City of Littleton

Littleton Center
2255 West Berry Avenue
Littleton, CO 80120

Meeting Agenda - Final-revised

City Council

Tuesday, October 6, 2026 | **6:30 PM** | **Council Chamber**

Regular Meeting (Start time is approximate - follows Executive Session)

1. Roll Call

2. Pledge of Allegiance

3. Approval of Agenda

4. Scheduled Appearances and Presentations

a) Maureen Shannon, North Littleton Promise (2026 Local Partnership Funding grant recipient)

5. Proclamations

a) ID# 26-194 Mayoral Proclamations

Attachments: 1. LGBTQ+ History Month

6. Public Comment

If you wish to address city council under Public Comment, please sign-in on the public speaker form before the call to order for this meeting. Public Comment is an opportunity to express opinions regarding issues that are not part of public hearings on tonight's agenda; a separate opportunity will be provided for comment for any public hearing. Each speaker is limited to three (3) minutes. We expect comments to be civil. Disrespectful or disruptive behavior will not be tolerated. The city council is not authorized under the Colorado Open Meetings Law to discuss, comment, or take action at this meeting on any issue raised by public comment that is not part of tonight's agenda. The Mayor may refer the matter to the city manager and/or city attorney for immediate comment after Public Comment, or to staff to obtain additional information and report back to council as appropriate.

7. Comments / Reports

a) Council Members

b) Mayor

c) City Manager

d) City Attorney

8. Consent Agenda Items

Consent agenda items can be adopted by a simple motion. All ordinances must be read by title prior to a vote on the motion. Any consent agenda item may be removed at the request of a council member.

a) Ordinance 18-2026

Ordinance 18-2026: An ordinance on first reading, repealing and reenacting Title 3, Chapter 11, of the Littleton City Code regarding massage establishments to comply with recent state legislation governing massage facility licensure and fingerprint-based criminal history record checks

Attachments: 1. Ordinance No. 18-2026

b) ID# 26-185

Motion to approve an amendment increasing the cost of the Plante Moran Engagement for the 2025 Fiscal Year Audit

Attachments: 1. Plante Moran Amendment Letter

c) Resolution 69-2026

Resolution 69-2026: Approving an Intergovernmental Agreement between with the High Line Canal Conservancy for the 2024 grant award for High Line Canal stewardship projects regarding Phase 2 of the High Line Canal Irrigated Tree Planting Pilot Project

Attachments: 1. Resolution No. 69-2026

2. 2025_HLC Funding Agreement_Littleton Tree Irrigation Pilot Program

3. 2026_HLC Littleton Tree Irrigation Pilot Program

d) ID# 26-199

Motion to approve minutes for the September 15, 2026, special meeting of Littleton City Council

Attachments: 1.09-15-2026 CC Special Meeting_DRAFT

e) ID# 26-200

Motion to approve minutes for the September 15, 2026, regular meeting of Littleton City Council

Attachments: 1. 09-15-2026 CC Minutes_DRAFT

9. General Business

a) ID# 26-197

Utility Rate Study Final Report Discussion

Attachments: 1. Littleton Rate Report_Draft

2. Presentation_Utility Rate Study_Revised

b) Resolution 67-2026

Resolution 67-2026: A Resolution of the Littleton City Council Supporting a Yes vote on Ballot Issue 4A which seeks voter approval of a $10 Million Mill Levy override for Littleton Public Schools

Attachments: 1. Resolution No. 67-2026

2. Presentation_Ballot Issue 4A_LPS

c) Resolution 68-2026 — Resolution 68-2026: A Resolution of the Littleton City Council supporting a Yes vote on Ballot Issue 7A which seeks voter approval of a Front Range Passenger Rail District Sales and Use Tax of 0.333% to fund Colorado Connector (CoCo) Passenger Rail Service

Attachments: 1. Resolution No. 68-2026

2. Presentation Ballot Issue 7A - CoCo

d) ID# 26-203 — Overview of additional ballot questions

Attachments: 1. Presentation Ballot Questions

10. Ordinances on Second Reading and Public Hearings - None

Speakers wishing to address council as part of a public hearing will be limited to three (3) minutes and will be called upon when the mayor opens the public comment portion of the hearing.

11. Adjournment

The public is invited to attend all regular meetings or study sessions of the city council or any city board, commission, or committee. Please call 303-795-3780 at least 48 hours prior to the meeting if you believe you will need special assistance or any reasonable accommodation in order to attend, or participate in, any such meeting. For any additional information concerning city meetings, please call the city clerk's office at the above referenced number.

Littleton Center
2255 West Berry Avenue
Littleton, CO 80120

City of Littleton

Staff Communication

File #: ID# 26-194, **Version:** 1

Agenda Date: 10/06/2026

Subject:
Mayoral Proclamations

Prepared By: Colleen L. Norton, City Clerk

PURPOSE:
Mayor Schlachter will introduce one (1) Mayoral Proclamations:

a) LGBTQ+ History Month

PRESENTATIONS:

Staff Presenter(s): Kyle Schlachter, Mayor
Additional Presenter(s): N/A

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Littleton

PROCLAMATION
City of Littleton, Colorado
Proclaiming October 1 through October 31, 2026
"LGBTQ+ History Month"
in the City of Littleton

***WHEREAS**, 2026 marks the fifty-seventh anniversary of the Stonewall Rebellion, which marked the beginning of the modern gay and lesbian movement in the U.S.; and*

***WHEREAS**, during LGBTQ+ History Month, including National Coming Out Day on October 11, we celebrate key figures and milestones, knowing that education is the most powerful tool to promote understanding and disrupt discrimination; and*

***WHEREAS**, members of the LGBTQ+ community have made many important contributions to society including public health advocacy, political representation, scientific advancements, and creative expression through arts, culture, and entertainment; and*

***WHEREAS**, Littleton's Q+ community began a local event, "Big Pride Littleton", in 2024 with overwhelming participation and support from the community, with a third annual event scheduled on October 10, 2026; and*

***WHEREAS**, anti-LGBTQ+ rhetoric and policies are advancing rapidly across the country, with a coordinated effort to prohibit transgender persons from obtaining accurate identity documents, receive healthcare, serve their country in the military, and to otherwise live a full life as their authentic selves; and*

***WHEREAS**, it is the role of government, on all levels, to foster safety, equality, and representation for all citizens, and the City of Littleton is committed to fairness and the recognition of the full rights and responsibilities of all its citizens.*

***NOW, THEREFORE**, I, Kyle Schlachter, Mayor of the City of Littleton, do hereby proclaim the month of October 2026 as LGBTQ+ History Month" and encourage Littleton citizens and the community at-large to honor and celebrate the rich history and contributions of the LGBTQ+ community, not only locally, but to the country and the world.*

***IN WITNESS WHEREOF**, I have hereunto set my hand and caused the official seal of the City of Littleton to be affixed this 6th day of October 2026.*

CITY OF LITTLETON, COLORADO
A MODERN CITY IN THE WESTERN TRADITION
SEAL
INCORPORATED
1890

Kyle Schlachter, Mayor

Colleen L. Norton, City Clerk

Staff Communication

File #: Ordinance 18-2026, **Version:** 1

Agenda Date: 10/06/2026

Subject:
Ordinance 18-2026: An ordinance on first reading, repealing and reenacting Title 3, Chapter 11, of the Littleton City Code regarding massage establishments to comply with recent state legislation governing massage facility licensure and fingerprint-based criminal history record checks

From:	James L. Becklenberg, City Manager
Prepared by:	Laurie Matta, Finance Director
Presentations:	N/A

PURPOSE:
Council has consistently prioritized public safety and a fair, well-administered regulatory environment for Littleton businesses. State law now requires every local government with a massage facility inside its boundaries to establish a local process ensuring that operators, owners, and employees submit to fingerprint-based criminal history record checks. Littleton's existing massage establishment regulations were adopted in 1978 and predate recent state legislative mandates. This ordinance repeals and reenacts Title 3, Chapter 11 in its entirety to bring the city into compliance with state legislative requirements.

LONG-TERM OUTCOME(S) SERVED:
Safe Community; High-Quality Governance

DISCUSSION:
The City of Littleton is a home rule municipality with authority to license and regulate businesses operating within its city limits. C.R.S. § 30-15-401.4, as amended by House Bill 24-1371, Senate Bill 25-146, and House Bill 26-1257 requires a local government with a massage facility in its jurisdiction to establish a process ensuring fingerprint-based background checks are conducted for operators, owners, and employees, performed in accordance with C.R.S. § 24-33.5-424.5. The ordinance is written to take effect on or after August 13, 2026, so that it is governed by C.R.S. § 30-15-401.4 as amended by HB 26-1257.

BACKGROUND:
The following summaries provide a brief background on the recent legislation:

- **HB 24-1371** ("More Uniform Local Massage Facilities Regulation"), signed June 6, 2024, required mandatory background checks. The bill requires every county, city and county, and municipality, with a massage facility in its boundaries, to adopt a local process ensuring the required checks are conducted. It also prohibits certain persons with disqualifying convictions or sex offender registration obligations from being owners or employees.

- **SB 25-146** ("Fingerprint-Based Criminal History Record Checks") aligned Colorado's record check

laws with federal requirements and extended the compliance deadline for existing operators, owners, and employees from October 1, 2025, to July 1, 2026. It also established the name-based judicial record check as the required follow-up where a fingerprint check returns an arrest without disposition.

- **HB 26-1257** ("Local Regulation of Massage Facilities") signed May 4, 2026 and effective August 12, 2026, expands the City's authority. The bill broadens the definition of an illicit massage business beyond human trafficking-related offenses, permits additional local grounds for denial, revocation, or suspension, removes the $150 cap on the license fee, and declares prevention of illicit massage businesses to be a matter of mixed statewide and local concern.

Littleton's current Title 3, Chapter 11 dates to 1978. It contains no fingerprint-based background check process, no defined disqualifying offenses, no exemption for state-licensed massage therapists, and none of the other requirements and limitations now set out in C.R.S. § 30-15-401.4.

Staff from the Finance Department, the City Attorney's Office, and the Littleton Police Department developed the proposed chapter jointly and coordinated with the CBI to approve the form before Council at public hearing.

Prior Actions or Discussions
N/A

FISCAL IMPACTS:
The ordinance sets the initial and renewal license fee at not more than $150.00, consistent with C.R.S. § 30-15-401.4(4)(a)(II) as it existed prior to HB 26-1257, with annual inflation adjustment permitted. The fee is not based on the number of employees. Applicants, owners, prospective owners, employees, and prospective employees pay all costs associated with their own fingerprint-based checks. Council should be aware that HB 26-1257 removed the statutory $150 cap; retaining it is a policy choice reflected in this draft, and council may direct staff to revisit the fee structure through the annual fee schedule if cost recovery proves insufficient.

Administration will be absorbed within existing Finance Department and Police Department resources. Implementation costs are limited to forms and process development, staff training on the handling of criminal history record information, and CBI/FBI coordination. Based on the number of facilities currently operating in Littleton, license revenue is expected to approximately offset direct administrative cost. No supplemental appropriation is requested.

STAFF RECOMMENDATION:
Staff recommends approval on first reading. Adoption is required for the city to comply with C.R.S. § 30-15-401.4, and the state compliance deadline for existing operators, owners, and employees has already passed.

ALTERNATIVES:
1. Council may amend the ordinance prior to second reading.
2. Council may decline to adopt the ordinance and leave the 1978 chapter in place. This alternative is not recommended: the city would remain out of compliance with a state mandate, would lack the defined disqualifying offenses and enforcement tools the state framework supplies, and would continue to apply licensure requirements to state-licensed massage therapists who state law now exempts.

PROPOSED MOTION:
I move to approve Ordinance 18-2026 repealing and reenacting Title 3, Chapter 11, of the Littleton City Code

regarding massage establishments to comply with recent state legislation governing massage facility licensure and fingerprint-based criminal history record checks on first reading, and to set the second reading and public hearing for October 20, 2026.

CITY OF LITTLETON, COLORADO

ORDINANCE NO. 18

Series, 2026

AN ORDINANCE OF THE CITY OF LITTLETON, COLORADO, REPEALING AND REENACTING TITLE 3, CHAPTER 11 OF THE LITTLETON CITY CODE CONCERNING MASSAGE ESTABLISHMENTS TO COMPLY WITH RECENT LEGISLATION

WHEREAS, the City of Littleton, Colorado (the "City") is a home rule municipality with the authority to regulate businesses operating within its city limits; and

WHEREAS, C.R.S. § 30-15-401.4, as amended by House Bill 24-1371, Senate Bill 25-146, and House Bill 26-1257, establishes a statewide policy requiring local municipalities, with massage facilities within its boundaries, to establish a process ensuring that fingerprint-based criminal history record checks are conducted for operators, owners, and employees of massage facilities, pursuant to the statutory authority granted under C.R.S § 24-33.5-424.5; and

WHEREAS, the existing Title 3, Chapter 11 of the Littleton City Code was adopted in 1978 and does not comply with the current requirements of state law regarding fingerprint-based criminal history record checks, defined disqualifying offenses, exemptions for licensed massage therapists, or the other requirements and limitations set forth in C.R.S. § 30-15-401.4; and

WHEREAS it is the intent of the City Council that this Chapter be adopted on or after August 13, 2026, so that it is governed by C.R.S. § 30-15-401.4 as amended by House Bill 26-1257; and

WHEREAS it is in the best interest of the health, safety, and welfare of the residents and visitors of the city to repeal and reenact Title 3, Chapter 11 in its entirety to bring the city into compliance with state law and to protect the interests of lawfully practicing massage therapists.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LITTLETON, COLORADO, THAT:

Section 1: Title 3, Chapter 11 of the Littleton City Code, titled "*Massage Establishments*," is hereby repealed in its entirety and reenacted to read as follows:

3-11-1: PURPOSE AND AUTHORITY.

The purpose of this Chapter is to establish business licensure requirements and to regulate and prohibit unlawful activities to prevent the operation of illicit massage businesses within the

City of Littleton, in accordance with C.R.S. § 30-15-401.4, C.R.S. § 31-15-407, and C.R.S. § 24-33.5-424.5, as amended.

3-11-2: DEFINITIONS.

As used in this Chapter, unless the context otherwise requires:
As used in this Chapter, unless the context otherwise requires:

"Advertise" means to publish, display, or disseminate information and includes, but is not limited to, the issuance of any card, sign, or direct mail, or causing or permitting any sign or marking on or in any building or structure or in any newspaper, magazine, or directory, or any announcement or display via any televised, computerized electronic, or telephonic networks or media.

"Applicant" means an individual who has submitted an application to the Finance Director, or authorized designee, for an initial license or renewal of a license to operate a massage facility.

"Background check" means a fingerprint-based criminal history record check conducted in accordance with Section 3-11-8 of this Chapter and C.R.S. § 30-15-401.4(4)(c.5), performed in accordance with C.R.S. § 24-33.5-424.5 and 34 U.S.C. § 41101, utilizing the records of both the Colorado Bureau of Investigation and Federal Bureau of Investigation for state and national record checks, respectively, and also includes, to the extent allowed or required by C.R.S. § 30-15-401.4(4)(c.5)(VI), a criminal history record check using the Colorado Bureau of Investigation's records and a name-based judicial record check when a fingerprint-based criminal history record check cannot be completed or reveals a record of arrest without disposition.

"***Employee"*** means: (a) An individual who is employed by a massage facility; or (b) An independent contractor who is hired by a massage facility to perform work that is part of the routine operations of the massage facility. For the purpose of determining who is required to submit to a background check under this Chapter, "employee" does not include: (i) A massage therapist; or (ii) An independent contractor who performs janitorial services or other routine facility maintenance services for a massage facility and has no contact with or only incidental contact with clients of the massage facility.

"Erotic parlor" means a facility that entices clients through advertising or other business practices directed towards sexual desire, lust, or passion.

"*Finance Director*" – means the appointed Director of Finance for the City of Littleton, who is a municipal government employee, or their authorized designee.

"Authorized Designee" means a designated government employee, authorized, in writing, by the Finance Director, who satisfies all applicable state, federal, and law enforcement security standards to receive, review, and handle Criminal History Record Information (CHRI).

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"Fully clothed" means fully opaque, nontransparent material that must not expose an employee's genitalia or substantially expose the employee's undergarments.

"Illicit massage business" means a business that may provide massage but engages in human trafficking-related offenses, as described in C.R.S. §§ 18-3-503 and 18-3-504, or any other offenses as defined by state law or this Chapter.

"*Licensing Authority*" means the Finance Director, or their authorized designee, who possesses the direct oversight, administrative power, and legal authority to manage, review, and render decisions on background checks and their respective results.

"Massage" **or "*Massage Therapy"*** has the same meaning as defined in C.R.S. § 12-235-104(4).

"Massage Facility" means any place of business where massage therapy or full body massage is practiced or administered, subject to the exemptions in Section 3-11-4.

"Massage Therapist" has the same meaning as defined in C.R.S. § 12-235-104(5).

"Operator" means an individual that is licensed by the Finance Director to operate a massage facility in accordance with this Chapter, or a person that is operating a massage facility without a license within the City. For the purpose of determining whether a person is required to submit to a background check under this Chapter, "operator" does not include a massage therapist.

"Owner" means an individual other than an operator that holds a legal ownership interest in a massage facility; except that a person that is not involved in the operation of a massage facility and whose ownership interest consists only of stock in a publicly traded company that owns or operates a massage facility is not an owner. A massage therapist who holds a legal ownership interest in a massage facility is an owner for all purposes of this Chapter, including the background check requirements of Sections 3-11-8 and 3-11-9.

"Individual" means a natural person, partnership, association, company, corporation, or organization or managing agent, servant, officer, partner, owner, operator, or employee of any of them.

"Solo Practioner" means a licensed massage therapist, as defined in C.R.S. § 12-235-104(5), performing the practice of massage therapy independently.

"Table Shower" means an apparatus for the bathing or massaging of a person on a table or in a tub.

3-11-3: LICENSE REQUIRED; TERM; RENEWAL; TRANSFERABILITY.

A. License Required. No person shall operate a massage facility within the City without first obtaining a massage facility license from the Finance Director except as exempted in Section 3-11-4. A massage facility license shall be obtained prior to opening for business and operating as a massage facility.
B. Term and Renewal. A massage facility license expires on December 31 of the year in which it was issued. An application for renewal shall be submitted annually or before December 1.
C. Non-transferability. A license issued under this Chapter is not transferable to another person or to another location. A change in ownership requires a new application under 3-11-5. A change of location requires a new application and verification that the new location complies with all applicable zoning and land use regulations within Littleton City Code.
D. Notices of Changes. A licensee shall notify the Finance Director, or assigned designee, in writing within fourteen (14) business days of any change in operator, any owner, the designated contact for the facility, or the business or trade name under which the facility operates.

3-11-4: EXEMPTIONS.

The following are not massage facilities for purposes of this Chapter and are exempt from its licensure requirements:

A. Training rooms in public and nonpublic institutions of higher education, as defined in C.R.S. § 23-3.1-102(5);
B. Training rooms of recognized professional or amateur athletic teams;
C. Offices, clinics, or other facilities in which medical professionals licensed by the State of Colorado, or any other state, provide massage services to the public in the ordinary course of the medical profession;
D. Medical facilities licensed by the State;
E. Barber shops, beauty salons, and other facilities in which barbers and cosmetologists licensed by the State provide massage services to the public in the ordinary course of the profession;
F. Bona fide athletic clubs that are not engaged in the practice of providing massage therapy to members or to the public for remuneration, or if an athletic club does not receive more than ten percent (10%) of its gross income from providing massages to the club's members or to the public;
G. A place of business where a person offers to perform or performs massage therapy for seventy-two (72) hours or less in a six-month period as part of a public or charity event in which the primary purpose is not to provide massage therapy;
H. A place of business where massage therapy is provided as an ancillary amenity and not the primary service of the business, as may be further defined by rules adopted by the Finance Director; and
I. A place of business where a licensed massage therapist practices as a solo practitioner and: (1) either (a) does not use a business or assumed name, or (b) uses a business or assumed name and provides the massage therapist's full legal name or license number in each

advertisement and each time the business name or assumed name appears in writing; and (2) does not maintain or operate a table shower.

3-11-5: APPLICATION FOR LICENSE; FEES.

A. An applicant for a massage facility license shall submit a written application to the Finance Director, on forms prescribed by the Finance Department, which shall contain the following information:
   i. The full legal name, date of birth, and current address of the applicant, and of each owner;
      i. If a partnership, the name and address of each partner;
      ii. If a corporation, limited liability company, association, or other organization, the names and addresses of the principal officers, managing members, and each person holding an ownership interest of five percent (5%) or more;
   ii. The trade name or assumed name of the business, if any;
   iii. The business telephone number and email address;
   iv. The physical address of the massage facility to be licensed;
   v. Whether the premises are owned or leased by the applicant, and evidence of the applicant's right to legal possession of the premises;
   vi. A copy of a valid government-issued photo identification for the applicant and each owner;
   vii. Whether the applicant or any owner has previously been denied a massage facility license, or had a massage facility license suspended or revoked, in any jurisdiction, and any necessary explanation thereof;
   viii. A complete list of employees on site, with the start date of employment, full legal name, date of birth, home address, telephone number, and employment position of each employee;
   ix. Proof that each licensed massage therapist employed or contracted holds a valid massage therapy license issued by the Colorado Department of Regulatory Agencies (DORA) pursuant to C.R.S. Article 235 of Title 12; and
   x. Such other information as the Finance Director may reasonably require to administer this Chapter.

B. Fees.
   i. The fee for the issuance of an initial massage facility license, or the renewal thereof, shall not exceed one hundred fifty dollars ($150.00), as authorized by C.R.S. § 30-15-401.4(4)(a)(II). The fee shall not be based on the number of employees.
   ii. The fee may be adjusted annually for inflation, in accordance with state law, and may be rounded upward or downward to the nearest dollar.
   iii. Applicants, owners, prospective owners, employees, and prospective employees shall pay all costs associated with a fingerprint-based criminal history record check required under this Chapter.

3-11-6: APPLICATION REVIEW.

A. The Finance Director is designated to receive, review, approve, or deny applications for massage facility licenses.

B. The Finance Director may deny an application if:

i. A required administrative fee is not paid;

ii. The City's zoning or subdivision regulations do not allow for the operation of a massage facility at the proposed location;

iii. The applicant or an owner, prospective owner, or employee has been convicted of, or entered a plea of guilty or nolo contendere accepted by the court for, a felony or misdemeanor for: (a) Solicitation of a prostitute, as described in C.R.S. § 18-7-202; (b) A human trafficking-related offense, as described in C.R.S. §§ 18-3-503 or 18-3-504; or (c) Money laundering, as described in C.R.S. § 18-5-309;

iv. The applicant or an owner, prospective owner, or employee is registered as a sex offender, or is required by law to register as a sex offender, as described in C.R.S. § 16-22-103;

v. The applicant has one or more previous revocations or suspensions of a license to operate a massage facility in any jurisdiction;

vi. An employee of the massage facility has not submitted to a required background check before commencing employment, as required by Sections 3-11-8 and 3-11-9;

vii. The applicant or an owner or prospective owner has not submitted to a required background check at least thirty (30) days before being granted a license or assuming an ownership interest, as required by Sections 3-11-8 and 3-11-9; or

viii. Any other ground authorized by C.R.S. § 30-15-401.4, as amended.

C. Discretionary Denial for Fraud, Theft, or Embezzlement. The Finance Director may, in its discretion, deny an application after considering, in accordance with C.R.S. § 24-5-101, an applicant's, owner's, prospective owner's, employee's, or prospective employee's conviction of, or plea of guilty or nolo contendere accepted by the court for, a felony or misdemeanor for fraud or theft or embezzlement, as described in C.R.S. § 18-4-401. In exercising such discretion, the Finance Director shall consider any information provided regarding the criminal history, including evidence of mitigating factors, rehabilitation, character references, and educational achievements, especially the period of time between the person's last criminal conviction and the application date.

D. Temporary License. The Finance Director may issue a temporary massage facility license upon receipt of a completed application involving the sale or change of ownership of a business. A temporary license is valid for thirty (30) days and may be renewed every thirty (30) days until the license application is approved or denied.

E. Notice of Decision. The Finance Director shall issue a written decision on a completed application within thirty (30) days of receipt of a complete application. If an application is denied, the Finance Director shall promptly serve the applicant with written notice stating the ground(s) for denial and providing information on an appeal under Subsection F.

F. Appeal. An applicant, whose application is denied, or a licensee, whose license is suspended or revoked, may file a written request for hearing within fourteen (14) days after

service of the notice. An administrative hearing shall be heard in accordance with Title 1, Chapter 20 of the Littleton City Code.

3-11-7: OPERATIONAL REQUIREMENTS.

A. Every licensee under this Chapter shall comply with the following:
   i. Maintain on site a current list of all employees, including the start date of employment, full legal name, date of birth, home address, telephone number, and employment position of each employee;
   ii. Ensure that all employees and the licensee have valid government-issued identification, including, for licensed massage therapists, a form of identification required by C.R.S. § 24-34-107(1), available for immediate presentation to the Finance Director, its designees, or law enforcement upon request;
   iii. Ensure that all licensed massage therapists maintain copies of valid massage therapy licensure as required by Article 235 of Title 12, C.R.S., available for immediate presentation to the Finance Director, its designees, or law enforcement upon request;
   iv. Maintain a complete set of records, which may include accounts, invoices, payroll, and employment records, and a log book of all massage therapy administered at the facility. The log book shall include, at minimum, the date, time, and type of massage therapy administered and the name of the massage therapist administering the massage therapy. The licensee shall retain such records for a minimum of one (1) year. The Finance Director, its designees, or local law enforcement may inspect such records during business hours;
   v. Operate only during hours permitted by law and any applicable conditions of licensure;
   vi. Not permit any person who does not hold a valid license pursuant to C.R.S. § 12-235-107 to perform massage therapy at the facility; and
   vii. Comply with all other applicable federal, state, and local laws and regulations.

3-11-8: FINGERPRINT-BASED CRIMINAL HISTORY RECORD CHECKS.

A. Requirement. In investigating the fitness of any applicant, owner or prospective owner, or employee or prospective employee, the Finance Director shall require the person to submit to a fingerprint-based criminal history record check, as defined in this Chapter, conducted in accordance with C.R.S. § 24-33.5-424.5 and 34 U.S.C. § 41101.
B. Fingerprinting Process.
   a. The applicant, owner or prospective owner, or employee or prospective employee shall have his or her fingerprints taken by the Littleton Police Department or any third party approved by the Colorado Bureau of Investigation (CBI).
   b. The person shall authorize the entity taking the fingerprints to submit, and the entity shall submit, a complete set of fingerprints to the CBI for the purpose of conducting a fingerprint-based criminal history record check. If an approved third party takes the fingerprints, the fingerprints may be electronically captured using CBI-approved livescan equipment. Third-party vendors shall not retain the person's

information for more than thirty (30) days. The CBI shall use the submitter's fingerprints to conduct a criminal history record check using CBI's records. The CBI shall also forward the fingerprints to the Federal Bureau of Investigation for the purpose of conducting a fingerprint based criminal history records check. CBI, all submitters of fingerprints, the city and any entity taking the fingerprints shall comply with the Federal Bureau of Investigations requirements to conduct a criminal history record check.

c. Return of Results.
    1. The Finance Director shall use the information resulting from the criminal history record checks solely to investigate and determine whether a persolin is qualified to hold a license, or to be an owner or employee, pursuant to this Chapter.
    2. The Finance Director shall not share or disseminate criminal history record information received from the CBI or FBI to any private entity.
    3. Arrest Without Disposition. When the results of a fingerprint-based criminal history record check reveal a record of arrest without a disposition, the Finance Director shall require the person to submit to a name-based judicial record check, as defined in C.R.S. § 22-2-119.3(6)(d).

d. Consideration of Criminal History. When considering a person's criminal history record, the Finance Director shall also consider any information provided by the person regarding the criminal history, including, but not limited to, evidence of mitigating factors, rehabilitation, character references, and educational achievements, especially the period of time between the person's last criminal conviction and the date of application or employment, in accordance with C.R.S. § 24-5-101.

e. Costs. The applicant, owner or prospective owner, or employee or prospective employee shall pay all costs associated with the fingerprint-based criminal history record check.

f. Exemption for Licensed Massage Therapists. Consistent with C.R.S. § 30-15-401.4(2), a massage therapy license issued pursuant to C.R.S. Article 235 of Title 12 is not an "employee" or an "operator" for purposes of the background check requirements of this Section and Section 3-11-9, and is not required to submit to a background check under this Chapter. This subsection does not exempt a massage therapist who is also an owner, or who is also an applicant for a massage facility license, from the background check required of applicants and owner, and does not exempt any massage therapist from any other requirement of this Chapter.

3-11-9: TIMING OF BACKGROUND CHECKS.

A. Existing Operators, Owners, and Employees. Any person who is an operator, owner, or employee of a massage facility on the effective date of this Chapter shall submit to a background check on or before the date that is sixty (60) days after the effective date.

B. Prospective Employees. A prospective employee shall submit to a background check before commencing employment with a massage facility.

C. Prospective Operators and Owners. A prospective operator or owner shall submit to a background check at least thirty (30) days before, as applicable, being granted a license to operate a massage facility or assuming an ownership interest in a massage facility that would make the prospective owner an owner.

3-11-10: PROHIBITIONS ON OWNERSHIP AND EMPLOYMENT.

A. Ownership Prohibition. A person is prohibited from being an owner if the person:
   a. Has not submitted to a required background check at least thirty (30) days before assuming an ownership interest in a massage facility; or
   b. Has been convicted of, or entered a plea of nolo contendere accepted by the court for, an offense listed in Section 3-11-6(B)(3), or is registered as a sex offender or is required by law to register as a sex offender, as described in C.R.S. § 16-22-103.

B. Employment Prohibition. An operator or owner is prohibited from employing as an employee a person who has not submitted to a required background check pursuant to Sections 3-11-8 and 3-11-9.

C. Exception for Certain Employment Decisions. Notwithstanding subsection (B) of this Section and Section 3-11-12(A)(2), an operator or owner that learns that a prospective employee or current employee has been convicted of, or entered a plea of nolo contendere accepted by the court for, an offense listed in Section 3-11-6(B)(3), or is registered as a sex offender or is required by law to register as a sex offender, may hire or continue to employ such person at a massage facility if the operator or owner believes that employing the person does not pose a threat to customers or employees of the massage facility, in accordance with C.R.S. § 30-15-401.4(4.5)(c). This subsection does not create any exception to the ownership prohibition in subsection (A) of this Section, which the City is required by C.R.S. § 30-15-401.4(4.5)(a) to impose.

3-11-11: PROHIBITED ACTIVITIES.

A. The following activities are prohibited within the City:
   i. Allowing a person who does not hold a massage therapy license pursuant to C.R.S. § 12-235-107 to perform massage in a massage facility;
   ii. Advertising to a prospective client that services including prostitution, sexual acts, escort services, sexual services, or services related to human trafficking disguised as legitimate services, are available;
   iii. Permitting sexual acts or sexual services within or near a massage facility or in relation to massage therapy;
   iv. Denying inspection of a massage facility by law enforcement or inspectors of the Finance Director during business hours;
   v. Refusing, interfering with, or eluding immediate identification of employees of the massage facility to law enforcement or the Finance Director, or authorized designee;
   vi. Failing to immediately report to law enforcement any act of sexual misconduct occurring in a massage facility;

vii. Allowing an employee or contractor of a massage facility to provide massage therapy without being fully clothed;
viii. Requiring client nudity as part of a massage without the client's prior consent;
ix. Allowing a massage facility to be open and practicing massage therapy without a licensed massage therapist on the premises;
x. Permitting a person in a massage facility to make an agreement with an employee or contractor to engage in any prostitution-related offense in the massage facility or any other location;
xi. Permitting a massage facility to be used for housing, sheltering, or harboring any person, or as living or sleeping quarters for any person; except that an owner and the owner's family members who operate a massage facility as a home business are exempt from this prohibition; and
xii. Operating an erotic parlor on the premises of a massage facility.

3-11-12: SUSPENSION AND REVOCATION OF LICENSE.

A. The Finance Director, or its designees, may revoke or suspend a massage facility license if:
   a. The licensee employs a person who has not submitted to a background check, or an owner of the massage facility has not submitted to a background check, as required by Sections 3-11-8 and 3-11-9;
   b. The licensee employs a person who has been convicted of, or entered a plea of nolo contendere accepted by the court for, an offense listed in Section 3-11-6(B)(3), or who is registered as a sex offender or is required by law to register as a sex offender; or
   c. An owner of the licensed massage facility has been convicted of, or entered a plea of nolo contendere accepted by the court for, an offense listed in Section 3-11-6(B)(3), or is registered as a sex offender or is required by law to register as a sex offender.
B. The Finance Director may also revoke or suspend a license for violation of the prohibited activities listed in Section 3-11-11.
C. Temporary Suspension. The Finance Director may temporarily suspend a license, with a hearing to be scheduled within fifteen (15) days, when the Finance Director finds:
   a. The licensee willfully failed to disclose any information on the application as required;
   b. The licensee knowingly permitted a person who does not hold a valid license pursuant to C.R.S. § 12-235-107 to perform massage therapy;
   c. A pattern of activity that the massage facility is committing human trafficking-related offenses, as described in C.R.S. §§ 18-3-503 and 18-3-504; or
   d. The licensee failed to permit an inspection at a time the massage facility was open for business.

