



Fort Collins-Loveland Water District Special Board Meeting Agenda

Tuesday, March 31, 2026 5:00 PM

5150 Snead Drive, Fort Collins, CO

1. Roll Call

2. Rate Study Work Session

2

Presenter: Amanda Proctor and NewGen Strategies & Solutions

[FCLWD Board Workshop 2026-03-31 FINAL.pptx](#)

3. Board Training Session on Board Roles and Responsibilities.

4. Introducing the use of Waterworks Excellence Program as a new national benchmarking and report-card initiative that uses objective, transparent metrics to evaluate and communicate water utility performance to boards, customers, and the public.

5. Executive Session

5.1 **The Board may enter into executive session as authorized by Section 24-6-402(4)(b), C.R.S. for the purpose of a conference with the District’s legal counsel regarding specific legal questions pertaining to the Northern Integrated Supply Project (NISP) and the VITA H2O Project Operating Agreement and pursuant to Section 24-6-402(4)(e), C.R.S. to determine positions relative to matters that may be subject to negotiation, develop strategy for negotiations, and instruct negotiators with respect to Northern Integrated Supply Project (NISP)and the VITA H2O Project Operating Agreement (ACTION REQUIRED):**

Recommended Motion: Move that the Board enter into executive session as authorized by Section 24-6-402(4)(b), C.R.S. for the purpose of a conference with the District’s legal counsel regarding specific legal questions pertaining to the Northern Integrated Supply Project (NISP) and the VITA H2O Project Operating Agreement and pursuant to Section 24-6-402(4)(e), C.R.S. to determine positions relative to matters that may be subject to negotiation, develop strategy for negotiations, and instruct negotiators with respect to Northern Integrated Supply Project (NISP)and the VITA H2O Project Operating Agreement).

6. Adjournment



March 31, 2026

WATER RATE STUDY INTRODUCTION AND GOAL SETTING WORKSHOP



AGENDA

- 1 Introduction and Background
 - Firm Background
 - Project Team Roles
- 2 Study Scope of Work
- 3 Rate Study Background and Process
- 4 FCLWD Rates and Fees Background
- 5 Development of Guiding Principles
- 6 Estimated Study Timeline

INTRODUCTION AND BACKGROUND

NEWGEN AT A GLANCE

TURNING COMPLEX UTILITY CHALLENGES INTO CLEAR SOLUTIONS

Who We Are



2012
established

**MANAGEMENT & ECONOMIC
CONSULTING FIRM SERVING UTILITIES
AND LOCAL GOVERNMENTS**

NewGen's foundation is built on **decades of experience, shared values, and a clear purpose:** to help public sector utilities make informed, sustainable decisions that shape the future of their communities.

13+
locations nationwide

60+
employees

\$1,000,000+
donated since 2015 to **150+** organizations

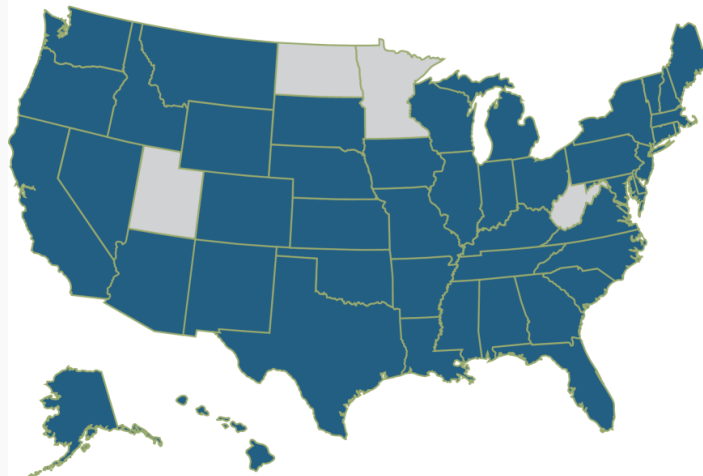
Who We Serve

NEWGEN COMBINES NATIONALLY RECOGNIZED EXPERTISE IN ECONOMICS, FINANCE, STAKEHOLDER ENGAGEMENT, AND SUSTAINABILITY WITH EXTENSIVE KNOWLEDGE IN THE WATER, ENERGY, SOLID WASTE, AND NATURAL GAS SECTORS.

