenter: Jacqueline Rhoades, Director of Infrastructure).

Background

The City's Infrastructure team continues to prepare for investments in operations and infrastructure as part of our ongoing commitment to continue to provide reliable water, wastewater, and stormwater drainage services to our community. Over the past few years, the team has provided information and updates to the Council, including workshops related to the water, wastewater, and stormwater system planning efforts.

The City team has continued working with a third party financial consultant to assist with the creation of updated water, wastewater and stormwater financial planning models, and to review utility best financial practices. The focus of this presentation is to respond to City Council's questions and comments from the May workshop and provide rate and fee options for City Council to consider. After this workshop, the City team may provide an additional workshop for City Council in August ahead of an October rate/fee adoption request as part of the 2026 budget process.

Strategic Alignment

The information provided in this workshop aligns with the Infrastructure Work System Services within the City Council Strategic Plan. The workshop content is consistent with the work system service INF1: Provides the community with a safe, resilient, high-quality water supply, drainage system, wastewater disposal and solid waste management services for full city build-out, as defined by the Comprehensive Plan. This includes maintaining utility rates at lowest practical levels with accurate billing that supports robust and reliable infrastructure.

Next Steps

The City team may return to City Council in August to provide follow-up information from any requests and to continue the conversation about water, sewer and stormwater rates/fees ahead of adoption requests in October.

Prepared by:
Christine Gray, Utilities Business Manager

Reviewed by:

Approved by:

Jacqueline Rhoades, Director of Infrastructure	07/09/2026
Jessica Morales, Deputy City Attorney	07/09/2026
Bryan Archer, Chief Financial Officer	07/09/2026
Toni Riebschlager, Law Office Administrator	07/09/2026
Rachel Morris, City Attorney	07/10/2026
Allison Scheck, Deputy City Manager	07/12/2026
Don Wick, City Manager	07/13/2026

Enclosure, exhibits & attachments required to support the report

Project Name	Prioritization	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Ralston Water Treatment Plant	High Critical	3,040,000	2,500,000	-	-	-	-	-	-	-	-
Gross Reservoir Expansion Participation	High Critical	9,530,000	4,030,000								
Water Supply and Raw Water Infrastructure	High Critical	1,460,000	1,310,000	-	-	-	-	-	-	-	-
Arvada Water Treatment Plant Replacement Program	High Critical	28,730,000	96,870,000	142,180,000	63,550,000	6,000,000	-	-	-	-	-
System-Wide Projects	High Critical	200,000	1,300,000	300,000	-	-	-	-	-	-	-
Distribution System Projects	High Critical	4,800,000	-	-	-	3,000,000	3,090,000	3,180,000	3,280,000	3,380,000	3,480,000
Ralston Water Treatment Plant	Medium Critical	-	-	-	-	5,000,000	10,000,000	-	-	4,200,000	4,400,000
Water Supply and Raw Water Infrastructure	Medium Critical	150,000	0	260,000	4,200,000	1,000,000	200,000	-	30,000	-	500,000
System-Wide Projects	Medium Critical	120,000	620,000	500,000	0	120,000	270,000	-	500,000	620,000	120,000
Distribution System Projects	Medium Critical	3,200,000	6,600,000	2,000,000	10,500,000	7,720,000	17,240,000	4,370,000	4,500,000	4,640,000	4,780,000
Water Supply and Raw Water Infrastructure	Low Critical	-	100,000	50,000	-	500,000	-	-	-	-	250,000
Distribution System Projects	Low Critical	200,000	-	-	-	3,400,000	3,090,000	3,180,000	3,280,000	6,730,000	6,730,000
Totals		**$51,430,000**	**$113,330,000**	**$145,290,000**	**$78,250,000**	**$26,740,000**	**$33,890,000**	**$10,730,000**	**$11,590,000**	**$19,570,000**	**$20,260,000**

Outside Funding Sources: JCMD Contributing $11M for Zone 6 Pumping and Piping

Prioritization Justifications:

Regulatory Requirement

Loss of Water Risk

Contractually Obligated

Maintain Level Of Service

Safety Risk

Project Name	Project Prioritization	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
MHFD Partnership	High Critical	330,000	330,000	930,000	5,030,000	30,000	30,000	40,000	40,000	40,000	40,000
Systemwide Projects	High Critical	1,320,000	1,260,000	1,600,000	1,500,000	1,570,000	1,640,000	1,720,000	1,810,000	1,900,000	1,990,000
MHFD Partnership	Medium Critical	70,000	70,000	250,000	680,000	1,480,000	1,480,000	80,000	80,000	90,000	90,000
Systemwide Projects	Medium Critical	780,000	820,000	870,000	1,350,000	1,410,000	1,470,000	1,550,000	1,620,000	1,700,000	1,780,000
MHFD Partnership	Low Critical	0	0	0	150,000	1,100,000	370,000	1,550,000	1,680,000	400,000	0
Total		**$2,500,000**	**$2,480,000**	**$3,650,000**	**$8,710,000**	**$5,590,000**	**$4,990,000**	**$4,940,000**	**$5,230,000**	**$4,130,000**	**$3,900,000**

Outside Funding Sources: MHFD Contribution of $300,000 in 2027 and $200,000 in 2028.

Prioritization Justifications: Mile High Flood District Partnership; Maintain Level Of Service; Remove Properties from Flood Zone

Project Name	Prioritization	FY 2027	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036
Interceptor Projects per Master Plan Work	High Critical	18,680,000	10,790,000	11,550,000	2,730,000	-	-	-	-	-	-
Condition Projects	High Critical	1,900,000	3,000,000	-	-	-	-	-	-	-	-
Condition Projects	Medium Critical	-	-	-	2,600,000	2,750,000	2,900,000	3,050,000	3,200,000	3,350,000	3,500,000
Open Cut	Medium Critical	2,100,000	1,600,000	1,600,000	1,700,000	1,800,000	1,900,000	1,900,000	2,000,000	2,100,000	
System Wide Projects	Low Critical	150,000	-	160,000	-	870,000	-	190,000	-	200,000	-
Condition Projects	Low Critical	2,500,000	-	2,500,000	5,800,000	5,250,000	2,900,000	3,050,000	3,200,000	3,400,000	4,000,000
Total		**$25,330,000**	**$15,390,000**	**$15,810,000**	**$12,830,000**	**$10,670,000**	**$7,700,000**	**$8,190,000**	**$8,400,000**	**$9,050,000**	**$7,500,000**

Prioritization Justification:

Potential Sewer Spills

Capacity Needs Due To Growth

Maintain Level Of Service

2024 Capital Improvement Plan (CIP) Project Prioritization Definitions

WATER

Priority	Definition	Description: Water Treatment/Distribution/Raw Water Operations	Impact
Red	High critical	Asset is critical to public/city staff safety, meeting permits/state regulations, and/or the potential for a long term impact to receiving water. Failure of the asset is imminent or occurs regularly. Asset failure will impact large numbers of customers, including multiple pressure zones.	Population impacted > 1 zone/Tier 1 or Tier 2 regulatory violation
Orange	Medium critical	Health and safety concerns are minimal or can be mitigated, and/or the potential for a short term impact to receiving water. Failure of the asset is likely to occur at some stage. Asset failure will not impact multiple zones but will impact between a few customers and a pressure zone.	Population impacted >1 zone/ Tier 3 regulatory violation
Yellow	Low critical	Little to no impact to public/city safety, meeting regulations, and/or receiving water. Failure of asset is not likely to occur within the budget cycle or asset failure will impact fewer than 20-30 connections.	No regulatory violation or small number of people impacted by failure

WASTEWATER

Priority	Definition	Description	Impact
Red	High critical	Asset is critical to public/city staff safety, meeting permits/state regulations, and/or the potential for a long term impact to receiving water. Failure of the asset is imminent or occurs regularly. **Includes the CRT and NTL programs. Asset failure will impact large numbers of customers.**	Population impacted > 1 zone/Tier 1 or Tier 2 regulatory violation
Orange	Medium critical	Health and safety concerns are minimal or can be mitigated, and/or the potential for a short term impact to receiving water. Failure of the asset is likely to occur at some stage. Asset failure will impact a larger area such as a subdivision or more.	Population impacted >1 zone/ Tier 3 regulatory violation
Yellow	Low critical	Little to no impact to public/city safety, meeting regulations, and/or collecting wastewater. Asset failure is not likely to occur within the budget cycle or asset failure will impact fewer than 20-30 connections.	No regulatory violation or small number of people impacted by failure

Stormwater Definitions:

Red	High critical	- Storm sewer and open channel infrastructure does not safely convey a storm event higher than a 5-year storm (less than 1" of rainfall per hour). - Infrastructure is actively failing and/or impacting public health and safety. - Bridge inspection report listed as in poor condition and slated to be replaced in less than 5 years. - Major Drainageway project exceeds a severity score of 3.2* (out of 5) or local drainage issue exceeds a severity score of 50*.	High flood risk and threat to public safety and property. Higher than a 20% chance of occurring within a given year. Floodplain revisions will impact insurable structures or add more insurable structures to the floodplain.
Orange	Medium critical	- Storm sewer and open channel infrastructure safely conveys a storm event between a 5-year storm and 25-year storm (approximately 1.0" to 1.6" of rainfall per hour). - Infrastructure is not actively failing or impacting public health and safety, but could worsen over time and move into High Critical status. - Bridge inspection report listed as in fair to poor. Slated to be replaced in 5-10 years - Major Drainageway project has a severity score between 3.0-3.2 or local drainage issue has a severity score between 30 and 50.	Low to medium flood risk and threat to public safety and property. Approximately 4% to 20% chance of occurring within a given year.
Yellow	Low critical	- Storm sewer and open channel infrastructure safely conveys a storm event greater than a 25-year storm (higher than 1.6" of rainfall per hour). - Infrastructure is not actively failing or impacting public health and safety. - Major Drainageway project has a severity score less than 3.0 or local drainage issue has a severity score less than 30.	Low flood risk and threat to public safety and property. Less than a 4% chance of occurring within a given year.

**Severity scores take into account a variety of metrics such as health/safety impacts, street class affected, outside funding opportunities, inter-departmental collaboration opportunities, socio-economic vulnerability, and frequency of issue, to name a few.*

Water, Sewer and Stormwater Enterprise Funds 2027 Financial Strategies Discussion

City Council Workshop
July 28, 2026

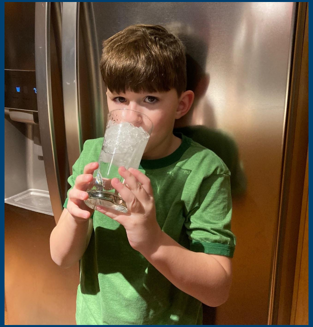
CITY OF ARVADA

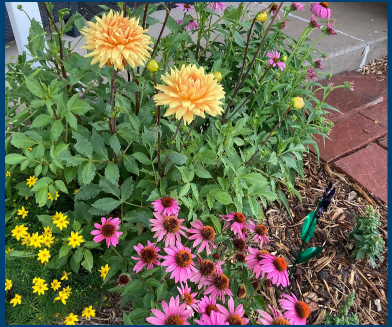
Tonight’s Agenda

- Recap from May 12th Workshop
- Infrastructure Investments Made and Upcoming Priorities
- Financial Strategies and Draft Rate/Fee Scenarios
- Water Use Management Tools and Assistance Programs
- Next Steps

CITY OF ARVADA

Reliable infrastructure is the foundation of Arvada's vibrant community and economy





CITY OF ARVADA

High quality, reliable drinking water delivered to your home for less than a penny a gallon.

Even among everyday essentials, Arvada tap water costs a fraction of the price, while meeting or exceeding all drinking water quality standards.

CITY OF ARVADA

$0.01
Arvada Tap Water

$3.99
Milk

$1.49
King Soopers Water

$3.15
Gas

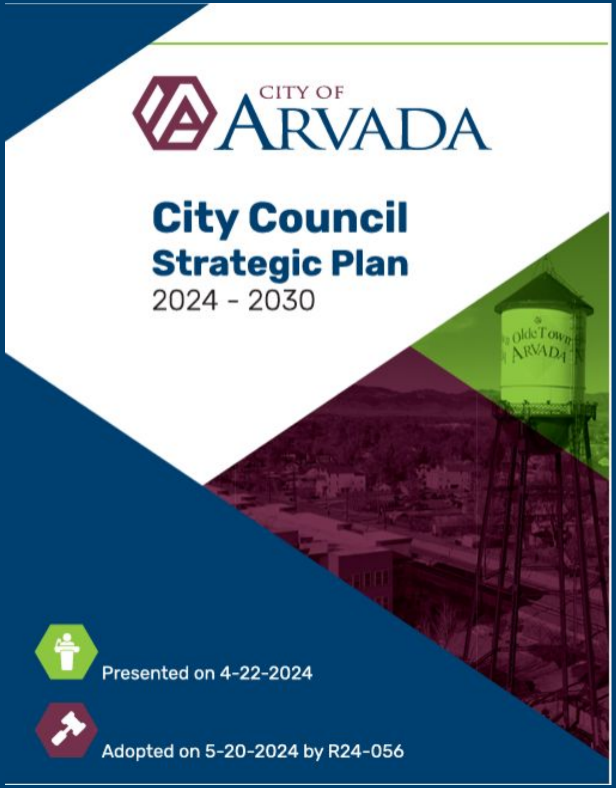
*All prices shown per gallon.

Alignment with Council's Strategic Plan

Physical and Technology Systems Strategic Result: Improve City and community connectivity by providing reliable and accessible physical and technology systems.

Goal 2. Identify and Prioritize projects for modernizing our physical infrastructure to maintain and elevate service levels.

Goal 6. Close infrastructure deficit and funding gaps.



CITY OF ARVADA

Workshop Plan

1. Update infrastructure investment priorities (CIP One-Pagers)
2. Present at Department Budget Hearings
3. Model the 10-YR plan
4. Share results and incorporate Council direction through Workshops
5. Request approval of revenue (rates/fees) adjustments

Delivering Results

1. Include completed ("green") projects in future presentations
2. Improve CIP One-pagers prioritization understanding
3. Consider household size and examples of how other communities address rural vs. urban water use, tree preservation, and irrigation policies
4. Update on Community Stewardship Group
5. Provide updates on impacts to customers regarding billing system changes and payment processes
6. Continue drought response and data monitoring for surcharge hearing

CITY OF ARVADA

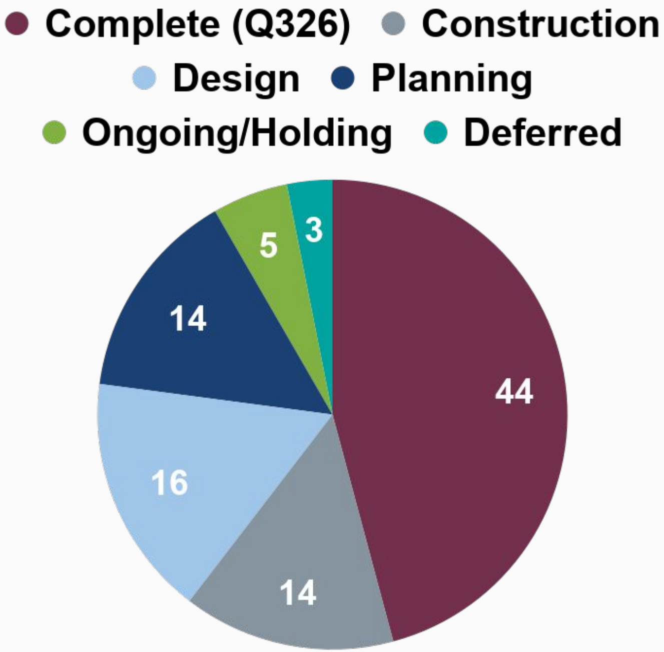
We are on track delivering results on system plans

2025 Investments:

- Water: $38.9 million
- Sewer: $12.3 million
- Stormwater: $7.7 million

2023-2026 Projects:

- Total 95
- Water 42
- Wastewater 23
- Stormwater 30



CITY OF ARVADA

Criticality Example

Red Waterline (R): Areas identified have a combined 85 breaks. Improving service to a critical healthcare facility

Orange Waterline (O) : The targeted areas have combined breaks over 50.

Yellow Waterline (Y): Waterline installed before the mid-1980s has a life of about 50 years. The City has about 150 miles of waterline installed before 1975 and thus is at end of useful life.

Why do some systems have R, O and Y?

Red components impact large portions or all of the City immediately with failure and/or cause an immediate health threat.

Orange components impact portions of the City and can cause an immediate health threat.

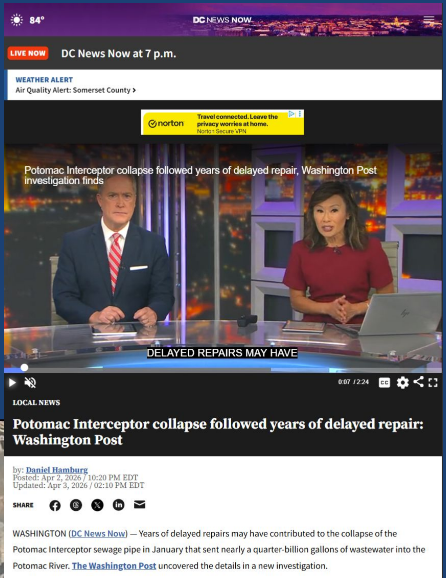
Yellow components impact smaller portions of the City, health threats can be mitigated, or risk of failure is not imminent.

