



MEETINGS OF THE *Broomfield Council*

BROOMFIELD COUNCIL STUDY SESSION AGENDA

THURSDAY, SEPTEMBER 24, 2026

6:00 PM

Broomfield Council Chambers

George Di Ciero City and County Building

One DesCombes Drive

Broomfield, CO 80020

1. Study Session

DEPARTMENT BUDGET PRESENTATIONS

1.A. Department Budget Presentations - 2

1.B. Third Quarter Enterprise Update

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Date Posted: September 16, 2026



CITY AND COUNTY OF BROOMFIELD

Staff Memorandum

Meeting Date: September 24, 2026

To: Mayor and Council

From: Jennifer Hoffman, City and County Manager

Presented By: Departments and Department Heads

Memo Title/Subject: 2027 Operational Proposed Budget Discussion

[View Correspondence](#)

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Over the last 5 years, the budget process has been evolving with the aim of increasing transparency and providing deeper insight into the annual budget. As part of the annual budget process staff hosts study sessions with the City Council after the release of the Proposed Budget. This is the second of two study sessions related to the 2027 Proposed Budget. An opportunity for public comment will be provided at each study session. The departments that will have staff available tonight include the following:

- Assessor
- City and County Manager's Office (CMO)
- Communications and Engagement
- Courts
- Finance
- Human Services
- Library, Art & History and CSU Extension
- Performance and Internal Audit
- Police
- Public Health and Environment
- Water Utilities

2027 Proposed Budget information can be found [HERE](#).

- The information was made available to the Public on September 3rd [HERE](#).

Department Presentations can be found [HERE](#).

Department Presentation Recordings can be found [HERE](#).

The first budget presentation study session was held on September 17 and included the departments as listed below:

- City and County Attorney's Office (CAO)
- Clerk and Recorder
- Community Development
- Development Diversity, Equity and Inclusion
- 17th Judicial District Attorney's Office
- Economic Vitality and Development
- Human Resources
- Information Technology
- Open Space and Trails
- Parks, Recreation, Senior Services
- Public Works

Meeting Date: September 24, 2026
Title of Memo: 2027 Operational Proposed Budget Discussion
Prepared By: J. Stephanie Chen, Budget Manager

Next Steps

Following the above noted study sessions and pursuant to Charter, a public hearing on the proposed budget will be held during the City Council meeting on October 13, 2026. The proposed budget is then scheduled for formal consideration and final adoption on October 27, 2026 at the regularly scheduled City Council Meeting.

Financial Considerations

There are no financial considerations for this agenda item.

Prior Council or Other Entity Actions

No prior action on the 2027 Proposed Budget has occurred.

Boards and Commissions Prior Actions and Recommendations

N/A



Meeting Date: Tuesday, September 24, 2026

To: Mayor and Council

From: Jennifer Hoffman, City and County Manager

Presented By: Ken Rutt, Director of Water Utilities

Memo Title/Subject: Third Quarter Enterprise Update

[View Correspondence](#)

[View Presentation](#)

Council Action Needed on Item

- This memo is informational only. Staff is not looking for direction but instead providing a status update.

Summary

This is the Third Quarter Enterprise Update for 2026. This update focuses on the following areas:

- Current Water Supply and Denver Water Update
- Glasser Reservoir Site Security Enhancement
- Building A Stronger Water Future
- Enterprise related Capital Projects & Ongoing Maintenance & Operations are available at this [link](#).

Water Supply & Denver Water Update

Denver Water Status & Rate Adjustments

- **Previously planned Denver Water Conduit 81 Shutdown:** The City of Thornton is installing a combined stormwater drainage culvert and pedestrian underpass to expand regional storm sewer capacity and improve multi-modal trail connectivity. Because this project intersects Denver Water's Conduit 81—a major transmission pipeline that delivers treated potable water to Broomfield—the pipeline must be lowered to accommodate the new infrastructure. ***Water Utilities staff coordinated with the City of Thornton, Denver Water and the design consultant to ensure we maximized our Denver Water contract prior to the shut down of Conduit 81.***

Conduit 81 is a critical supply line that helps meet Broomfield's baseline and peak summer water demands. Beginning October 15, 2026, Denver Water will take Conduit 81 offline for approximately 10 weeks to complete the required relocation.

To maintain continuous water service during the shutdown, staff will rely on our primary water supply source through the Colorado-Big Thompson (C-BT) Southern Water Supply Pipeline, which provides more than sufficient capacity to meet all community water demands during this period, supplemented by emergency interconnects with the City of Westminster as needed.

Staff is closely coordinating and monitoring all systems to ensure stability, maintain required storage levels, and prevent service disruptions for Broomfield customers throughout the outage.