500+
clients served nationwide

3,000+
projects completed

NewGen Strategies and Solutions, LLC
Firm Experience by State



How We Work



Tailored Strategy

We always start by listening. Every client's situation is unique, and we design strategies that fit their goals.



Trusted Expertise

We've built a strong reputation in the industry. Our team includes experts who have testified in hundreds of cases and some of the nation's top utility appraisers.



Operational Insights

We don't just crunch numbers. We make data actionable, linking dollars to day-to-day operations.



Stakeholder Communication

We're known for making complex issues easy to explain. Whether to regulators, elected officials, or customers.

NEWGEN PROJECT TEAM



Richard Campbell
Project Manager



Tia Carnes
Deputy PM / Financial Model Lead



Eric Callocchia
Subject Matter Expert



Andrea Campbell
Senior Consultant



Andy McCartney
QA/QC



Alex Robinson
Data Analysis

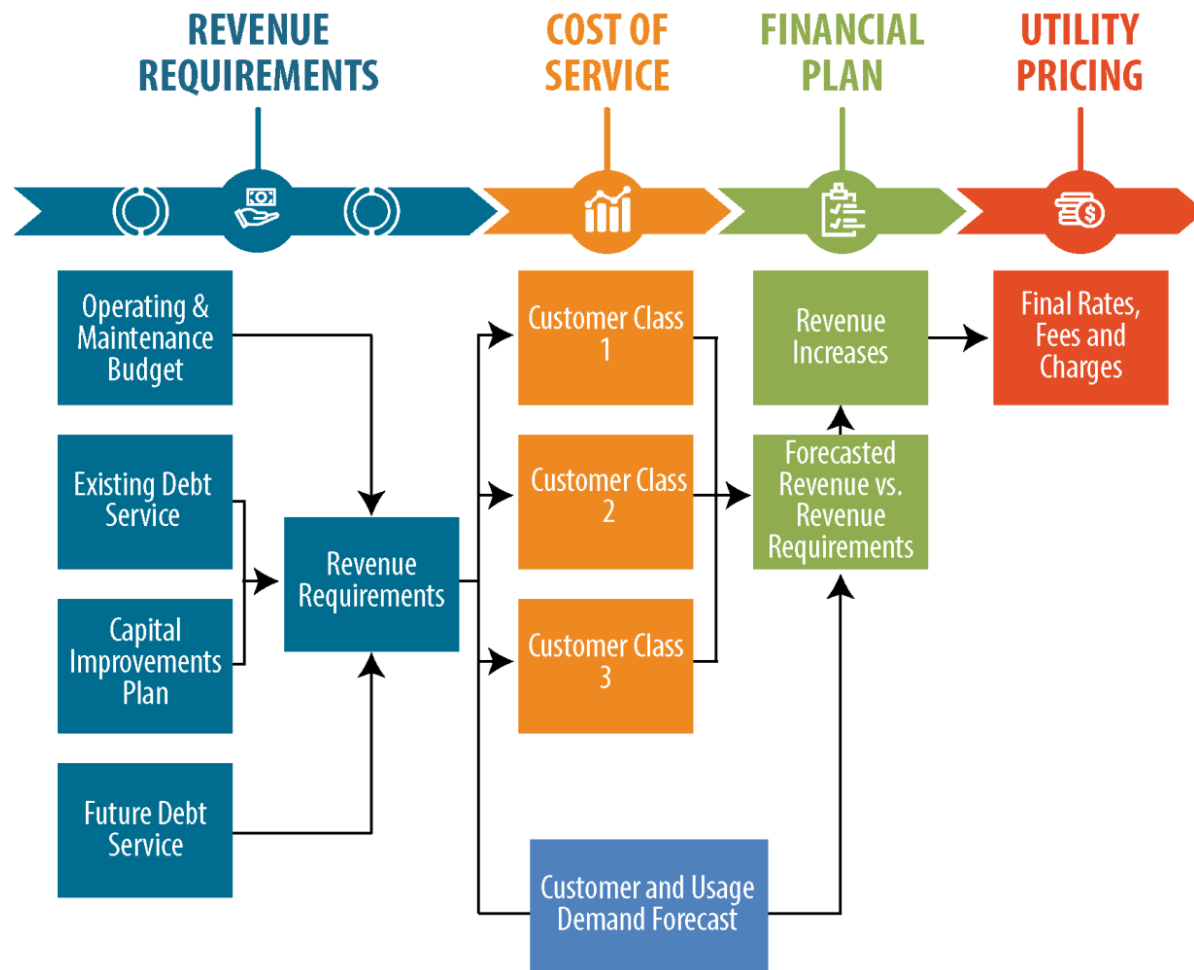
STUDY SCOPE OF WORK

- Rate Structure Analysis
 - Review monthly user charges, base fees, and tiered rates across all customer classes
 - Cost-of-service benchmarking against Colorado industry standards
- Plant Investment Fees (PIFs)