3-11-13: PENALTIES.

A. A law enforcement officer may follow the penalty assessment procedure described in C.R.S. § 16-2-201 for any violation of the prohibitions set forth in Section 3-11-11.
B. The City Council may adopt a graduated fine schedule for violations of Section 3-11-11 by resolution. A graduated fine schedule may provide for increased penalty assessments for repeat offenses by the same person.
C. A massage facility that engages in two (2) or more violations of this Chapter may be declared a public nuisance as described in C.R.S. § 16-13-303, unless the violation already constitutes a public nuisance under that section. The City Attorney may bring an action in the appropriate court for an injunction against such massage facility.
D. Operating a massage facility without the required license under this Chapter is a violation of this Code and may be enforced through any remedy available under this Code or state law.

3-11-14: REPORTING TO DORA.

The Finance Director, or authorized designee, may report information to the Colorado Department of Regulatory Agencies (DORA) regarding criminal activity involving a licensed massage therapist.

3-11-15: SOLO PRACTITIONER EXEMPTION PROCESS.

A. A solo practitioner who meets the criteria of Section 3-11-4(I) is not a massage facility and is exempt from the massage facility licensure requirements of this Chapter. A solo practitioner shall be required to register with the Finance Director, or authorized designee, on forms prescribed by the Finance Director, or authorized designee, for verification and enforcement purposes.
B. A solo practitioner registration shall be valid for a period of one (1) year from the date of issuance and shall be renewed annually. A solo practitioner shall notify the Finance Director, or authorized designee, within thirty (30) days if they cease to meet the criteria listed in Section 3-11-4(I) herein, including by employing, contracting with, subleasing to, or partnering with another person at the location, or by maintaining or operating a table shower, at which point the person shall apply for a massage facility license under Section 3-11-5.
C. The Finance Director, or authorized designee, may develop and maintain a solo practitioner exemption application form, which may require the solo practitioner to demonstrate compliance with the conditions of Section 3-11-4(I).

3-11-16 TRANSITION FOR EXISTING LICENSEES.

A. A person holding a valid massage establishment license issued under Title 3, Chapter 11 of the Littleton City Code as it existed before the effective date of this Chapter may continue to operate under that license until the earlier of its stated expiration date or one hundred eighty (180) days after the effective date of this Chapter, and shall apply for a massage facility license under this Chapter before that date.
B. A pending application filed before the effective date of this Chapter shall be reviewed under this Chapter. The Finance Director, or assigned designee, shall give the applicant a

reasonable opportunity to supplement the application with any information required by this Chapter that was not required at the time of filing.

Section 2: Severability. If any part, section, subsection, sentence, clause or phrase of this ordinance is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining sections of this ordinance. The City Council hereby declares that it would have passed this ordinance, including each part, section, subsection, sentence, clause or phrase hereof, irrespective of the fact that one or more parts, sections, subsections, sentences, clauses or phrases may be declared invalid.

Section 3: Repealer. All ordinances or resolutions, or parts thereof, in conflict with this ordinance are hereby repealed, provided that this repealer shall not repeal the repealer clauses of such ordinance nor revive any ordinance thereby.

INTRODUCED AS A BILL at a regularly scheduled meeting of the City Council of the City of Littleton on the 6th day of October, 2026, passed on first reading by a vote of ___ FOR and ___ AGAINST; and ordered published by posting at Littleton Center, Bemis Library, the Municipal Courthouse and on the City of Littleton Website.

PUBLIC HEARING on the Ordinance to take place on the 20th day of October, 2026, in the Council Chamber, Littleton Center, 2255 West Berry Avenue, Littleton, Colorado, at the hour of 6:30 p.m., or as soon thereafter as it may be heard.

PASSED on second and final reading, following public hearing, by a vote of ___ FOR and ___ AGAINST on the 20th day of October, 2026 and ordered published by posting at Littleton Center, Bemis Library, the Municipal Courthouse and on the City of Littleton Website.

ATTEST:

_____	_____
Colleen L. Norton	Kyle Schlachter
CITY CLERK	MAYOR

APPROVED AS TO FORM:

_____

Reid Betzing
CITY ATTORNEY

Staff Communication

File #: ID# 26-185, **Version:** 1

Agenda Date: 10/06/2026

Subject:
Motion to approve an amendment increasing the cost of the Plante Moran Engagement for the 2025 Fiscal Year Audit

From:	James L. Becklenberg, City Manager
Prepared by:	Laurie Matta, Finance Director
Presentations:	N/A

PURPOSE:
Pursuant to Section 33 of the Littleton City Charter, the City is required to engage certified public accountants to conduct an annual independent audit. Council approval is requested to amend the cost of the engagement with Plante Moran to complete the City's 2025 Fiscal Year audit.

LONG-TERM OUTCOME(S) SERVED:
High-Quality Governance

DISCUSSION:
The master agreement with the City's auditor firm, Plante Moran, anticipates annual audit services for up to five years, from 2023 through 2028. Each year, staff requests Council approval of an engagement letter outlining the services and fees for that year's audit.

The 2025 Fiscal Year audit has required additional time and resources due to financial reporting and reconciliation challenges associated with the City's implementation of Workday. Fiscal Year 2025 is the first full fiscal year in which the City has utilized Workday.

Beginning in October 2025, the City engaged a vendor to assist with Workday configuration challenges. Cost allocations and vendor automations required reconfiguration to ensure revenues and expenditures were accurately reported. The majority of the originally identified corrections were completed by May 1, 2026.

However, the current Workday configuration does not fully support the City's audit reporting requirements. As a result, financial statements have required significant manual preparation. These reporting limitations have continued to affect the Finance Department's ability to reconcile accounts and prepare accurate financial statements in a timely manner.

The resulting delays in the City's financial statement preparation also delayed the auditor's ability to complete audit procedures within the original anticipated timeframe. On June 11, 2026, the Mayor signed a request for an extension of the audit filing deadline with the State Auditor's Office. The State Auditor approved the extension on June 23, 2026.

The additional work for the City has caused additional work and project time for the auditors. Plante Moran has requested an amendment to this year's engagement letter agreement in the amount of $58,950 to complete the 2025 Fiscal Year audit.

BACKGROUND:
Section 33 of the Littleton City Charter requires the City to have an independent annual audit conducted by a registered or certified public accountant and limits the same accounting firm to five consecutive years of service.

In 2023, the City issued a Request for Proposals (RFP) for the selection of a new auditing firm. Mayor Schlachter and then Mayor Pro Tem Barr assisted staff with the proposal review and interview process. Plante Moran was subsequently recommended by the review committee and selected as the City's auditing firm.

Due to the financial reporting and reconciliation challenges associated with the City's Workday implementation, additional time is required to complete the audit.

Prior Actions or Discussions
On April 21, 2026, City Council approved the engagement letter with Plante Moran for the 2025 Fiscal Year audit.

FISCAL IMPACTS:
The original fees for the 2025 Fiscal Year audit were $117,900, which includes the required Single Audit. The additional cost associated with extending the audit engagement is $58,950. Approval of the amendment would result in a total audit cost of $176,850 for the 2025 Fiscal Year.

STAFF RECOMMENDATION:
Staff recommends that City Council approve the amendment increasing the cost of the Plante Moran engagement to complete the 2025 Fiscal Year audit.

ALTERNATIVES:
The City is required by the City Charter to complete an independent audit for each fiscal year. Council may decline to approve the additional cost; however, the audit must still be completed to satisfy the City's statutory and reporting requirements.

PROPOSED MOTION:
I move to approve the amendment increasing the cost of the Plante Moran engagement by $58,950, for a total cost of $176,850, to complete the City's 2025 Fiscal Year audit.

Plante & Moran, PLLC
1098 Woodward Avenue
Detroit, MI 48226-1906
Tel: 313.496.7200
Fax: 313.496.7201
plantemoran.com

September 1, 2026

Mr. Jim Becklenberg
City of Littleton
2255 W. Berry Avenue
Littleton, CO 80120

Dear Jim,

I wanted to reach out to you regarding the City of Littleton December 31, 2025 Audit Engagement. I wanted to provide you with an update regarding the impact of the City's continued challenges with its WorkDay implementation on our audit engagement.

As you know, our original fieldwork was scheduled for April and May 2026, and under normal circumstances, we would have completed the audit by this point. However, due to timing shifts in the availability of audit documents, journal entries, and related challenges, we have incurred significant additional out-of-scope time.

This additional work has required us to perform audit procedures outside the original engagement timeline and utilize more senior-level personnel than originally planned. Based on our analysis, we estimate the associated additional fees to be approximately $58,950, representing about 50% of the original audit fee. As a result, we are requesting a contract amendment of $58,950 to cover these unanticipated costs.

We appreciate the City's continued efforts to complete this audit and want to keep you informed as we proceed with the audit. Please let us know if you have any questions or would like to discuss these details further.

Thank you for your attention to this matter.

Best regards,

William Brickey, Partner

Plante & Moran, PLLC

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Empowering Business Globally

Staff Communication

File #: Resolution 69-2026, **Version:** 1

Agenda Date: 10/06/2026

Subject:
Resolution 69-2026: Approving an Intergovernmental Agreement between with the High Line Canal Conservancy for the 2024 grant award for High Line Canal stewardship projects regarding Phase 2 of the High Line Canal Irrigated Tree Planting Pilot Project

From:	James L. Becklenberg, City Manager
Prepared by:	Brent Soderlin, Director of Public Works & Utilities
	Mary Danser, City Forester
Presentations:	N/A

PURPOSE:
To approve a resolution authorizing an Intergovernmental Agreement (IGA) between the City of Littleton and High Line Canal Conservancy for the 2024 grant award for High Line Canal Stewardship Projects related to Phase 2 of the High Line Canal Irrigated Tree Planting Pilot Project.

LONG-TERM OUTCOME(S) SERVED:
Sustainable Community with Natural Beauty; High-Quality Governance

DISCUSSION:
Phase 2 Arapahoe County- Installation of 1.5” Irrigation Mainline, 1” PVC laterals and Appurtenances within and across the County’s High Line Canal property, as described on the AS-BUILT drawings 23268-3 Exhibit A (“Licensed Area”).

BACKGROUND:
The City of Littleton and the High Line Canal Conservancy are partnering to design and implement an irrigated tree planting pilot project on the High Line Canal. As Littleton assumes maintenance responsibilities for the Canal, including areas with unhealthy and declining tree populations, one priority is to better understand how to successfully and sustainably establish new trees on the corridor. This project will pilot the installation of permanent irrigation infrastructure within the corridor, The pilot will allow Littleton to evaluate implications for tree establishment and health, water use, and project costs, while also assessing the feasibility of implementing this approach along other segments of Canal in the future.

Prior Actions or Discussions
Arapahoe County Open Spaces Agreement passed Council 9/16/2025 as Resolution 87-2025.
Highline Canal Conservancy Agreement passed Council on 9/16/2025 as Resolution 88-2025.

FISCAL IMPACTS:
No change from original agreements, just time extension for completion and updated license agreement

attached.

Of the total cost of $353,000, the Arapahoe County Open Space grant is $233,000, and the High Line Canal Conservancy is providing a match of $120,000. There are no city funds associated with this project.

STAFF RECOMMENDATION:
Staff recommends approval of the resolution.

ALTERNATIVES:
If council does not approve the agreement, this outside funding source could be lost. This could affect the city's ability to secure future grant funding from Arapahoe County, hinder the city's relationship with the High Line Conservancy, and delay the project until another funding source is identified.

PROPOSED MOTION:
I move to approve Resolution 69-2026 approving an Intergovernmental Agreement with the High Line Canal Conservancy for the 2024 grant award for High Line Canal stewardship projects regarding Phase 2 of the High Line Canal Irrigated Tree Planting Pilot Project.

CITY OF LITTLETON, COLORADO

Resolution No. 69

Series, 2026

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF LITTLETON, COLORADO, AUTHORIZING AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE CITY OF LITTLETON AND THE HIGHLINE CANAL CONSERVANCY FOR THE 2024 GRANT AWARD FOR HIGH LINE CANAL STEWARDSHIP PROJECTS REGARDING THE PHASE 2 HIGH LINE CANAL IRRIGATED TREE PLANTING PILOT PROGRAM

WHEREAS, the Council may, by resolution, enter into contracts with other governmental bodies to furnish or receive governmental services, to make or pay for charges for such services and to enter into cooperative or joint activities with other government bodies; and

WHEREAS, the grant includes a total of $353,000 towards the project with Arapahoe County contributing $233,000 and the High Line Canal Conservancy contributing a match of $120,000, as set forth in the Agreement.

WHEREAS, the City of Littleton has received a grant from 2024 Arapahoe County Open Spaces grant program funds towards the High Line Canal Irrigated Tree Planting Pilot Program; and

WHEREAS, the Arapahoe County Open Spaces department has drafted an intergovernmental agreement regarding the grant that requires City Council approval; and

WHEREAS, the grant includes a total of $353,000 towards the project with Arapahoe County contributing $233,000 and the High Line Canal Conservancy contributing a match of $120,000, as set forth in the Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LITTLETON, COLORADO, THAT:

Section 1.

INTRODUCED, READ, AND ADOPTED at a regularly scheduled meeting of the City Council of the City of Littleton, Colorado, on the 6th day of October, 2026 at 6:30 p.m. at the Littleton Center, 2255 West Berry Avenue, Littleton, Colorado.

ATTEST:

_____
Colleen L. Norton
CITY CLERK

_____
Kyle Schlachter
MAYOR

APPROVED AS TO FORM:

_____
Reid Betzing
CITY ATTORNEY

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High Line Canal Funding Agreement
Project: Littleton Irrigated Tree Planting Pilot

THIS AGREEMENT ("Agreement") is made this 16th day of Setember, 2025 ("the Effective Date") by and between **CITY OF LITTLETON,** a home-rule city and political subdivision of the State of Colorado, whose address is 2255 W. Berry Avenue, Littleton, CO 80120 ("City"), and the **HIGH LINE CANAL CONSERVANCY,** a Colorado non-profit organization, whose address is 4010 E. Orchard Road, Centennial, Colorado 80121 ("Conservancy") (each individually, a "Party" and together referred to as the "Parties").

Recitals

A. The Plan for the High Line Canal (The Plan, 2019) identifies community priorities for the High Line Canal including improving the environmental health of the corridor.

B. The City and the Conservancy have partnered on tree planting and watering since 2021, shifting from truck watering trees to evaluating irrigation, to developing an irrigated tree planting pilot. The irrigated tree planting pilot is sometimes referred to as the "Project."

C. The Conservancy has engaged the community in the vicinity and tree planting is the top priority for nearby neighbors.

D. The Conservancy has committed funding to support implementation of the Project and has secured this funding.

E. The City has secured matching funding for the Project from Arapahoe County Open Spaces.

F. The City is prepared to advance construction of the Project in 2025 and has requested the Conservancy's share of funding.

G. The Conservancy is prepared to grant funds to the City for completion of the Project, subject to the terms and conditions set forth in this Agreement.

Agreement

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants herein, and the following terms and conditions, the Parties agree as follows:

1. Construction. The City shall construct the Project in substantial conformance with the plans, budget and uses attached hereto as Exhibit A (the "Plans and Budget").

2. Conservancy Funding. The Project is estimated to cost Three Hundred Fifty Three Thousand Dollars ($353,000.00) (the "Total Project Costs"), which Total Project Costs include construction contingency based on the Plans and Budget. Subject to the terms and conditions set forth in this Agreement, the Conservancy agrees to fund a portion of the design, engineering and construction of the Total Project Costs in an amount of One Hundred Twenty Thousand Dollars ($120,000.00) (the "Conservancy Contribution"). The Conservancy plans to

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expend a portion of the Conservancy Contribution directly on contracted design and engineering services. The Conservancy Contribution may only be used towards the costs set forth in the Plans and Budget and may not be used to pay for administrative costs (such as salaries associated with administering the Conservancy Contribution, office supplies, etc.), non-fixed assets (such as maintenance equipment) or other costs not already approved by the Conservancy in writing and set forth in the Budget.

3. Release of Funds. The Conservancy plans to expend funds associated with design and engineering of the Project. Once the designs are completed and accepted by the City, the Conservancy shall release the remaining Conservancy Contribution to the City. The Conservancy Contribution shall be used by the City solely to complete the Project, in substantial conformity with the Plans and Budget.

4. Project Modifications. The City may not make any Material Modifications to a Project without the prior written approval of the Conservancy. "Material Modifications" may include, but are not necessarily limited to, changes in the scope of the Project or changes to the design of the Project requiring alterations to the Plans and Budget. The City shall promptly inform the Conservancy of any anticipated Material Modifications. The City shall provide a request for a Material Modification to the Conservancy in writing (a "Material Modification Request"), together with documentation explaining the proposed Material Modification, and the Conservancy shall have [15] business days after receipt of the Material Modification Request and supporting documentation to approve or deny the Material Modification Request, or to ask for additional information. If no response is received by the City within this time period, the City shall proceed in good faith within the Project intent. The Conservancy will not unreasonably withhold approval of a Material Modification Request.

5. Project Deadlines. The City shall complete the Project in a timely fashion, in a good and workmanlike manner, free of mechanics liens and claims, in accordance with applicable laws, and consistent with this Agreement and the Conservancy's approvals related to the Project. The City shall complete the Project no later than November 2026 (a "Final Completion Date").

6. Extensions. If the City determines that the Project will not be completed by the Final Completion Date, the City may request an extension of such Final Completion Date by written request to the Conservancy, including detailed information regarding the reason for the delay (the "Extension Request"). Staff of the Conservancy ("Staff") shall review the first Extension Request and shall have 15 days after receipt of the Extension Request to approve or deny the Extension Request. Provided the City has been working diligently and in good faith towards completion of the Project, Staff will cooperate with the City in good faith to extend the Final Completion Date. The Conservancy will not unreasonably withhold approval of an Extension Request and acknowledges and agrees than an extension is appropriate in the event of unforeseen circumstances beyond the control of the City, including third party delays in granting the permits and approvals necessary for construction of the Project. Any subsequent Extension Request will require review by the Board of Directors of the Conservancy (the "Board"). The Board shall have 30 days after receipt of the Extension Request to approve or deny the Extension Request, which Extension Request may only be approved upon a showing that the delay was caused by unforeseen circumstances beyond the control of the City.

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7. Increased Total Project Costs. If at any time during its efforts to complete the Project, the City determines that the Total Project Cost will exceed the amount set forth in Section 2 of this Agreement, the City shall notify the Conservancy of the amount of difference and the reasons for the difference. Further, the City shall provide the Conservancy with an action plan that demonstrates the actions the City intends take to ensure completion of the Project, including any additional funding sources the City intends to utilize or Material Modifications the City believes are necessary to complete the Project (such as a reduction in scope). The Conservancy is under no obligation to provide any additional financial assistance beyond the Conservancy Contribution.

8. Unused Funds. If any portion of the Conservancy Contribution remains once the Project has been completed in accordance with the Plans and Budget, the remaining portion of the Conservancy Contribution shall be returned to the Conservancy unless an alternative use of funds is mutually agreed upon in writing by the parties. The City may not use any portion of the Conservancy Contribution towards any costs or projects other than the Project specified in this Agreement.

9. Maintenance. The City shall maintain the Project after their completion. The Conservancy shall not be liable for any cost of maintenance, management or operation of the Project.

10. Inspection. Throughout the term of this Agreement, the Conservancy shall have the right to inspect the Project to ascertain compliance with this Agreement.

11. Conservancy's Assumption of City Obligations. In the event that: (1) the City fails to complete the Project by its Final Completion Date and has not obtained an extension of such Project Completion Date; or (2) has obtained an extension of the Project Completion Date and thereafter fails to work diligently and in good faith to complete the Project, the Conservancy, or its designated representative, shall have the option, upon thirty days advance written notice to the City, to enter onto the subject property and take whatever steps are reasonably necessary to complete such Project (the "Assumption Option") in accordance with the approved Plans and Budget. In the event the Conservancy exercises the Assumption Option, the City shall be liable to the Conservancy for the reasonable costs incurred by the Conservancy to complete the applicable Project in accordance with the approved Plans and Budget. Within thirty (30) days of incurring a cost as part of its exercise of the Assumption Option, the Conservancy shall provide the City with written evidence of such cost and the City shall thereafter have 30 days to reimburse the Conservancy for the cost.

12. Breach.

a. City's Breach. In the event the City breaches any of the terms, covenants, representations, or conditions of this Agreement, the Conservancy may elect to enforce any and all remedies available at law or in equity, including without limitation, any of the following:

i. Deny the City eligibility for participation in future Conservancy funding opportunities or projects.

ii. Seek specific performance of the City's obligations under this Agreement;

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iii. Seek reimbursement of part or all of the Conservancy Contribution; and

iv. Exercise the Assumption Option described in Section 11 of this Agreement.

b. Conservancy's Breach**.** In the event the Conservancy breaches any of the terms, covenants, representations, or conditions of this Agreement, the City may elect to enforce any and all remedies available at law or in equity, including without limitation, any of the following:

i. Deny the Conservancy eligibility for participation in future City funding opportunities or projects; and

ii. Seek specific performance of the Conservancy's obligations under this Agreement.

c. The foregoing remedies are cumulative and may be exercised independently or in combination and are not exclusive to one another or to any other remedies available at law or in equity. If a Party must pursue any remedy hereunder and is the substantially prevailing party, such Party shall be awarded its costs and reasonable legal fees, including costs of collection.

13. Indemnification.

a. Except to the extent that the injuries to person or property of third parties arise due to the negligence of willful misconduct of the City, its agents, employees and contractors, (for which the City agrees to indemnify the Conservancy as provided below), and to the extent permitted by law, the Conservancy hereby agrees to protect, defend, indemnify and hold harmless the City, its members, officers, agents, volunteers, council members and employees from any and all liabilities, losses, suits, claims, judgments, fines and demands (including reasonable legal fees) for injuries to third parties or property arising out of the negligence or willful misconduct of the Conservancy in undertaking the obligations of the Conservancy under this Agreement.

b. Except to the extent that the injuries to person or property of third parties arise due to the negligence or willful misconduct of the Conservancy (for which the Conservancy agrees to indemnity the City as provided below), and to the extent permitted by law, the City hereby agrees to protect, defend, indemnify and hold harmless the Conservancy, its members, officers, agents, volunteers, board members and employees from any and all liabilities, losses, suits, claims, judgements, fines and demands (including reasonable legal fees) for injuries to third parties or property and for any other matter arising out of relating to the negligence or willful misconduct of the City, its agents, employees and contractors in performing the obligations of the City under this Agreement.

c. The Parties shall require their respective contractors performing work for the Project to list the Parties as additional insured on their coverage.

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14. Audits and Accounting. The City shall maintain standard financial accounts, documents, and records relating to the construction, use, and management of the Project. The accounts, documents, and records related to the Project shall be retained by the City for not less than 3 years following the date of disbursement of the Conservancy Contribution. The Conservancy, or its designated agent, shall have the right, upon reasonable notice to the City, to audit the books and records of the City which pertain to the Project and to the use and disposition of the Conservancy Contribution.

15. Ownership of Design Documents. All design documents prepared in connection with the Project (the "Design Documents") are the joint property of the Conservancy and the City.

16. Good Faith. There is an obligation of good faith on the part of both Parties, including the obligation to make timely communication of information which may reasonably be believed to be material to the other Party.

17. Notice. Any notice required to be given by the terms and provisions of this Agreement or by any law or governmental regulation, by the Parties, shall be in writing (unless otherwise required by such law or regulation) and (a) shall be deemed to have been served and given upon personal delivery or (b) shall be deemed to have been served and given upon receipt if sent by electronic mail transmission or (c) shall be deemed to have been served and given two (2) business days after deposited by either registered or certified mail in a United States mail chute or general or branch United States post office with postage fully prepaid thereon with return receipt requested or (d) shall be deemed to have been served and given on (1) business day after being sent by overnight delivery from a location in the United States with a nationally recognized overnight courier service providing for written receipt. Notice shall be delivered or addressed to the Party hereto to who directed at the following address:

To the Conservancy:	High Line Canal Conservancy 4010 E. Orchard Road Centennial, CO 80121 Attn: Suzanna Fry Jones suzanna@highlinecanal.org
With a Copy To:	Kaplan & Kirsch LLP 1675 Broadway, Suite 2300 Denver, CO 80202 Attn: Heather Haney hhaney@kaplankirsch.com
To the City:	City of Littleton 2255 W. Berry Avenue Littleton, CO 80120 Attn: James Becklenberg jbecklenberg@littletongov.org

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With a Copy To: City of Littleton
2255 W. Berry Avenue
Littleton, CO 80120
Attn: Reid Betzing
rbetzing@littletongov.org

18. No Joint Venture. Nothing in this Agreement shall be construed to create a joint venture, partnership, employer/employee or other relationship between the Parties hereto other than independent contracting parties. Except as permitted under the Assumption Option provisions hereunder, neither Party shall have the express or implied right to act for or on behalf of, or in the name of, the other Party.

19. Compliance with Regulatory Requirements. The City hereby assumes responsibility for compliance with all regulatory requirements in all applicable areas, including but not limited to entitlements and regulatory permits, nondiscrimination, worker safety, local labor preferences, preferred vendor programs, equal employment opportunity, use of competitive bidding, local, state and federal regulations and environmental laws, and other similar requirements.

20. Miscellaneous. The following provisions apply:

a. Modifications. This Agreement or any part thereof may not be modified, except by written agreement executed by both Parties.

b. Applicable Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado. The Parties agree that the proper venue, in the event of litigation concerning this matter, shall be Arapahoe County, Colorado.

c. Assignment. The City may not assign its rights under this Agreement without the consent of the Conservancy, which consent may be withheld in the Conservancy's sole discretion. Any assignment shall require that, at a minimum, the assignee is eligible to receive funding from the Conservancy and assumes the City's ongoing obligations under this Agreement.

d. Severability. If any provision of this Agreement shall be held invalid, illegal or unenforceable, the validity of all other provisions shall in no way be affected.

e. Waiver. The failure of either Party to enforce a term hereof shall not be deemed a waiver of such term or right of enforcement as to that breach or any subsequent breach of the same, similar or different nature. No waiver shall be enforceable hereunder unless signed by the Party against whom the waiver is sought to be enforced.

f. Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes all previous agreements and understandings related to the work to be performed under this Agreement.

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g. Survival. The terms and provisions of this Agreement and the Parties' covenants hereunder shall survive the funding of the Conservancy Contribution and the completion of the Project.

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IN WITNESS WHEREOF, the Parties have executed this Agreement as of the Effective Date.

[SIGNATURE BLOCKS TO BE ADDED]

HIGH LINE CANAL CONSERVANCY

Signed by:
Suzanna Fry Jones
89A855842F2440...
Suzanna Fry Jones

CITY OF LITTLETON, CO

ATTEST

DocuSigned by:
523C318589A149B...
MAYOR

DocuSigned by:
CF35EE7F41B64D4...
CITY CLERK

APPROVED AS TO FORM

DocuSigned by:
Reid Betzing
B0891B8367A4F3...
CITY ATTORNEY

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EXHIBIT A

Plans and Budget

Docusign Envelope ID: AE204F18-A481-4EE5-90C1-7801364BF858

AGREEMENT DATE:_____
(To be completed by Denver Water – Property Management)

HIGH LINE CANAL LICENSE AGREEMENT

THIS LICENSE AGREEMENT ("**Agreement**") is made between the BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF ARAPAHOE, a body corporate and political subdivision of the State of Colorado ("**County**"), and CITY OF LITTLETON, a home rule municipality of the State of Colorado **Licensee**"). The term "**Licensee**" includes employees, agents, and contractors of the Licensee. The parties to this Agreement may be referred to individually as "**Party**" and collectively as "**Parties**." The Parties agree as follows:

AGREEMENT

1. GRANT: The County, for itself and its successors and assigns, subject to the terms and conditions of this Agreement, authorizes the Licensee to construct, utilize, maintain, repair, and reinstall (collectively "**Work**") 1.5-INCH HDPE IRRIGATION MAINLINE, 1-INCH PVC LATERALS AND APPURTENANCES ("**Installation**") within and across the County's High Line Canal property at the location described on the AS-BUILT drawings 23268-3 **Exhibit A** ("**Licensed Area**"). The Licensee shall maintain

2. LICENSE FEE AND OTHER COSTS: The Licensee shall pay the following fees:

~~2.1. $2,000 license fee made payable to "Arapahoe County Open Spaces" for the rights granted by this Agreement plus associated administrative fees.~~

2.2. Denver Water's then-current fee for its administrative work to create this Agreement.

3. PAST RIGHTS AND CONVEYANCES:

3.1. The rights and privileges granted in this Agreement are subject to all prior agreements, licenses, leases, grants, permits, rights-of-way, reservations, and conveyances, whether recorded or unrecorded, related to the Licensed Area. However, to the extent this Agreement conflicts with another agreement between the Parties concerning use and maintenance of the overall High Line Canal corridor within the Licensee's jurisdiction, this Agreement shall control.

3.2. The Licensee shall take extra care to familiarize itself with the limitations and reservations included in the Deed of Conservation Easement for the High Line Canal recorded against the property in the Clerk and Recorder's Office of Arapahoe County on June 12, 2024, at Reception Number E4036703.

4. COUNTY'S RETAINED INTERESTS:

4.1 The County reserves unto itself, its successors and assigns, the right to make full use of the Licensed Area as may be necessary or convenient in the County's operation and maintenance of the County's property and facilities. The County will make reasonable attempts not to damage the Installation(s); however, should damage occur, the County will not be responsible for any such damage. The Licensee shall make all necessary accommodations for the County's vehicles and/or work that may be taking place at or around the Licensed Area.

4.2 In the event the Installation(s) interferes with the County's use, maintenance, or operation of the property, the County in its sole discretion may require the Licensee to relocate, rearrange, modify, or remove the Installation(s) at the Licensee's sole expense. The Licensee shall relocate, rearrange, or modify the Installation(s) within a timeframe and in compliance with the requirements that the County designates, or the Licensee may terminate this Agreement.

5. DENVER WATER'S RETAINED INTERESTS:

5.1 Denver Water has reserved an easement to make full use of the Licensed Area for the purposes of constructing, extending and adding to, maintaining, conducting, operating, and permitting other water providers' use of a water works system and plant and everything necessary, pertaining, or incidental thereto.

5.2 In the event the Installation(s) interferes with Denver Water's use, maintenance, or operation of its facilities, Denver Water, in its sole discretion, may require the Licensee to relocate, rearrange, modify, or remove the Installation(s) at the Licensee's sole expense. The Licensee shall relocate, rearrange, or modify the Installation(s) within a timeframe and in compliance with the requirements that Denver Water designates, or the Licensee may terminate this Agreement.

5.3 The Licensee, to the extent permitted by law, agrees to indemnify, hold harmless, and defend Denver Water against any liability, damages, costs, expenses, claims, injuries, and losses of whatever nature arising in any way out of this Agreement, including but not limited to any expenses incurred by Denver Water as a result of damages to Denver Water's property, to the extent caused by any negligent act or omission or willful misconduct of the Licensee or the Licensee's officers, subcontractors, agents, or employees.

6. PRE-WORK INSPECTION: The Licensee shall notify the County at least 15 days prior to the commencement of any Work so that the County may make any inspections of the Licensed Area the County deems necessary before such Work begins.

7. PRE-WORK NOTICE: The Licensee shall notify the County's Public Works and Development Department at 720-874-6500 and Denver Water's representative at 303-634-3402 during regular working hours at least 48 hours prior to commencing any Work within the Licensed Area so that the County and/or Denver Water may have an inspector present during such Work. In the event of an emergency, the Licensee shall notify the County's Public Works and Development Department at 720-874-6500.

8. PROOF OF LOCATES: Licensee shall obtain, or require its contractors and any subcontractors to obtain, proof of clear locates for all Work in connection with this Agreement in compliance with applicable law.

9. WORK PLANS AND SPECIFICATIONS: Any Work initiated under this Agreement shall be performed and completed at no expense to the County according to the plans and specifications approved by the County in writing and in compliance with all applicable County standards. The Licensee represents and warrants that initial Installation(s) authorized by this Agreement shall be constructed in accordance with the plans and specifications identified as SHEETS LS201 & LS202 – CANAL TRAIL & BANK SECTIONS and dated 8/26/2026.