- **Denver Water Rate and Drought Rates:** The first reading of the proposed 2027 rate schedule will be presented at the Denver Water Board of Commissioners meeting on September 24, 2026. Denver Water is recommending a rate increase of 6% for 2027.

Drought Status & Pricing Impact

On March 25, 2026, Denver Water declared a Stage 1 drought, restricting outdoor watering to two days per week and implementing drought pricing for direct customers. As a potable water lease customer, Broomfield was not impacted by drought pricing during 2026.

However, beginning January 1, 2027, Denver Water will transition from fee-based adjustments to drought rates that apply to all customers regardless of contract type:

Stage 1 Drought Rate (\$2.10 / 1,000 gal): Applies while Denver Water remains on a two-day per week watering schedule (expected to continue through early 2027).

Stage 2 Drought Rate (\$3.90 / 1,000 gal): Would apply to usage exceeding winter averages if the Board reduces watering allowances to one day per week.

Key Upcoming Dates

- **October 28, 2026:** Denver Water Board vote on proposed 2027 base rates and drought rate schedules.
- **January 1, 2027:** Adopted rates and drought pricing become effective for meters read on or after this date.

Drought & Colorado River Basin Water Supply Impacts

The persistent 27-year regional megadrought and reduced snowpack runoff during the 2025-2026 season continue to place severe strain on the Colorado River water system. Consumptive use within the Colorado River basin has consistently exceeded natural snowmelt replenishment, requiring ongoing reservoir drawdowns, particularly Lakes Mead and Powell, to meet demands in Arizona, California, and Nevada.

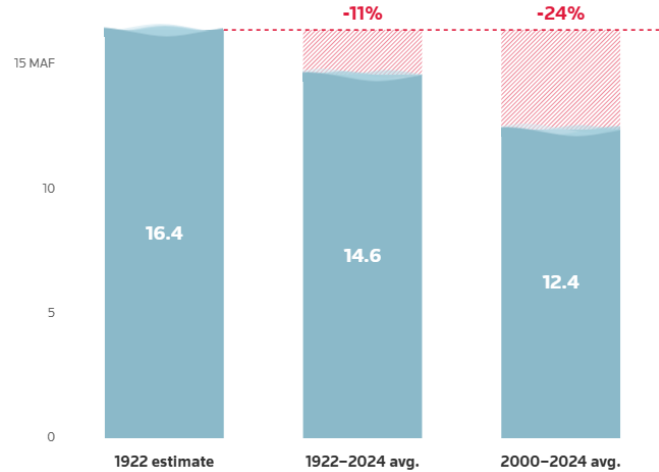
On August 21, the U.S. Bureau of Reclamation announced reduced Colorado River water allotments for Arizona, California, and Nevada. Driven by prolonged drought conditions, overallocation, and ongoing negotiations among the seven basin states, federal authorities have mandated reduced deliveries to those three Lower Basin states over the next two years. The overall plan proposed by the Bureau of Reclamation will involve operational review every two years and potentially larger cutbacks for the Lower Basin if conditions worsen. The new plan does not impose any mandatory cut for the Upper Basin, including Colorado. The state of Nevada has already filed a lawsuit in federal court to stop implementation of Bureau of Reclamation's proposed new plan.

Historical Overallocation and Flow Realities

Initial legal allocations were based on river flow measurements collected during an exceptionally wet period between 1905 and 1922. Recorded flows since 1922 have averaged significantly lower; when accounting for the past three decades of drought, actual streamflow is nearly 24% below original projections.

Although water consumption peaked in the late 20th century and has since moderated, total regional demand still exceeds natural supply. Decades of megadrought conditions have sharply depleted storage levels in major reservoirs.

Many climate scientists indicate these lower flows represent a long-term shift toward sustained aridification across the American West. Federal operational guidelines for sharing Colorado River water will be re-evaluated on a two-year cycle, with operational adjustments triggered if storage at Lake Powell or Lake Mead declines below critical thresholds necessary for hydroelectric generation.



Source: U.S. Bureau of Reclamation

Potential Impact to Broomfield's Water Supply

The Bureau of Reclamation's proposed new plan does not impose any mandatory cuts on Colorado or the other Upper Basin states. It does call for voluntary conservation of 200,000 acre-feet per year from the Upper Basin. To date, the Upper Basin states have not committed to any additional conservation, but have continued to evaluate the potential for voluntary, temporary and compensated conservation, particularly among the agriculture sector on the West Slope.