 - Evaluate and recommend changes, including potential scaling by lot size
- Targeted System Development Charges (SDCs)
 - Targeted charges for areas where unplanned growth exceeds capacity
- Financial Planning
 - 5+ year rate plan (through 2032) for operations, capital, and debt service

DESIRED OUTCOMES

- Revenue Sufficiency
 - Rates that fund operations, capital reinvestment, and adequate reserves
- Equity Across Customer Classes
 - Fair allocation across residential, commercial, and multi-family customers
 - Intergenerational equity for capital cost recovery
- Simplicity and Transparency
 - Predictable, understandable rates compatible with existing billing system
- Actionable Deliverables
 - Phased implementation plan with public outreach strategy
 - Excel-based tool for modeling future rate adjustments and revenue impacts

RATE STUDY PROCESS



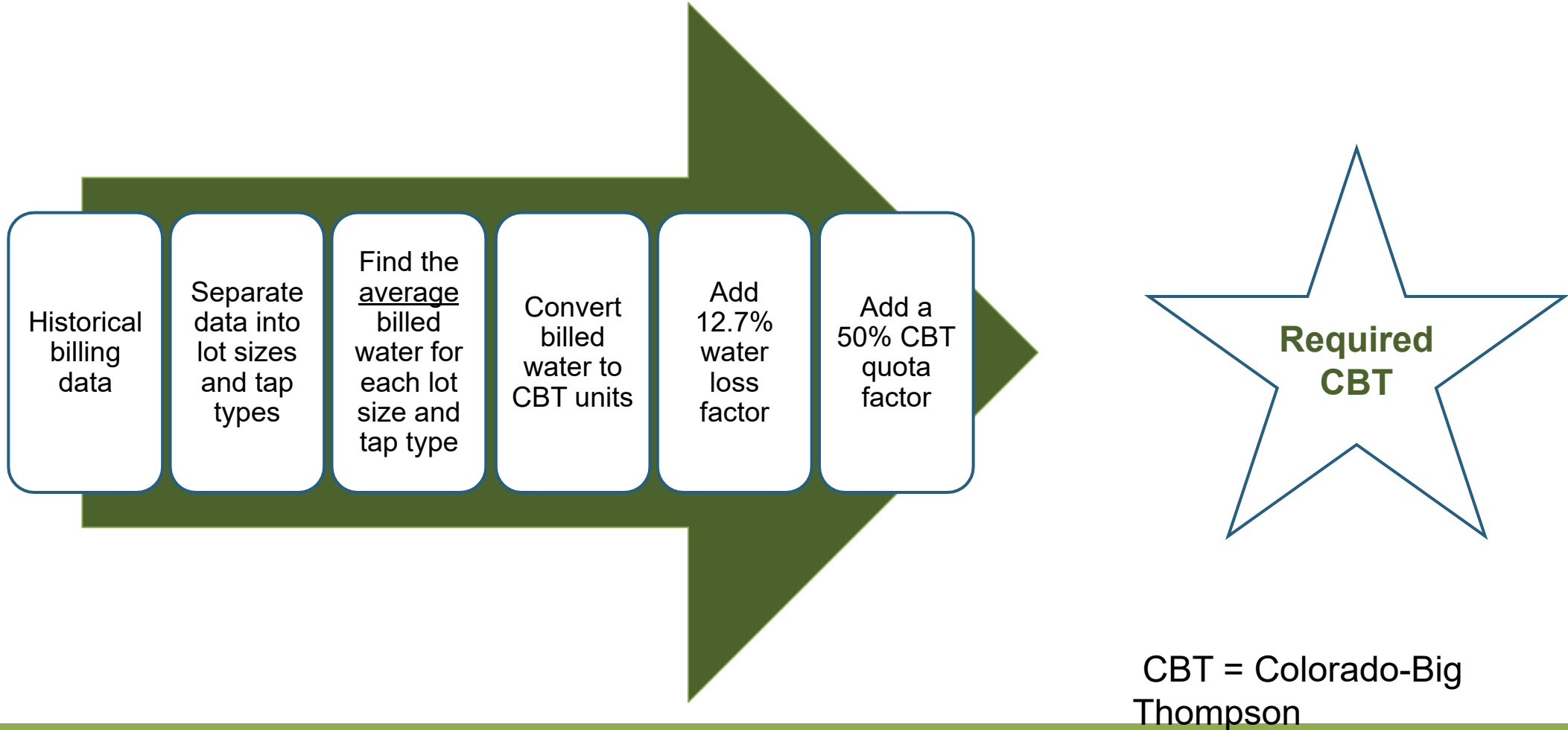
- Revenue Requirements:**
 Development of the full cost of providing water service.
- Cost of Service:**
 Allocation of revenue requirements to customer classes based on service demands.
- Financial Plan:**
 Development of a financial plan to fund system's revenue requirements over time.
- Utility Pricing:**
 Rates designed to satisfy Cost of Service results and policy objectives.