9.1. Different Location. If any Installation(s) location is reasonably determined by the County to be materially different from the approximated location shown on any plans and specifications approved by the County, the County may require the Licensee to undertake corrective work at the Licensee's sole expense. If the County does not require corrective work, the County may notify the Licensee of such determination, and this Agreement shall be deemed amended, effective as of the date of the County's notice and without further action by the Parties.

9.2. Right to Inspect. The Licensee shall notify the County upon completion of any Work; upon receipt of such notice, the County may elect to inspect such Work and require the Licensee to undertake corrective work at the Licensee's sole expense if the Work fails to conform to the approved plans and specifications; the County's applicable standards; federal, state, or local laws; or any applicable industry standards.

10. RIGHT TO SUSPEND WORK: Notwithstanding any other provision in this Agreement, the County has the right to suspend the performance of any Work under this Agreement without any liability if the County, in its sole discretion, determines that the Licensee or any of its contractors or any subcontractors failed to comply with the terms of this Agreement. The County shall not be liable for any delays in the completion of the Work that result from the suspension under this paragraph.

11. OWNERSHIP; OPERATION & MAINTENANCE OF INSTALLATION: The Licensee shall own the Installation(s). Until this Agreement is terminated, the Licensee shall ensure that the Installation(s) is operated and maintained, at no expense to the County, in good repair, including but not limited to removing graffiti and paying for all utilities needed for the continuous operation of the Installation(s), and in full compliance with all federal, state, and local laws, permitting requirements, and applicable industry and County standards. If the Installation(s) includes any kind of underpass, bridge, or other infrastructure capable of providing shelter, and it becomes the location of any kind of human encampment, the Licensee shall be solely financially responsible for clearing the encampment and restoring the site to its preexisting condition within 30 days of notification by the County. The Licensee shall follow the underlying jurisdiction's policies on encampment cleanups.

12. COUNTY'S ACCESS: The Licensee shall conduct all Work in such a manner that the County shall have full and complete access to the Licensed Area at all times. The Licensee shall not obstruct any access roadways or ingress to or egress from such roadways.

~~13. CURB CUT AND TRANSITION DETAIL: The Licensee shall construct and maintain all necessary, in the opinion of the County, curb cuts from the Installation(s) to any roadways and any access roads at no expense to the County. All such access roads and curb cuts shall be depicted on the plans and specifications provided to the County, shall be at locations approved in writing by the County, and shall comply with Denver Water's curb cut detail, a copy of which is attached as **Exhibit B**. The Licensee shall not obstruct County roadways or ingress to or egress from such roadways.~~

14. DETOURS: The Licensee shall take whatever steps are necessary to route traffic during any Work and provide directions through the use of signs. Any of the County's roads or acceptable alternatives must be open and accessible to the County's personnel and equipment at all times.

15. TRENCHES AND EXCAVATIONS: All trenches, excavations, backfill and tamping shall be in accordance with the then-current applicable Denver Water Engineering Standards and Capital Project Construction Specifications and subject to approval by the County's representative.

16. UNDERGROUND LINES: Underground electric power line installations shall be encased in rigid steel conduit and/or concrete within the Licensed Area. Facilities owned by the County or Denver Water must not be included in any concrete encasement.

~~17. MARKER POSTS: The Licensee shall place two permanent marker posts, one at each end of the Installation(s) and on its centerline, to the satisfaction of the County's representative. Each permanent marker post shall be filled with concrete and installed to allow a three-foot extension above the surface of the ground. The marker posts shall extend a minimum of two feet below the surface of the ground and be encased in concrete. Each marker post shall have the type, size, and depth of the Installation clearly marked with 1½ inch stenciling.~~

18. SERVICE LINES: All service lines within the Licensed Area shall be installed in a manner satisfactory to the County's representative.

~~19. OVERHEAD CLEARANCE: The Licensee shall maintain a minimum overhead clearance of 25 feet over the High Line Canal. No portion of the Installation(s) shall extend below the stringers of any bridge to which it is attached.~~

20. ENVIRONMENTAL: The Licensee shall comply with all applicable laws and ordinances and all rules, regulations, and requirements of any governmental authority controlling environmental standards and conditions of the Licensed Area. If, as a result of the Licensee's occupancy of the Licensed Area, any such law, ordinance, rule, or regulation is violated, the Licensee shall, to the extent permitted by law, protect, save harmless, defend, and indemnify the County from and against any penalties, fines, costs, and expenses including legal fees and court costs incurred by the County, caused by, resulting from, or connected with such violation or violations. In addition, but without limiting the foregoing, the Licensee shall comply with the following:

20.1. Hazardous Material. The Licensee shall not cause or permit any Hazardous Material to be brought upon, kept, or used in or about the Licensed Area by the Licensee, its agents, employees, or contractors without the express written permission of the County.

20.2. Indemnification. If the Licensee breaches the obligations stated in the preceding subparagraph, or if the presence of the Hazardous Material on the Licensed Area caused or permitted by the Licensee results in contamination of the Licensed Area, or if contamination of the Licensed Area by the Hazardous Material otherwise occurs for which the Licensee is legally liable to the County, then to the extent permitted by law the Licensee shall, indemnify, defend, and hold the County harmless from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses (including, without limitation, diminution in value of the Licensed Area, damages for the loss or restriction on use of rentable or usable space or of any amenity of the Licensed Area, damages arising from any adverse impact on marketing of space, and sums paid in settlement of claims, attorney fees, consultant fees and expert fees) which arise during or after the term of this Agreement as a result of such contamination. This indemnification of the County by the Licensee, includes, without limitation, costs incurred in connection with any investigation of site conditions or any cleanup, remedial, removal, or restoration work required by any federal, state, or local governmental agency or political subdivision because the Hazardous Material is present in the soil or groundwater on or under the Licensed Area.

20.3. Cleanup. If the presence of any Hazardous Material on the Licensed Area caused or permitted by the Licensee results in any contamination of the Licensed Area or other County property, the

Licensee shall, at its sole expense and after obtaining the County's written approval, promptly take all actions that are necessary to clean the contamination and return the Licensed Area and other County property to the condition existing prior to the introduction of any such Hazardous Material to the Licensed Area. The cleanup of the contamination shall be in compliance with all applicable state and federal standards.

20.4. Definitions. The term "**Hazardous Material**" means any hazardous or toxic substance, material, or waste that is or becomes regulated by any local governmental authority, the State of Colorado, or the United States. The term "Hazardous Material" includes without limitation any material or substance that is (i) defined as a "hazardous substance" under appropriate state law provisions; (ii) petroleum; (iii) asbestos; (iv) designated as a "hazardous substance" pursuant to Section 311 of the Federal Water Pollution Control Act (33 U.S.C. §1321); (v) defined as a "hazardous substance" pursuant to Section 101 of the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601); or (vi) defined as a "regulated substance" pursuant to Subchapter IX, Solid Waste Disposal Act (Regulation of Underground Storage Tanks) (42 U.S.C. § 6991).

21. ENDANGERED SPECIES ACT: Certain County properties may contain habitat for listed "threatened" or "endangered" species under the Endangered Species Act ("**ESA**"). Licensee shall be responsible for determining the presence of such habitat and taking measures to comply with the ESA and all other applicable federal laws.

22. TREES: The Licensee shall provide means, acceptable to the County, to protect the existing trees above and below ground from any damage or disruption caused by any Work. If the Work requires clearance, trimming, or complete removal of trees located within Licensed Area, the Licensee must obtain prior written permission from the County. The Licensee will be responsible for all cleanup of any trimmings and the removal of logs, branches, limbs, and other debris. The Licensee shall coordinate with the County on a plan to replace any trees and other vegetation (including re-seeding) disturbed or removed due to any Work. Replacement of trees and re-seeding shall be in accordance with the then-current policies of the County and the High Line Canal Natural Resource Management Plan.

23. WATER FLOW AND DISCHARGE: The Licensee shall not interfere with the flow of water in the High Line Canal and shall assume all risks incident to the presence of water in the High Line Canal. The Licensee shall not discharge water into or upon any of the Licensed Area or surrounding County property. The Licensee shall provide for carriage of any water over or across the Licensed Area or County property in a manner satisfactory to the County's representative.

24. CANALS/DITCHES:

24.1. Clean Water Act. The High Line Canal between Sand Creek and the most westerly unnamed drainage located in Section 34 constitutes jurisdictional "Waters of the United States," subject to the federal Clean Water Act (33 U.S.C. § 1251 *et seq.*). The Licensee shall be responsible for complying with the federal Clean Water Act and obtaining any necessary permit(s) from the proper regulatory authority prior to conducting its activity. The Licensee shall supply the County with documentation providing that such authority has been obtained or that such permission is not required by the regulatory authority.

24.2. Recreation. The County has authorized certain recreational activities along and within the High Line Canal property. In addition to all other notices required by this Agreement, at least 48 hours prior to the commencement of any Work within the Licensed Area, the Licensee shall notify the Recreational Use Entity, South Suburban Parks and Recreation at 303-795-9856, and the High Line Canal Conservancy, Conservation Easement holder, at 720-767-2452. All paved trails and other recreational improvements within the Licensed Area shall be restored to their pre-existing condition to the satisfaction of the Recreational Use Entity. The Licensee shall comply with all the Recreational Use Entity's requirements to ensure the safety of the general public and to minimize interference with recreational use on the Licensed Area.

24.3. Irrigation. Denver Water uses the High Line Canal as an irrigation facility. Irrigation season is from April 1st until November 1st each year, and diverted water may be flowing in the High Line Canal during this time. Additionally, water may be flowing in the canal other times during the year. No Work may be undertaken during April 1st through November 1st unless special written authorization is obtained from Denver Water's Director of Source of Supply at 303-634-3515 or email ian.oliver@denverwater.org prior to the commencement of Work.

~~24.4. Cut-off Walls. The Licensee shall place reinforced concrete cut-off walls at locations determined by the County as shown on the plans and specifications identified in Paragraph 9 above. Each cut-off wall shall be constructed in accordance with Denver Water's then-current **Capital Projects Construction Standards 4th Edition**, as they may be updated and revised from time to time, and the excavation, forming, and steel placement of each cut-off wall shall be inspected and approved in writing by the County's representative prior to placement of concrete.~~

25. CLEANUP AND RESTORATION: The Licensee will use all reasonable means to prevent any loss or damage to the County or to others resulting from the construction, operation, maintenance, repair, modification, replacement, or removal of the Installation(s).

25.1. Within 21 days from the date of completion of any Work, the Licensee shall clear the Licensed Area and any other affected property of all construction debris, supplies, materials, and equipment, and shall restore the Licensed Area and any other affected property and any damaged roads and fencing to the condition in which they existed as of the Effective Date as nearly as may be possible to the satisfaction of the County's representative. Restoration and clearing of the surface shall include, but not be limited to, replacement of the topsoil in cultivated and agricultural areas, removal of any excess earth resulting from the Work, and/or reseeding described in the then-current Denver Water **Capital Projects Construction Standards Section 32 91 00 Planting Preparation and Section 32 92 00 Turf and Grasses**. Restoration of the roads shall include, but is not limited to, resurfacing.

25.2. If the Licensee does not restore and clear the Licensed Area and any other affected property to the satisfaction of the County and/or within the timeframes set forth for restoration in this Agreement, the County may complete the clearing and/or perform the restoration at the sole expense of the Licensee.

25.3. Any repair or replacement of any County facilities or property, other than roads and fencing, made necessary in the opinion of the County's representative because of any Work performed pursuant to this Agreement, shall be made by the County at the sole expense of the Licensee.

25.4. Licensee's obligations under paragraph 25 shall survive termination of this Agreement.

26. NO LIENS: The Licensee shall pay for all materials joined or affixed to the Licensed Area, shall pay in full all persons who perform labor upon the Licensed Area, and shall obtain and provide to the County lien releases for all such materials and labor. The Licensee shall not permit any mechanic's or materialman's lien of any kind or nature to be enforced against the Licensed Area for any Work done and materials furnished on the Licensed Area at the instance, request, or on behalf of the Licensee.

27. APPROVAL OF CONTRACTORS: Prior to commencing any Work under this Agreement, the Licensee shall submit to the County a list of all contractors and subcontractors that will be performing the Work in connection with this Agreement; no Work may commence until the County, in its sole and absolute discretion, has approved such contractors and subcontractors in writing. The Licensee understands and agrees that only those contractors and subcontractors whose operations are covered by the insurance required by this Agreement and that have been pre-approved by the County as required by this Agreement are authorized to work upon or about the Licensed Area. The Licensee shall require its agents, employees, and all approved contractors and subcontractors performing Work pursuant to this Agreement to comply with each of the terms and conditions of this Agreement.

28. INSURANCE:

28.1. The Licensee shall purchase and maintain insurance of the kinds and in the minimum amounts specified below or shall self-insure in the same amounts, and, for all contractors, the Licensee shall require such contractors to maintain insurance for the performance of all Work under this Agreement in accordance with applicable state laws in the minimum amounts specified below:

28.1.1. Workers' Compensation and Employer's Liability: Coverage shall include a waiver of subrogation in favor of Arapahoe County.

Minimum Limits:

- Workers' Compensation – statutory limits
- Employer's Liability:
  - $1,000,000 bodily injury for each accident
  - $1,000,000 each employee for disease
  - $1,000,000 disease aggregate

28.1.2. Commercial General Liability: Maintain commercial general liability insurance covering all operations on an occurrence basis against claims for bodily injury, property damage (including loss of use), and personal injury.

Minimum Limits:

- $1,000,000 each occurrence
- $2,000,000 general aggregate with dedicated limits per project site
- $2,000,000 products and completed operations aggregate

Coverages:

- Contractual Liability
- Independent Contractors
- Defense in addition to the limits of liability

- Severability of Interests Provision
- Products and completed operations coverage maintained for at least two years after completion of the project, for construction contractors only
- Additional Insured Endorsement issued to Arapahoe County, Colorado, its officers, its agents, and its employees acting in the scope of their employment

28.1.3. Automobile Liability: Maintain business auto liability coverage covering liability arising out of any auto (including owned, hired, and non-owned autos) used in connection with this Agreement:

Minimum Limit:

- $1,000,000 Combined Single Limit Each Accident

Coverages:

- Additional Insured Endorsement issued to Arapahoe County, Colorado, its officers, its agents, and its employees acting in the scope of their employment

28.2. The above-mentioned coverages shall be procured and maintained with insurers with an A- or better rating, as determined by Best's Key Rating Guide. All coverages shall be continuously maintained during the term of this Agreement or as noted above to cover all liability, claims, demands, and other obligations assumed by the Licensee.

28.3. Additional Insured status required above shall be primary and non-contributory with any insurance or self-insurance carried by the County. The Licensee shall be solely responsible for any deductible losses under any policy required above.

28.4. The policies shall provide that the County will receive notice no less than 30 days prior to cancellation, termination, or non-renewal of the policies.

28.5. The Licensee shall not be relieved of any liability, claims, demands, or other obligations assumed pursuant to this Agreement by reason of its failure to procure or maintain insurance, or by reason of its failure to procure or maintain insurance in sufficient amounts, durations, or types.

28.6. Failure on the part of the Licensee to procure or maintain policies providing the required coverages, conditions, and minimum limits shall constitute a material breach of contract upon which the County may immediately terminate this Agreement.

29. INSURANCE CERTIFICATES:

29.1. At the time of executing this Agreement, the Licensee shall deliver to the County (i) a letter of self-insurance with respect to the Licensee and, (ii) with respect to the Licensee's contractors, Certificates of Insurance as evidence that policies providing any and all required coverages and limits are in full force and effect.

29.2. These certificates and letter of self-insurance will serve as an indication to the County that the Licensee has acquired all necessary insurance; however, the County may require that certified copies of the insurance policies be submitted.

29.3. Insurance limits must be indicated on each Certificate of Insurance. Each Certificate of Insurance shall be reviewed and approved by the County prior to commencement of Work under this Agreement. The certificates shall identify this Agreement where applicable.

30. INDEMNIFICATION: The Licensee shall be responsible for any liability, loss, damage, or expense (including court costs and attorney fees) of every kind and nature arising out of any breach by the Licensee, its officers, agents, or employees (or Licensee's contractors or subcontractors and any of their officers, agents, or employees) of any of Licensee's obligations set forth in this Agreement. The Licensee shall also contractually require all contractors and/or subcontractors performing Work pursuant to this Agreement to defend, indemnify, and hold harmless the County, its officers, members, managers, agents, and employees against any liability, loss, damage, injury, death, demand, claim, action, cause of action, or expense of whatever nature, kind, or description (including but not limited to court costs, attorneys' fees, and expenses incurred by the County as a result of damages to the County's property or facilities), directly or indirectly arising out of, resulting from, or related to (in whole or in part) this Agreement, any rights or interests granted pursuant to this Agreement, occupation and use of the Licensed Area by such contractors and/or subcontractors, any act or omission of such contractors and/or subcontractors, as well as each of their officers, directors, members, managers, and employees. The Licensee's obligations under this paragraph shall survive termination of this Agreement.

31. RISK OF LOSS: All personal property, including, but not limited to, fixtures, equipment, vehicles, supplies, and related materials, upon the Licensed Area will be at the risk of the Licensee only, and the County shall not be liable for any damage to or theft or vandalism of such personal property.

32. NO ASSIGNMENT; NO RECORDING: The Licensee agrees and understands that privileges granted by this Agreement are personal to the Licensee, that this Agreement does not grant the Licensee any property interest in the Licensed Area, and that this Agreement shall not inure to or for the benefit of the Licensee's successors or assigns. The Licensee shall not assign this Agreement and shall not record this Agreement.

33. ABANDONMENT: If the Licensee does not use the right granted in this Agreement or its Installation(s) for a period of one year, the County may, at its election, consider the rights granted under this Agreement abandoned and terminate this Agreement by giving the Licensee 30 days' written notice.

34. TERMINATION:

34.1. The County may terminate this Agreement for any reason and at any time by giving the Licensee 30 days' written notice.

34.2. In the event of the Licensee's violation of any of the terms of this Agreement, the County may elect to terminate this Agreement or may allow the Licensee a time to correct such violation. If the violation is not cured to the satisfaction of the County within 30 days after receipt of the written notice of such violation from the County, or such longer period as the County may permit in writing, the County may elect to cure the violation at the Licensee's sole expense, without prejudice to the County's right to terminate this Agreement.

34.3. Upon termination of this Agreement for any reason, the Licensee shall have 60 days to remove its Installation(s) from the Licensed Area and restore the Licensed Area and any other affected property to the condition in which it existed as of the Effective Date. In the event the Licensee does not remove its Installation(s) within the time allowed under this paragraph and/or does not comply with the restoration obligations stated in this paragraph, the County, without incurring liability, may remove the Installation(s) and/or restore the affected property at the Licensee's sole expense.

34.4. The Licensee's obligations under this paragraph shall survive termination of this Agreement.

35. REIMBURSEMENT TERMS: All the County's invoices are due 30 days after the date of invoice. If the Licensee fails to reimburse the County within 30 days, the Licensee shall pay interest on such unpaid sum from the due date until paid at an annual rate equal to the lesser of (i) the prime rate last published in *The Wall Street Journal* in the preceding December plus 2.5 percent, or (ii) the maximum rate permitted by law. The Licensee's obligations under this paragraph shall survive termination of this Agreement.

36. NOTICES: Except as otherwise expressly provided in this Agreement, the Parties shall contact the persons listed below for all matters related to administration of this Agreement. All notices required or given under this Agreement shall be in writing and shall be deemed effective: (a) when delivered personally to the other Party or (b) seven days after posting in the United States mail, first-class postage prepaid, properly addressed as follows.

If to the County:

Arapahoe County Open Spaces
6934 S. Lima Street, Suite A
Centennial, CO 80112

with a copy to:

Arapahoe County Attorney's Office
5334 S. Prince Street
Littleton, CO 80120

If to Licensee:

City of Littleton
Attn: City Manager
2255 West Berry Ave
Littleton, CO 80120

If to Denver Water:

City and County of Denver, acting by and
through its Board of Water Commissioners
Attention: Director of Engineering-Property
1600 W. 12th Avenue
Denver, CO 80204

37. GENERAL PROVISIONS:

37.1. Construction. This Agreement shall not be construed more strictly against one Party than another merely because it may have been prepared by counsel for one of the Parties.

37.2. Venue and Governing Law. For the resolution of any dispute arising from this Agreement, venue shall be in the courts of Arapahoe County, State of Colorado. This Agreement shall be governed by and construed under the laws of the State of Colorado, without regard to its conflict of laws principles.

37.3. No Attorneys' Fees and Costs. In the event there is any litigation, mediation, arbitration, or other dispute-resolution proceedings arising out of or related to this Agreement, each Party shall pay for its own attorney(s)' and other professional(s)' fees, costs, and expenses.

37.4. Severability. If any provision of this Agreement is determined by a court having jurisdiction to be unenforceable to any extent, the rest of that provision and the rest of this Agreement shall remain in full force and effect.

37.5. No Waiver. The failure by any Party to insist upon the strict performance by any other Party of any of the provisions of this Agreement shall not be deemed a waiver of any of the Agreement's provisions, and, notwithstanding such failure, no Party shall be thereby released from any obligations under the Agreement.

37.6. Non-Business Days. Except as otherwise specifically provided, all periods of time set forth in this Agreement shall be calendar days, not business days. If any date for any obligation under this Agreement falls on a Saturday, Sunday, or a "legal holiday" as such term is defined in Colorado Rule of Civil Procedure 6, then the relevant date shall be extended automatically until the next business day.

37.7. Headings. The headings contained in this Agreement are included solely for convenience, are not intended to be full or accurate descriptions of the content of the respective paragraph, and shall not be considered part of this Agreement or affect its interpretation.

37.8. Colorado Governmental Immunity Act. The Parties understand and agree that the Parties are relying upon, and have not waived, the monetary limitations and all other rights, immunities, and protections provided by the Colorado Governmental Immunity Act, C.R.S. § 24-10-101, *et seq*., as it may be amended from time to time.

37.9. Entire Agreement. This Agreement constitutes the entire agreement between the County and the Licensee and replaces all prior written or oral agreements and understandings. The terms of this Agreement may not be changed, waived, modified, or varied in any manner whatsoever unless in writing signed by all Parties.

37.10. Counterparts and Originals. A copy of the Agreement may be executed by each Party separately, and may be delivered by mail or electronic copy, each of which shall be deemed an original and all of which, when taken together, shall constitute one and the same instrument.

37.11. Representation of Authority of Signatories. Each individual executing this Agreement on behalf of the Licensee represents and warrants that the execution and delivery of this Agreement and all related documents have been duly authorized by the Licensee for which the individual is signing, and that the individual has the legal capacity to execute and deliver this Agreement and thereby bind the Licensee.

37.12. Effective Date. This Agreement shall become effective on the date it is signed by the County's Open Spaces Director.

38. SPECIAL PROVISIONS: This Agreement is also subject to the following provisions. To the extent that any such provisions listed below are in conflict with any other provisions of this Agreement, the provisions below shall control and supersede them.

38.1. As-Builts in Lieu of CAD Exhibit: For this project only, the County will accept complete and accurate as-built drawings in lieu of a CAD exhibit. The Licensee shall submit the as-built drawings upon completion of the irrigation work and prior to final project closeout. The as-built drawings shall accurately reflect all installed irrigation improvements within the Licensed Area.

SIGNATURES FOLLOW ON THE NEXT PAGE

BOARD OF COUNTY COMMISSIONERS OF
THE COUNTY OF ARAPAHOE

By: _____
Margina Pingenot, Open Spaces Director,
on behalf of the Board of County Commissioners
pursuant to Resolution No. 26-056

Date: _____

	LICENSEE: CITY OF LITTLETON, a home rule municipality of the State of Colorado By: _____ Kyle Schlachter, Mayor ATTEST: By: _____ Collen Norton, City Clerk APPROVED AS TO FORM FOR LITTLETON: By: _____ Reid Betzing

Staff Communication

File #: ID# 26-199, **Version:** 1

Agenda Date: 10/06/2026

Subject:
Motion to approve minutes for the September 15, 2026, special meeting of Littleton City Council

Prepared by:	Wendy J. Shea-Tamag, Deputy City Clerk

RECORDING SECRETARY'S CERTIFICATION:
I hereby certify that the attached minutes are an accurate representation of motions made, and action taken at the September 15, 2026, special meeting of City Council. I have also reviewed the video recording for the September 15, 2026, special meeting of the Littleton City Council and certify that the video recording is a full, complete, and accurate record of the proceedings and there were no malfunctions in the video.

PROPOSED MOTION:
I move to approve the minutes for the September 15, 2026, special meeting of City Council.

City of Littleton

Littleton Center
2255 West Berry Avenue
Littleton, CO 80120

Meeting Minutes - Draft

City Council

Tuesday, September 15, 2026 | **5:00 PM** | **Council Chamber**

Special Meeting & Executive Session

**** This special meeting is convened for the sole purpose of adjournment to an executive session ****

1. Roll Call

*** Mayor Pro Tem Peters and Council Members Stillwell and Zink arrived after adjournment to the Executive Session and were participants in that session ***

Present: 4 - Mayor Schlachter, Council Member Grove, Council Member Henderson and Council Member Reichardt

Absent: 3 - Mayor Pro-Tem Peters, Council Member Stillwell and Council Member Zink

2. Motion to Adjourn to an Executive Session

Mayor Schlachter moved and Council Member Reichardt seconded to go into Executive Session pursuant to C.R.S. § 24-6-402(4)(f)(I), and Article III, Section 27 of the City Charter for purpose of discussing performance evaluations for the city manager and city attorney. The vote is 4-0. The motion carries.

3. Adjournment

Mayor Schlachter adjourned the meeting at 6:28p.m.

Staff Communication

File #: ID# 26-200, **Version:** 1

Agenda Date: 10/06/2026

Subject:
Motion to approve minutes for the September 15, 2026, regular meeting of Littleton City Council

Prepared by:	Wendy J. Shea-Tamag, Deputy City Clerk

RECORDING SECRETARY'S CERTIFICATION:
I hereby certify that the attached minutes are an accurate representation of motions made, and action taken at the September 15, 2026, regular meeting of City Council. I have also reviewed the video recording for the September 15, 2026, regular meeting of the Littleton City Council and certify that the video recording is a full, complete, and accurate record of the proceedings and there were no malfunctions in the video.

PROPOSED MOTION:
I move to approve the minutes for the September 15, 2026, regular meeting of City Council.

City of Littleton

Littleton Center
2255 West Berry Avenue
Littleton, CO 80120

Meeting Minutes - Draft

City Council

Tuesday, September 15, 2026 | **6:30 PM** | **Council Chamber**

Regular Meeting (Start time is approximate - follows Executive Session)

1. Roll Call

Present: 7 - Mayor Schlachter, Mayor Pro-Tem Peters, Council Member Grove, Council Member Henderson, Council Member Reichardt, Council Member Stillwell and Council Member Zink

2. Pledge of Allegiance

3. Approval of Agenda

4. Scheduled Appearances and Presentations

a) South Metro Fire Rescue (John Curtis, Fire Chief; and Phil McCart, Board Director – Dist. 4)

b) Sheera Poelman, recipient of National Information Officers Association's 2026 Leadership in Public Information award

c) Emily Kleinfelter, Denver Regional Council of Governments' (DRCOG) 2026 Way to Go Commuter of the Year award (and) DRCOG 2026 Metro Vision award for Safer Streets Practice Park at East Community Center

d) Amber Tolliver and Julie Beggs, Arapahoe Community College, Littleton Leadership Academy

5. Proclamations - None

6. Public Comment

Rev. Andrez Makovnik, St. Mary Catholic Parish – 125th anniversary dinner

Julie Bruce, Dist. 2 – Food Hub

Marilyn Manning, Dist. 2 - Homeless issues

Jamie Daniels, Dist. 2 – Scheels

Regan Benson, Denver - Helping Hands for Dignity for homeless community/Littleton municipal judge concerns

Maci Chance, Dist. 3 – Littleton Leadership Academy

Nhora Suarez, Doctors Care on Littleton Blvd. – Littleton Leadership Academy

Candice Rutledge, Littleton - Treatment by PD during the Block Party

Kim Caulfield, Dist. 3 – Scheels

Jose Briones, Dist. 3 – Scheels

Frank Atwood, Dist. 4 – Toxic Charity

Javier Suarez, Dist. 1 – Scheels

Miriam Dunnan, Centennial – Commended West Metro and Littleton Hospital/homelessness

Greg Sullivan, Dist. 4 – 32 gas pumps/Mineral Place

Pam Chadbourne, Dist. 1 – Executive Session not on Channel 8/Scheels

7. Comments / Reports

a) Council Members

Council Member Stillwell – Loved that so many people from the Littleton Leadership Academy were represented tonight. We had 50-60 plus people from Littleton and surrounding communities and agencies join the American Discovery Trail relay had many people join on its way through Littleton as part of a nationwide relay, handing off a baton that started in California and ends in Delaware for Thanksgiving. Reminded everyone that it's Littleton Restaurant Week, and encouraged everyone to take advantage of specials at our local restaurants. Littleton Public Schools received an award for being Accredited with Distinction.

Council Member Grove – Attended one of the concert series a Aspen Grove. Is over for this summer; encouraged folks to look for dates next year to enjoy music, food trucks, and the Barbox. Attended the Discovery 250 relay mentioned by Council Member Stillwell. Tomorrow is the last Meet, Greet & Eat at Charley Emley Park.

Council Member Reichardt – No report

Member Zink – No report

Member Henderson – She will be hosting office hours at the library this Friday from 10:00am-12:00pm. Have had the opportunity to meet with various community groups and was glad to engage on a different level than during a meeting.

Mayor Pro Tem Peters – No report

b) Mayor

Thanked Council Member Stillwell for putting together the American Discovery Trail relay in Littleton. Mayor's Institute on City Design held a virtual meeting where the topic was Social Infrastructure is Essential Infrastructure.

c) City Manager

No report

d) City Attorney

No report

8. Consent Agenda Items

a) Resolution 65-2026 — Resolution 65-2026: Approving an Intergovernmental Agreement with the Colorado Department of Transportation regarding a financial contribution for conducting the Bowles Avenue Corridor Study

approved

b) Resolution 66-2026 — Resolution 66-2026: Ratifying and approving an Intergovernmental Agreement with Urban Drainage and Flood Control District D/B/A Mile High Flood District regarding funding of Major Drainageway Planning and Flood Hazard Area Delineation for Lee Gulch

approved

c) Resolution 60-2026 — Resolution 60-2026: Approving a subaward agreement with Circular Action Alliance (CAA) for waste diversion education and outreach

approved

d) Resolution 61-2026 — Resolution 61-2026: Approving an amended Economic Partnership Incentives Policy

approved

e) ID# 26-181 — Motion to approve minutes for the September 1, 2026, special meeting of Littleton City Council

approved

f) ID# 26-182 — Motion to approve minutes for the September 1, 2026, regular meeting of Littleton City Council

approved

Approval of the Consent Agenda

Mayor Pro-Tem Peters moved and Council Member Henderson seconded to approve the consent agenda items a through f. The vote is 7-0. The motion carries unanimously.

Aye: 7 - Mayor Schlachter, Mayor Pro-Tem Peters, Council Member Grove, Council Member Henderson, Council Member Reichardt, Council Member Stillwell and Council Member Zink

9. General Business

a) ID# 26-177 — Motion to approve the reappointment of and contract amendment for

Amanda Lessmann as presiding municipal court judge

Council Member Reichardt moved and Mayor Pro Tem Peters seconded to approve the reappointment of and contract amendment for Amanda Lessmann as the presiding municipal court judge for the City of Littleton. The vote is 7-0. The motion carries unanimously.

Aye: 7 - Mayor Schlachter, Mayor Pro-Tem Peters, Council Member Grove, Council Member Henderson, Council Member Reichardt, Council Member Stillwell and Council Member Zink

b) Resolution 62-2026 — Resolution 62-2026: Approving the first amendment to the Economic Partnership Incentive Agreement Between the City of Littleton and RIG Mineral LLC for Retail Sales Tax Share Back

Mayor Pro Tem Peters moved and Council Member Henderson seconded to approve Resolution 62-2026 approving the first amendment to the Economic Partnership Incentive Agreement Between the City of Littleton and RIG Mineral LLC for Retail Sales Tax Share Back. The vote is 7-0. The motion carries unanimously.

Aye: 7 - Mayor Schlachter, Mayor Pro-Tem Peters, Council Member Grove, Council Member Henderson, Council Member Reichardt, Council Member Stillwell and Council Member Zink

c) Resolution 63-2026 — Resolution 63-2026: Approving an Economic Partnership Incentive Agreement between the City of Littleton, RIG Mineral LLC and Scheels All Sports, Inc

Mayor Pro Tem Peters moved and Council Member Zink seconded to approve Resolution 63-2026 approving an Economic Partnership Incentive Agreement between the City of Littleton, RIG Mineral LLC and Scheels All Sports, Inc. The vote is 6-1 with Council Member Stillwell voting no. The motion carries.