Emergency Repairs are Expensive

Why do we inventory and replace water pipe?	Emergency break response: **$10,000 to $50,000+** for fix and damage repair	Proactive Response: **$3,000** average per event equivalent
Why do we camera and line the sanitary sewers?	Emergency sewer backup repair: **$35,000 - $80,000** per home	Proactive Lining: **$6,000** average per event equivalent
Why do we camera and replace stormwater pipe?	Emergency sinkhole and repair **$50,000 per event**	Proactive Response: **$6,000** average per event equivalent

CITY OF ARVADA

Failure Costs More Than Replacement



84°
DC NEWS NOW
LIVE NOW DC News Now at 7 p.m.
WEATHER ALERT
Air Quality Alert: Somerset County ›

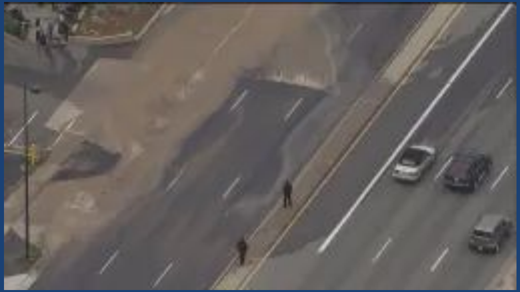
LOCAL NEWS

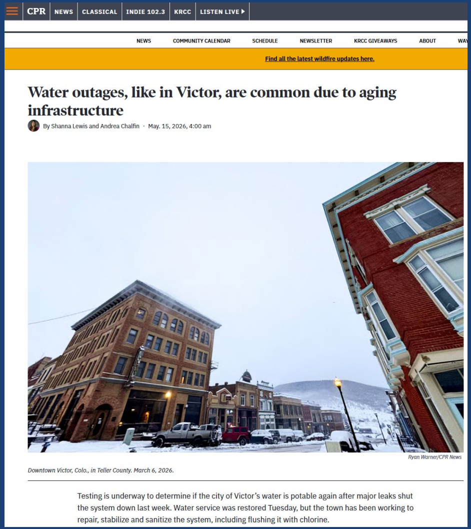
Potomac Interceptor collapse followed years of delayed repair: Washington Post

by: Daniel Hamburg
Posted: Apr 2, 2026 / 10:20 PM EDT
Updated: Apr 3, 2026 / 02:10 PM EDT

SHARE

WASHINGTON (DC News Now) — Years of delayed repairs may have contributed to the collapse of the Potomac Interceptor sewage pipe in January that sent nearly a quarter-billion gallons of wastewater into the Potomac River. The Washington Post uncovered the details in a new investigation.





CPR NEWS CLASSICAL INDIE 102.3 KRCC LISTEN LIVE
NEWS COMMUNITY CALENDAR SCHEDULE NEWSLETTER KRCC GIVEAWAYS ABOUT
Find all the latest wildfire updates here.

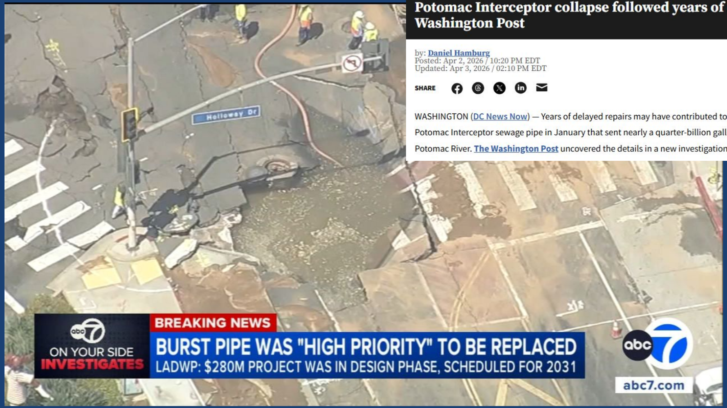
Water outages, like in Victor, are common due to aging infrastructure

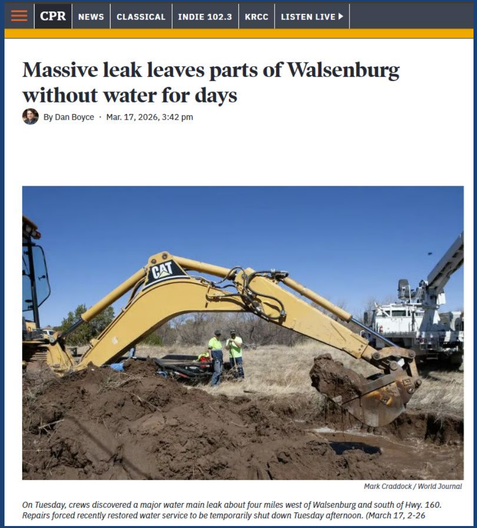
By Shanna Lewis and Andrea Chalfin · May. 15, 2026, 4:00 am

Ryan Warner/CPR News

Downtown Victor, Colo., in Teller County. March 6, 2026.

Testing is underway to determine if the city of Victor's water is potable again after major leaks shut the system down last week. Water service was restored Tuesday, but the town has been working to repair, stabilize and sanitize the system, including flushing it with chlorine.





CPR NEWS CLASSICAL INDIE 102.3 KRCC LISTEN LIVE

Massive leak leaves parts of Walsenburg without water for days

By Dan Boyce · Mar. 17, 2026, 3:42 pm

Mark Craddock / World Journal

On Tuesday, crews discovered a major water main leak about four miles west of Walsenburg and south of Hwy. 160. Repairs forced recently restored water service to be temporarily shut down Tuesday afternoon. (March 17, 2-26

Council Direction: Setting Rates and Fees

- Fixed service fee + volumetric consumption charge = total revenue
  - Current ratio range of 12% (wastewater fund) to 16% (water fund) of our revenue. Goal for each fund is a minimum 20%
  - Higher fixed revenue saves ratepayers over time through higher credit rating, lower borrowing costs, lower interest paid on infrastructure investments, lower lifetime cost to ratepayers
  - Higher fixed revenues decrease overall revenue variability
- Rate scenarios fund operations and capital projects
  - Suggested scenario includes fixed revenue policy goal and stormwater fund adjustment while funding all essential water, wastewater, and stormwater projects.

Choosing a 2027 Rate Structure

Description	Suggested Rate Plan 90,000 gal annual user
Monthly Cost Increase	Water: $5.90 Wastewater: $3.33 Stormwater: $2.50 Total Increase: $11.73
Bimonthly Bill Increase	Water: $11.80 Wastewater: $6.66 Stormwater: $5.00 Total Increase: $23.46

What does this do?

- All CIP funded (R/O/Y)
- Fixed fee revenue ≥20%
- Stormwater fund adjustment

Choosing a 2027 Rate Structure

<u>Suggested Water Rate Plan</u> +$4 fixed bi-monthly fee +8% volumetric increase Total increase 9.2%
<u>Monthly Cost Increase:</u> Avg Water Bill Increase: $5.90
<u>Bi-monthly Bill</u> Avg Water Bill Increase: $11.80

Water Projects Funded:

- 3,000 AF from Gross Reservoir
- WTP Replacement and Expansion
- New Meter and Pipeline for DW contract
- Corrosion Control Chemical Feed
- Croke Pump Station (Raw Water) Safety
- Billing Software Upgrade
- Risk and Resiliency Assessment
- 25,000 ft Water Line
- Arvada Reservoir Spillway Evaluation
- Drought/Water Shortage Response/Conservation Plan

Choosing a 2027 Rate Structure

Suggested Wastewater Rate Plan +$3 fixed bi-monthly fee +6.25% volumetric increase Total increase 8.9%
Monthly Cost Avg Sewer Bill Increase: $3.33
Bi-monthly Bill Avg Sewer Bill Increase: $6.66

Wastewater Projects Funded:

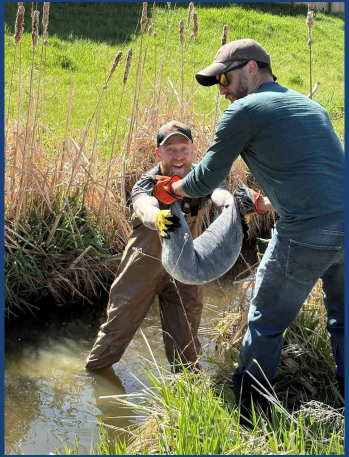
- 12,500 ft North Trunk Line Investment
- 11,400 ft Central / Ralston Trunk Line Investment
- 5,000 ft Interceptor Rehab based on CCTV Condition Assessment
- 4,000 ft Open Cut
- Plan for future with Oversizing of Replacement Pipe for Capacity
- Complete small diameter Trenchless Sewer Program for pipe installed pre 1970 by 2030 (includes next budget cycle)

Choosing a 2027 Rate Structure

Suggested Stormwater Rate Plan +35% volumetric increase
Monthly Cost Avg Sewer Bill Increase: $2.50
Bimonthly Bill Avg Sewer Bill Increase: $5.00

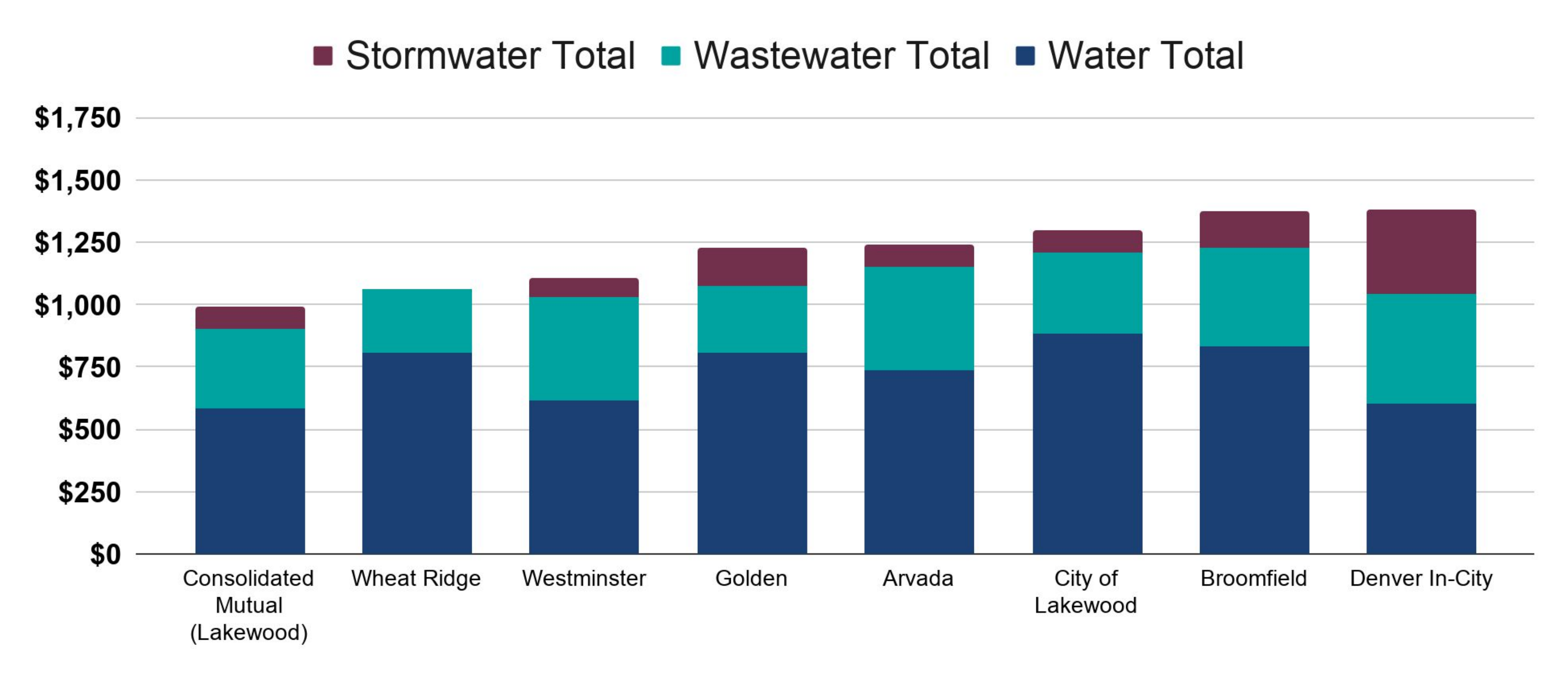
Stormwater Projects Funded:

- Mile High Flood District - Leverage/combine money for 4 projects
- Address 6 local drainage problems, with replace/repair of 300 feet of pipe
- Complete Olde Wadsworth outfall
- Stormwater R&R - based on condition assessment