TAP FEES

WHAT IS A TAP FEE?

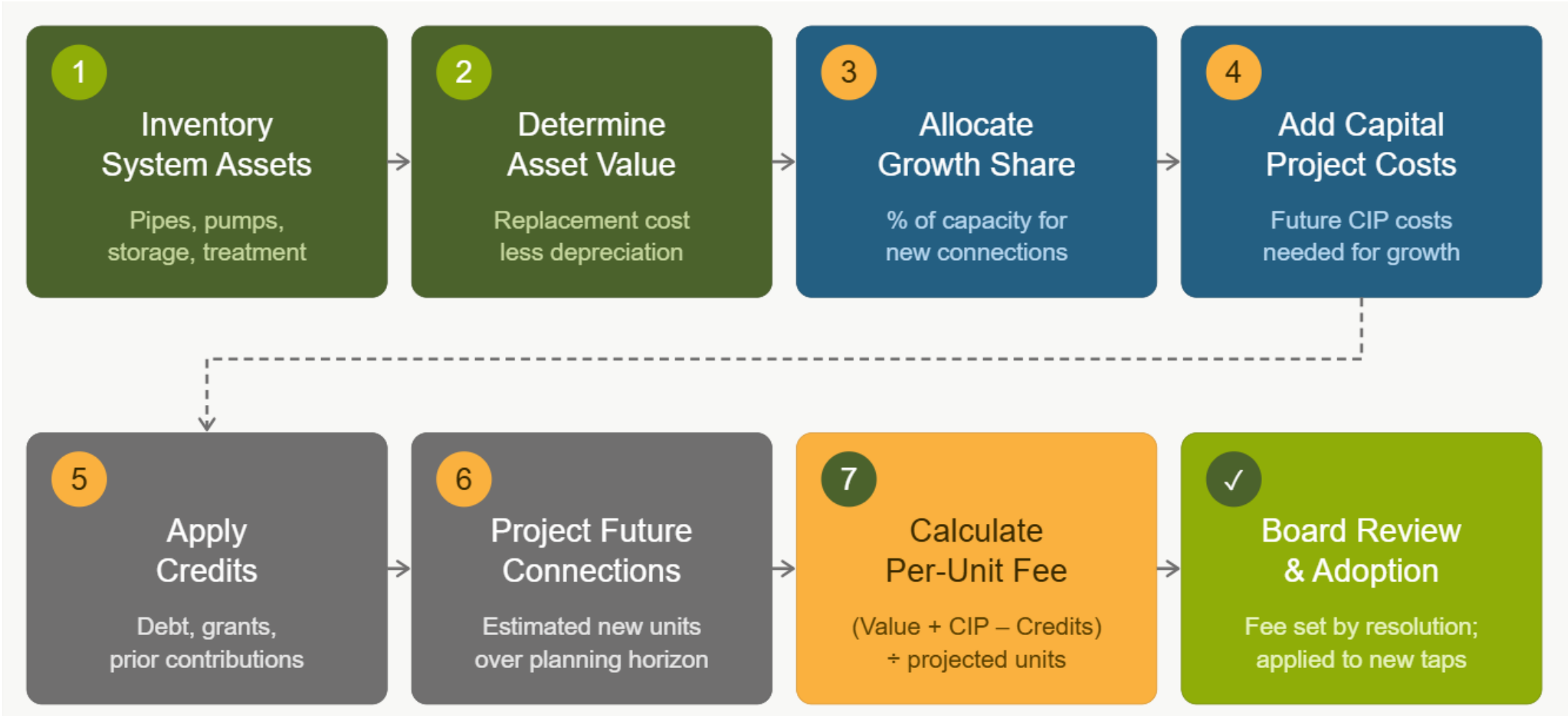
- **Water Resource Fee**
 - The calculated amount of water that, on average, the water tap size and type will utilize on an annual basis.
 - The dollar equivalent of historical average demand, including system efficiency and loss factors.
- **Plant Investment Fee (PIF) or Water Infrastructure Fee**
 - The infrastructure cost to serve a new water tap.
 - Includes: water treatment capacity, transmission and distribution lines, fire flow requirements, pump stations, system pressure reducer valves, fire hydrants, etc.
- **Meter Fee**
 - The hardware cost of a new meter for the water tap.