Aye: 6 - Mayor Schlachter, Mayor Pro-Tem Peters, Council Member Grove, Council Member Henderson, Council Member Reichardt and Council Member Zink

Nay: 1 - Council Member Stillwell

d) Resolution 64-2026 — Resolution 64-2026: Approving a second amendment to the Economic Partnership Incentive Agreement Between the City of Littleton and RIG Mineral LLC for Retail Sales Tax Share Back

Mayor Pro Tem Peters moved and Council Member Zink seconded to approve Resolution 64-2026 approving a second amendment to the Economic Partnership Incentive Agreement between the City of Littleton and RIG Mineral LLC for Retail Sales Tax Share Back. The vote is 7-0. The motion carries unanimously.

Aye: 7 - Mayor Schlachter, Mayor Pro-Tem Peters, Council Member Grove, Council Member Henderson, Council Member Reichardt, Council Member Stillwell and Council Member Zink

10. Ordinances on Second Reading and Public Hearings - None

11. Adjournment

Mayor Schlachter adjourned the meeting at 9:55p.m.

Minutes Certification

I hereby certify that the attached minutes are an accurate representation of motions made and action taken at the September 1, 2026 regular meeting of the city council. I have also reviewed the video recording for the September 1, 2026 regular meeting of the Littleton City Council and certify that the video recording is a full, complete, and accurate record of the proceedings and there were no malfunctions in the video or audio functions of the recording.

_____

Colleen L. Norton, City Clerk
Approved as submitted on September 15, 2026

Staff Communication

File #: ID# 26-197, **Version:** 1

Agenda Date: 10/06/2026

Subject:
Utility Rate Study Final Report Discussion

From:	James L. Becklenberg, City Manager
Prepared by:	Ryan Germeroth, Deputy Director of Public Works & Utilities
Presentations:	Brent Soderlin, Director of Public Works & Utilities
	Laurie Matta, Director of Finance
	Ryan Germeroth, Deputy Director of Public Works & Utilities
	Todd Cristiano, Vice President Raftelis

PURPOSE:
The purpose of this item is to provide Council with an overview of the final draft report and final proposed rate structure for the Utility Rate Study. The content will cover a very brief overview of the final financial plan and the proposed rate structure based on average winter consumption for residential and actual use for commercial. Input received by Council at both the May 12th and August 11th study sessions has been considered. A discussion will also be provided on considerations around an affordability program for those that qualify based on income. Finally, a summary of the public outreach including results of the billing frequency poll will be shared.

LONG-TERM OUTCOME(S) SERVED:
Sustainable Community with Natural Beauty; Safe Community; High-Quality Governance

DISCUSSION:
Littleton is planning for the future with a comprehensive study to update sewer and stormwater rates. These updates are essential to funding critical repairs and maintaining the infrastructure that protects Littleton homes and businesses, public health, and the South Platte River. While our 129 miles of sanitary sewer, 53 miles of storm drains, and 30 miles of drainage ways operate 24/7, many parts of the systems are aging. Proactive upgrades will prevent service disruptions and public safety concerns by providing resilience through fiscal responsibility.

Sewer and stormwater bills directly fund essential infrastructure improvements and proactive maintenance. Over the next 10 years, the City plans to repair or replace 24 miles of sanitary sewer, work with partners to modernize the South Platte Renew wastewater treatment facility to meet federal environmental requirements and replace 15 miles of storm drains. By addressing these needs now, Littleton avoids the significantly higher costs and public safety risks associated with emergency repairs like those on Jackass Hill Road or Broadway and Lee Gulch. It also assures the City charges a fair and consistent rate to the nine water and sanitation districts that connect into the sanitary sewer system for treatment only.

Over the past few months, City staff have partnered with the staff from Raftelis to create a 10-year financial plan that accounts for the costs of the day-to-day maintenance and annual capital project needs of the sanitary and storm sewer systems. The goal is to align future bills with the actual cost of service, including upgrades to critical infrastructure and regular maintenance, and ensure the City can continue to provide reliable service. The current proposed financial plan has been updated to reflect feedback received from Council at both the May 12th and August 11th study sessions. Below is a summary of the findings of the 10-year plan:

- The total capital program need for the sanitary sewer system is projected to be about $256 million over the next 10 years. About $180 million of that is needed for projects at South Platte Renew.
- Debt issuance is limited to $65M to follow the City Charter allowance for indebtedness while still fully funding the capital program. This debt cap is one of the reasons for the difference in projected revenue in 2029 through 2035 when compared to the May 12th presentation. However, on August 11th, Council provided direction to have higher increases in the first two years followed by lower increases in the future years which has been accomplished. The following table shows a comparison of the projected revenue increases for the sanitary sewer fund.

Table 1. Projected Revenue Increases - Sewer Fund

	Projected Revenue Increase		
Year	May 12th Presentation	August 11th Presentatio	October 6th Presentatio
2027	25%	15%	25%
2028	25%	15%	25%
2029	3%	11%	5%
2030	3%	11%	5%
2031	3%	10%	5%
2032	3%	10%	5%
2033	3%	10%	5%
2034	3%	10%	5%
2035	3%	0%	5%

- The total capital program need for the stormwater system is projected to be about $73 million over the next 10 years. The largest portion of that funding would cover stormwater pipe replacement projects. Rate increases and tap fees would fund about $50 million in projects while about $23 million would be funded with revenue bonds and loans.
- To meet the need for the stormwater sewer program a revenue increase of 60% will be needed for 2027 and 2028 with increases dropping to 5% per year for 2029 through 2035.
- The plan also includes the addition of three staff in 2027 and three staff in 2028. Four of these staff would join the Water Resources Engineering team and two would join the field operations team. These additional staff will be needed to keep up with the engineering and maintenance work needed on the system as the additional revenue is put to work.

The information from the financial plan was used to develop the cost of service for each class of user (single family, multi-family, and commercial) and then a proposed rate structure for both sanitary and storm was developed.

Historically, Littleton has charged sanitary sewer rates as a fixed rate for residential properties regardless of water use while the commercial rate has a minimum charge that is based on the average monthly volume of the lowest two months of use. For uses that exceed 22,000 gallons per month in the city and 44,000 gallons per month outside the city a billable rate per 1,000 gallons is used. While the fixed rate can provide a predictable bill for each user, it does not incentivize users to conserve water or equitably charge each user for water they are sending into the system for conveyance and treatment. The result is that some users are subsidizing the bill of others. Based on this, staff are proposed moving from the current fixed rate system to one that has a fixed portion for administrative costs with the rest of the charge based on actual use. Council was supportive of this recommendation at the August 11th meeting. For both single family and multi-family residential properties, the average use will be based on average winter consumption (AWC) from January through March while the use rate for commercial properties will be based on actual water use. Currently the average residential user consumes about 3,000 to 4,000 gallons of water per month in the winter. Under this proposed system, the following charts show the sanitary sewer monthly bill comparisons for single family, multi-family, and commercial properties for 2026 fixed rate and 2027 rates using AWC.

Table 2. Single Family Residential Monthly Bill Comparison

Scenario	Inside City	Inside City in District	Outside City
Fixed Rate Structure			
2026 Fixed Rate (All consumption)	$30	$23	$27
Flexible Rate Structure			
2,000 Gal (AWC)	$28	$25	$30
3,000 Gal (AWC)	$32	$28	$34
4,000 Gal (AWC)	$36	$31	$37
5,000 Gal (AWC)	$41	$34	$41
6,000 Gal (AWC)	$45	$37	$45

Table 3. Multi-Family Residential (Per Unit) Monthly Bill Comparison

Scenario	Inside City	Inside City in District	Outside City
Fixed Rate Structure			
2026 Fixed Rate (All consumption)	$26	$19	$23
Flexible Rate Structure			
2,000 Gal (AWC)	$23	$20	$24
3,000 Gal (AWC)	$27	$23	$28
4,000 Gal (AWC)	$32	$27	$32
5,000 Gal (AWC)	$36	$30	$35
6,000 Gal (AWC)	$41	$33	$39

Table 4. Commercial Monthly Bill Comparison

	Inside City		Outside City	
Use (gal)	2026 Fixe	2027 Flex	2026 Fixed	2027 Flexible
10,000	$12	$23	$15	$26
20,000	$12	$26	$15	$29
30,000	$17	$30	$15	$32
40,000	$22	$34	$15	$35
50,000	$28	$37	$15	$38
60,000	$33	$41	$18	$41

As can be seen in these tables, the average single family user's bill within the city will go up $6.43 per month under the AWC rate with the 25% financial plan revenue increase. This is about $5 more per month than the 15% revenue increase scenario presented to Council in August. The benefit, though, is that users consuming less than average amount of water or who take measures to reduce their consumption, may either see their sanitary sewer bills go down from what they were in 2026 or be able to temper the increase they experience by using less water. The same is true of multi-family users as well. Finally, the change for commercial users is very much dependent on use. The average commercial customer uses around 50,000 to 60,000 gallons per month. The average commercial user's bill within the city will go up about $9 per month under the use-based rate structure.

In addition to sewer rates, the new connection tap fee was also reviewed as a part of the final steps of this project. The current tap fee is $5,000 to $5,656 for residential class properties depending on if the property is located within the city limits or outside the city limits. The commercial class tap fee ranges from $5,000 to over $3M based on the size of the water meter. The current Littleton tap fees are higher than neighboring jurisdictions like the city's South Platte Renew partner Englewood which range from $2,300 to $179,000. The difference is due to a different methodology in how the tap fee is calculated. From an industry standard, either method can be used so it is up to each utility to select how to calculate tap fees. Based on the current analysis using the same method as South Platte Renew partner Englewood, the tap fee for the city of Littleton could be reduced to about $2,500 for residential class properties and range up to $1,500,000 for commercial properties with larger meter sizes. This change in tap fee is projected to reduce the sanitary sewer revenue currently collected for tap fees by about $700,000 per year. To accommodate this lower tap fee, the sanitary sewer customer rates shown previously would need to increase approximately an additional 3% per month per month per average residential customer. If the previous method is used for the calculation of the tap fee, no change would be recommended to the tap fee and the customer rates would not need to increase to cover the reduction in revenue.

For stormwater rates, the structure is the same as what it was previously where the rate is different for single family versus muti-family and non-residential structures depending on if the lot for the given property is developed versus undeveloped. The following table shows the comparison of the current rates to the proposed rates using the cost-of-service model developed.

Table 5. Stormwater Rate Comparison (Annual Rates)

	Single Family Detached		Multi-Family & Non-Residential Property	
	2026	2027 - Proposed	2026	2027 - Proposed

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Developed	$124.54 / lot	$199.26 / lot	$1,037.31 / paved a plus $259.33 / landscaped acre	$1,659.70 / paved acre plus $414.93 / landscaped acre
Subdivided, undeveloped	$31.12 / lot	$49.79 / lot	$259.33 / lot	$414.93 / lot
Unsubdivided, undeveloped	$259.33 / lot	$414.93 / lot	$259.33 / lot	$414.93 / lot
Vacant & undisturbed	$25.95 / acre	$41.52 / acre	$25.95 / acre	$41.52 / acre

As can be seen in the table, the increase for a typical single-family home will be about $6 per month or $75 per year.

Even with the proposed rate increases in both sanitary sewer and stormwater, Littleton's rates would still be about average or less than many of the other comparable jurisdictions along the Front Range.

One other consideration that has been studied in more detail, is the need and impact of an affordability program that would provide a lower utility rate for customers who qualify for a reduced utility rate based on their income. There are many ways to administer this kind of program. The recommendation would be to use Xcel Energy's qualification criteria to ease the administrative work needed by city staff to determine eligibility. At this time, access is not available to detail Xcel customer data until a data sharing agreement is created with the city so a more general analysis based on census data has been completed. Overall, the metrics show the customer base in Littleton can afford their utility bills when reviewing all affordability metrics. However, based on census data, there may be about 2,000 households that could qualify for long-term assistance in Littleton. This is about 5 to 10 percent of the customer base. If directed by Council, implementing this program may result in higher utility rates for those who do not qualify to keep the revenue stream the same or the city would need to subsize the reduced rate with city funds. If the discount is applied to the fixed portion of the sewer bill, the annual cost of the program is estimated to range from about $114,000 for a 25% discount to about $343,000 for a 75% discount. This would save those that qualify for the program anywhere from about $5 to $14 per month depending on the discount. If funded by rate payers, the cost to the average rate payer would go up about $1.10 to $3.25 per month depending on the discount.

Public outreach and communication have been a part of the project for the past several months as well. A project page was created and regularly updated on Let's Talk Littleton. There was also a total of 14 articles shared through Littleton Report (5), Littleton Links (7), and Littleton at Work (2). This was in addition to a total of 27 social media posts on the City's social media channels. Staff were also present during Council office hours on two occasions and were present at the four Meet, Greet, & Eat events to share information and answer questions. We also had meetings with connector district staff and staff with Littleton Public Schools. There were also two public meetings one was in person at the Littleton Center on August 26th and the other was a virtual meeting on September 3rd that was recorded and shared on the project webpage. We also asked for input from the public on preferences they may have on the frequency of billing whether that be monthly, bi-monthly, or quarterly. This poll closes on October 5th so we will share the results during the presentation with Council. Finally, a citywide mailer is tentatively planned for early 2027 as the new rates go into effect.

BACKGROUND:
To continue delivering the high-quality sewer and stormwater services Littleton customers expect and deserve,

the City must periodically adjust utility rates to recover the costs of operating, maintaining, and providing these services. The City is reviewing its stormwater and sewer rates to ensure that future revenues are sufficient to operate and maintain each utility and to support the reliability and resilience of our critical infrastructure in the future.

Prior Actions or Discussions

Council approves the utility rates for stormwater and sanitary sewer each year as a part of the annual budget process. The last rate study was completed in 2020 with presentations to Council occurring at that time.

Staff provided an overview of the goals and objectives for the Utility Rate Study and gathered initial feedback at the March 10th, 2026, study session.

Staff then provided an overview of the first draft of the financial plan at the May 12th, 2026 study session. Council provided feedback on the plan including a desire to reduce or smooth the increase of the revenue increase on the sanitary sewer fund since the increases appeared higher than needed.

Staff provided a final overview of an updated draft of the financial plan at the August 11th, 2026 study session. After some discussion, Council provided feedback to go back to the plan presented in May with two higher increases the first two years and lower increases the subsequent years. A request was also made to provide more information on a rate affordability program.

FISCAL IMPACTS:

The 10-year financial plan is projected to need about $256 million in capital funding for the sanitary sewer system and about $73 million in capital funding for the stormwater system. To fund both programs, this will require an initial revenue increase of 25% per year for 2027 and 2028 for the sanitary sewer system and 60% per year for the same two years for the stormwater system. The annual increases would then reduce per year for the remainder of the 10-year planning timeframe as shown earlier. For the average customer, this would result in an increase of about $6 per month on their sanitary sewer bill for 2027 if the flexible rate structure is implemented and about $6 per month on their stormwater bill for 2027. If Council direct staff to also lower the new connection tap fee for sanitary sewer service, additional funding would be needed from rates to fully fund the capital program along with regular operation and maintenance work. Otherwise, the tap fee would remain the same and customer rates would not need to be adjusted.

STAFF RECOMMENDATION:

Staff recommend that council support the rate structure changes for the sanitary sewer system by using an average winter consumption for residential properties and actual consumption for commercial properties. In addition, staff recommend that council support the proposed stormwater rate structure as shown. Staff also recommend that council reduce the new connection tap fee to better align with the city's South Platte Renew partner Englewood which will result in a needed increase to customer rates for sanitary sewer service. Finally, staff recommend that council give direction on whether to proceed in developing a program that provides support to lower-income populations by reducing their sewer and stormwater rates if they qualify for the program.

ALTERNATIVES:

N/A

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RAFTELIS

CITY OF LITTLETON

Sewer and Storm Drainage Rate Study

Draft Report / September 28, 2026



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RAFTELIS

September 28, 2026

Mr. Ryan Germeroth, PE
Deputy Director of Public Works and Utilities
Public Works Department
City of Littleton
2255 W Berry Ave
Littleton, CO 80120

Subject: Wastewater and Storm Drainage Rate Fee Study Executive Summary Report

Dear Mr. Germeroth:

Raftelis is pleased to provide this Wastewater and Storm Drainage Rate and Fee Study Report (Report) for the City of Littleton (City).

This study included the following for both the wastewater and storm drainage utilities:

- Development of a financial planning model to forecast revenues and expenditures for the 10-year study period, 2026 through 2035
- Development of a wastewater class-based cost-of-service 2027
- Design of wastewater and storm drainage rates that recover the cost to provide service and ensure equitable recovery of costs
- Design of a financial planning cost of service model for the City's use

The Report summarizes the key findings and recommendations related to the study.

It has been a pleasure working with you, and we thank you and the City staff for the support provided through the course of this study.

Sincerely,

Todd Cristiano

Todd Cristiano
Vice President

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Section 1: Executive Summary

Introduction

The City of Littleton (City) retained Raftelis to conduct a comprehensive rate study for their wastewater and storm drainage utilities. This study includes:

- Development of a financial planning model to forecast revenues and expenditures for the 10-year study period, 2026 through 2035
- Development of a cost-of-service by class for the test year 2027
- Design of wastewater and storm drainage rates that recover the cost to provide service and ensure equitable recovery of costs
- Design of a financial planning cost of service model for the City's use

Background

The City of Littleton (City) provides wastewater service to approximately 57,000 wastewater customers within the City and surrounding districts. The City maintains its own collection system within the City limits and has a 50% joint ownership stake with the South Platte Renew (SPR) wastewater treatment plant with the City of Englewood. The City services 10 districts surrounding the City's boundaries. The City either bills customers within these districts individually or has agreements to bulk-bill a district where they individually bill their customers. Districts served include:

Table 1: Districts Served by City of Littleton

• Bow Mar Water and Sanitation	• Meadowbrook-Fairview Water and Sanitation
• Columbine Water and Sanitation	• Platte Canyon Water and Sanitation
• Grant Water and Sanitation	• Roxborough Water and Sanitation
• Ken Caryl Water and Sanitation	• Southwest Metropolitan Water and Sanitation

In addition, Dominion Water and Sanitation District are temporarily routing wastewater to SPR under an 2015 Start-up and Emergency Backup Water Treatment Intergovernmental agreement with Littleton. The Public Works Department operates and maintains the sewer and storm drainage systems within city limits (except for Trailmark). The sanitary sewer system inside the city is estimated to contain 130 miles of collection mains.

The City provides storm drainage service to approximately 8,000 customers within the city limits. The City's wastewater and storm drainage utilities are financially self-sufficient with funding for capital and operating requirements derived primarily from user rates and plant investment fees (wastewater only).

Sewer Study Findings and Recommendations

FINANCIAL PLAN

Annual revenue requirements should be sufficient to meet annual operating expenses, debt service, capital expenditures, reserve requirements, and debt service coverage. Raftelis' analysis shows that revenue under existing rates is inadequate to meet revenue requirements throughout the study period. Raftelis recommends annually updating the financial plan to recognize changes in growth, operating expenses, capital improvement needs, and

capital financing requirements. Raftelis proposes annual increases of 25% in 2027 and 2028, and 5% annual increases 2029 through 2035. Table 2 summarizes the 10-year financial plan.

Table 2: Sewer Utility
Proposed Financial Plan Summary

Line Item	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Annual Revenue Adjustments	0%	25%	25%	5%	5%	5%	5%	5%	5%	5%
Cumulative Adjustments	0%	25%	56%	64%	72%	81%	90%	99%	109%	120%
Annual CIP, $ mil	10.81	13.44	12.13	14.60	32.45	30.30	34.88	39.13	44.53	23.83
State Loans	0.00	0.90	0.00	0.00	0.00	3.00	3.00	3.00	3.00	1.41
Ending Balance, $ mil	3.29	4.12	12.38	17.92	6.65	7.12	8.45	9.90	6.12	8.55
Target Reserve, $ mil [1]	3.81	4.03	4.26	4.49	4.68	4.81	5.01	5.22	5.44	5.67
Undesignated, $ mil	(0.52)	0.08	8.13	13.43	1.97	2.31	3.44	4.68	0.67	2.88
Debt Service Coverage		184.6	279.0	295.4	312.3	52.2	21.9	13.0	9.6	9.9
Debt Service Coverage Target	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3

COST OF SERVICE RATES

Raftelis evaluated three rate structure alternatives based on the pricing objectives identified by the City. These objectives include:

- *Revenue stability.* Rate structure should generate stable and predictable revenues sufficient to meet annual revenue requirements, bond covenants and other financial requirements.
- *Equity between classes.* Through a cost-of-service analysis, costs are recovered proportionately from each customer class' rate structure based on their demand characteristics.
- *Equity within a class.* Equity between customers within a class is maximized when the rate structure results in individual customers paying their cost to receive service based on their unique service characteristics.
- *Ease of administration.* Rate structure should be compatible with existing billing and accounting systems.
- *Customer understanding.* Rate structure should be subject to as few misinterpretations by the customer as possible

Existing Rates

The existing rate structure has been in place for at least 20 years. Residential and multifamily customers are billed a fixed charge regardless of wastewater volume contribution to the system. Commercial rates are based on the lowest bimonthly volume. While commercial customers' bill may vary year-to-year based on the lowest bimonthly calculation, there is no such adjustment for residential and multifamily. Existing rates are billed annually however, the City is evaluating different bill frequencies – monthly, bimonthly, and quarterly. Table 3 shows the existing rate and structure.

Table 3: Sewer Utility
Existing 2026 Rates

Customer Class	Inside City			Treatment Only	
	Treatment	Collection	Total	Served by a District	Outside City
Residential	$360.57	$86.91	$447.48	$273.66	
Multifamily	$300.46	$67.87	$368.33	$232.59	
Commercial					
Minimum	$80.80	$67.75	$148.55		$178.23
Volume Rate, per 1,000 gallons	$3.60	$3.02	$6.62		$3.61

Proposed Rates

Raftelis, with assistance from staff, developed a rate structure which incorporated pricing objectives identified early in the study. The proposed rate structure includes two components, a monthly fixed charge and and volume rate applied to billable wastewater volume reaching the WWTP. This type of structure recognizes each customers' contribution to demand on the system and are perceived as more transparent by the customer. In addition, a customer who actively engages in the wise use of water for both inside and outside water usage, may benefit from lower sewer bills.

The proposed rates residential and commercial rates include a fixed charge by account and multifamily customers include a fixed charge based on the number of units per account. The residential and multifamily volume rates are applied to each customers' average winter water use, January through March, which is a proxy for indoor water use. Commercial customers are billed based on actual water use. Actual water use is a better representation of water contributed to the wastewater treatment plant. Commercial demands vary by customer and increase in water use may is more closely aligned with operations rather than indoor and outdoor use. Using average winter consumption or the lowest bimonthly bill may understate actual contributions to the plant because it doesn't reflect normal operations. Table 4 shows the proposed 2027 rates which are stated on a monthly basis.

Table 4: Sewer Utility
Proposed 2027 Rates

City of Littleton	
Residential	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	$1.31
Multifamily	
Customer Charge, $ per Bill	$14.22
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	$1.31
Commercial	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	$1.31

Customers in City, Served by a District	
Residential	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	N/A
Multifamily	
Customer Charge, $ per Bill	$14.22
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	N/A
Commercial	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	N/A

Outside City	
Residential	
Customer Charge, $ per Bill	$22.75
Treatment, $ per 1,000 gallons	$3.67
Collection, $ per 1,000 gallons	N/A
Multifamily	
Customer Charge, $ per Bill	$17.06
Treatment, $ per 1,000 gallons	$3.67
Collection, $ per 1,000 gallons	N/A
Commercial	
Customer Charge, $ per Bill	$22.75
Treatment, $ per 1,000 gallons	$3.67
Collection, $ per 1,000 gallons	N/A

Storm Drainage Study Findings and Conclusions

FINANCIAL PLAN

The 10-year financial plan should be sufficient to meet annual operating expenses, debt service, capital expenditures, reserve requirements, and debt service coverage. Raftelis' analysis shows that revenue under existing rates is inadequate to meet revenue requirements throughout the study period. Raftelis recommends annually updating the financial plan to recognize changes in growth, operating expenses, capital improvement needs, and capital financing requirements. Table 5 summarizes the cash flow.

Table 5: Storm Drainage Utility
Financial Plan Cash Flow

Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Annualized Percentage Increase	0%	60%	60%	5%	5%	5%	5%	5%	5%	5%
Cumulative Increase	0%	60%	156%	169%	183%	198%	214%	230%	247%	265%
Annual CIP, $ mil	$1.50	$8.21	$11.51	$7.46	$6.98	$7.78	$5.53	$6.07	$6.82	$10.49
Bond and Loan Funded, $ mil	$0.00	$7.05	$8.20	$4.25	$3.28	$0.00	$0.00	$0.00	$0.00	$0.00
Ending Balance, $ mil	$0.03	$1.21	$2.38	$3.62	$4.57	$1.82	$1.81	$2.01	$2.45	$1.20
Target Reserves, $ mil	$0.41	$0.49	$0.63	$0.66	$0.69	$0.73	$0.76	$0.80	$0.84	$0.88
Unrestricted Reserves, $ mil	($0.38)	$0.72	$1.75	$2.96	$3.88	$1.09	$1.04	$1.21	$1.61	$0.31
Debt Service Coverage	7.2	3.4	3.9	3.2	3.0	3.1	3.3	3.9	5.2	5.6
Debt Service Coverage Target	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2

EXISTING RATES

The existing storm drainage rates have been in effect since 2026. Table 6 shows the existing rates and structure.

Table 6: Storm Drainage Utility
Existing Rates

Description	Single Family Detatched	Multiple family residential structures, commercial, industrial, public properties, churches and schools [1]
Developed	$124.54/lot or property	$1,037.31/developed acre of impervious surface and
Subdivided, Undeveloped	$31.12/undeveloped lot	$259.33/undeveloped lot
Un-subdivided, Undeveloped	$259.33/undeveloped lot	$259.33/undeveloped lot
Vacant and Undisturbed	$25.95/acre of vacant residential property	$25.95/acre of vacant residential property

[1] Classes are combined based on the City's current ordinance.

PROPOSED RATES

The 2027 storm drainage rates retain the existing structure. Table 7 lists the annual charges by customer class and parcel type.

Table 7: Storm Drainage Utility
Proposed 2027 Rates

Description	Single Family Detatched	Multiple family residential structures, commercial, industrial, public properties, churches and schools [1]
Developed	$199.26/lot or property	$1,659.70/developed acre of impervious surface and
Subdivided, Undeveloped	$49.79/undeveloped lot	$414.93/undeveloped lot
Un-subdivided, Undeveloped	$414.93/undeveloped lot	$414.93/undeveloped lot
Vacant and Undisturbed	$41.52/acre of vacant residential property	$41.52/acre of vacant residential property

[1] Classes are combined based on the City's current ordinance.

Billing Frequency Review

The City requested a review and survey of their current billing practices. The City bills all customers annually with the exception of a few districts, which are billed twice a year. Raftelis' recommendation on billing process is summarized below.

CURRENT RATE STRUCTURE

Residential and multifamily customers are billed a fixed charge regardless of wastewater volume contribution to the system. Commercial rates are based on the lowest bimonthly volume. While commercial customers' bill may vary year-to-year based on the lowest bimonthly calculation, there is no such adjustment for residential and multifamily.

Many utilities assess a fixed charge for residential customers; however, these rates are usually based on a representative average customer volume contribution. Rate study updates typically verify that number and adjust the fixed charge as necessary. A more common rate structure for residential, multifamily, and commercial customers is assessing a fixed charge per account or by water meter size and a volume rate applied to each customers' average winter consumption. This type of structure recognizes each customers' contribution to demand on the system and are perceived as more transparent by the customer. In addition, a customer who actively engages in the wise use of water for both inside and outside water usage, may benefit from lower wastewater bills.

BILLING FREQUENCY

Billing frequency ranges from monthly, bimonthly, quarterly, semi-annually, to annually. According to the Water and Wastewater Utility Rate Survey published by the AWWA, 78.7% of utilities surveyed billed residential customers monthly. Bimonthly and quarterly are the next most popular billing frequencies or 9.2% and 7.8%, respectively. Several advantages to this approach include:

- Predictable regular cash inflows
- Lower, more frequent, bills for customers
- Provides faster feedback loop for customers to see and adjust their consumption associated with wastewater billable volume
- Administrative effort is spread over the course of multiple billing periods rather than concentrated at a particular period in the year.
- Less concentrated period of customer inquiries from one mass billing to all customers
- Revenue stability for the utility

Section 2 Sewer Utility

Introduction

The City's sewer utility is a self-supporting enterprise fund. The operating cash flow is used for the basis of rate-setting. Appendix A contains the sewer cash flow tables.

Financial Plan

OPERATING FUND CASH FLOW

Beginning Balance

The fund balance includes unrestricted net revenues carried over from previous years. The fund balance is projected to be $6.3 million at the beginning of 2026.

Sources of Funds

Operating revenue is derived from sewer rates, investment income, and other miscellaneous sources. Sewer sales revenue under current rates is based on the projected number of sewer accounts and sewer usage amounts for each customer class. Revenue from *current* rates averages $20.9 million annually. This includes an average annual growth rate of approximately 0.5% based on the City staff's growth projections.

The City anticipates issuing debt to fund a significant portion of the sewer utility's capital improvement plan (CIP). Estimated proceeds total $65.1 million, comprising Water Infrastructure Finance and Innovation Act (WIFIA) loans ($31.9 million), revenue bonds ($18.9 million), and state loans ($14.3 million). Combining these financing mechanisms reduces overall borrowing costs and aligns debt service with the timing of the capital program.

Other revenue includes a $9.9 million retroactive tap fee payment from the Dominion Water and Sanitation District. Because the City and District are currently negotiating payment options, City staff directed Raftelis to model this as five equal annual installments of $1.98 million from 2028 through 2032. The forecast also includes $189,000 in user charge revenue from the District in 2027 and 2028. Total tap fee revenue averages $1.41 million annually, yielding $14.1 million over the study period. Finally, interest income is calculated assuming a 2% return on average fund balances.

Revenue Requirement

Revenue requirements include operation and maintenance (O&M) expenses, annual debt service payments, and the capital improvement program (CIP). O&M consists of personnel, materials, and supplies associated with the collection of wastewater conveyed to the SPR. Payments for treatment of wastewater flows are projected to increase from $10.7 million in 2026 to $15.2 million in 2034, reflecting a 4.0% escalation factor that incorporates growth and inflation.

The City anticipates adding three full-time equivalent (FTE) positions in 2027 and another three in 2028. These positions include two project managers, two operations supervisors, and two engineers. The time and salary costs for these roles will be split equally between the sewer and storm drainage utilities. Total salary costs for the 2027 positions are $235,000 annually, which will increase at a 3.0% inflation rate throughout the study period. The three positions added in 2028 will add another $235,000 in total salary costs, also escalating at the 3.0% inflation rate throughout the study period.

Other major expenditures include debt on proposed state loans, which begins at $61,677 in 2027 and will increase to $2.6 million by 2035. The CIP totals $256.1 million for the study period. Of that amount, $181.4 million is for SPR renewal and replacement projects, scaling from $8.9 million in 2026 to $31.3 million in 2035. All other projects are collection-system related and will increase from $7.7 million in 2026 to $13.0 million in 2035.

Indicated Sewer Service Revenue Adjustments

Sewer rate revenue should be sufficient to meet revenue requirements, finance the capital improvement program, and maintain adequate reserves and debt service coverage ratios. A minimum operating reserve equal to 60 days of operating expenses is typical. The City currently maintains an operating reserve of 90 days of O&M. This amount provides a reasonable operating allowance for sound sewer utility operations. Raftelis targeted a debt service coverage ratio of 1.20 times net income (including tap fee revenue) to ensure that the City has sufficient coverage capacity to issue debt in the future. The state revolving loan program requires a debt service coverage of 1.1 times net income. Table 6 summarizes the combined capital and operating cash flow results for the study period. *To achieve these goals, Raftelis proposes annual increases of 25% in 2027 and 2028, and 5% annual increases 2029 through 2035.* Table 8 summarizes the sewer utility cash flow.