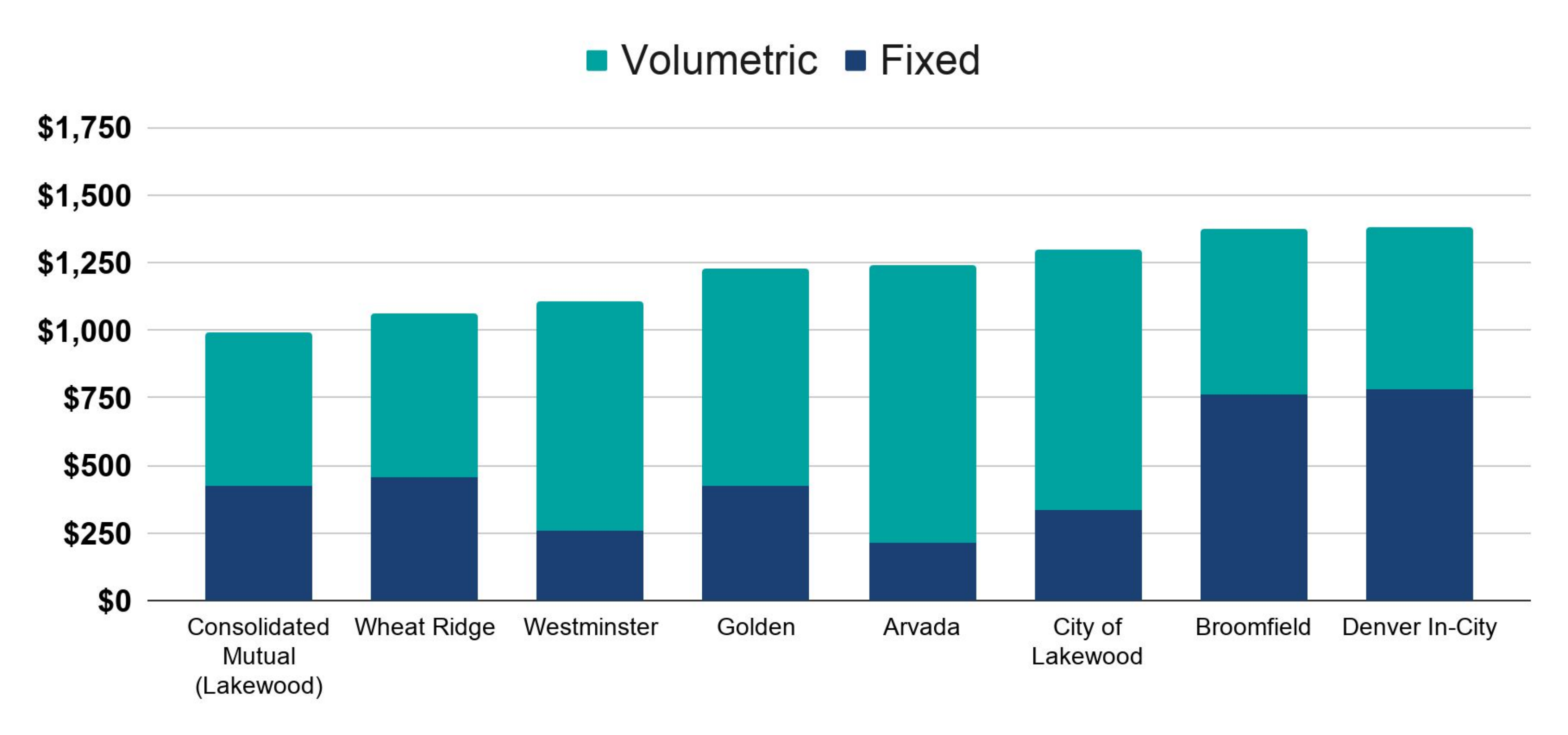
Where We Stand: Rate Benchmarking

2026 Single Family Annual Bill Comparisons with Our Closest City Neighbors



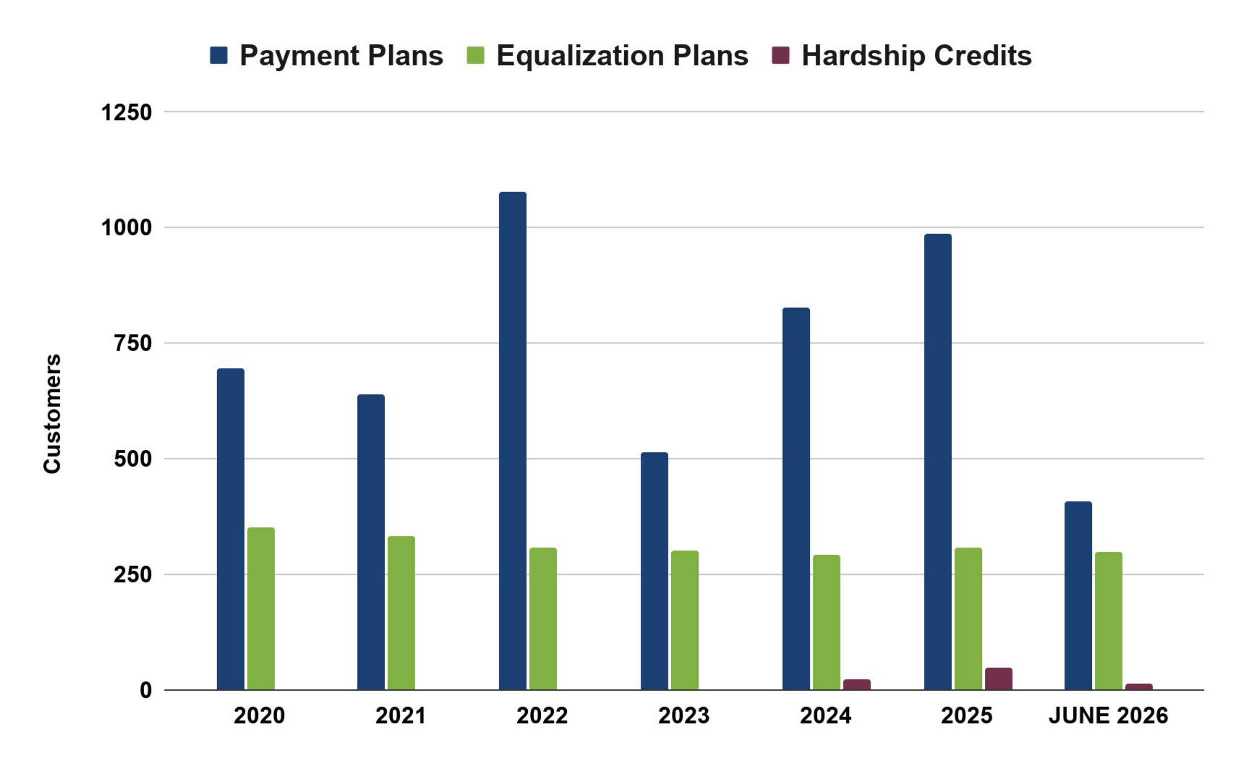
Where We Stand: Rate Benchmarking

Fixed Fees versus Volumetric/Consumption Fees



Easing the Burden: Customer Affordability Programs

- Hardship credit once per year
- Equalization plans continue
- Bill credit aligned with Resident Tax Rebate Program (coming)



Smart Tools: Efficient Water Use

The City is rolling out new water meters. Once installed, customers can use the EyeOnWater app to:

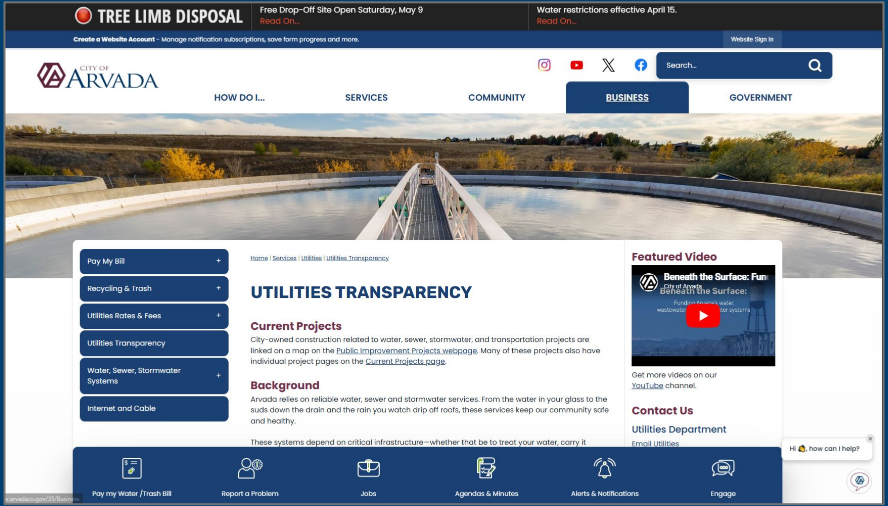
- See near real-time information about water use
- Track water use habits over time
- Set up alerts for potential leaks

The City partners with Resource Central to offer residents a variety of programs to manage their outdoor water use and keep their yard beautiful. The 2026 programs include:

- Garden in a Box
- Lawn Replacement
- Slow the Flow Sprinkler evaluations

Strengthening Community Understanding: Utility Lifecycles and How Systems Work

- Community Advisory Group for Utilities Stewardship
- Utilities Transparency Webpage



Our Roadmap

City Council Date	Topics to be Discussed
August 18 Public Hearing	Drought Surcharges
August 25 Workshop	Follow up to questions and concerns from the July workshop (if needed)
September 22 Workshop	Placeholder for final discussions (if needed)
October 6, 2026	1st reading for revenue (rates/fees) adjustments
October 20, 2026	Public Hearing/2nd reading for revenue (rates/fees) adjustments

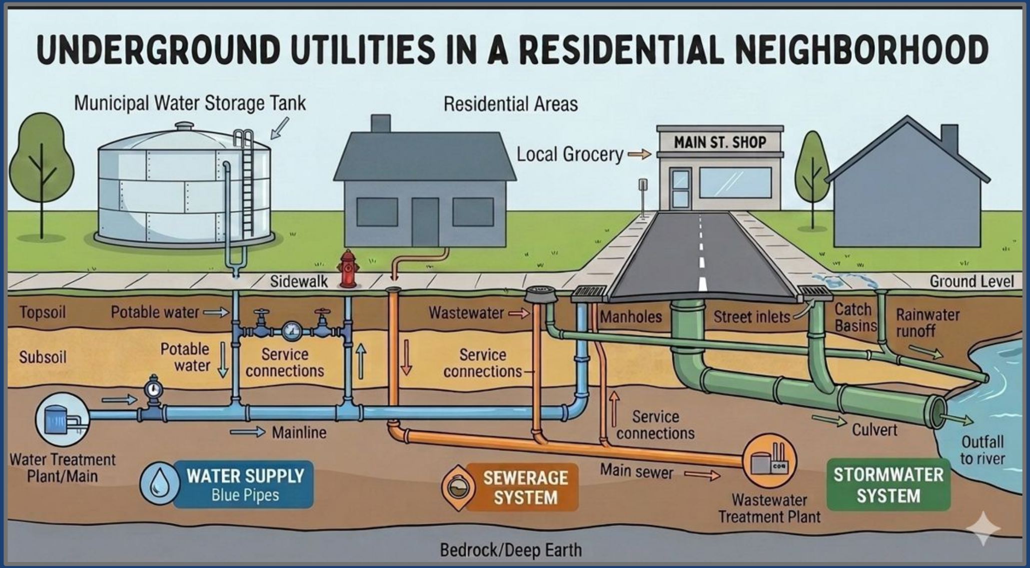
Developing The Rate Proposal: Your Input is Needed

- Water and Sewer Fund Fixed Fees strategy
- Support on current scenario, or return with other scenarios?
- Return for August 25 Workshop?