WATER RESOURCE FEE CALCULATION



CBT = Colorado-Big
Thompson

PLANT INVESTMENT FEE CALCULATION



CURRENTLY EFFECTIVE USER RATES

USER RATES

| Fort Collins-Loveland Water District | | | | |
|--|-------------------------|---------|-------------------------|---------|
| Residential Monthly Water Service Rates — Effective January 1, 2026 | | | | |
| Usage Tier | FCLWD Service Area | | City of FC IGA Area | |
| Monthly Base Fee (5/8" & 3/4" tap) | \$25.54 / month | | \$25.54 / month | |
| Tier (per 1,000 gallons) Standard Conservation | Standard Conservation | | Standard Conservation | |
| Tier 1 0 – 5,000 gal | \$2.99 | \$2.99 | \$5.04 | \$5.04 |
| Tier 2 5,001 – 15,000 gal | \$4.24 | \$29.89 | \$7.15 | \$50.34 |
| Tier 3 15,001 – 50,000 gal | \$5.69 | \$29.89 | \$9.58 | \$50.34 |
| Tier 4 50,001+ gal | \$6.83 | \$29.89 | \$11.50 | \$50.34 |
| Conservation rate (green): Tier 1 same as standard; all usage above 5,000 gal billed at flat \$29.89 / \$50.34 per 1,000 gal | | | | |
| Multi-Family Residential | | | | |
| | FCLWD Service Area | | City of FC IGA Area | |
| Per Unit Charge | \$11.29 / unit | | \$11.29 / unit | |
| Usage Rate | \$2.99 / 1,000 gal | | \$5.04 / 1,000 gal | |

USER RATES (CONT.)

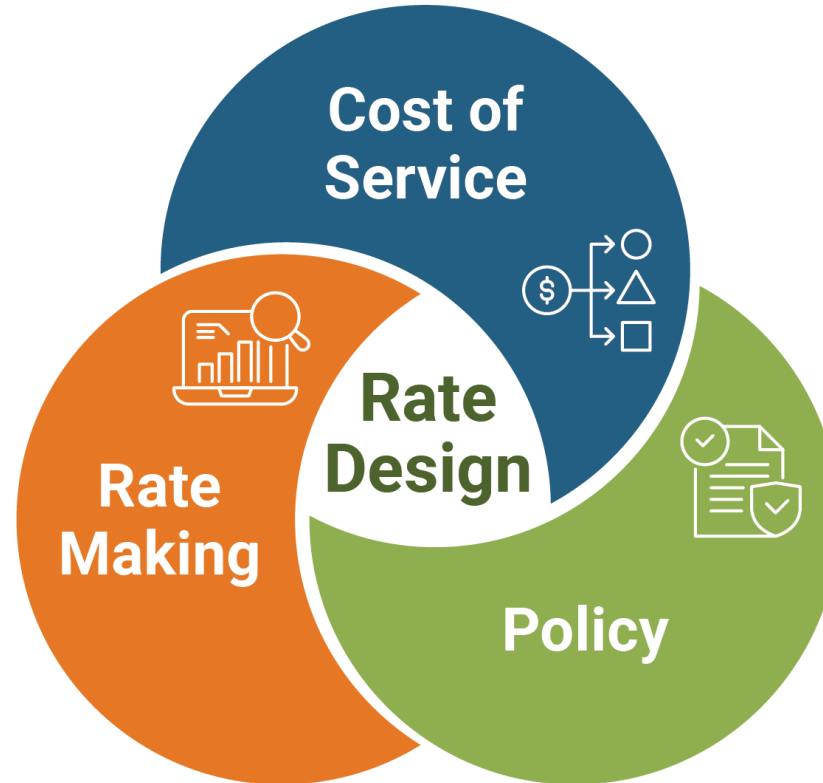
| Commercial | | | | | |
|-------------|--------------|------------------|-----------------------|------------------------|---------------|
| Tap Size | Base / Month | Tier 1 (0–5,000) | Tier 2 (5,001–15,000) | Tier 3 (15,001–50,000) | Tier 4 (50k+) |
| 5/8" & 3/4" | \$25.54 | \$2.99 | \$4.24 | \$5.69 | \$6.83 |