Table 8: Sewer Utility Financial Plan Summary

Line Item	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Annual Revenue Adjustments	0%	25%	25%	5%	5%	5%	5%	5%	5%	5%
Cumulative Adjustments	0%	25%	56%	64%	72%	81%	90%	99%	109%	120%
Annual CIP, $ mil	10.81	13.44	12.13	14.60	32.45	30.30	34.88	39.13	44.53	23.83
State Loans	0.00	0.90	0.00	0.00	0.00	3.00	3.00	3.00	3.00	1.41
Ending Balance, $ mil	3.29	4.12	12.38	17.92	6.65	7.12	8.45	9.90	6.12	8.55
Target Reserve, $ mil [1]	3.81	4.03	4.26	4.49	4.68	4.81	5.01	5.22	5.44	5.67
Undesignated, $ mil	(0.52)	0.08	8.13	13.43	1.97	2.31	3.44	4.68	0.67	2.88
Debt Service Coverage		184.6	279.0	295.4	312.3	52.2	21.9	13.0	9.6	9.9
Debt Service Coverage Target	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3

Reserves

The City's current reserve policy includes a reserve balance equal to 90 days of O&M. This reserve tracks and adjusts based on changes in O&M with the primary goal of absorbing cash flow fluctuations due to the variability in monthly expenditures.

Cost of Service

The cost-of-service process is a method to assign costs based on each customer class's proportionate share of sewer service characteristics and number of customers. The cost of service process for this study includes the following steps:

1. Determine the test year revenue requirement
2. Assign costs to cost pools
3. Allocate detailed revenue requirement to functional components
4. Determine system units of service
5. Calculate unit cost of service
6. Distribute costs to customer classes

REVENUE REQUIREMENT

Table 9 shows the level of revenue required from rates with the 2027 proposed revenue adjustment. The revenue requirement consists of operation and maintenance expense, debt service, rate-funded capital and is net of the change in fund reserve, miscellaneous revenue, and interest income. The change in net reserve is negative indicating the City is building reserve funds for future capital projects.

Table 9: Sewer Utility
2027 Test Year Revenue Requirement

Line Item	Net Operating	Capital & Other	Total
Total Revenue Requirements			
O&M [1]	16,344,746		16,344,746
Total Debt Service		61,677	61,677
Cash Funded Capital [2]		13,441,329	13,441,329
Subtotal	16,344,746	13,503,006	29,847,753
Less Other Operating Revenue			
Other Revenues			
Late Fee Charge + Misc	308,000		308,000
Dominion - Historical Tap Fee Payments	0	0	0
Dominion - Future Tap Fee Rental Charge		189,000	189,000
Dominion - Annual User Charges	541,686	447,507	989,193
WIFIA		861,573	861,573
State Loans		896,740	896,740
Revenue Bonds		0	0
Grant		0	0
Inside City and Outside City Tap Fees		1,409,916	1,409,916
Interest Income	390,296		390,296
Less Adjustments			
Change in Funds Available	(450,182)	(371,912)	(822,094)
Subtotal	789,799	3,432,824	4,222,623
Costs to be Recovered from Rates	15,554,947	10,070,183	25,625,130

[1] A positive amount indicates a drawdown of the available operating fund balance to cover expenses. A negative amount indicates an addition to the balance, which is an increase to the costs to be recovered from rate-based revenue.

REVENUE REQUIREMENT ALLOCATION

The underlying goal in cost allocation is to assign the test year revenue requirement into the sewer system functional areas. These functional areas include treatment, interceptor, bill and general administration, and collection system. These costs serve as the basis for the components of the rate design.

Cost Pools

The City serves customers within the City limits and several districts outside the City limits. The City provides both treatment and sewer collection services to customers within the City limits and only treatment services to customers outside the City. To recognize this, costs are grouped to 'cost pools' to ensure that a customer class is not allocated costs for which they receive no benefit. The two cost pools are:

- *Common-to-all*. This cost pool includes costs that benefit all customers. This includes treatment, interceptor, payments on debt used to improvement and upgrade the WWTP and billing services
- *Collection*. This cost pool includes costs associated only with the sewer collection system. All inside customers benefit from collection services.

Cost Allocation

The 2027 revenue requirement line items are allocated to functional areas based on the relationship of each expenditure to the particular function, including the extent to which the magnitude or activity level of the functional area drives the expenditure. For example, the Bi-City annual operations cost is associated with treatment activities. These costs are allocated 90% to wastewater treatment and 10% to administration and billing. In a similar manner, Manhole and lid replacement and repairs is associated with the collection system. Those costs are allocated to the collection system component. Salaries and wages are allocated considering the number of FTEs, salaries, and their respective job title. Capital costs are allocated based on the proportionate share of CIP costs related to treatment and collection. Table 10 shows the O&M allocations and Table 11 shows the capital allocations.

Table 10: Sewer Utility
Allocation of O&M to Functional Components

Description	Total	Common-to-All (Treatment) WWTP	Interceptor	Admin & Billing	Specific to Collection	Test Year 2027
Operation and Maintenance Expense						
Salary . Regular	100%	4.65%	10.19%	10.05%	75.10%	1,647,263
Supplies Office	100%	0.00%	0.00%	100.00%	0.00%	73,478
Dues & Memberships	100%	0.00%	0.00%	100.00%	0.00%	4,242
Bi-City Joint Plant Ops	100%	90.00%	0.00%	10.00%	0.00%	11,097,980
Rentals	100%	0.00%	0.00%	100.00%	0.00%	41,410
Storm Drainage Charges	100%	0.00%	0.00%	100.00%	0.00%	35,613
Repair/Maintenance Projects	100%	100.00%	0.00%	0.00%	0.00%	2,640,750
Other Charges	100%	0.00%	0.00%	100.00%	0.00%	688,759
PC Software	100%	0.00%	0.00%	100.00%	0.00%	296,940
Other Insurance	100%	0.00%	0.00%	100.00%	0.00%	213,631
Lift Station Rehab	100%	0.00%	0.00%	100.00%	0.00%	25,000
811 (50/50 Split with Storm)	100%	0.00%	0.00%	100.00%	0.00%	7,500
AM software	100%	0.00%	0.00%	0.00%	100.00%	5,150
Manhole Lid Replacement and repairs	100%	0.00%	0.00%	0.00%	100.00%	20,600
Three Add'l FTEs (Sal + Benefits)	100%	0.00%	0.00%	0.00%	100.00%	0
Project Manager (50/50 w/sewer)	100%	0.00%	0.00%	0.00%	100.00%	90,000
Engineer (50/50 w/sewer)	100%	0.00%	0.00%	0.00%	100.00%	90,000
Operations (50/50 w/sewer)	100%	0.00%	0.00%	0.00%	100.00%	55,000
Three FTEs - Fully Finded CIP	100%	0.00%	0.00%	0.00%	100.00%	0
Engineer (50/50 Split; 6 months 2027)	100%	0.00%	0.00%	0.00%	100.00%	0
Project Manager (50/50 Split; 6 months 2027)	100%	0.00%	0.00%	0.00%	100.00%	0
Engineering Inspector (50/50 Split; 6 months 20	100%	0.00%	0.00%	0.00%	100.00%	0
Biogas Revenue Reduction	100%	100.00%	0.00%	0.00%	0.00%	(688,570)
Total		12,017,039	167,846	2,661,972	1,497,890	16,344,746
Less: Operation and Maintenace Expense Offsets						
Late Fee Charge + Misc	100%	0.00%	0.00%	100.00%	0.00%	308,000
Interest Income	100%	0.00%	0.00%	0.00%	100.00%	390,296
Dominion Annual User Charges	100%	0.00%	0.00%	0.00%	100.00%	541,686
Change in Fund Balance	100%	73.52%	1.03%	16.29%	9.16%	-450,182
Total		-330,984	-4,623	234,682	890,725	789,799
Total		12,348,023	172,469	2,427,290	607,165	15,554,947
Percent of Total		*79.4%*	*1.1%*	*15.6%*	*3.9%*	*100.0%*

Table 11: Sewer Utility
Allocation of Capital to Functional Components

Description		Common-to-All (Treatment) WWTP	Intercepor	Admin & Billing	Specific to Collection	Test Year 2027
Capital Costs						
Collection	100.00%	69.28%	0.37%	0.00%	30.35%	$4,649,764
Interceptor	100.00%	69.28%	0.37%	0.00%	30.35%	0
SPWRP	100.00%	69.28%	0.37%	0.00%	30.35%	8,791,565
Debt Service	100.00%	69.28%	0.37%	0.00%	30.35%	61,677
Total Capital Costs		**$9,355,044**	**$49,887**	**$0**	**$4,098,076**	**$13,503,006**
Less: Capital Offsets						
Dominion - Historical Tap Fee Payments	100.00%	69.28%	0.37%	0.00%	30.35%	0
Dominion - Future Tap Fee Rental Charge	100.00%	69.28%	0.37%	0.00%	30.35%	189,000
Dominion - Annual User Charges	100.00%	69.28%	0.37%	0.00%	30.35%	447,507
WIFIA	100.00%	69.28%	0.37%	0.00%	30.35%	861,573
State Loans	100.00%	69.28%	0.37%	0.00%	30.35%	896,740
Revenue Bonds	100.00%	69.28%	0.37%	0.00%	30.35%	0
Grant	100.00%	69.28%	0.37%	0.00%	30.35%	0
Inside City and Outside City Tap Fees	100.00%	0.00%	0.00%	0.00%	100.00%	1,409,916
Change in Fund Balance	100.00%	69.28%	0.37%	0.00%	30.35%	(371,912)
Total Capital Offsets		**$1,401,495**	**$7,474**	**$0**	**$2,023,856**	**$3,432,824**
Net Capital Requirements		**$7,953,549**	**$42,413**	**$0**	**$2,074,220**	**$10,070,183**
Percent of Total		*79.0%*	*0.4%*	*0.0%*	*20.6%*	*100.0%*

Allocated Revenue Requirement

Table 12 summarizes the allocated revenue requirement. The allocated revenue requirement is distributed to customer classes based on their proportionate share of total units of service.

Table 12: Sewer Utility
Allocated Revenue Requirement Summary

Line Item	Test Year 2027	Common-to-All (Treatment) WWTP	Interceptor	Billing	Specitic to Collection
Net O&M	100%	79%	1%	16%	4%
Capital & Other	100%	79%	0%	0%	21%
Net O&M	$15,554,947	$12,348,023	$172,469	$2,427,290	$607,165
Capital & Other	10,070,183	7,953,549	42,413	0	2,074,220
Total	$25,625,130	$20,301,573	$214,882	$2,427,290	$2,681,385

UNITS OF SERVICE

The next step in the cost of service study process is to determine the total system and customer class units of service. The units of service are used in the allocation of costs to customer classes and the eventual determination of test year rates and charges as part of the rate design process. The process of determining the units of service involves developing estimates of the projected test year contributed units of service contributed flows and number of bills. Residential and multifamily billable volume is based on the average winter consumption, January through March, and commercial billable volume is based on actual water use. Table 13 summarizes the units of service by class.

Table 13: Sewer Utility
Units of Service

Description	Number of Accounts	Number of Units	Annual Billable Flow AWC	Actual Usage	Use per Account	Use per Unit
			1,000 gallons	*1,000 gallons*		
Inside City						
Single Family	7,204	8,684	308,225		42.8	3.57
Multiple Family	485	2,234	89,533		36.0	3.34
Commercial/Industrial	1,140	3,190		969,000	850.0	70.83
Sanitation District						
Single Family	759	759	32,474		42.8	3.57
Multiple Family		120	4,809			3.34
Outside						
Single Family	27,752	33,106	1,271,730		45.8	3.82
Multiple Family	450	2,660	104,787			3.28
Commercial/Industrial	1,381	6,675		1,173,850	850.0	70.83
Total Inside	8,829	14,108	397,758	969,000		
Total Sanitation	759	879	37,283	0		
Total Outside	29,583	42,441	1,376,516	1,173,850		
Total	39,171	57,428	1,811,558	2,142,850		

UNIT COST OF SERVICE

The unit cost of service is the allocated cost component divided by the system units of service. The unit cost of service for each alternative varies based on the basis for the units of service. Table 14 shows the unit cost of service.

Table 14: Sewer Utility
Unit Cost of Service

Description	WWTP	Interceptor	Bills	Collection	Billing
	$ per 1,000 gal	*$ per 1,000 gal*	*$ per Bill*	*$ per 1,000 gal*	*$ per Bill*
Adjusted Cost (	$13,455,488	$142,419	$10,250,052	$1,777,170	
Units of Service					
Inside	1,366,758	1,366,758	105,948	1,366,758	
Sanitation	37,283	37,283	9,108		
Outside	2,550,366	2,550,366	354,996		
Total Units	3,954,408	3,954,408	470,052	1,366,758	
Unit Cost	$ per k-gal	$ per k-gal	$ per bill	$ per k-gal	
Inside City	$3.01	$0.03	$18.94	$1.30	$18.94
Sanitation	$3.01	$0.03	$18.94	$0.00	$18.94
Outside City	$3.62	$0.04	$22.73		$22.73

DISTRIBUTION OF COSTS TO CUSTOMER CLASSES

The customer class units of service are multiplied by the unit cost of service to determine the distributed cost of service to customer classes. Table 15 shows the Distribution of costs to customer classes.

Table 15: Sewer Utility
Distribution of Costs to Customer Classes

Line Item	Total	Common-to-All (Treatment) WWTP	Interceptor	Billing	Collection-Only Collection
	$	*1,000 gallons*	*1,000 gallons*	*Bills*	*1,000 gallons*
Unit Costs of Service, $/unit					
Inside		$3.01	$0.03	$18.94	$1.30
Sanitation		$3.01	$0.03	$18.94	$0.00
Outside City		$3.62	$0.04	$22.73	$0.00
Inside City					
Single Family					
Units		308,225	308,225	86,448	308,225
Costs	$2,977,304	$928,960	$9,833	$1,637,731	$400,780
Multiple Family					
Units		89,533	89,533	5,820	89,533
Costs	$499,376	$269,843	$2,856	$110,258	$116,418
Commercial/Industrial					
Units		969,000	969,000	13,680	969,000
Costs	$4,470,514	$2,920,467	$30,912	$259,163	$1,259,972
Sanitation District					
Single Family					
Units		32,474	32,474	9,108	0
Costs	$271,458	$97,873	$1,036	$172,548	$0
Multiple Family					
Units		4,809	4,809	0	0
Costs	$14,648	$14,495	$153	$0	$0
Outside City					
Single Family					
Units		1,271,730	1,271,730	333,024	0
Costs	$12,218,965	$4,599,435	$48,683	$7,570,847	$0
Multiple Family					
Units		104,787	104,787	5,400	0
Costs	$505,752	$378,979	$4,011	$122,762	$0
Commercial/Industrial					
Units		1,173,850	1,173,850	16,572	0
Costs	$4,667,114	$4,245,436	$44,936	$376,742	$0
Total Allocated COS	$25,625,130	$13,455,488	$142,419	$10,250,052	$1,777,170
		0	0	0	0

Cost of Service Rates

In the development of schedules of sewer rates, a basic consideration is to establish equitable charges to customers commensurate with the cost of providing service. Schedules of rates are normally designed to meet average conditions for groups (classes) of customers with similar service requirements. Rates should be reasonably simple in application and subject to as few misinterpretations as possible.

EXISTING RATES

The existing rate structure has been in place for more than a decade. Rate increases were last adopted in 2026. The current structure includes:

- A fixed charge per bill for residential,
- A per unit charge per bill for each multifamily dwelling unit, and
- The greater of an annual minimum charge or volume charges based on the lowest consecutive bimonthly usage multiplied by six.

Charges vary based on where the customer is located in the City of Littleton's service area. Table 16 outlines the existing rate structure.

Table 16: Sewer Utility
Existing Rates by Class and Service Area

Customer Class	Inside City			Served by a District	Outside City
	Treatment	Collection	Total		
Residential	$360.57	$86.91	$447.48	$273.66	
Multifamily	$300.46	$67.87	$368.33	$232.59	
Commercial					
Minimum	$80.80	$67.75	$148.55		$178.23
Volume Rate, per 1,000 gallons	$3.60	$3.02	$6.62		$3.61

RATE STRUCTURE PRICING OBJECTIVES

Raftelis conducted a rate structure pricing objectives workshop with the City to establish the criteria for developing rate structure alternatives. The key objectives include:

- *Revenue stability*. Rate structure should generate stable and predictable revenues sufficient to meet annual revenue requirements, bond covenants and other financial requirements.
- *Equity between classes*. Through a cost-of-service analysis, costs are recovered proportionately from each customer class' rate structure based on their demand characteristics.
- *Equity within a class*. Equity between customers within a class is maximized when the rate structure results in individual customers paying their cost to receive service based on their unique service characteristics.
- *Ease of administration*. Rate structure should be compatible with existing billing and accounting systems.
- Customer understanding. Rate structure should be subject to as few misinterpretations by the customer as possible.

PROPOSED RATES

The proposed residential and commercial rates include a fixed charge per account, while multifamily customers are assessed a fixed charge per dwelling unit. For residential and multifamily customers, volume charges are based on average winter water consumption (January through March), which serves as a reasonable proxy for indoor water use and wastewater return.

Conversely, commercial customers are billed based on actual water consumption. Commercial demands vary widely and are driven by business operations rather than seasonal outdoor use. Relying on average winter consumption or a lowest-bimonthly-bill approach for commercial accounts could significantly understate their actual discharge to the wastewater treatment plant. Table 17 details the proposed 2027 monthly rates.

Table 17: Sewer Utility
2027 Proposed Rates Under Existing Structure

City of Littleton	
Residential	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	$1.31
Multifanily	
Customer Charge, $ per Bill	$14.22
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	$1.31
Commercial	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	$1.31

Customers in City, Served by a District	
Residential	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	N/A
Multifanily	
Customer Charge, $ per Bill	$14.22
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	N/A
Commercial	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	N/A

Outside City	
Residential	
Customer Charge, $ per Bill	$22.75
Treatment, $ per 1,000 gallons	$3.67
Collection, $ per 1,000 gallons	N/A
Multifanily	
Customer Charge, $ per Bill	$17.06
Treatment, $ per 1,000 gallons	$3.67
Collection, $ per 1,000 gallons	N/A
Commercial	
Customer Charge, $ per Bill	$22.75
Treatment, $ per 1,000 gallons	$3.67
Collection, $ per 1,000 gallons	N/A

RESIDENTIAL BILL COMPARISON UNDER EXISTING AND PROPOSED RATES

Table 18 below compares typical residential bills under existing rate and the proposed rate and structure. The proposed 2027 rates include the 25% revenue adjustment as indicated in the financial plan. The inside City volume rate includes treatment and collection costs. Most residential customer average winter consumption is approximately 3,000 to 4,000 gallons.

Table 18: Sewer Utility
Inside City Residential Monthly Bill Comparison at Various Levels of AWC
Existing and Proposed Rates



Section 3 Storm Drainage Utility

Introduction

The City's storm drainage utility is financially self-sufficient with funding for capital and operating requirements derived primarily from rates.

OPERATING FUND CASH FLOW

Beginning Balance

The cash fund balance includes unrestricted net revenues carried over from previous years. The fund balance is projected to be approximately $32,000 at the beginning of 2027.

Sources of Funds

Operating revenue is derived from storm drainage rates, investment income, and other miscellaneous sources. Storm drainage service revenue under current rates is based on the projected number of accounts, impervious and pervious area. Revenue from *current* rates averages $3.2 million annually. This includes an average annual growth rate of approximately 0.3% based on the City staff's growth projections. The City anticipates issuing debt to fund a a portion of the storm drainage utility's capital improvement plan (CIP). Estimated proceeds total $22.8 million, which includes revenue bonds ($10.8 million), and state loans ($12.0 million). Combining these financing mechanisms reduces overall borrowing costs and aligns debt service with the timing of the capital program.

Revenue Requirements

Revenue requirements include operation and maintenance expense (O&M) and the capital improvement program. O&M consists of personnel, materials and supplies associated with operating the storm drainage system and averages $1.7 million annually during the study period and includes an average annual inflation rate of 4%. The capital improvement program includes projects for local drainage improvements, water quality projects, miscellaneous concrete projects and consulting studies. The capital improvement program totals $71.0 million over the study period, which includes an annual inflation allowance of 3%.

The City anticipates adding three full-time equivalent (FTE) positions in 2027 and another three in 2028. These positions include two project managers, two operations supervisors, and two engineers. The time and salary costs for these roles will be split equally between the sewer and storm drainage utilities. Total salary costs for the 2027 positions are $235,000 annually, which will increase at a 3.0% inflation rate throughout the study period. The three positions added in 2028 will add another $235,000 in total salary costs, also escalating at the 3.0% inflation rate throughout the study period.

Indicated Storm Drainage Service Revenue Adjustments

The 10-year financial plan should be sufficient to meet annual operating expenses, debt service, capital expenditures, reserve requirements, and debt service coverage. A minimum operating reserve equal to 60 days of operating expenses is typical. The City currently maintains an operating reserve of 25 days of O&M. Raftelis' analysis shows that revenue under existing rates is inadequate to meet revenue requirements throughout the study period. Raftelis recommends annually updating the financial plan to recognize changes in growth, operating expenses, capital improvement needs, and capital financing requirements. Table 19 summarizes the cash flow.

Table 19: Storm Drainage Utility
Financial Plan Cash Flow Summary

Description	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
Annualized Percentage Increase	0%	60%	60%	5%	5%	5%	5%	5%	5%	5%
Cumulative Increase	0%	60%	156%	169%	183%	198%	214%	230%	247%	265%
Annual CIP, $ mil	$1.50	$8.21	$11.51	$7.46	$6.98	$7.78	$5.53	$6.07	$6.82	$10.49
Bond and Loan Funded, $ mil	$0.00	$7.05	$8.20	$4.25	$3.28	$0.00	$0.00	$0.00	$0.00	$0.00
Ending Balance, $ mil	$0.03	$1.21	$2.38	$3.62	$4.57	$1.82	$1.81	$2.01	$2.45	$1.20
Target Reserves, $ mil	$0.41	$0.49	$0.63	$0.66	$0.69	$0.73	$0.76	$0.80	$0.84	$0.88
Unrestricted Reserves, $ mil	($0.38)	$0.72	$1.75	$2.96	$3.88	$1.09	$1.04	$1.21	$1.61	$0.31
Debt Service Coverage	7.2	3.4	3.9	3.2	3.0	3.1	3.3	3.9	5.2	5.6
Debt Service Coverage Target	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2

Reserves

The City's current reserve policy includes a reserve balance equal to 90 days of O&M. This reserve tracks and adjusts based on changes in O&M with the primary goal of absorbing cash flow fluctuations due to the variability in monthly expenditures.

EXISTING RATES

Existing rates are assessed for residential and commercial properties. Residential rates are assessed on a per lot basis and commercial properties are assessed a fee for impervious and pervious area. Subdivided, undeveloped lots are assessed on a per lot basis. Vacant lots are assessed on a per acre of impervious area. Table 20 shows the existing rate schedule for 2026.

Table 20: Storm Drainage Utility
2026 Existing Rate Structure

Description	Single Family Detatched	Multiple family residential structures, commercial, industrial, public properties, churches and schools [1]
Developed	$124.54/lot or property	$1,037.31/developed acre of impervious surface and
Subdivided, Undeveloped	$31.12/undeveloped lot	$259.33/undeveloped lot
Un-subdivided, Undeveloped	$259.33/undeveloped lot	$259.33/undeveloped lot
Vacant and Undisturbed	$25.95/acre of vacant residential property	$25.95/acre of vacant residential property

[1] Classes are combined based on the City's current ordinance.

PROPOSED RATES

The 2027 storm drainage rates retain the existing structure. Table 21 lists the annual charges by customer class and parcel type.

Table 21: Storm Drainage Utility
Proposed 2027 Rates

Description	Single Family Detatched	Multiple family residential structures, commercial, industrial, public properties, churches and schools [1]
Developed	$199.26/lot or property	$1,659.70/developed acre of impervious surface and
Subdivided, Undeveloped	$49.79/undeveloped lot	$414.93/undeveloped lot
Un-subdivided, Undeveloped	$414.93/undeveloped lot	$414.93/undeveloped lot
Vacant and Undisturbed	$41.52/acre of vacant residential property	$41.52/acre of vacant residential property

[1] Classes are combined based on the City's current ordinance.

APPENDIX A:

Sewer Utility
Financial Plan

City of Littleton
Sewer Cash Flow Analysis

Table 1

Line Item				Projected									
				2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
				$	$	$	$	$	$	$	$	$	$
Revenues					0.50%								
Sewer Service Revenue at Existing Rates				20,398,113	20,500,104	20,602,604	20,705,617	20,809,145	20,913,191	21,017,757	21,122,846	21,228,460	21,334,602
Year	Months Effective First Year	Revenue Increase											
2026	12	0.0%	0.0%	0	0	0	0	0	0	0	0	0	0
2027	12	25.0%	25.0%		5,125,026	5,150,651	5,176,404	5,202,286	5,228,298	5,254,439	5,280,711	5,307,115	5,333,651
2028	12	25.0%	56.3%			6,438,314	6,470,505	6,502,858	6,535,372	6,568,049	6,600,889	6,633,894	6,667,063
2029	12	5.0%	64.1%				1,617,626	1,625,714	1,633,843	1,642,012	1,650,222	1,658,473	1,666,766
2030	12	5.0%	72.3%					1,707,000	1,715,535	1,724,113	1,732,733	1,741,397	1,750,104
2031	12	5.0%	80.9%						1,801,312	1,810,319	1,819,370	1,828,467	1,837,609
2032	12	5.0%	89.9%							1,900,834	1,910,339	1,919,890	1,929,490
2033	12	5.0%	99.4%								2,005,856	2,015,885	2,025,964
2034	12	5.0%	109.4%									2,116,679	2,127,262
2035	12	5.0%	119.9%										2,233,626
Subtotal Revenue Adjustments				0	5,125,026	11,588,965	13,264,536	15,037,859	16,914,360	18,899,766	21,000,121	23,221,800	25,571,535
Total Rate Revenue				20,398,113	25,625,130	32,191,569	33,970,153	35,847,004	37,827,551	39,917,523	42,122,967	44,450,260	46,906,137
Other Revenues													
Late Fee Charge + Misc				308,000	308,000	308,000	308,000	308,000	308,000	308,000	308,000	308,000	308,000
Dominion - Historical Tap Fee Payments				0	0	1,980,000	1,980,000	1,980,000	1,980,000	1,980,000	0	0	0
Dominion - Future Tap Fee Rental Charge				0	189,000	189,000	0	0	0	0	0	0	0
Dominion - Annual User Charges				895,197	989,193	1,086,590							
WIFIA				0	861,573	0	0	0	4,291,614	6,648,618	9,498,004	9,265,484	1,358,107
State Loans				0	896,740	0	0	0	3,000,000	3,000,000	3,000,000	3,000,000	1,413,540
Revenue Bonds				0	0	0	0	0	1,466,782	3,919,990	6,885,678	6,643,668	0
Grant				0	0	0	0	0	0	0	0	0	0
Inside City and Outside City Tap Fees				1,409,916	1,409,916	1,409,916	1,405,674	1,409,916	1,409,916	1,409,916	1,409,916	1,409,916	1,409,916
Interest Income				0	390,296	553,719	761,325	677,385	387,001	343,615	299,861	273,641	495,952
Total Revenues				23,011,226	30,669,847	37,718,794	38,425,152	40,222,306	50,670,865	57,527,662	63,524,425	65,350,969	51,891,652
Expenditures													
Personnel				1,568,822	1,647,263	1,729,626	1,816,108	1,906,913	2,002,259	2,102,372	2,207,490	2,317,865	2,433,758
Added FTEs				0	235,000	246,750	259,088	272,042	285,644	299,926	314,922	330,669	347,202
Added FTEs (3 FTEs - Mid 2027 Start)				0	0	235,000	246,750	259,088	272,042	285,644	299,926	314,922	330,669
Repair/Maintenance Collection System				2,515,000	2,640,750	2,772,788	2,911,427	3,056,998	3,209,848	3,370,341	3,538,858	3,715,800	3,901,590
Interceptor Repair/Maintenance				0	0	0	0	0	0	0	0	0	0
Other Operating Expenditures				1,340,666	1,354,073	1,367,613	1,381,290	1,395,102	1,409,053	1,423,144	1,437,375	1,451,749	1,466,267
General Fund Transfer				0	0	0	0	0	0	0	0	0	0
Biogas revenue reduction				(681,750)	(688,570)	(695,460)	(702,410)	(709,430)	(716,520)	(723,690)	(730,930)	(738,240)	(745,620)
O&M Expense Items				32,500	58,250	59,998	311,797	313,651	65,561	67,528	69,554	71,640	73,789
Bi-City Operating				10,671,135	11,097,980	11,541,900	12,003,576	12,483,719	12,983,067	13,502,390	14,042,486	14,604,185	15,188,352
Total Operating Expense				15,446,373	16,344,746	17,258,214	18,227,624	18,978,083	19,510,954	20,327,654	21,179,681	22,068,591	22,996,007

City of Littleton
Sewer Cash Flow Analysis

Table 1

Line Item		Projected 2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
		0									
Debt Service											
Existing		0	0	0	0	0	0	0	0	0	0
Proposed WIFIA Debt Service		0	0	0	0	0	0	62,912	62,912	62,912	62,912
Proposed State Loan Debt Service		0	61,677	61,677	61,677	61,677	268,014	474,351	680,688	887,025	984,247
Proposed Revenue Bond Debt Service		0	0	0	0	0	122,895	451,333	1,028,253	1,584,896	1,584,896
Total Debt Service		0	61,677	61,677	61,677	61,677	390,909	988,596	1,771,853	2,534,833	2,632,055
Capital Improvements	Debt Funded										
SPWRP Loan Funded Capital	66,908,111	0	1,758,313	0	0	0	8,758,396	13,568,608	19,383,682	18,909,152	2,771,647
SPWRP Rate-Funded Capital		8,886,050	7,033,252	8,096,014	10,351,158	21,064,049	13,137,594	13,568,608	10,437,367	12,606,101	11,086,588
All Other Rate-Funded Capital		1,920,293	4,649,764	4,036,454	4,244,517	11,386,155	8,406,750	7,741,671	9,305,933	13,015,070	9,971,388
Total Capital Improvements		10,806,343	13,441,329	12,132,468	14,595,675	32,450,205	30,302,741	34,878,887	39,126,982	44,530,323	23,829,622
Total Expenditures		26,252,716	29,847,753	29,452,359	32,884,977	51,489,965	50,204,604	56,195,137	62,078,516	69,133,747	49,457,685
Annual Surplus (Deficit)		*(3,241,490)*	*822,094*	*8,266,434*	*5,540,176*	*(11,267,659)*	*466,261*	*1,332,526*	*1,445,909*	*(3,782,778)*	*2,433,967*
Beginning Balance		6,534,450	3,292,960	4,115,054	12,381,489	17,921,664	6,654,005	7,120,266	8,452,791	9,898,700	6,115,923
Ending Balance		3,292,960	4,115,054	12,381,489	17,921,664	6,654,005	7,120,266	8,452,791	9,898,700	6,115,923	8,549,890
Operating Reserve (90 Days of O&M)		*3,808,695*	*4,030,211*	*4,255,450*	*4,494,483*	*4,679,527*	*4,810,920*	*5,012,298*	*5,222,387*	*5,441,570*	*5,670,248*
Capital Reserve (1-year Depreciation Expense)		*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*	*0*
Total Target Reserves		*3,808,695*	*4,030,211*	*4,255,450*	*4,494,483*	*4,679,527*	*4,810,920*	*5,012,298*	*5,222,387*	*5,441,570*	*5,670,248*
Unrestricted Reserves		*(515,735)*	*84,843*	*8,126,039*	*13,427,181*	*1,974,478*	*2,309,345*	*3,440,493*	*4,676,313*	*674,352*	*2,879,641*
Debt Coverage (State Required Min 1.10x)		#DIV/0!	184.65	278.95	295.37	312.34	52.24	21.90	12.96	9.62	9.93
Debt Service Coverage Target		1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30	1.30