The Bureau of Reclamation regularly publishes a 24-month forecast of Colorado River flows and reservoir storage. The latest forecast shows that flow on the river at Lee Ferry (just below Lake Powell) will drop below a critical threshold from the 1922 compact sometime this or next year. If flow does drop below that threshold, Arizona (potentially with California and Nevada) is expected to file a lawsuit to enforce their understanding of the Compact. The Upper Basin states disagree with Arizona's interpretation of the Compact. The lawsuit would immediately go to the U.S. Supreme Court and would likely take many years to settle. Enforcement of the Lower Basin's interpretation of the Compact would likely curtail water uses in Colorado, potentially including Windy Gap. However, details of potential enforcement are highly uncertain, making it impossible to estimate how this result would affect any specific project or water right. Note that the states continue to meet and negotiate while these legal processes move forward.

Colorado-Big Thompson (C-BT) Initial Allocation

Annually during mid-to-late October, the Northern Water Board of Directors establishes an initial quota for the Colorado-Big Thompson (C-BT) Project for the upcoming water year, taking effect November 1. Historically, the board approves an initial allocation of 50%. Since 2010, the sole deviation occurred in 2023, when an initial quota of 40% was declared. The Northern Water Fall Symposium is scheduled for October 21, providing a forum for participants, staff, and Board members to evaluate the 2027 allocation. C-BT reservoir storage levels presently align closely with 2012 conditions, a year that saw a 50% initial declaration. Should the Board select a 40% initial quota, Broomfield maintains adequate water supplies to satisfy all municipal demands prior to the final April quota determination.

Glasser Reservoir Site Security Enhancements

Water Utilities staff has submitted an administrative modification to the existing Site Development Plan for the Glasser Reservoir, located at the Water Treatment Facility requesting comprehensive site security enhancements for Glasser Reservoir to address past unauthorized access and vandalism, safeguard critical terminal water storage infrastructure, and align security measures with the standards maintained at the

Meeting Date: 9-24-26

Title of Memo: Third Quarter Enterprise Update

Prepared By: Ken Rutt, Director of Water Utilities

adjacent Water Treatment Facility. The proposed modification would replace the existing three-rail wooden fence surrounding Glasser Reservoir with an 8-foot tall chain-link fence (shown in yellow in map below) consistent with the existing fencing around the Water Treatment Facility.



As a terminal water storage facility containing Broomfield's raw water to be treated for drinking water directly entering the distribution system, Glasser Reservoir requires stringent physical security and access controls to prevent contamination, intentional tampering, or physical damage. Upgrading site security ensures the perimeter meets the unified security measures of the overall water treatment complex.

Applicable Federal & State Regulatory Mandates

- America's Water Infrastructure Act (AWIA) of 2018: Requires community water systems to conduct Risk and Resilience Assessments and update Emergency Response Plans to mitigate physical security threats, unauthorized intrusion, and cyber-physical risks to critical storage and distribution assets.
- CDPHE Colorado Primary Drinking Water Regulations (Regulation 11): Mandates that public water systems maintain physical control, sanitary protection, and security over finished water storage facilities to protect public health and prevent intentional or accidental contamination.
- CDPHE Policy DW005 (Drinking Water Facility Security Guidelines): Outlines specific physical security standards, including perimeter commercial grade chain link fencing of a minimum of 6 feet with an additional 1 to 1.5 foot extension arms, locked access portals, controlled entrance points, warning signage, and monitoring protocols for critical drinking water infrastructure.
- Colorado Revised Statutes § 18-4-505 (First-Degree Criminal Trespass on Critical Infrastructure): Establishes enhanced legal protections and criminal penalties for unauthorized entry into designated critical public infrastructure facilities, including municipal water treatment and storage installations.

A neighborhood meeting is scheduled for Wednesday, September 30, 2026, beginning at 6pm at the Water Treatment Facility, 4395 W. 144th Avenue. The meeting will provide an opportunity for nearby residents and interested parties to learn more about the reasons for the fence modification and ask questions.

The Neighborhood Meeting will be posted on the [Water Utilities News Flash](#) webpage, and postcard notifications will be sent to property owners within 1000 ft.

Building a Stronger Water Future: 2027 Enterprise Fund CIP Budget Outlook

The City and County of Broomfield (CCOB) Water Utilities Department operates as a self-supporting enterprise dedicated to ensuring a resilient water future by managing capital improvements across water, sewer, reuse, and stormwater systems. Building on the multi-year rate adjustments approved in 2024, current efforts prioritize critical infrastructure updates and long-term asset renewal. As Broomfield approaches buildout, maintaining fiscal sustainability in the 2027-2032 Capital Improvement Plan (CIP) requires strict prioritization of regulatory mandates, core contractual obligations, and high-priority infrastructure needs to manage rising operational and materials costs efficiently. (Link to: [Water Utilities Department 2027 Budget: Building a Stronger Water Future](#))

Strategic Budgeting Approach

Summary

The Water Utilities Department uses proactive, data-driven Asset Management to transition from a reactive "fix-on-failure" approach to preventative care. This risk-based model ensures high service reliability and long-term fiscal viability at the lowest overall cost.