Appendix

Core Services are Provided through a (Mostly) Invisible Infrastructure Network

- ~640 miles of distribution pipes
- ~38,000 meters and ~6,000 hydrants
- 11 water storage tanks, 3 raw water pump stations, 8 potable pump stations
- >12,000 maintenance holes and 2 lift stations
- ~180 miles of storm drains
- ~470 miles of sewer line



Water Projects Completed in 2025 - TOTAL $38.9 Million

2024 Waterline - Sierra Vista Neighborhood - $4,744,272

Arvada Water Treatment Plant Rehab - $865,600

RWTP Filter and Solids Improvements (2 Projects) - $22,158,259

Expansion and replacement Treatment Study - $561,520

Fire and Flood Mitigation at Arvada Dam - $33,770

Ralston Water Treatment Plant Tank Baffling - $957,994

Water Resources Master Plan - $211,230

Zephyr Tank - $6,462,128 ($5,559,212 from JCMD)

Zone 5 Purple Pine/Indy - $2,931,955

CITY OF ARVADA

Water and Wastewater Projects Bid in late 2025 and early 2026

- NTL 8 Consultant - October 2, 2025
- RTP Infrastructure Consultant - November 11, 2025
- 2025 Waterline - Far Horizons - January 13, 2026
- PRV Rehab - February 9, 2026
- NTL 8 CMGC - February 13, 2026
- 2026 Open Cut - March 5, 2026
- RTP Infrastructure CMGC - March 31, 2026
- 2026 Waterline - Pomona - April 9, 2026
- SCADA Master Plan - May 12, 2026

CITY OF ARVADA

Implementation of the Utilities Financial Strategy

- 2019-2022: Water, Sewer and Stormwater Master Plans
- 2021: Approached City Council with initial Financial Strategy concepts
- 2022: Roadmap and financial strategy alternatives

April 25, 2022: Financial Scenario Options

1 - Road Map

- Per Road Map
- Adjust rate/service fee revenue 12-14%/year
- Adjust System Development Charges per Road Map

Recommended:

-Keeps risk of failure at or below industry standard

-Supports Level of Service for existing customers and planned development

2 - Extended Schedule

- Extend project delivery from 8 to 20 years
- Adjust rate/service fee revenue - between 7-14%/year
- Adjust System Development Charges 25% in 2023 and 25% in 2024, more in out years

Not Recommended:

-Project costs increase

-Risk of failure higher for longer time period

-Slows pace of planned development

3 - Existing Model

- No Action - Pause action on unfunded projects
- Adjust rate/service fee revenue per 10-year model - 7%/year
- Adjust system development Charges 25% in 2023 and 25% in 2024

Not Recommended:

-Risk of failure above industry standard

-Does not support Level of Service

-Slows pace of planned development

CITY OF ARVADA 8

2025 Water and Wastewater Bond Series and Bond History

Water(1961-2001) - Total in 2025 $ is $392.9M

Wastewater(1961-2001) - Total in 2025 $ is $11.8M

	1959	1961	1965	1968	1974	1975	1978	1982	1985	2001	2022	2025	Total
Water		1.55M	8.6M		3M	3.6M	7.5M	15.8M	30.1M	36.5M	50M	90M	**246M**
Sewer	0.2M		0.3M	0.7M							50M	15M	**66.2M**
2025 $	2.2M	16.7M	91.1M	6.5M	19.8M	21.8M	37.4M	53M	90.2M	66M	110M	105M	**619.7M**
Population	~19,000	~19,000	~35,000	~50,000	~50,000	~50,000	~85,000	~85,000	~85,000	~102,000	~124,000	~121,000	

***We have not issued debt for Stormwater**

CITY OF ARVADA

2027 Single Family Total Monthly Cost Increases for Varying Water Use

Scenario	Bill @ 29,000 Gal/Year 10th percentile	Bill @ 52,000 Gal/Year 25th percentile	Bill @ 83,000 Gal/Year 50th percentile	Bill @ 90,000 Gal/Year Average	Bill @ 117,000 Gal/Year 75th percentile	Bill @ 153,000 Gal/Yr 90th percentile
All CIP funded (R/O/Y)	W: \$3.26 WW: \$3.33 SW: \$2.50 Total Increase: \$9.09	W: \$4.25 WW: \$3.33 SW: \$2.50 Total Increase: \$10.08	W: \$5.60 WW: \$3.33 SW: \$2.50 Total Increase: \$11.43	W: \$5.90 WW: \$3.33 SW: \$2.50 Total Increase: \$11.73	W: \$7.07 WW: \$3.33 SW: \$2.50 Total Increase: \$12.90	W: \$8.63 WW: \$3.33 SW: \$2.50 Total Increase: \$14.46
Minimal CIP Funded (Red Only)	W: \$2.78 WW: \$2.17 SW: \$0.29 Total Increase: \$5.24	W: \$3.41 WW: \$2.17 SW: \$0.29 Total Increase: \$5.87	W: \$4.25 WW: \$2.17 SW: \$0.29 Total Increase: \$6.71	W: \$4.44 WW: \$2.17 SW: \$0.29 Total Increase: \$6.90	W: \$5.17 WW: \$2.17 SW: \$0.29 Total Increase: \$7.63	W: \$6.14 WW: \$2.17 SW: \$0.29 Total Increase: \$8.60

EPA Affordability Models

Median Household Income: $117,000

4.5% of household income spent on Water (2.5%) and Wastewater (2%)

- Median household income($117,000)*4.5%=$5,265
- Annual Bill for Typical Household Water, Wastewater, **and** Stormwater Cost: $1,380
- 1.2%<4.5%

Minimum Wage (Non-Tip): $15.16

4.6% of Full-time Work Hours in a Month (4 weeks x 40 hr/wk)

- Minimum Wage($15.16)*(160 hours*4.6%) = $111.58
- Typical household Water and Wastewater Monthly cost: $110.00
- 7.26hrs / mo < 7.36hrs /mo

CITY OF ARVADA

2026 Monthly Water Fixed Fees and Volumetric Tiers Comparisons for Single Family Customers

	Fixed Fee	Tier 1	Tier 2	Tier 3	Tier 4	Tier 5
Arvada*	$12.92	$6.50 0-15,000 gal	$8.13 15,001-30,000 gal	$9.78 $30,001-45,000 gal	$13.02 >45,000 Gal	
Broomfield	$42.45	$2.75 0-5,000 gal	$4.39 6,000 - 9,000 gal	$6.22 >10,000 gal		
Denver	$20.91	$3.02 AWC**	$5.44 Next 15,000 gal	$7.25 >AWC + 15,000 gal		
Golden	$13.23	$6.44 AWC	$8.38 Next 15,000 gal	$9.65 >AWC + 15,000 gal		
Lakewood* (City)	$15.25	$7.74 0-11,000 gal	$9.28 Next 19,000 gal	$11.59 >30,000 gal		
Lakewood (Con Mutual Water)**	$22.55	$5.60 0-5,000 gal	$8.00 5,001–15,000 gal	$11.00 >15,000 gal		
Westminster	$15.34	$4.20 1,000-8,000 gal	$7.66 9,000-40,000 gal	$9.58 >41,000 gal		
Wheat Ridge	$16.53	$6.51 0-6,000 gal	$7.31 7,000-15,000 gal	$8.01 16,000-25,000 gal	$8.67 26,000-40,000	$9.46 >41,000 gal

*Bimonthly billing
** Consolidated Mutual's current rates include drought pricing
Average winter consumption (AWC) calculated by averaging Jan-Mar water use. In Arvada this is typically <5,000 gallons.

Customer Touch Point Updates

Billing System Features:

- Improved AutoPay platform with security enhancements
- Ability to view your bill online
- Timely system upgrade (fall/winter)
- Major system replacement sequenced with new Solid Waste contract implementation

Continued Non-Payment Processes:

- Water shutoffs for non-payment
- Annual lien process begins in late summer
- Monitoring occupied homes with water shutoff

Drought Surcharge Revenues are Different from Rate & Fee Revenues

Drought Surcharges

- Reactive and short-term
- Intended to provide heightened awareness of the value of water
- Revenues will be used to offset drought-related operational expenses
- Direction provided by City Council on an as-needed basis
- 8/18 City Council discussion about applying surcharges to customers

Rate & Fee Revenues

- Proactive and long-term
- Fund the costs to provide operations and services.
- Fund the repair/replacement of aging infrastructure
- Tiered to reflect the costs of providing water
- Annual direction provided by City Council

REPORT TO CITY COUNCIL WORKSHOP

AGENDA ITEM 2.B.

TO: THE HONORABLE CITY COUNCIL DATE: July 28, 2026

SUBJECT: 2026 Arvada Human Services Grant Recommendations

Report in Brief

The Arvada human services grants offer financial assistance to non-profit organizations serving low to moderate income Arvada households. During this presentation, members of the Arvada Human Services Advisory Committee and City staff will review the funding award recommendations for the 2026 program year with City Council.

Background

The City of Arvada awards $260,000 annually to non-profits serving low to moderate income Arvada residents. Funding for 2026 consists of $185,000 from the General Fund and $75,000 from HODAG. The Arvada Human Services Advisory Committee (Committee) is tasked with reviewing the applications received and determining how funds are awarded based on prioritizing organizations whose services align with City Council strategies. The City of Arvada accepted applications for the human services grant pool in May 2026 and the Committee met and determined recommendations for award in June 2026. During this workshop presentation, the Committee will share the grant recommendations with City Council and welcome feedback regarding the grant application process and award recommendations.