City of Littleton
Sewer Capital Improvement Program

Table 2

Line No	Line Item	WIFIA Funding	Available for Bond Funding	Projected 2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total 2026 - 2035
				$	$	$	$	$	$	$	$	$	$	$
	Capital													
1	Shadycroft Sewer - Construction	N	N	2,141,700	-	-	-	-	-	0	0	0		2,141,700
2	Sterne Park Sewer	N	N	75,000	425,000	-	-	-	-	0	0	0		500,000
3	Front Range Road	N	N	300,000	-	-	-	-	-	0	0	0		300,000
4	Sterne Parkway - Replaced	N	N	850,000	-	-	-	-	-	0	0	0		850,000
5	trunk line - littles, lining project	N	N	-	-	-	-	500,000	-	0	0	0		500,000
6	trunk lines - lee gulch, lining project	N	N	-	-	-	-	500,000	-	0	0	0		500,000
7	Upsize Slaughterhouse Gulch	N	N	-	-	-	-	750,000	1,066,855	1,593,750	1,589,395	0		5,000,000
8	Upsize Lee Gulch	N	N	-	-	-	-	-	188,011	561,989	1,255,309	1,497,346	1,497,346	5,000,000
9	Lift Station Removal at Happy Homes	N	N	-	-	-	-	-	750,000	0	0	0		750,000
10	SSGM11150 - runs through backyard possible relo?	N	N	-	-	-	-	-	-	0	0	180,000		180,000
11	SSGM11913 - reroute?	N	N	-	-	-	-	-	-	0	0	300,000		300,000
12	SSGM12871 (master plan recommends Monitor)	N	N	-	-	-	-	-	-	0	0	100,000		100,000
13	South Platte Renew - Bond Eligible Capital	Y	Y	8,886,050	8,535,500	7,631,270	9,472,776	18,715,135	18,887,674	22,726,991	24,247,242	24,878,432	10,621,183	154,602,253
14	SPR - rate financed	N	Y											0
	Other Repair and Maintenance Projects													
15	Sanitary Manhole SSMH10029	N	N	25,000	-	-	-	-	-	0	0	0		25,000
16	Sanitary Manhole SSMH10387	N	N	25,000	-	-	-	-	-	0	0	0		25,000
17	Sanitary Manhole SSMH10388	N	N	25,000	-	-	-	-	-	0	0	0		25,000
18	Sanitary Manhole SSMH10931	N	N	25,000	-	-	-	-	-	0	0	0		25,000
19	Sanitary Manhole SSMH10947	N	N	25,000	-	-	-	-	-	0	0	0		25,000
20	Sanitary Manhole SSMH10948	N	N	-	25,000	-	-	-	-	0	0	0		25,000
21	Sanitary Manhole SSMH10949	N	N	-	25,000	-	-	-	-	0	0	0		25,000
22	Sanitary Manhole SSMH10950	N	N	-	25,000	-	-	-	-	0	0	0		25,000
23	Sanitary Manhole SSMH10957	N	N	-	25,000	-	-	-	-	0	0	0		25,000
24	Sanitary Manhole SSMH10981	N	N	-	25,000	-	-	-	-	0	0	0		25,000
25	Sanitary Manhole SSMH10986	N	N	-	-	25,000	-	-	-	0	0	0		25,000
26	Sanitary Manhole SSMH11400	N	N	-	-	25,000	-	-	-	0	0	0		25,000
27	Sanitary Manhole SSMH11477	N	N	-	-	25,000	-	-	-	0	0	0		25,000
28	Sanitary Manhole SSMH12485	N	N	-	-	25,000	-	-	-	0	0	0		25,000
29	Sanitary Manhole SSMH13227	N	N	-	-	25,000	-	-	-	0	0	0		25,000
30	Roxborough Interceptor Manhole rehab project	N	N	-	-	-	-	300,000	-	0	0	0		300,000
31	Sanitary Manhole SSMH10418	N	N	15,000	-	-	-	-	-	0	0	0		15,000
32	Sanitary Manhole SSMH10737	N	N	15,000	-	-	-	-	-	0	0	0		15,000
33	Sanitary Manhole SSMH10954	N	N	-	15,000	-	-	-	-	0	0	0		15,000
34	Sanitary Manhole SSMH11335	N	N	-	15,000	-	-	-	-	0	0	0		15,000
35	Sanitary Manhole SSMH12795	N	N	-	-	15,000	-	-	-	0	0	0		15,000
36	Sanitary Manhole SSMH12796	N	N	-	-	15,000	-	-	-	0	0	0		15,000
37	SSMH10976	N	N	-	-	15,000	-	-	-	0	0	0		15,000
38	CCTV - 6-8" sanitary	N	N	250,000				250,000				250,000		750,000
39	CCTV - 10-12" sanitary	N	N	-	-	-	250,000	-	-	0	250,000	0		500,000
40	CCTV - 15-24" sanitary	N	N	-	250,000	-	-	-	250,000	0	0	0	250,000	750,000
41	CCTV - interceptor	N	N	-	-	-	150,000	-	-	0	150,000	0		300,000
42	Acoustic assessment - 8"	N	N	50,000	-	-		-	-	50,000	0	0	50,000	150,000
43	Acoustic assessment - 10-12"	N	N	-	-	50,000	-	-	50,000	0	0	50,000		150,000
44	Acoustic Assessment - +12"	N	N	-	50,000	-	-	50,000	-	0	50,000	0		150,000
45	sonar unit to determine sediment levels below water	N	N	-	-	-	-	-	300,000	0	0	0		300,000
46	Full Sewer Replacement Identified in Master Plan (Ex	N	N	2,324,755	2,324,755	2,324,755	2,324,755	2,324,755	-	0	0	0		11,623,773
47	Full Sewer Replacement Identified in Master Plan (Hi	N	N	-	-	-	-	796,608	796,608	796,608	796,608	796,608		3,983,040
48	Full Sewer Replacement Identified in Master Plan (An	N	N	-	-	-	-	-	-	0	0	1,000,000	1,000,000	2,000,000
49	Point Repairs Identified (Extreme)	N	N	215,881	215,881	215,881	215,881	215,881	-	0	0	0		1,079,406
50	Point Repairs Identified (High)	N	N	-	-	-	-	202,962	202,962	202,962	202,962	202,962		1,014,810
51	Point Repairs Identified (Annual Sewer repair prograr	N	N	-	-	-	-	-	-	0	0	275,000	275,000	550,000
52	Pipe Patches or Point Repair (Extreme)	N	N	623,514	623,514	623,514	623,514	623,514	-	0	0	0		3,117,572
53	Pipe Patches or Point Repair (High)	N	N	-	-	-	-	1,960,002	1,960,002	1,965,372	1,960,002	1,960,002	1,960,002	11,765,384
54	Pipe Patches or Point Repair (Annual Sewer Point rep	N	N	-	-	-	-	-	-	0	0	750,000	750,000	1,500,000
55	CIPP Lining (Extreme)	N	N	220,321	220,321	220,321	220,321	220,321	-	0	0	0		1,101,605
56	CIPP Lining (High)	N	N	-	-	-	-	1,112,408	1,112,408	1,112,408	1,112,408	1,112,408		5,562,040
57	CIPP Lining (Annual Sewer CIPP Program)	N	N	-	-	-	-	-	-	0	0	1,600,000	1,600,000	3,200,000

City of Littleton
Sewer Capital Improvement Program

Table 2

Line No	Line Item	WIFIA Funding	Available for Bond Funding	Projected 2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	Total 2026 - 2035
				$	$	$	$	$	$	$	$	$	$	$
58	Lift Station Rehab	N	N	200,000	-	-	-	-	-	0	0	0		200,000
59	Placeholder	N	N											0
	Professional Services													
60	Rate study - san and storm 50/50 split	N	N	30,000	-	-	-	60,000	-	-	-	-	60,000	150,000
61	Sanitary Design and Standards Manual	N	N	75,000	-	-	-	-	-	-	-	-		75,000
62	Tactical Operations Plan	N	N	-	50,000	-	-	-	-	-	-	-		50,000
63	Lee Gulch Capacity Study	N	N	100,000	100,000	-	-	-	-	-	-	-		200,000
64	Little's Creek Capacity Study	N	N	-	99,863	100,137	-	-	-	-	-	-		200,000
65	Gates Capacity Study	N	N	-	-	50,068	49,932	-	-	-	-	-		100,000
66	Dad Clark Basin Capacity Study	N	N	-	-	50,068	49,932	-	-	-	-	-		100,000
67	Interceptor Capacity Study	N	N	-	-	-	-	250,000	-	-	-	-		250,000
68	Downtown Littleton Capacity Study	N	N	-	-	-	-	-	100,000	-	-	-		100,000
69	Future capital projects identified from capacity studie	N	N	-	-	-	-	-	199,890	200,438	199,890	199,890	199,890	1,000,000
70	Flow monitoring on sanitary interceptor and selected	N	N	-	-	-	-	-	75,000	-	-	-		75,000
71	Santa Fe Basin Capacity Study	N	N	-	-	-	-	-	75,000	-	-	-		75,000
72	Happy Homes Basin Capacity Study	N	N	-	-	-	-	-	75,000	-	-	-		75,000
73	Flow monitoring software and maintenance	N	N	-	-	-	-	-	50,000	-	-	-		50,000
74	Placeholder	N	N											0
	Misc.													
	AM Software	N	N	20,000	-	-	-	-	-	-	-	-		20,000
75	Strategic Plan - AM	N	N	50,000	-	-	-	-	-	-	-	-		50,000
76	Placeholder	N	N											0
77	Total Capital Improvement Program			16,567,221	13,049,834	11,436,015	13,357,110	28,831,587	26,139,410	29,210,518	31,813,817	35,152,648	18,263,421	223,821,583
	Source Doc Check			*17,410,443*	*13,893,056*	*12,290,819*	*14,250,332*	*25,973,303*	*26,665,598*	29,743,934	32,340,005	33,040,670	33,040,670	
	Source: Sanitary CIP List - Rate Study_02192026.xlsx			FALSE	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE	FALSE
78	Annual Inflation			0.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
79	Cumulative Inflation			0.0%	3.0%	6.1%	9.3%	12.6%	15.9%	19.4%	23.0%	26.7%	30.5%	
80	Total CIP with 3% Inflation			16,567,221	13,441,329	12,132,468	14,595,675	32,450,205	30,302,741	34,878,887	39,126,982	44,530,323	23,829,622	238,025,831
	Bond Funding Availability													
81	Projects Available for Bond Funding			8,886,050	8,535,500	7,631,270	9,472,776	18,715,135	18,887,674	22,726,991	24,247,242	24,878,432	10,621,183	
82	Projects Available for Bond Funding with Inflation			8,886,050	8,791,565	8,096,014	10,351,158	21,064,049	21,895,991	27,137,216	29,821,049	31,515,253	13,858,235	
	WIFIA Funding Availability													
83	Projects Available for WIFIA Funding			8,886,050	8,535,500	7,631,270	9,472,776	18,715,135	18,887,674	22,726,991	24,247,242	24,878,432	10,621,183	
84	Projects Available for WIFIA Funding with Inflation			8,886,050	8,791,565	8,096,014	10,351,158	21,064,049	21,895,991	27,137,216	29,821,049	31,515,253	13,858,235	

City of LittIteon
Sewer Projected Operation and Maintenance Expense

Table 3

Line Item	Annual Inflation	Budget 2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
			Projected								
		$	$	$	$	$	$	$	$	$	$
Salary . Regular	5.0%	1,568,822	1,647,263	1,729,626	1,816,108	1,906,913	2,002,259	2,102,372	2,207,490	2,317,865	2,433,758
Supplies Office	1.0%	72,750	73,478	74,212	74,954	75,704	76,461	77,226	77,998	78,778	79,566
Dues & Memberships	1.0%	4,200	4,242	4,284	4,327	4,371	4,414	4,458	4,503	4,548	4,593
Bi-City Joint Plant Ops	4.0%	10,671,135	11,097,980	11,541,900	12,003,576	12,483,719	12,983,067	13,502,390	14,042,486	14,604,185	15,188,352
Rentals	1.0%	41,000	41,410	41,824	42,242	42,665	43,091	43,522	43,958	44,397	44,841
Storm Drainage Charges	1.0%	35,260	35,613	35,969	36,328	36,692	37,059	37,429	37,803	38,182	38,563
Repair/Maintenance Projects	5.0%	2,515,000	2,640,750	2,772,788	2,911,427	3,056,998	3,209,848	3,370,341	3,538,858	3,715,800	3,901,590
Other Charges	1.0%	681,940	688,759	695,647	702,603	709,629	716,726	723,893	731,132	738,443	745,828
PC Software	1.0%	294,000	296,940	299,909	302,908	305,938	308,997	312,087	315,208	318,360	321,543
Other Insurance	1.0%	211,516	213,631	215,767	217,925	220,104	222,305	224,528	226,774	229,042	231,332
NEW CIP O&M											
Lift Station Rehab	3.0%	-	25,000	25,750	26,523	27,318	28,138	28,982	29,851	30,747	31,669
811 (50/50 Split with Storm)	3.0%	7,500	7,500	7,725	7,957	8,195	8,441	8,695	8,955	9,224	9,501
AM software	3.0%	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524
Manhole Lid Replacement and repairs	3.0%	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095
Three Add'l FTEs (Sal + Benefits)	3.0%	-									
Project Manager (50/50 w/sewer)	5.0%	-	90,000	94,500	99,225	104,186	109,396	114,865	120,609	126,639	132,971
Engineer (50/50 w/sewer)	5.0%	-	90,000	94,500	99,225	104,186	109,396	114,865	120,609	126,639	132,971
Operations (50/50 w/sewer)	5.0%	-	55,000	57,750	60,638	63,669	66,853	70,195	73,705	77,391	81,260
Three FTEs - Fully Finded CIP		-									
Engineer (50/50 Split; 6 months 2027)	5.0%			90,000	94,500	99,225	104,186	109,396	114,865	120,609	126,639
Project Manager (50/50 Split; 6 months 2027)	5.0%			90,000	94,500	99,225	104,186	109,396	114,865	120,609	126,639
Engineering Inspector (50/50 Split; 6 months 2027)	5.0%			55,000	57,750	60,638	63,669	66,853	70,195	73,705	77,391
Subtotal O&M		16,128,123	17,033,316	17,953,674	18,930,034	19,687,513	20,227,474	21,051,344	21,910,611	22,806,831	23,741,627
Biogas Revenue Reduction	1.0%	(681,750)	(688,570)	(695,460)	(702,410)	(709,430)	(716,520)	(723,690)	(730,930)	(738,240)	(745,620)
Net Operation and Maintenance Expense		15,446,373	16,344,746	17,258,214	18,227,624	18,978,083	19,510,954	20,327,654	21,179,681	22,068,591	22,996,007

APPENDIX B:

Storm Drainage Utility
Financial Plan

City of Littleton
Storm Drainage Cash Flow

Table 1

Year	Annualized Percent Increase	Months in Effect	Actual Percent Increase
2026			
2027	60.0%	12	60.0%
2028	60.0%	12	60.0%
2029	5.2%	12	5.2%
2030	5.2%	12	5.2%
2031	5.2%	12	5.2%
2032	5.2%	12	5.2%
2033	5.2%	12	5.2%
2034	5.2%	12	5.2%
2035	5.2%	12	5.2%

Description	Projected 2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	$	$	$	$	$	$	$	$	$	$
Sources of Funds										
Revenue from Existing Drainage Fees	3,240,510	3,272,915	3,305,644	3,338,701	3,372,088	3,405,809	3,439,867	3,474,265	3,509,008	3,544,098
		1,963,749	1,983,387	2,003,220	2,023,253	2,043,485	2,063,920	2,084,559	2,105,405	2,126,459
			3,173,418	3,205,153	3,237,204	3,269,576	3,302,272	3,335,295	3,368,648	3,402,334
				444,448	448,892	453,381	457,915	462,494	467,119	471,790
					472,235	476,957	481,727	486,544	491,409	496,323
						501,759	506,776	511,844	516,963	522,132
							533,129	538,460	543,845	549,283
								566,460	572,125	577,846
									601,875	607,894
										639,504
Total Additional Revenue	0	1,963,749	5,156,805	5,652,821	6,181,584	6,745,159	7,345,739	7,985,656	8,667,388	9,393,566
Total Drainage Rate Revenue	3,240,510	5,236,664	8,462,449	8,991,522	9,553,672	10,150,967	10,785,606	11,459,922	12,176,396	12,937,664
Late Fee Charge & Misc	59,905	59,905	135,400	143,900	152,900	162,400	172,600	183,400	194,800	207,000
Revenue Bonds	0	4,053,265	5,200,844	1,246,543	281,749	0	0	0	0	0
State Loans	0	3,000,000	3,000,000	3,000,000	3,000,000	0	0	0	0	0
Grant Revenue	0	0	0	0	0	0	0	0	0	0
Interest Income	800	0	0	8,800	24,600	31,900	18,100	19,100	22,300	18,200
Total Sources	3,301,215	12,349,835	16,798,694	13,390,765	13,012,921	10,345,267	10,976,306	11,662,422	12,393,496	13,162,864
Uses of Funds										
Operations and Maintenance	1,673,713	1,758,481	1,841,143	1,928,570	2,021,102	2,119,104	2,222,974	2,333,144	2,450,079	2,574,287
Added FTEs (3 FTEs Split 50%/50% with WW)	0	235,000	481,750	505,838	531,129	557,686	585,570	614,849	645,591	677,871
Added FTEs (3 FTEs - Mid 2027 Start)	0	0	235,000	246,750	259,088	272,042	285,644	299,926	314,922	330,669
		1,993,481	2,322,893	2,434,408	2,552,231	2,676,790	2,808,545	2,947,992	3,095,670	3,252,157
Debt Service										
Existing	225,000	650,000	650,000	650,000	650,000	650,000	650,000	425,000	0	0
Proposed Revenue Bond Debt Service	0	195,740	586,713	826,310	882,914	892,633	892,633	892,633	892,633	892,633
Proposed State Loan Debt Service	0	120,363	326,700	533,037	739,374	825,348	825,348	825,348	825,348	825,348
Total Debt Service	225,000	966,103	1,563,413	2,009,347	2,272,289	2,367,981	2,367,981	2,142,981	1,717,981	1,717,981
Capital Improvements										
Loan Funded Capital	0	7,053,265	8,200,844	4,246,543	3,281,749	0	0	0	0	0
Cash Portion of Loan Funded Capital	0	0	0	0	0	0	0	0	0	0
All Other Rate-Funded Capital	1,500,000	1,160,000	3,305,997	3,209,672	3,701,015	7,780,207	5,526,452	6,071,420	6,818,635	9,118,206
Total Capital Improvements	1,500,000	8,213,265	11,506,842	7,456,215	6,982,764	7,780,207	5,526,452	6,071,420	6,818,635	9,118,206
Total Uses	3,398,713	11,172,850	15,628,148	12,146,720	12,066,371	13,097,020	10,988,622	11,462,320	11,947,209	14,419,013
Annual Surplus (Deficiency)	(97,498)	1,176,985	1,170,546	1,244,045	946,549	(2,751,753)	(12,316)	200,102	446,287	(1,256,149)
Beginning Balance	129,232	31,734	1,208,719	2,379,265	3,623,310	4,569,859	1,818,106	1,805,790	2,005,892	2,452,179

City of Littleton
Storm Drainage Cash Flow

Table 1

Description	Projected									
	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035
	$	$	$	$	$	$	$	$	$	$
Ending Balance	31,734	1,208,719	2,379,265	3,623,310	4,569,859	1,818,106	1,805,790	2,005,892	2,452,179	1,196,030
Target Reserves										
Operating (90 days of O&M)	412,696	491,543	630,713	661,107	693,202	727,109	762,951	800,857	840,968	883,437
Total Target Reserves	412,696	491,543	630,713	661,107	693,202	727,109	762,951	800,857	840,968	883,437
Unrestricted Funds	*(380,962)*	*717,175*	*1,748,551*	*2,962,203*	*3,876,657*	*1,090,997*	*1,042,839*	*1,205,035*	*1,611,211*	*312,594*
Debt Service Coverage	7.2	3.4	3.9	3.2	3.0	3.1	3.3	3.9	5.2	5.6
Target DC	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2	1.2

City of Littleton
Storm Drainage Capital Improvement Program

Table 2

Line No.	Description	Budget 2026	Projected 2027	2028	2029	2030	2031	2032	2033	2034	2035	2026-2035 Total
			$	$	$	$	$	$	$	$	$	$
	Asset Management											
1	AM Software	-	20,000	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	80,000
2	Strategic Plan - AM	-	-	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	60,000
3	Total Asset Management	0	20,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	140,000
	Professional and Consulting Services											
4	Drainage Manual Update	-	200,000	-	-	-	-	200,000	-	-	-	400,000
5	Total Professional and Consulting Services	0	200,000	0	0	0	0	200,000	0	0	0	400,000
	Floodplain Master Studies											
6	Big Dry Creek	-	-	-	-	-	-	-	-	-	75,000	75,000
7	Dad Clark Gulch	-	-	-	-	-	-	-	-	-	150,000	150,000
8	Jackass Gulch	150,000	-	-	-	-	-	-	-	-	-	150,000
9	Lee Gulch	-	-	-	-	-	-	-	-	-	-	0
10	Little's Creek	-	-	-	-	-	200,000	-	-	-	-	200,000
11	Rangeview Gulch	-	-	-	200,000	-	-	-	-	-	-	200,000
12	Slaughterhouse Gulch	90,000	90,000	-	-	-	-	-	-	-	-	180,000
13	South Platte River	-	-	-	-	-	-	-	-	-	-	0
14	misc (SJCD, Drainageway D, 3 Lakes)	-	-	-	-	-	-	-	-	-	-	0
15	Master Drainage Report - MDP for Downtown	-	-	-	-	150,000	-	-	-	-	-	150,000
16	Total Floodplain Master Studies	240,000	90,000	0	200,000	150,000	200,000	0	0	0	225,000	1,105,000
	Floodplain Projects											
17	Lee Gulch at Carbone Park	100,000	-	-	-	-	-	-	-	-	-	100,000
18	Little's Creek at Caley	-	-	42,384	85,116	604,057	118,443	-	-	-	-	850,000
19	Reynolds Landing	-	-	-	-	-	-	-	-	-	-	0
20	Ridgeview Park - Detention Pond	-	300,000	708,719	991,281	-	-	-	-	-	-	2,000,000
21	Rangeview Gulch u/s Santa Fe (Reach 1-3)	-	875,000	2,125,000	-	-	-	-	-	-	-	3,000,000
22	Rangeview Gulch d/s Santa Fe (Reach 4 & 5)	-	2,875,000	2,125,000	-	-	-	-	-	-	-	5,000,000
23	Lee Gulch @ Horseshoe Park	-	-	-	-	-	112,500	112,500	320,492	954,508	-	1,500,000
24	Erosion at Lee Gulch/Prince roadway sump (Charle	-	-	-	-	-	100,000	-	-	-	-	100,000
25	South Platte Park - Annual Project Allowance	-	-	100,000	100,000	100,000	100,000	100,000	100,000	100,000	100,000	800,000
26	Total Floodplain Projects	100,000	4,050,000	5,101,104	1,176,396	704,057	430,943	212,500	420,492	1,054,508	100,000	13,350,000
	Floodplain Capital Projects											
27	South Platte River	-	-	499,316	500,684	107,048	255,375	255,375	256,075	255,375	255,375	2,384,625
28	Big Dry Creek	-	-	111,044	111,348	111,044	111,044	111,044	111,348	111,044	111,044	888,956
29	Slaughterhouse Gulch	-	-	111,044	111,348	111,044	111,044	111,044	111,348	111,044	111,044	888,956
30	Little's Creek	-	-	111,044	111,348	111,044	111,044	111,044	111,348	111,044	111,044	888,956
31	Lee Gulch	-	-	111,044	111,348	111,044	111,044	111,044	111,348	111,044	111,044	888,956
32	Jackass Gulch	-	-	111,044	111,348	111,044	111,044	111,044	111,348	111,044	111,044	888,956
33	Dad Clark Gulch	-	-	111,044	111,348	111,044	111,044	111,044	111,348	111,044	111,044	888,956
34	Miscellaneous small tributaries, includes SJCD D	-	-	111,044	111,348	111,044	111,044	111,044	111,348	111,044	111,044	888,956
35	High Line Canal	-	-	111,044	111,348	111,044	111,044	111,044	111,348	111,044	111,044	888,956

Line No.	Description	Budget 2026	Projected 2027	2028	2029	2030	2031	2032	2033	2034	2035	2026-2035 Total
			$	$	$	$	$	$	$	$	$	$
36	Total Floodplain Capital Projects	0	0	1,387,664	1,391,466	995,396	1,143,723	1,143,723	1,146,857	1,143,723	1,143,723	9,496,277
	Regional WQ Projects											
37	Mineral Ave Rain Gardens	-	-	-	50,000	250,000	-	-	-	-	-	300,000
38	Skunk Hollow VCUP	-	-	-	-	-	150,000	-	-	-	750,000	900,000
39	Total Regional WQ Projects	0	0	0	50,000	250,000	150,000	0	0	0	750,000	1,200,000
	New Installation											
40	Trailmark underdrains	-	250,000	-	250,000	-	250,000	-	250,000	-	250,000	1,250,000
41	Cimarron/Camargo flooding issue - new inlets/sto	-	-	-	-	-	-	-	-	-	250,000	250,000
42	W. Prentice storm sewer (Huron-Big Dry), rehab/s	-	-	-	-	-	-	-	-	-	250,000	250,000
43	Sheppard storm sewer extension (South Slaughter	-	-	-	-	-	-	-	-	-	250,000	250,000
44	Museum/Gallup St storm sewer/channel - with cr	-	-	-	-	-	300,000	-	-	-	-	300,000
45	Erickson Blvd	-	-	-	37,500	212,500	-	-	-	-	-	250,000
46	7 residential areas	-	-	249,658	250,342	-	-	-	-	-	-	500,000
47	Federal S of Belleview	-	-	-	-	250,000	-	-	-	-	-	250,000
48	Bowles w of Federal	-	-	-	-	-	250,000	-	-	-	-	250,000
49	Belleview and Santa Fe	-	-	-	-	-	-	250,000	-	-	-	250,000
50	Houston Waring	-	-	-	-	-	-	-	250,000	-	-	250,000
51	Polo Ridge	-	-	-	-	-	-	-	-	250,000	-	250,000
52	Front Range Rd	-	-	-	-	-	-	-	-	-	250,000	250,000
53	Total New Installation	0	250,000	249,658	537,842	462,500	800,000	250,000	500,000	250,000	1,250,000	4,550,000
	Inlet Replacement											
54	Belleview & Federal - West inlet	-	-	-	-	80,000	-	-	-	-	-	80,000
55	Inlet Repair at Lee Gulch STIN10404	-	25,000	-	-	-	-	-	-	-	-	25,000
56	Countyline @ Santa Fe - inlet and ditch recon STIN	-	-	-	40,000	-	-	-	-	-	-	40,000
57	inlet repair at Logan and Jamison	-	25,000	-	-	-	-	-	-	-	-	25,000
58	W. Davies Pl. storm inlet/outlet	-	-	-	-	-	50,000	-	-	-	-	50,000
59	STIN10199	-	-	15,000	-	-	-	-	-	-	-	15,000
60	STIN10198	-	-	15,000	-	-	-	-	-	-	-	15,000
61	Total Inlet Replacement	0	50,000	30,000	40,000	80,000	50,000	0	0	0	0	250,000
	Maintenance & Repairs											
62	CCTV - 12-18" storm	125,000	-	-	125,000	-	-	125,000	-	-	125,000	500,000
63	CCTV - 24-36" storm	-	125,000	-	-	125,000	-	-	125,000	-	-	375,000
64	CCTV - +36" Storm	-	-	125,000	-	-	125,000	-	-	125,000	-	375,000
65	Sewer Cleaning - 18-24" Storm	250,000	-	-	250,000	-	-	250,000	-	-	250,000	1,000,000
66	Sewer Cleaning - 24-48" storm	-	250,000	-	-	250,000	-	-	250,000	-	-	750,000
67	Sewer Cleaning - 48"+ storm	-	-	250,000	-	-	250,000	-	-	250,000	-	750,000
68	Underdrains (with large pipe cycle)	-	-	100,000	-	-	100,000	-	-	100,000	-	300,000
69	WQ/Det Pond Cleaning	50,000	50,000	200,000	50,000	50,000	200,000	50,000	50,000	200,000	50,000	950,000
70	Ditch cleaning	25,000	25,000	60,000	25,000	25,000	60,000	25,000	25,000	60,000	25,000	355,000
71	Ashbaugh	-	-	-	156,000	-	-	-	-	-	-	156,000

City of Littleton
Storm Drainage Capital Improvement Program

Table 2

Line No.	Description	Budget 2026	Projected 2027	2028	2029	2030	2031	2032	2033	2034	2035	2026-2035 Total
			$	$	$	$	$	$	$	$	$	$
72	Progress Park	-	-	-	-	-	300,000	-	-	-	-	300,000
73	Geneva Lodge	-	-	150,000	-	-	-	-	-	-	-	150,000
74	Sterne	-	-	-	-	280,000	-	-	-	-	-	280,000
75	Ridgeview	-	100,000	-	-	-	-	-	-	-	-	100,000
76	Total Maintenance & Repairs	450,000	550,000	885,000	606,000	730,000	1,035,000	450,000	450,000	735,000	450,000	6,341,000
	Future Planned Storm Projects											
77	Lee Gulch - part of HLC MP Updates	-	-	-	-	-	750,000	-	-	-	-	750,000
78	Jackass Gulch - part of HLC MP Updates	-	-	500,000	-	-	-	-	-	-	-	500,000
79	WQ berms - part of HLC MP Updates	-	-	-	-	-	-	7,996	8,018	7,996	7,996	32,004
80	Geneva Lodge Rain Garden	-	-	-	-	-	-	-	200,000	-	-	200,000
81	Peninsula Lift - storm outfall to HLC	-	-	-	-	-	-	150,000	-	-	-	150,000
82	Littles Creek - Peakview to Caley - capacity improv	-	-	-	-	-	-	-	-	-	-	0
83	New storm sewer - Lincoln and Grant	-	-	-	-	-	-	-	-	-	-	0
84	Windermere storm extension to Lee Gulch	-	-	-	-	-	-	-	-	-	-	0
85	Remove bubbler inlet at Grandpas Acres - connect	-	-	-	-	-	-	-	-	-	-	0
86	Slaughterhouse Gulch MDP recommendations	-	-	-	-	-	-	-	-	-	-	0
87	Total Future Planned Storm Projects	0	0	500,000	0	0	750,000	157,996	208,018	7,996	7,996	1,632,004
	Storm Renewal/Replacement											
88	Full Pipe Replacement - Very High	-	3,003,265	3,003,265	3,011,494	3,003,265	-	-	-	-	-	12,021,290
89	Full Pipe Replacement - High	-	-	-	-	-	689,711	689,711	691,601	689,711	-	2,760,735
90	Full Pipe Replacement - Annual storm drainage rep	-	-	-	-	-	-	-	-	-	1,424,621	1,424,621
91	Spot Repairs/CIPP - High	-	-	-	-	-	347,814	347,814	348,767	347,814	-	1,392,211
92	Spot Repairs/CIPP - Annual storm drainage repair	-	-	-	-	-	-	-	-	-	1,068,466	1,068,466
93	Lining/CIPP - High	-	-	-	-	-	1,300,422	1,300,422	1,303,984	1,300,422	-	5,205,249
94	Lining/CIPP - Annual storm drainage Lining/CIPP pi	-	-	-	-	-	-	-	-	-	763,190	763,190
95	Total Storm Renewal/Replacement	0	3,003,265	3,003,265	3,011,494	3,003,265	2,337,947	2,337,947	2,344,353	2,337,947	3,256,277	24,635,761
96	Adjustments to Match Projected Capital Outlay i	710,000										
97	Total Gross Capital Improvement Program	1,500,000	8,213,265	11,171,691	7,028,198	6,390,219	6,912,613	4,767,166	5,084,719	5,544,175	7,197,996	63,100,042
98	Annual Inflation	0.0%	0.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	
99	Cumulative Inflation	0.0%	0.0%	3.0%	6.1%	9.3%	12.6%	15.9%	19.4%	23.0%	26.7%	
100	Total CIP with Inflation	1,500,000	8,213,265	11,506,842	7,456,215	6,982,764	7,780,207	5,526,452	6,071,420	6,818,635	9,118,206	70,974,008
	Bond Funding Availability											
101	Projects Available for Bond Funding	0	7,053,265	7,961,985	4,002,774	3,003,265	0	0	0	0	0	22,021,290
102	Projects Available for Bond Funding with Inflation	0	7,053,265	8,200,844	4,246,543	3,281,749	0	0	0	0	0	22,782,402