| Tap Size | Base Charge / Month | Rate / 1,000 gal | Water Resource Surcharge |
|-------------|---------------------|------------------|--------------------------|
| 5/8" & 3/4" | \$25.54 | \$4.02 | \$1.50 / 1,000 gal |
| 1" | \$37.22 | \$4.02 | \$1.50 / 1,000 gal |
| 1.5" | \$66.12 | \$4.02 | \$1.50 / 1,000 gal |
| 2" | \$101.00 | \$4.02 | \$1.50 / 1,000 gal |
| 3" | \$194.04 | \$4.02 | \$1.50 / 1,000 gal |
| 4" | \$388.09 | \$4.02 | \$1.50 / 1,000 gal |

| Irrigation | | | | |
|-------------|--------------|------------------------------|-------------------------|--------------------|
| Tap Size | Base / Month | Rate / 1,000 gal (allocated) | Rate / 1,000 gal (over) | Monthly Allocation |
| 5/8" & 3/4" | \$25.54 | \$6.05 | \$7.26 | 48,360 gal |
| 1" | \$37.22 | \$6.05 | \$7.26 | 120,899 gal |
| 1.5" | \$66.12 | \$6.05 | \$7.26 | 241,798 gal |
| 2" | \$101.00 | \$6.05 | \$7.26 | 386,876 gal |
| 3" | \$194.04 | \$6.05 | \$7.26 | 846,292 gal |
| 4" | \$388.09 | \$6.05 | \$7.26 | 1,450,786 gal |

STUDY GUIDING PRINCIPLES

The Art of Rate Design








Rate design must:

-  Reflect **Cost of Service** accurately and fairly
-  Support broader **Policy** goals
-  Fit within practical **Rate Making** frameworks that regulators and stakeholders can implement

Rates and Fees must comply with State regulations and laws, i.e. C.R.S. Title 32, Article 1 (The Special District Act), and HB25-1211 (Tap Fees)

COMPETING OBJECTIVES AND POLICY GOALS

|  IMPLEMENTATION |  EQUITY |  CUSTOMER |  CONSERVATION |  FINANCIAL |
|--|--|--|--|---|
| Administrative Burden | Interclass | Affordability | Average-Day Savings | Revenue Sufficiency |
| Public Understanding | Intraclass | Economic Development | Peak-Season Savings | Revenue Stability |
| Political Acceptance | Intergenerational | Rate Shock/Volatility | Peak-Day Savings | Rate Stability |
| Implementation Risk | Inside/Outside | Understandability of Rates/Bill | Sustainability | Rate Predictability |
| Legal Compliance | Perception of Equity | Engagement / Communication | Enforcement | Financial Risk |

TIMELINE

ESTIMATED STUDY TIMELINE

| | March 2026 | April 2026 | May 2026 | June 2026 | July 2026 | August 2026 |
|------------------|------------|-------------------|----------|-----------|-----------|-------------|
| Board Workshop | March 31 | | | | | |
| Project Kickoff | | April | | | | |
| Study Completion | | April – June 2026 | | | | |
| Draft to Staff | | | | June 29 | | |
| Draft to Board | | | | | July 21 | |
| Final to Board | | | | | | August 18 |