Strategic Alignment

The Arvada human services grants align with the following two Arvada City Council Strategic Results-
1) Homelessness- To collaborate and coordinate with non-profits, local organizations and regional governments to advance services to individuals experiencing homelessness or at risk of homelessness.
2) Housing- To improve access to diverse, safe, and affordable housing options and programs, providing residents with opportunities to obtain housing that meets their needs in all phases of life.

Next Steps

The City team will incorporate feedback received from the City Council into future grant application processes, funding priority areas, and funding recommendations.

Prepared by:
Carrie Espinosa, Manager of Housing Preservation and Resources

Reviewed by:

Approved by:

Josie Suk, Development Systems and Administrative Manager 07/09/2026
Gail Walker, Legal Specialist-Contracts 07/09/2026

Janelle Strickler, Assistant City Attorney	07/09/2026
Rachel Morris, City Attorney	07/10/2026
Allison Scheck, Deputy City Manager	07/12/2026
Don Wick, City Manager	07/13/2026

Enclosure, exhibits & attachments required to support the report

Organization Name	Project Name	Score
Arvada Community Food Bank, Inc. dba	Assistance Programs	89%
Seniors’ Resource Center, Inc .	SRC: Supporting City of Arvada’s Older Adults’ Wellbeing and Independence	89%
Mission Arvada of The Rising Church	Mission Arvada Day Shelter and Housing Navigation Center	87%
Project Angel Heart	Home-delivered, medically tailored meals for severely ill, low- to moderate-income Arvada re	86%
Carin' Clinic	Primary Health Care for Low-income children	93%
A Precious Child	Resource Bridge: Empowering Arvada Children & Families in Need	93%
Arvada Community Food Bank, Inc. dba	Emergency Food Assistance	92%
Ralston House	Forensic Interviewing, Victim Advocacy and Pediatric Forensic Medical Exams for Arvada re	90%
Family Tree, Inc	Family Tree Housing and Homelessness Services	89%
Hope House Colorado	Free Self-Sufficiency Programs for Parenting Teen Moms	88%
Jefferson Center for Mental Health	Arvada Indigent Support	85%
BeyondHome	BeyondHome Self Sufficiency Program	86%
The Action Center	Rental Assistance to low-income Arvada households	84%
Archway Communities	Supportive Services at the Sheridan Ridge and Willow Green Townhomes properties.	84%
Jeffco Prosperity Partners	Jeffco Prosperity Partners	86%
SparkHope Automotive	SHIFT Program	80%
Food Bank of the Rockies	Fresh produce purchasing for the City of Arvada	88%
Volunteers of America Colorado	Volunteers of America Colorado Meals on Wheels	88%
CASA of Jefferson and Gilpin Counties	CASA Jeffco/Gilpin Youth Alliance	80%
Special Olympics Colorado	Inclusive Health & Recreation for Arvada Residents with Disabilities	83%
Archway Communities	Roof Replacement Project to Preserve an Affordable Housing Community in Arvada	75%
Sunshine Home Share Colorado	Sunshine Online: A New Platform to Safely and Thoughtfully Share Your Home	75%
Outdoor Lab Foundation	Arvada Outdoor Lab Tuition Assistance Program	75%
Love INC Greater Arvada	Connection Center Launch	61%

Total		

2025 Award	Amount Requested	2026 Grant Recommendation
$17,500	$35,000.00	$20,000.00
$20,000	$25,000.00	$20,000.00
$20,000	$40,000.00	$20,000.00
$27,500	$25,000.00	$20,000.00
$27,500	$20,000.00	$16,000.00
$10,000	$20,000.00	$15,000.00
$10,000	$50,000.00	$15,000.00
$15,000	$25,000.00	$15,000.00
$10,000	$25,000.00	$15,000.00
$10,000	$20,000.00	$15,000.00
$15,000	$32,516.40	$15,000.00
$10,000	$20,000.00	$12,000.00
$12,000	$25,000.00	$12,000.00
$17,500	$20,000.00	$12,000.00
$0	$23,450.00	$10,000.00
$7,500	$15,000.00	$10,000.00
$10,000	$10,000.00	$8,000.00
$7,500	$5,000.00	$5,000.00
$5,000	$10,000.00	$5,000.00
$0	$10,000.00	$0.00
$17,500	$57,642.72	
$5,000	$25,000.00	
$0	$10,000.00	
$0	$5,000.00	
$274,500	**$553,609**	**$260,000**

2025 Award Cap	**$260,000**
Difference	**$0**

2026 Human Services Grant Fund Recommendations

CITY OF ARVADA

Human Services Fund Background

The Human Services Funding Pool is open to non-profits offering a variety of programs determined to provide human services to populations in need in the City of Arvada. These human services may be direct services, information and referrals, or the coordination of other services, which assist low and moderate-income households. Funding is distributed through grant awards from the City of Arvada.

The Human Services is funded with $185,000 General Fund and $75,000 HODAG funds.

Human Services Advisory Committee

- Participate in evaluation of grant applications
- Provide funding recommendations to City Council for area non-profits that serve low to moderate income Arvada residents and whose services are in alignment with City Council Strategies
- Provide recommendations for the grant application and review processes
- 9 members
- Committee meets twice per year

CITY OF ARVADA

Human Services Fund Application Timeline

March
Committee update and planning meeting

April
Application period is announced

May
30 Day Application Period

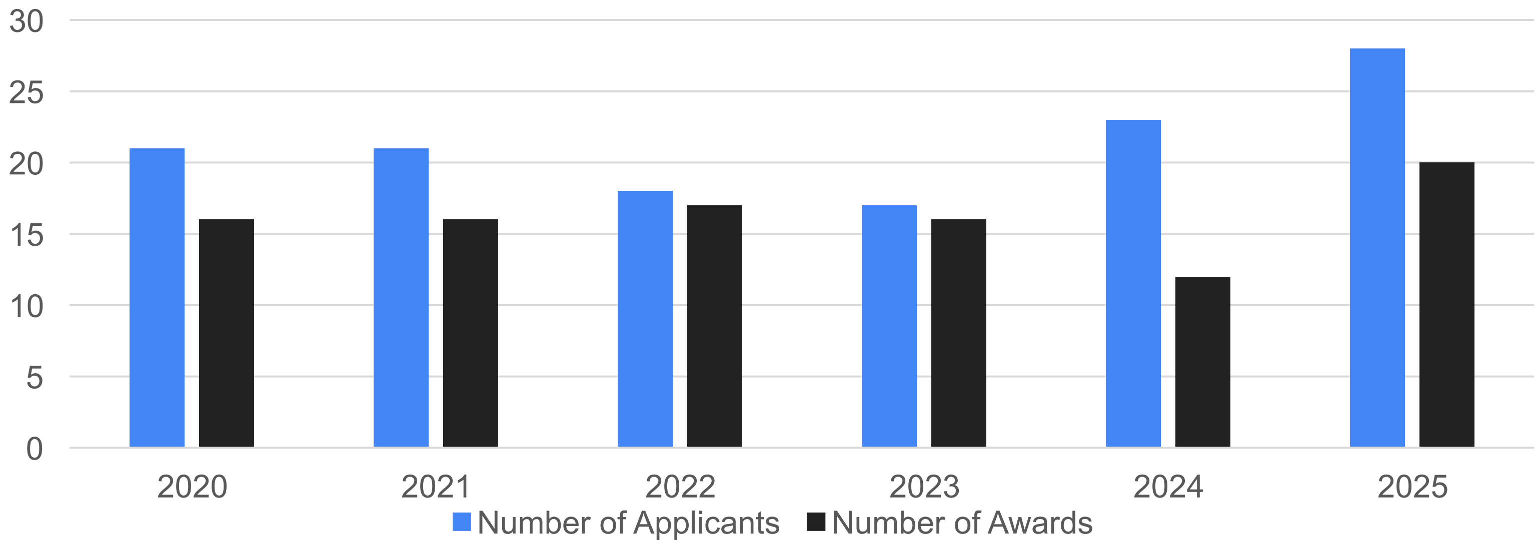
June
Committee reviews applications and determines award