City of Littleton
Storm Drainage Projected Operation and Maintenance Expense

Table 3

Description	Inflation Coding	Actual FY 2023	Actual FY 2024	Estimate FY 2025	Budget 2026	Projected 2027	2028	2029	2030	2031	2032	2033	2034	2035
					$	$	$	$	$	$	$	$	$	$
62110 Social Security	Benefits	12,708	21,494	19,709	32,399	35,639	39,203	43,123	47,435	52,179	57,397	63,136	69,450	76,395
62120 Medicare	Benefits	2,972	5,027	4,610	7,577	8,335	9,168	10,085	11,093	12,203	13,423	14,765	16,242	17,866
62210 Medical Insurance	Benefits	26,344	47,727	40,571	87,386	96,125	105,737	116,311	127,942	140,736	154,810	170,291	187,320	206,052
62220 Life Insurance	Benefits	520	(251)	799	1,411	1,552	1,707	1,878	2,066	2,272	2,500	2,750	3,025	3,327
62230 Disability Insurance	Benefits	597	1,077	918	1,513	1,664	1,831	2,014	2,215	2,437	2,680	2,948	3,243	3,568
62235 Short-Term Disability Insurance	Benefits	57	28	119	147	162	178	196	215	237	260	286	315	347
62240 Dental Insurance	Benefits	1,124	1,827	2,434	2,910	3,201	3,521	3,873	4,261	4,687	5,155	5,671	6,238	6,862
62250 Vision Insurance	Benefits	225	372	505	546	601	661	727	799	879	967	1,064	1,170	1,287
62260 Worker's Comp. Insurance	Benefits	4,851	13,087	10,444	10,444	11,488	12,637	13,901	15,291	16,820	18,502	20,352	22,388	24,626
62270 Unemployment Insurance	Benefits	122	175	119	119	131	144	158	174	192	211	232	255	281
62280 EAP - Mine & Associates - ER	Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0
62281 Identity Theft Insurance	Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0
62282 Carrot Fertility	Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0
62410 Uniform Allowance	General	0	232	414	600	621	643	665	689	713	738	763	790	818
62420 Educational Benefits	General	0	0	0	0	0	0	0	0	0	0	0	0	0
62310 Retirement (401A)	Benefits	15,048	25,259	21,783	41,806	45,987	50,585	55,644	61,208	67,329	74,062	81,468	89,615	98,576
62340 Retirement (457) - PT Employees	Benefits	277	0	0	0	0	0	0	0	0	0	0	0	0
62345 Retirement (457) - City Match	Benefits	185	0	0	0	0	0	0	0	0	0	0	0	0
62360 Retiree Health Savings Plan	Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0
61100 Salary, Regular	Salaries	205,520	353,298	509,035	522,571	548,700	576,135	604,941	635,188	666,948	700,295	735,310	772,075	810,679
61200 Salary, Overtime	Salaries	2,393	11,993	5,450	5,614	5,895	6,189	6,499	6,824	7,165	7,523	7,899	8,294	8,709
62506 Life Insurance ER	Benefits	0	0	0	0	0	0	0	0	0	0	0	0	0
71100 Office Supplies	Supplies	434	222	600	600	618	637	656	675	696	716	738	760	783
71115 Printer Supplies	Supplies	0	0	0	0	0	0	0	0	0	0	0	0	0
71140 Supplies - Programming & Processing	Supplies	2,593	3,658	5,000	10,000	10,300	10,609	10,927	11,255	11,593	11,941	12,299	12,668	13,048
71200 Supplies - Building Materials	Supplies	0	940	300	300	309	318	328	338	348	358	369	380	391
71250 Supplies - Repair & Maintenance	Supplies	961	1,207	0	1,500	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957
71500 Supplies - Pump Station Maintenance	Supplies	0	0	1,000	1,000	1,030	1,061	1,093	1,126	1,159	1,194	1,230	1,267	1,305
71710 Uniforms	Supplies	2,137	726	2,000	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610
72530 Dues & Memberships	General	6,598	5,665	7,000	8,000	8,280	8,570	8,870	9,180	9,501	9,834	10,178	10,534	10,903
73100 Hardware Maintenance	Repairs	0	34	2,000	2,000	2,060	2,122	2,185	2,251	2,319	2,388	2,460	2,534	2,610
73200 Software Maintenance & Licensing	General	26,780	68,696	28,000	56,000	57,960	59,989	62,088	64,261	66,510	68,838	71,248	73,741	76,322
74610 Learning and Education	General	8,473	4,733	6,000	6,000	12,000	12,420	12,855	13,305	13,770	14,252	14,751	15,267	15,802
74640 Business Meetings	General	707	182	500	500	518	536	554	574	594	615	636	658	681
74210 Professional and Consulting Services	General	203,584	219,140	368,733	350,000	362,250	374,929	388,051	401,633	415,690	430,239	445,298	460,883	477,014
74220 Audit Services	General	2,315	4,274	1,837	1,837	1,901	1,968	2,037	2,108	2,182	2,258	2,337	2,419	2,504
74290 Printing & Design	General	670	2,123	1,300	1,300	1,346	1,393	1,441	1,492	1,544	1,598	1,654	1,712	1,772
74360 Bank Fees	General	0	0	1,050	1,050	1,087	1,125	1,164	1,205	1,247	1,291	1,336	1,383	1,431
75100 Rentals	General	0	0	0	10,000	10,350	10,712	11,087	11,475	11,877	12,293	12,723	13,168	13,629
75110 Copier Rent	General	0	0	800	800	828	857	887	918	950	983	1,018	1,053	1,090
75150 Postage & Freight	General	2,896	2,517	3,000	3,000	3,105	3,214	3,326	3,443	3,563	3,688	3,817	3,950	4,089
75850 Repair & Maintenance Projects	Repairs	2,999,827	746,726	453,500	450,000	463,500	477,405	491,727	506,479	521,673	537,324	553,443	570,047	587,148
76550 Community Outreach Programs	General	0	0	0	2,000	2,070	2,142	2,217	2,295	2,375	2,459	2,545	2,634	2,726
76700 Senior Resident Tax Refund	General	5,791	7,058	6,400	16,400	16,974	17,568	18,183	18,819	19,478	20,160	20,865	21,596	22,352
77420 Fleet Maintenance	Repairs	2,013	2,076	1,545	4,000	4,120	4,244	4,371	4,502	4,637	4,776	4,919	5,067	5,219
77430 Fleet Fuel	Fuel	1,107	1,052	721	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100	2,100
77440 Fleet Other	General	60	389	309	600	621	643	665	689	713	738	763	790	818
77450 Vehicle Insurance Allocation	Benefits	390	390	402	504	554	610	671	738	812	893	982	1,080	1,188
77100 Property & Liability Insurance	Benefits	24,708	24,708	27,179	27,179	29,897	32,887	36,175	39,793	43,772	48,149	52,964	58,261	64,087
Three Add'l FTEs (Sal + Benefits)														
Project Manager (50/50 w/sewer)	Salaries	0	0	0	0	90,000	94,500	99,225	104,186	109,396	114,865	120,609	126,639	132,971
Engineer (50/50 w/sewer)	Salaries	0	0	0	0	90,000	94,500	99,225	104,186	109,396	114,865	120,609	126,639	132,971
Operations (50/50 w/sewer)	Salaries	0	0	0	0	55,000	57,750	60,638	63,669	66,853	70,195	73,705	77,391	81,260
Three FTEs - Fully Finded CIP														
Engineer (50/50 Split; 6 months 2028)	Salaries	0	0	0	0	0	90,000	94,500	99,225	104,186	109,396	114,865	120,609	126,639
Project Manager (50/50 Split; 6 months 202	Salaries	0	0	0	0	0	90,000	94,500	99,225	104,186	109,396	114,865	120,609	126,639

City of Littleton
Storm Drainage Projected Operation and Maintenance Expense

Table 3

Description	Inflation Coding	Actual FY 2023	Actual FY 2024	Estimate FY 2025	Budget 2026	Projected 2027	2028	2029	2030	2031	2032	2033	2034	2035
					$	$	$	$	$	$	$	$	$	$
Engineering Inspector (50/50 Split; 6 month	Salaries	0	0	0	0	0	55,000	57,750	60,638	63,669	66,853	70,195	73,705	77,391
Additional MS4 costs (non-personnel)	General	0	0	0	0	1,000	1,035	1,071	1,109	1,148	1,188	1,229	1,272	1,317
Total		3,564,987	1,577,861	1,536,086	1,673,713	1,993,481	2,322,893	2,434,408	2,552,231	2,676,790	2,808,545	2,947,992	3,095,670	3,252,157

RAFTELIS

City of Littleton

Sewer and Storm Drainage Rate Study

October 6, 2026





Agenda

1. Financial plan review
2. Sewer rate summary
3. Sewer bill comparisons
4. Storm drainage rate summary
5. Tap fees
6. Affordability
7. Summary of public outreach

A rate study balances:



Community Pricing Objectives

Utility Viability

What is a Rate Study?

A rate study is a financial planning and rate-setting process that:

Identifies the cost to be recovered from rates:

- O&M
- Capital
- Reserves
- Debt Service

Sets legally defensible rates

- Cost of service analysis
- Follow industry best practices

Rates align with community objectives

- Revenue stability
- Essential use affordability
- Equity between customer classes
- Cost recovery within a class
- Conservation
- Ease of understanding, administration, and implementation

Financial plan and rate structure summary

City Council meetings
- March 10
- May 12
- August 11

Open house
- August 26

Connector meeting
- August 25

Public webinar
- September 3

Sewer financial plan revenue increases
- 2027: 25%
- 2028: 25%
- 2029 – 2035: 5%

Storm drainage financial plan increases
- 2027: 60%
- 2028: 60%
- 2029 – 2035: 5%

Sewer ‘Flexible’ rate structure
- Includes a monthly service charge plus a volume rate
  - Residential/multifamily volume:
- Based on average winter consumption
  - Commercial volume
- Based on actual water usage

Storm drainage rate structure
- No change from current
- Based on lot size, impervious and/or pervious area

Sanitary sewer flexible rate structure



Residential

Fixed Charge
$ per Bill

+

Volume Rate
$ per 1,000 gallons

Based on average winter water volume

=

Total Sewer Bill ($)



Multifamily

Fixed Charge
$ per unit per bill

+

Volume Rate
$ per 1,000 gallons

Based on average winter water volume

=

Total Sewer Bill ($)



Commercial

Fixed Charge
$ per Bill

+

Volume Rate
$ per 1,000 gallons

Based on actual water volume

=

Total Sewer Bill ($)

Flexible rate structure

- The fixed + variable rate structure is common among wastewater utilities along the front range
- Rebalances equity between customer classes and customers within a class
- Customers have more flexibility in managing their bill

1. **Average winter consumption**
   Average billed water use for the months January through March. Applies to residential and multifamily
2. **Actual water consumption**
   Based on commercial customer's actual 12-month water use
3. **Fixed charge**
   Recovers the cost of billing, general administrative costs and some capital costs
4. **Volume rate**
   Recovers the cost to collect, treat, and dispose of treated water that meets regulatory requirements

2027 proposed flexible rate structure

applies to all customers

City of Littleton	
Residential	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	$1.31
Multifanily	
Customer Charge, $ per Bill	$14.22
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	$1.31
Commercial	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	$1.31

Customers in City, Served by a District	
Residential	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	N/A
Multifanily	
Customer Charge, $ per Bill	$14.22
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	N/A
Commercial	
Customer Charge, $ per Bill	$18.96
Treatment, $ per 1,000 gallons	$3.07
Collection, $ per 1,000 gallons	N/A

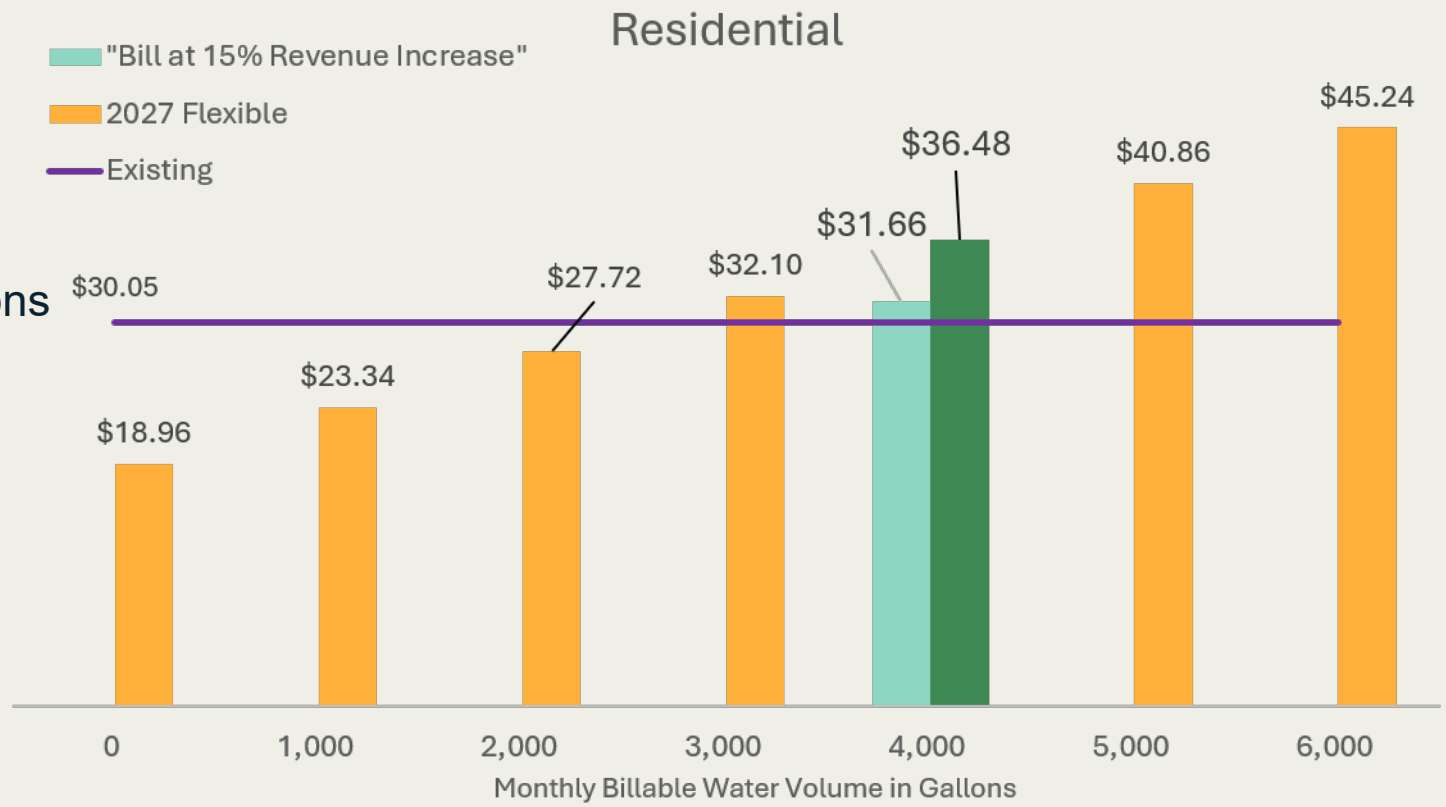
Outside City	
Residential	
Customer Charge, $ per Bill	$22.75
Treatment, $ per 1,000 gallons	$3.67
Collection, $ per 1,000 gallons	N/A
Multifanily	
Customer Charge, $ per Bill	$17.06
Treatment, $ per 1,000 gallons	$3.67
Collection, $ per 1,000 gallons	N/A
Commercial	
Customer Charge, $ per Bill	$22.75
Treatment, $ per 1,000 gallons	$3.67
Collection, $ per 1,000 gallons	N/A

Monthly Bill Comparisons

Sanitary Sewer

2027 Inside City single family residential customer bill

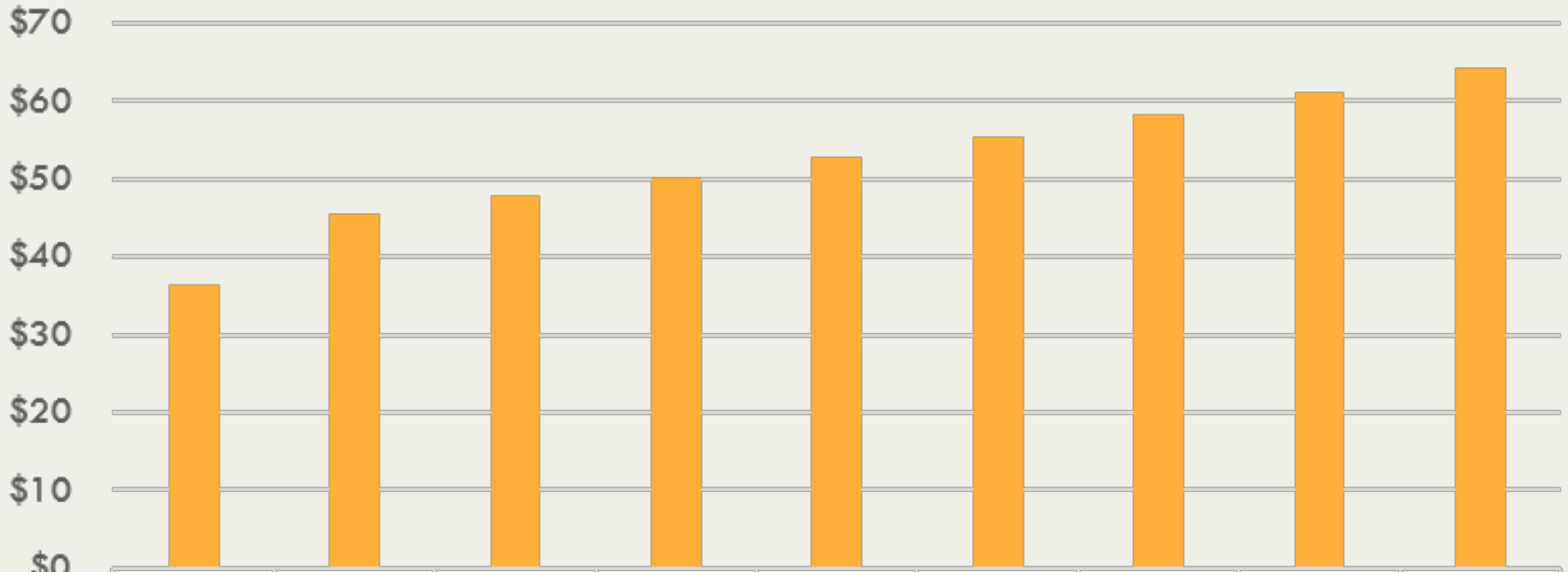
- Proposed rates exclude financial plan adjustments and generate the same revenue as existing rates.
- Most residential customer's winter volume averages 3,000 to 4,000 gallons per month
- Recovers collection and treatment costs
- Average winter consumption will be recalibrated annually based on most recent billing information



2027 Inside City single residential customer bill 10-year forecast

**For illustrative purposes only – Rates are reviewed annually*

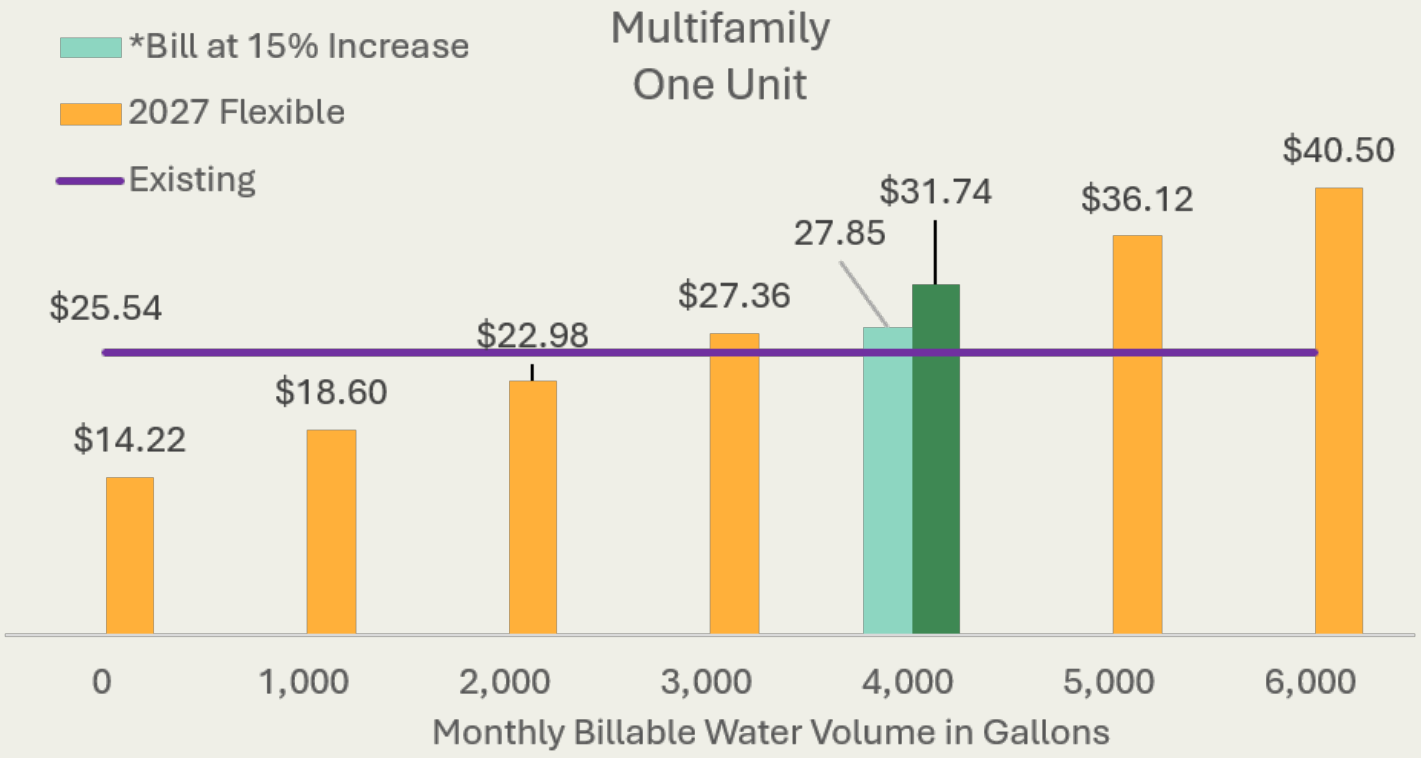
Single family residential customer with 4,000 billable water volume



	2027	2028	2029	2030	2031	2032	2033	2034	2035
Monthly Bill	$36.48	$45.60	$47.88	$50.27	$52.78	$55.42	$58.19	$61.10	$64.16
Change in Bill		$9.12	$2.28	$2.39	$2.51	$2.64	$2.77	$2.91	$3.06
Revenue Increase	25%	25.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%

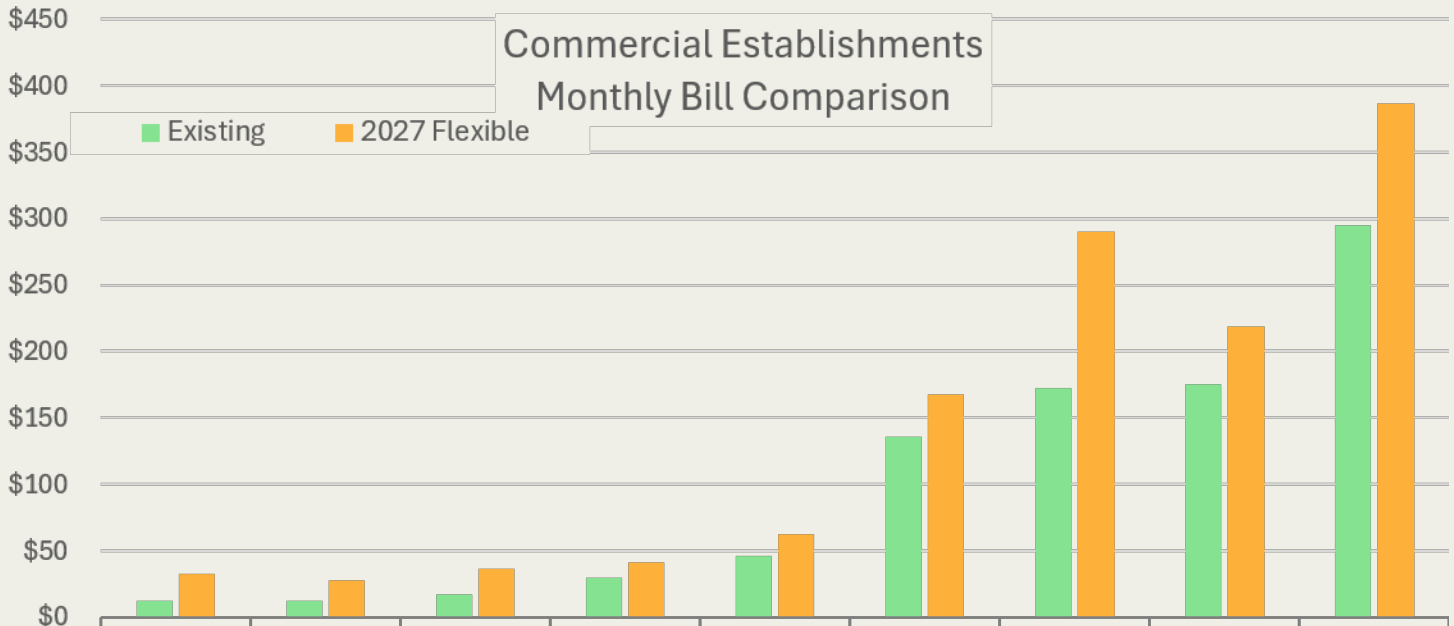
2027 Inside City multifamily customer bill (one unit)

- Multifamily customers are billed on a per unit basis for each bill
- Multifamily billable volume per unit averages 3,000 gallons
- Average winter consumption will be recalibrated annually based on most recent billing information



2027 Inside City commercial customer examples

- Current fixed rate structure is based on customer's lowest bimonthly use
- Lowest bimonthly use may understate wastewater flows for some commercial customers.
- 2027 flexible structure bills customers are billed on actual water use
- Under 2027 flexible, customers with consistent year-round water use are expected to see little or no change, while those with greater seasonal variation are more likely to see an increase.

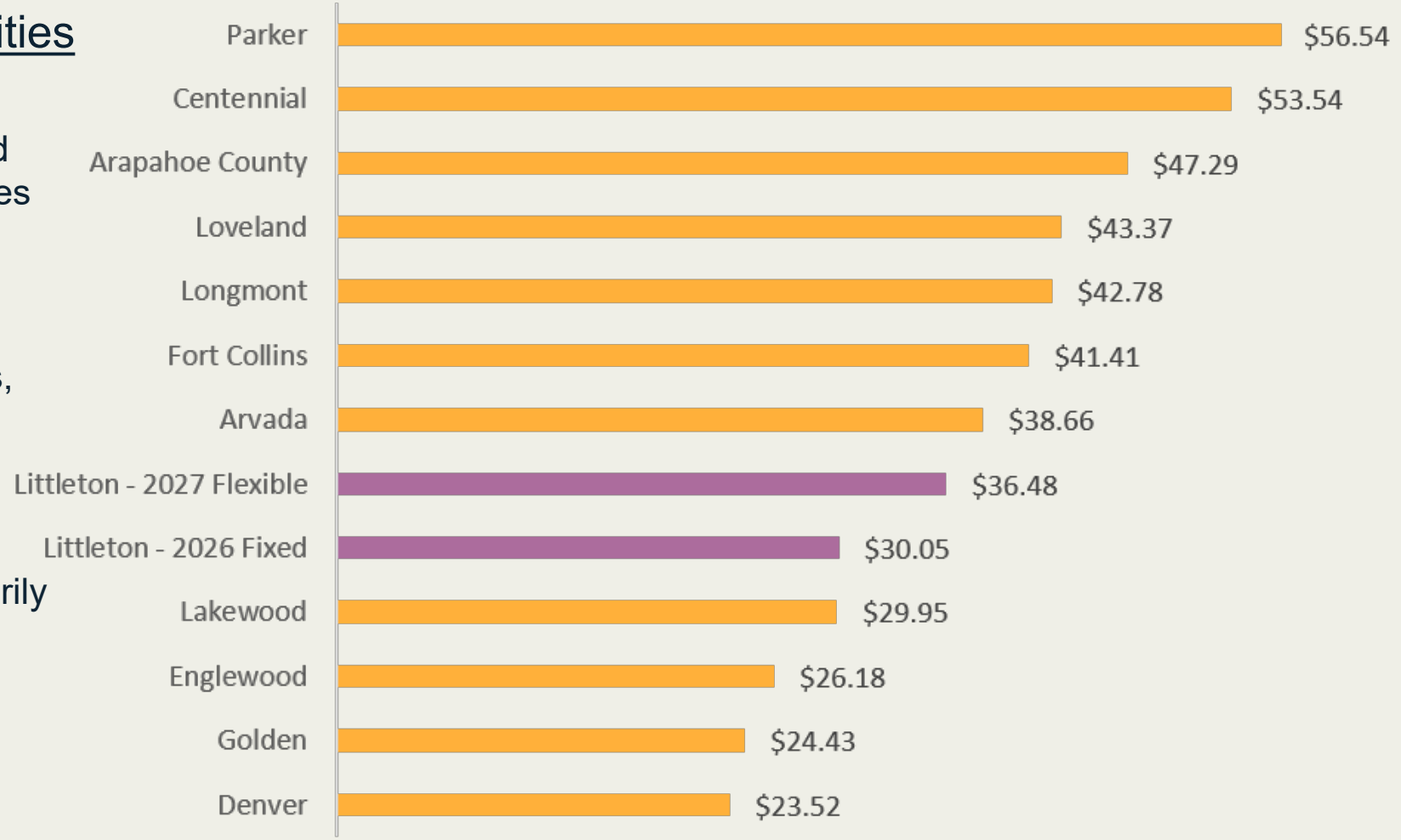


	Oil Change	Auto Parts	Bank	Convenience Store	Local Brew Pub	Small Grocery	Fast Food Burgers	Public School	Sit Down Restaurant
Existing	$12	$12	$17	$30	$46	$136	$172	$175	$295
2027 Flexible	$32	$28	$36	$41	$63	$168	$291	$219	$387

Peer utility survey
Average single family (inside city)

Why sewer rates differ among utilities

- Rates reflect different operating and capital costs and funding approaches
- Rates reflect differing service levels, capital investments, funding approaches, and cost recovery
- Differences in rates do not necessarily reflect differences in efficiencies or service quality



Storm drainage
Existing and proposed rates

- Existing rates are assessed annually
- Multifamily and nonresidential developed properties fee includes a charge for:
  - Impervious surfaces (parking lots, roofs, etc.)
  - Pervious surfaces (grass, gravel, permeable payment)
- Different charges for developed and undeveloped parcels

  Different charge for unsubdivided and subdivided parcel
- Stormwater rates went up 40% from 2021 to 2022, 15% from 2022 to 2023, and 5% per year since.