The Asset Management Framework

To implement this strategy, the department partnered with AECOM to establish a Risk-Based Decision Making (RBDM) methodology using AECOM's analytical CIP Tool. This system evaluates infrastructure lifecycles, condition data, and risk factors to prioritize capital investments for repair or replacement.

Transitioning to Asset Management improves operational efficiency, lowers main breaks and water loss, and reduces sanitary sewer overflows (SSOs). The strategic advantages over traditional reactive management include:

Key Strategic Alignment Differences

Factor	Reactive Management (High Risk)	Asset Management (High Value)
Approach	Fix-on-failure / Crisis-driven	Proactive and Predictive (Ensures service continuity)
Data Usage	Minimal data; responds only to immediate failures	Data-driven Risk Assessment (Informed, strategic decisions)

Cost	Up to 33% higher due to emergency repairs and collateral damage	Significant Lifecycle Cost Reduction (Optimized replacement timing)
Planning	Disrupts schedules and increases safety risks	Long-Term Fiscal Stability (Aligned with 5-20 year forecasting)

Priority-based budgeting aligns resources across core utility functions, including:

- Raw Water Supply & Storage
- Water Treatment Facilities
- Potable Distribution Systems
- Wastewater Collection Network
- Wastewater & Water Reuse Treatment
- SCADA Instrumentation & Automation
- Water Quality Monitoring & Compliance
- Stormwater Management & Drainage

Capital Improvement Program

The department oversees a comprehensive multi-year CIP structured around four primary infrastructure areas:

- **Water Services:** Maintaining safe, dependable drinking water delivery systems.
- **Sewer (Wastewater):** Ensuring effective collection, conveyance, and treatment.
- **Stormwater Infrastructure:** Safely managing flood control and drainage systems across the city.
- **Reuse Systems:** Expanding non-potable water systems to conserve potable supplies.

Infrastructure condition is systematically evaluated through routine maintenance to maximize investment value. Proposed capital investments undergo a rigorous three-phase review—evaluating and prioritizing projects internally through the Executive Team, coordinating with the Finance Department, and consulting the FLOW Advisory Committee prior to City Council submission.

Capital Planning Objectives:

- **Public Health & System Reliability:** Modernize aging infrastructure to ensure dependable service delivery and safeguard public health.
- **Water Quality Standards:** Maintain high drinking water quality through targeted facility and system enhancements.
- **System Efficiency:** Optimize capacity to meet current customer demands while supporting planned economic growth.
- **Life Cycle Cost Reduction:** Use asset condition assessments to schedule timely replacements, minimizing overall lifecycle costs.
- **Regulatory Compliance:** Ensure full compliance with local, state, and federal environmental and drinking water standards.
- **Growth Support:** Coordinate master planning to align infrastructure expansion with community development goals.

CCOB remains committed to long-term fiscal sustainability. In light of ongoing economic uncertainties, financial planning relies on conservative revenue projections while prioritizing core mandates, essential contractual obligations, and critical system updates.

Base fees, usage charges, and system connection fees are directly reinvested to fund ongoing operations, preventative maintenance, and long-term capital improvements. Supported by recommendations from the FLOW Advisory Committee, proactive financial management—including a proposed 7% utility rate adjustment for 2027—maintains high credit ratings, ensures system reliability, and lowers borrowing costs for major capital infrastructure projects.

Prior Council or Other Entity Actions

- [1-20-26 Water Supply Update](#)
- [5-7-26 1st Quarter Enterprise Update](#)
- [6-9-26 Water Drought Update](#)
- [7-21-26 Second Quarter Enterprise Update](#)

Boards and Commissions Prior Actions and Recommendations

[Financial Leadership on Water \(FLOW\) Advisory Committee Report](#)

2026 FLOW Recommendations to Council

At the June 4, 2026, FLOW meeting, the FLOW Committee unanimously voted to approve these three recommendations to Council:

- Adopt the City and County of Broomfield staff's 2027 rate proposal of a 7% increase for Water, Sewer, Reuse and Stormwater rates.
- Adopt the City and County of Broomfield staff's proposed commercial tiered rate structure.
- Adopt the City and County of Broomfield staff's 2027 proposed 4% tap fee increase.