July
Recommendations presented to City Council for approval

Application Process

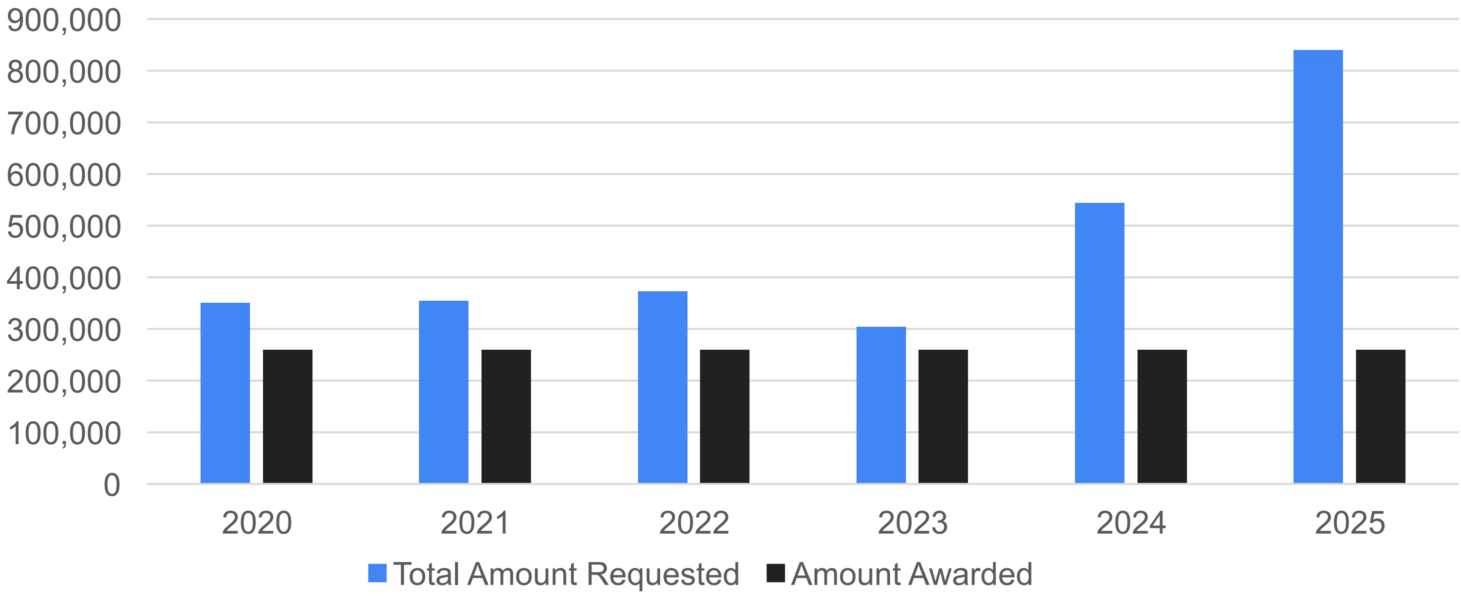
- Applicants apply directly on the City's Foundant software platform
- Committee members review applications and complete scoring matrix
- Applications are scored based on the following criteria:
  - Experience
  - Identified Need
  - Budget Reasonableness
  - Benefit to Arvada
  - Leveraging Other Funds
  - Duplication
  - Collaboration
  - Measurable Outcomes
  - Sustainability
  - Alignment with City Council Priorities

Trends- Applicants and Awardees

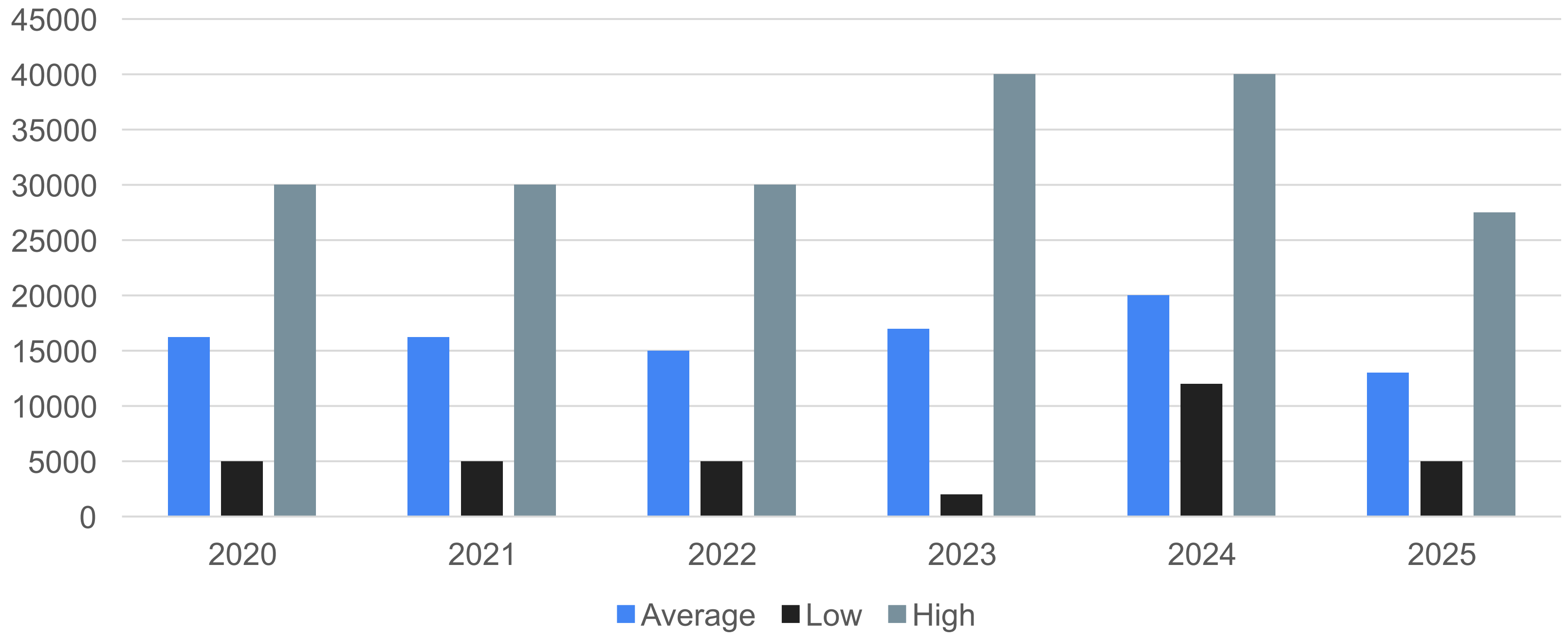


CITY OF ARVADA

Trends- Amount Requested vs. Awarded



Trends- Average/Low/High Awards



2026 Human Services Applications

- Total city budget $260,000
  - $260,000 HODAG and General Fund
- 24 applications received
- Requests total $553,609
- Human Services Advisory Committee faced tough challenge of narrowing the list
  - Priority areas identified in Arvada Strategic Plan
  - Impact
  - Duplication of services
  - Quality of application

- 2026 Applicant Spreadsheet

CITY OF ARVADA

2026 Recommendations

Organization	2025 Award	2026 Request	2026 Recommendation
Community Table – Assistance Program	$17,500	$35,000	$20,000
Seniors Resource Center	$20,000	$25,000	$20,000
Mission Arvada	$20,000	$40,000	$20,000
Project Angel Heart	$27,500	$25,000	$20,000
Carin Clinic	$27,500	$20,000	$16,000
A Precious Child	$10,000	$20,000	$15,000
Community Table – Emergency Food	$10,000	$50,000	$15,000
Ralston House	$15,000	$25,000	$15,000
Family Tree	$10,000	$25,000	$15,000
Hope House	$10,000	$20,000	$15,000

CITY OF ARVADA

2026 Recommendations (con't)

Organization	2025 Award	2026 Request	2026 Recommendation
Jefferson Center for Mental Health	$15,000	$32,516	$15,000
BeyondHome	$10,000	$20,000	$12,000
The Action Center	$12,000	$25,000	$12,000
Archway Communities	$17,500	$20,000	$12,000
Jeffco Prosperity Partners	-	$23,450	$10,000
SparkHope Automotive	$7,500	$15,000	$10,000
Food Bank of the Rockies	$10,000	$10,000	$8,000
Volunteers of America	$7,500	$5,000	$5,000
CASA of Jefferson & Gilpin Counties	$5,000	$10,000	$5,000
		Total	$260,000

Next Steps

- Feedback and recommendations received tonight will be reviewed by staff and Human Services Advisory Committee
- Recommendations will be presented to City Council for approval at the August 18, 2026 business meeting
- Agreements will be drafted and executed with non-profits

CITY OF ARVADA

REPORT TO CITY COUNCIL	AGENDA ITEM 2.C.

TO: THE HONORABLE CITY COUNCIL DATE: July 28, 2026

SUBJECT: Staff Updates

Report in Brief

The purpose of this workshop is for staff to provide City Council with brief updates on projects and issues that do not require a full workshop.

Prepared by:
Chris Koch, CCO Admin

Reviewed by:

Approved by:

Enclosure, exhibits & attachments required to support the report