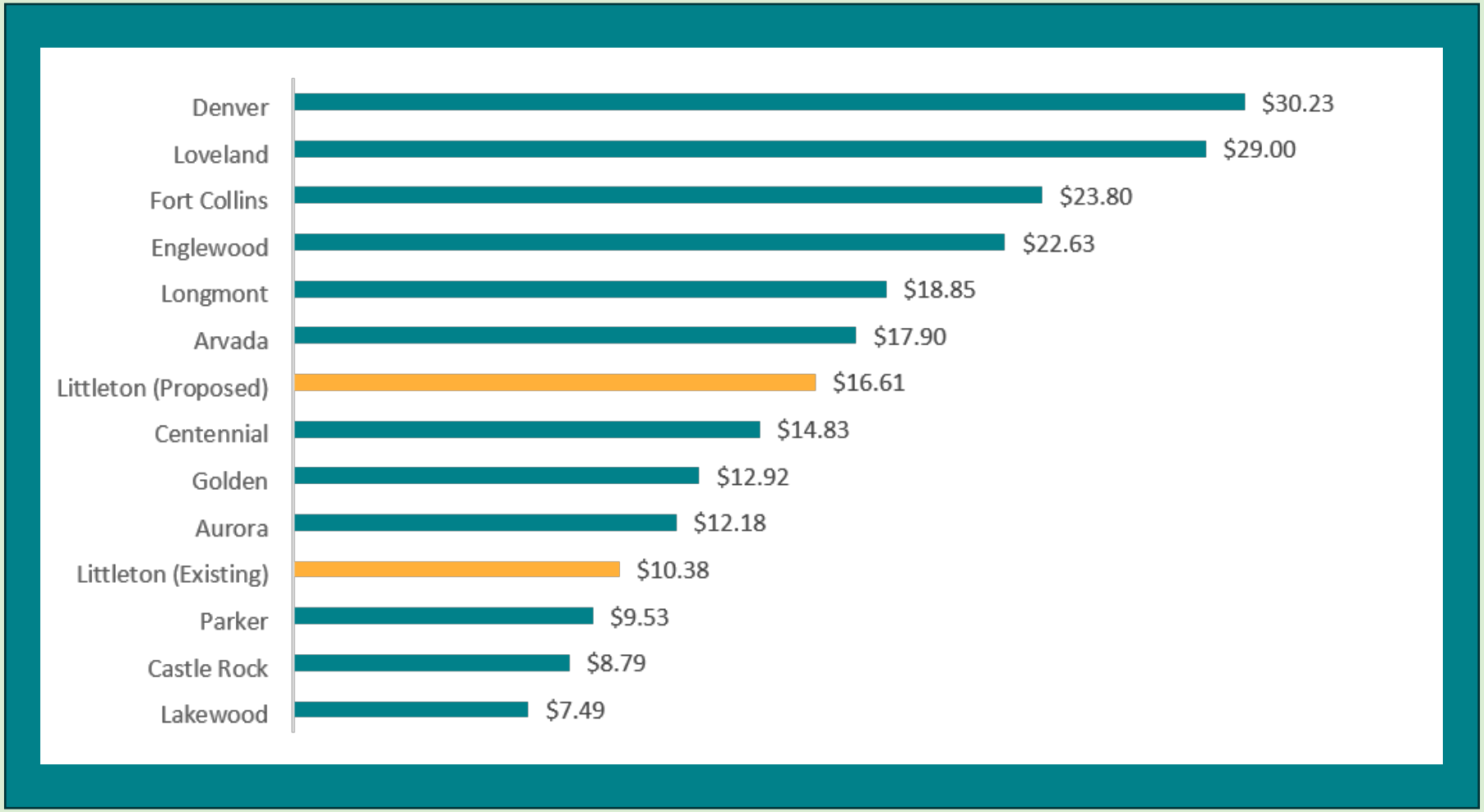
Description	Single Family Detached Structures	Multifamily Residential Commercial, Industrial, Public Properties Churches and Schools

Developed	$ per lot or property
	2026 $124.54
	2027 $199.26
	Inc/(Dec) ***$74.72***
		$ per developed acre of IA
		2026 $1,037.31
		2027 $1,659.70
		Inc/(Dec) ***$622.39***
		+
		$ per acre of pervious area
		2026 $259.33
		2027 $414.93
		Inc/(Dec) ***$155.60***

Subdivided/ Undeveloped	$ per undeveloped lot 2026 $31.12 2027 $49.79 ***Inc/(Dec)*** ***$18.67***	$ per undeveloped lot 2026 $259.33 2027 $414.93 ***Inc/(Dec)*** ***$155.60***
Undivided/ Undeveloped	$ per undeveloped lot 2026 $259.33 2027 $414.93 ***Inc/(Dec)*** ***$155.60***	$ per undeveloped lot 2026 $259.33 2027 $414.93 ***Inc/(Dec)*** ***$155.60***
Vacant and Undisturbed	$ per acre of vacant res property 2026 $25.95 2027 $41.52 ***Inc/(Dec)*** ***$15.57***	$ per acre of vacant res property 2026 $25.95 2027 $41.52 ***Inc/(Dec)*** ***$15.57***

Peer inside City residential storm drainage monthly bill comparison

11,000 sq ft
4,500 sq ft
impervious area



Tap Fees

Sewer tap fees

One-time fee assessed to new development

Recovers proportionate share cost of SPR treatment capacity, Littleton interceptor, and collection system

Must comply with C.R.S. §29-20-104.5 – Impact Fees

- Applicable to a broad class of property
- Intended to defray the projected impacts on capital facilities caused by proposed development
- Fees must be directly related to service that a local government is authorized to provide
- Asset has a useful life of 5 years or longer

Estimated Tap Fee Schedule

Description	Inside City			
	Current	Proposed	Change - $	Change - %
Residential,$ per unit	$5,000	$2,500	($2,500)	-50%
Multifamily,$ per unit	5,000	$2,500	(2,500)	-50%
Commercial				
3/4 inch or less	$5,000	$2,500	($2,500)	-50%
1 inch	10,000	5,000	(5,000)	-50%
1-1/4 inch	15,000	7,500	(7,500)	-50%
1-1/2 inch	20,000	10,000	(10,000)	-50%
2 inch [3]	40,000	20,000	(20,000)	-50%
3 inch	$90,000	$45,000	($45,000)	-50%
4 inch	$180,000	$90,000	($90,000)	-50%
6 inch	$470,000	$235,000	($235,000)	-50%
8 inch	$1,000,000	$500,000	($500,000)	-50%
10 inch	$1,800,000	$900,000	($900,000)	-50%
12 inch	$3,000,000	$1,500,000	($1,500,000)	-50%

Policy Considerations

- Modify the tap fee calculation methodology to better align with the City's South Platte Renew Partner Englewood. This change would reduce revenue by about $700,000 and increase customer rates by ~3%
- Continue to use historic calculation method which would keep the tap fees at 2026 levels

Considerations of proposed tap fees

- Calculation methodology consistent with SPR approach
- Lower fee reflective of remaining value and life of current assets
- Meets Colorado's impact fee nexus requirements by being reasonably related to the costs of providing capacity and proportionate to the demand created by new development.
- Aligns with promoting economic development
- Lower fee may reduce annual operating revenues over the study period and result in rate increase to existing customers
- Change in cost recovery between new and existing customers
- Cost indices used to value assets in today's dollars may not fully reflect technological advancements or evolving regulatory requirements

Affordability Overview



Affordability vs. assistance

We sometimes use Affordability and Assistance interchangeably

Affordability

- The ability for customers to afford to pay their utility bill without compromising payment for other household and living needs
- Longer-term
- Ex. Ongoing credit on income-qualified customer bills

Assistance

- Related to a program that bridges a gap for a customer who is struggling to pay their bills due to a change in circumstances
- Shorter-term
- Ex. Lump sum assistance payment due to financial hardship from a job loss

Why a Customer Assistance Program (CAP)

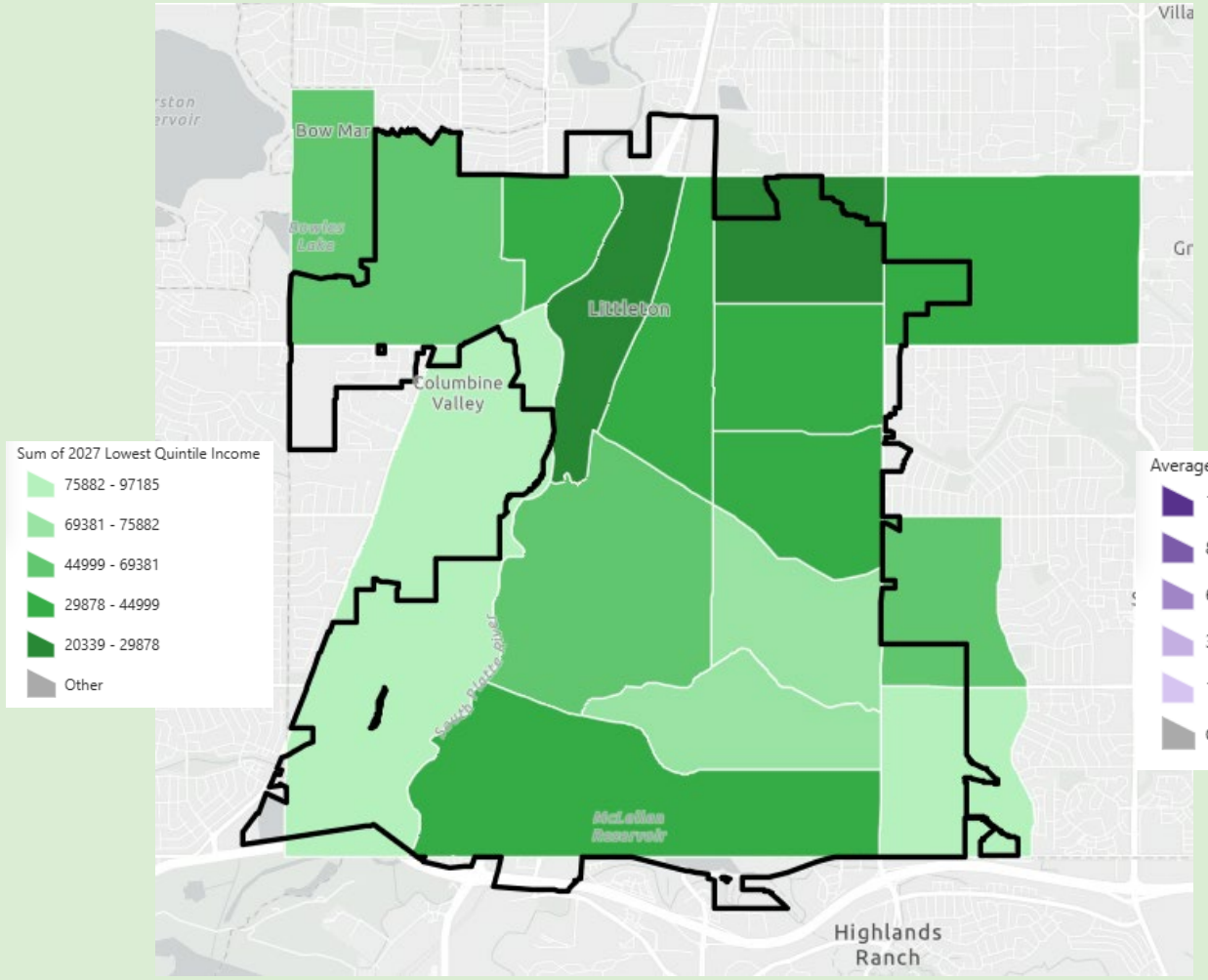
- To meet a growing need (increased delinquencies)
- Puts utilities in the driver's seat when discussing need for revenue increases
- Provides a direct pipeline for assistance between you and the customer
- Makes the customer smarter about your services
- Demonstrates responsiveness by being more efficient and effective

Defining key metrics

Measurement Approach	Calculation	Notes
MHI: Median Household Income	Utility Bill at Average Use / 50th Percentile Household Income	Shows utility bill burden on the “average” customer
LQI: Lowest Quintile Income	Utility Bill at Essential Use / 20th Percentile Household Income	Shows utility bill burden on the lowest 20% of earners
Hours at Minimum Wage	Utility Bill at Essential Use / Minimum Wage Rate	Shows hours needed to work at minimum wage to pay utility bill
Affordability Ratio (AR)	Utility Bill at Essential Use / (Total Income - Non-Discretionary Expenses)	Alternative to MHI and LQI that shows the utility bill burden relative to discretionary income

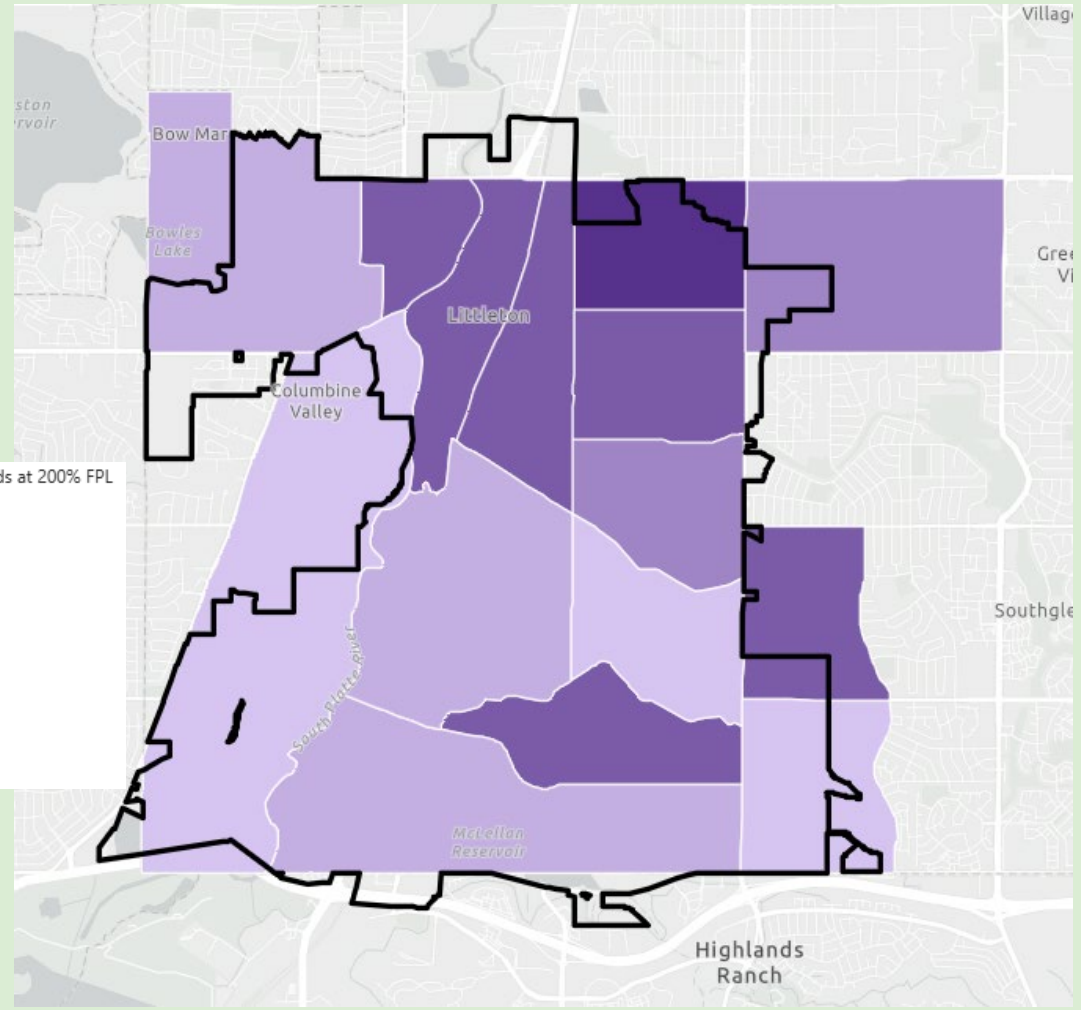
Service area needs

Lowest Quintile Income in Tract



Areas likely to experience the greatest utility bill burden

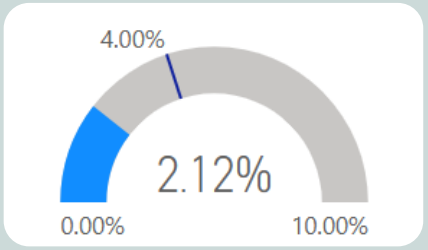
Estimated Households at 200% Federal Poverty Line



Estimated enrollment based on Xcel CARE eligibility

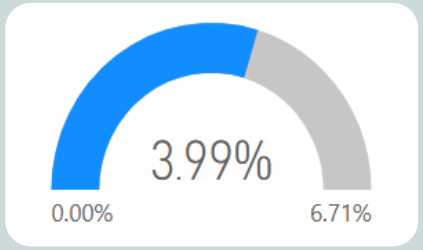
Affordability metrics

Utility Bill vs Lowest Earner Income (LQI)



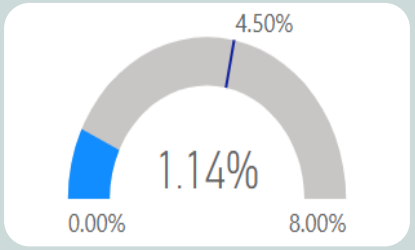
What is the utility bill burden on the lowest 20% of earners?

Utility Bill vs Lowest Earner Discretionary Income (AR20)



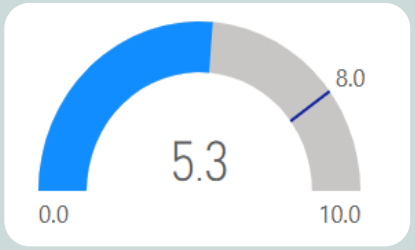
What is the utility bill burden on the discretionary income of the lowest 20% of earners?

Utility Bill vs Average Earner Income (MHI)



What is the utility bill burden on the average customer?

Utility Bill vs Minimum Wage (HMW)



How many hours does a minimum wage worker have to work to pay their utility bill?

Estimated Eligible Households



What is the estimated need based on Xcel CARE program eligibility?

Statistics shown are aggregated over the Littleton service area – metrics by individual census tract will vary

CAP Implementation (Inside City Only)

Description	Lower Cost	Higher Cost	Notes
Estimated Eligible Households	2,012	2,012	Estimated using Xcel CARE program criteria
Sewer Service Charge Discount	25% ($4.74 off)	75% ($14.22 off)	Using 2027 rate of $18.96
Annual Program Cost	$114,400	$343,250	Includes program cost only, not administrative/implementation costs (staff training, program materials, etc.)
Estimated Cost per Bill	**$1.10**	**$3.25**	

- Assumed ratepayer funded
  - Can also be funded by non-rate revenues



Outreach and communication activities

- Let’s Talk Littleton
- Littleton Report
- Littleton Links
- Littleton at Work
- Social Media and Videos
- Engagement Opportunities

Staff Recommendations

Staff Recommendations:

- Proceed with proposed rate structures for both sanitary sewer & stormwater
- Proceed in reducing the sewer connection tap fees to better align with the city's South Platte Renew (SPR) and Englewood
- Provide direction on whether to proceed with developing an affordability program



Thank you!

Contact: Todd Cristiano
303.305.1138 / tcristiano@raftelis.com

File #: Resolution 67-2026, **Version:** 1

Agenda Date: 10/06/2026

Subject:
Resolution 67-2026: A Resolution of the Littleton City Council Supporting a Yes vote on Ballot Issue 4A which seeks voter approval of a $10 Million Mill Levy override for Littleton Public Schools

From:	James L. Becklenberg, City Manager
Prepared by:	Reid B. Betzing, City Attorney
Presentations:	Reid B. Betzing, City Attorney

PURPOSE:
Staff have prepared information for City Council regarding the Littleton Public Schools (LPS) mill levy override, Ballot Issue 4A, that is part of the November 2026 election.

LONG-TERM OUTCOME(S) SERVED:
Vibrant Community with Rich Culture; Robust and Resilient Economy

DISCUSSION:
Ballot Issue 4A, if approved by voters in the November 2026 election, would authorize a $10 million mill levy override (MLO) for Littleton Public Schools. An MLO is a voter-approved property tax that provides additional operating revenue to a school district; the revenue stays within the district and is controlled locally. LPS estimates the cost at approximately $25 per year for every $100,000 of home value, or about $150 per year (roughly $13 per month) on a $600,000 home. The revenue would be used to retain and attract teachers and staff by lifting the current wage freeze, sustain academic excellence and career readiness programming, and maintain safe and secure schools and operations. If approved, compensation adjustments negotiated with district employees would be reinstated retroactively to the start of the contract year, and the furlough day scheduled for March would be removed from the school calendar.

BACKGROUND:
Littleton Public Schools serves students in the City of Littleton and surrounding communities and has long been one of the top-performing school districts in Colorado. In 2026, LPS was named a District Accredited with Distinction, the highest accreditation rating awarded by the State. According to the Colorado Department of Education, LPS ranks sixth in starting teacher pay, behind districts including Denver, Aurora, and Cherry Creek.

LPS faces a $10.6 million budget shortfall for the 2026-2027 school year, driven by changes to Colorado's school finance formula, state-level revenue constraints, declining enrollment, and rising operational costs. District enrollment has fallen from approximately 18,000 students about 15 years ago to just under 13,000 students today. To balance the 2026-2027 budget, LPS implemented central staffing cuts, departmental budget reductions and restructuring, an employee wage freeze, and a districtwide furlough day. The district has

described these as one-time, temporary measures and anticipates further reductions in future school years without additional ongoing revenue.

On August 13, 2026, the LPS Board of Education unanimously voted to refer the MLO to the November 3, 2026, coordinated election, which will be administered by Arapahoe County. This is the district's first mill levy override for staff compensation since 2010. LPS's existing mill levy overrides, including the operations and technology mill levy approved by voters in 2020, remain in effect.

Prior Actions or Discussions

- The LPS Board of Education unanimously referred the mill levy override to the November 2026 ballot on August 13, 2026.
- The LPS Board of Education considered the 2026-2027 budget, including a districtwide furlough day, and received additional information on a possible mill levy override on June 11, 2026.
- The LPS Board of Education reviewed the 2026-2027 budget outlook and discussed the option of a mill levy override on February 5, 2026.

FISCAL IMPACTS:
Ballot Issue 4A is a Littleton Public Schools property tax and would not directly affect the City of Littleton's budget, revenues, or operations. The City would not collect or administer any of the revenue, and adopting a resolution of support requires no City funding.

If Ballot Issue 4A passes, property owners within LPS boundaries, including Littleton residents and businesses located in the district, would see a property tax increase of approximately $25 per year for every $100,000 of home value.

Under the Colorado Fair Campaign Practices Act (C.R.S. § 1-45-117), the City may adopt a resolution taking a position on a ballot issue but may not otherwise spend public funds to urge voters to support or oppose it.

STAFF RECOMMENDATION:
Staff acknowledge that Ballot Issue 4A would increase property taxes for Littleton residents and businesses within the district at a time when households face other rising costs. However, strong public schools are foundational to Littleton's quality of life, property values, and economic vitality, and to the City's ability to attract and retain families and employers. LPS has already made significant reductions, and stable local funding would allow the district to retain high-quality educators, protect classroom programs, and avoid deeper, permanent cuts. Staff recommend that City Council support Ballot Issue 4A.

ALTERNATIVES:

- City Council may choose to take no position on Ballot Issue 4A.
- If Ballot Issue 4A does not pass, LPS anticipates the employee wage freeze and scheduled furlough day would remain in place, and the district would face deeper, permanent budget reductions in future school years.

PROPOSED MOTION:
I move to approve Resolution 67-2026, a resolution of the Littleton City Council Supporting a Yes vote on Ballot Issue 4A which seeks voter approval of a $10 Million Mill Levy override for Littleton Public Schools.

CITY OF LITTLETON, COLORADO

Resolution No. 67
Series, 2026

A RESOLUTION OF THE LITTLETON CITY COUNCIL SUPPORTING A YES VOTE ON BALLOT ISSUE 4A WHICH SEEKS VOTER APPROVAL OF A $10 MILLION MILL LEVY OVERRIDE FOR LITTLETON PUBLIC SCHOOLS

WHEREAS, in accordance with the Colorado Fair Campaign Practices Act, (C.R.S. § 1-45-117) the Littleton City Council may pass a resolution taking a position on any ballot question; and

WHEREAS, Littleton Public Schools ("LPS") is a public school district and political subdivision of the State of Colorado that provides public education to students residing in the City of Littleton and surrounding communities; and

WHEREAS, for decades LPS has been one of the top-performing school districts in Colorado, and in 2026 was named a District Accredited with Distinction, the highest accreditation rating awarded by the State; and

WHEREAS, strong public schools are vital to the quality of life, property values, economic vitality, and civic pride of the City of Littleton and its residents; and

WHEREAS, LPS faces a $10.6 million budget shortfall resulting from changes to Colorado's school finance formula, state-level revenue constraints, declining enrollment, and rising operational costs; and

WHEREAS, to balance its 2026–2027 budget, LPS implemented central staffing cuts, departmental budget reductions and restructuring, an employee wage freeze, and a districtwide furlough day, all of which are one-time, temporary measures rather than a sustainable long-term solution; and

WHEREAS, on August 13, 2026, the LPS Board of Education unanimously referred Ballot Issue 4A to the voters at the November 3, 2026 coordinated election, seeking approval of a $10 million mill levy override that will provide dedicated, ongoing local revenue that remains within the district and under local control; and

WHEREAS, revenue from Ballot Issue 4A will be used to retain and attract outstanding teachers and staff by lifting the wage freeze and providing competitive compensation; to sustain academic excellence and career readiness by protecting classroom funding, maintaining student-to-teacher ratios, and preserving career readiness programming; and to maintain safe and secure schools and operations; and

WHEREAS, if Ballot Issue 4A is approved, compensation adjustments negotiated with district employees will be reinstated retroactively to the start of the contract year and the scheduled furlough day will be removed from the school calendar, keeping students in the classroom; and

WHEREAS, LPS estimates the cost of Ballot Issue 4A at approximately $25 per year for every $100,000 of home value; and

WHEREAS, without stable, ongoing local funding, LPS will face deeper and permanent cuts in the years ahead that will directly affect the students, educators, and programs valued by the Littleton community; and

WHEREAS, the City Council strongly supports and recognizes the vital role that Littleton Public Schools plays in the education of the community's children and in the well-being of the City of Littleton, its residents, and its surrounding areas.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LITTLETON, COLORADO THAT THE CITY COUNCIL OF THE CITY OF LITTLETON HEREBY STRONGLY SUPPORTS BALLOT ISSUE 4A AND URGES ITS CITIZENS TO VOTE YES ON BALLOT ISSUE 4A.

INTRODUCED, READ AND ADOPTED at a regularly scheduled meeting of the City Council of the City of Littleton, Colorado, on the 6th day of October 2026, at 6:30 p.m. at the Littleton Center, 2255 West Berry Avenue, Littleton, Colorado.

ATTEST:

_____
Colleen L. Norton
CITY CLERK

_____
Kyle Schlachter
MAYOR

APPROVED AS TO FORM:

_____
Reid Betzing
CITY ATTORNEY

Ballot Issue 4A

Littleton Public Schools $10 Million Mill Levy Override

Resolution 67-2026 | Littleton City Council | November 3, 2026, Election

Presented by Reid B. Betzing, City Attorney
From James L. Becklenberg, City Manager

What Ballot Issue 4A Would Do

A voter-approved property tax providing additional operating revenue; the money stays in the district and is controlled locally.

$25

per year per $100,000 of home value

$150

per year on a $600,000 home (~$13/month)

LPS estimate

How the revenue would be used



Retain and attract teachers and staff

Lift the current wage freeze



Sustain academic excellence

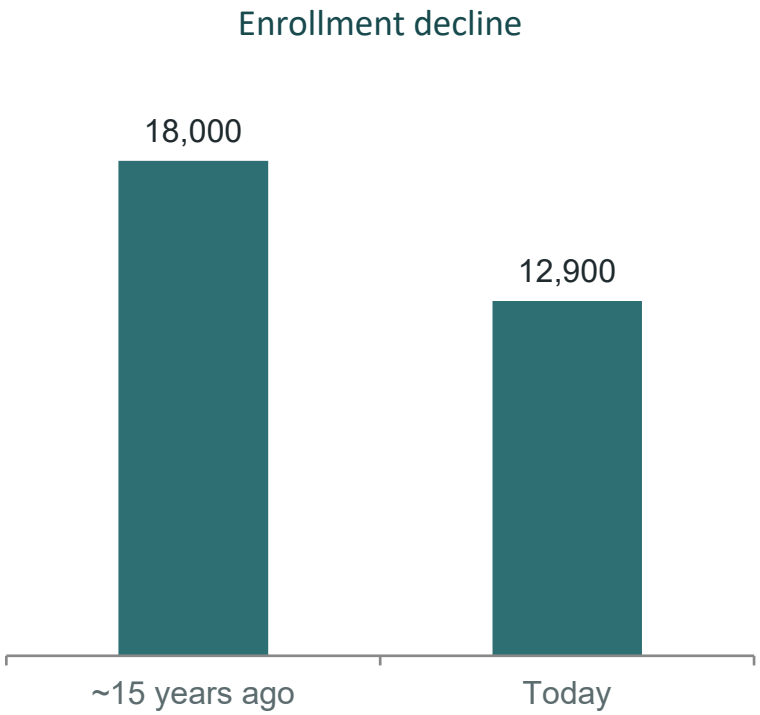
Protect career-readiness programming



Maintain safe, secure schools

Support safety and operations

Why the District Is Asking



Today: just under 13,000 students

$10.6M

2026–27 budget shortfall

Drivers

- State school finance formula changes and revenue limits
- Declining enrollment and rising operating costs

Temporary steps already taken

- Central staffing cuts and department reductions
- Employee wage freeze and a districtwide furlough day

Further cuts expected without new ongoing revenue.

How We Got Here

Feb 5, 2026

Board reviews budget outlook; discusses MLO option

Jun 11, 2026

Board considers 2026–27 budget incl. furlough day

Aug 13, 2026

Board unanimously refers MLO to the ballot

Nov 3, 2026

Coordinated election, run by Arapahoe County

First LPS mill levy override for staff compensation since 2010.

City Fiscal Impact and Legal Limits

No impact on the City budget

4A is an LPS property tax. The City collects and administers none of the revenue; a resolution requires no City funding.

Impact on property owners

Owners within LPS boundaries, including Littleton residents and businesses, would pay about $25 per year per $100,000 of home value.

Fair Campaign Practices Act

Under C.R.S. § 1-45-117 the City may adopt a resolution taking a position, but may not otherwise spend public funds urging a vote.

Staff Recommendation: Support 4A

Staff acknowledge the added tax burden amid rising household costs, but strong schools underpin Littleton's quality of life, property values, and economic vitality. Stable local funding would let LPS keep high-quality educators, protect classroom programs, and avoid deeper, permanent cuts.

Alternatives

- Council may take no position on 4A.
- If 4A fails, LPS expects the wage freeze and furlough day to stay, with deeper, permanent cuts ahead.



Proposed motion

Approve Resolution 67-2026 of the Littleton City Council supporting a YES vote on Ballot Issue 4A, a $10 million mill levy override for Littleton Public Schools.

Staff Communication

File #: Resolution 68-2026, **Version:** 1

Agenda Date: 10/06/2026

Subject:
Resolution 68-2026: A Resolution of the Littleton City Council supporting a Yes vote on Ballot Issue 7A which seeks voter approval of a Front Range Passenger Rail District Sales and Use Tax of 0.333% to fund Colorado Connector (CoCo) Passenger Rail Service

From:	James L. Becklenberg, City Manager
Prepared by:	Kathleen Osher, Deputy City Manager
	Kenna Davis, Senior Transportation Planner
Presentations:	Kathleen Osher, Deputy City Manager
	Kenna Davis, Senior Transportation Manager

PURPOSE:
Does Council wish to pass a resolution of support for Front Range Passenger Rail's (FRPR's) Sales Tax Ballot Question 7A, regarding the Colorado Connector (CoCo) passenger rail service plan, that is part of the November 2026 election.

LONG-TERM OUTCOME(S) SERVED:
Vibrant Community with Rich Culture; Sustainable Community with Natural Beauty; Robust and Resilient Economy

DISCUSSION:
Ballot measure 7A, if approved by voters in the November 2026 election, would impose a 0.333% sales tax within the defined Front Range Passenger Rail District (The District). An estimated $295M in sales tax revenue per year would be collected through this tax to fund Phase 2-5 of CoCo service, expanding service from Fort Collins to Pueblo by 2032. No Federal Funding is assumed in Phase 2. As part of the Local Return funding from the District, Littleton would receive 2.2 million base every year, for a total of $55 million over 25 years.

BACKGROUND:
The Front Range Passenger Rail District (The District) is an independent taxing district with the vision of bringing intercity passenger rail (CoCo) to Colorado. The district is empowered to plan, design, develop, finance, construct, operate and maintain an interconnected passenger rail system along the Front Range that will provide increased connectivity to Front Range cities and have competitive travel times compared with other modes of surface transportation. CDOT has been supporting the district with technical analysis, design, planning, and advice.

In March 2026, the Littleton City Council selected the Mineral Station as the preferred CoCo station within the City. Littleton would receive annual funds through the District's Local Return funding if the 2026 ballot measure is approved. This would provide $2.2 million annually, for a total of $55 million over 25 years. This

funding will support the design, construction, operation, and maintenance of a passenger rail station, and may support broader station-area investments that enhance access, connectivity, and functionality, including multimodal access and first- and last-mile improvements. Final funding conditions, scopes, and obligations will be formalized through an IGA following voter approval of the referred ballot question. Portion of this Local Return funding has been identified to fund the on-demand microtransit service recommended from the ArapaGO Transit Connections Study that would service parts of Littleton, Englewood, and Sheridan and provide first/last mile connectivity to the station.

Prior Actions or Discussions

- The Front Range Passenger Rail District hosted a Littleton Town Hall at Buck Recreation Center on August 10th.
- Littleton City Council selected the Mineral Station as the preferred CoCo station within the City of Littleton.
- The Front Range Passenger Rail District introduced its new General Manager and provided an update on February 17, 2026.
- Staff provided comments and memo to the FRPRD on the draft SDP and Station Area Analysis in March 2025.
- The Front Range Passenger Rail District provided an introduction, overview of the district, update on service development planning, and local station planning on December 10, 2024.

FISCAL IMPACTS:
The FRPR district anticipates an IGA will be sought after the passage of the ballot measure to dictate the terms of the Local Return program. The current station area planning efforts and coordination do not require additional city funding but will require significant staff dedication and capacity. Staff is continuing to work with the District, RTD, and internal departments to progress station area planning of CoCo service in 2032.

FRPRD/CDOT is planning to cover rail platform and rail operation costs for stations within a specific threshold (still to be determined). Local municipalities will own and operate the stations themselves and will be responsible for developing stations and associated amenities but will be eligible for the Local Return funding mentioned above.

If ballot measure 7A passes, an additional 0.333% sales tax would be added to the City of Littleton. The City would receive $2.2 million annually, for a total of $55 million over 25 years through the Local Return program. The Mineral Station is estimated to see $350 million in private opportunity around the station with a net positive +$735 million in economic impact.

STAFF RECOMMENDATION:
Staff acknowledge the increase in sales tax would create challenges for future sales tax and bonding efforts for the City of Littleton to fund local projects. However, CoCo rail service provides an overall benefit for Littleton residents, the region, and the state - including expanding mobility options, providing congestion relief, improving air quality, and creating redundancy in the regional transportation network. RTD is working closely with staff to develop a plan for station development that could include train amenities, hotel, affordable housing, structured parking, and commercial retail, with an estimated potential economic impact of +$735 million.

ALTERNATIVES:
If ballot measure 7A does not pass, then the funding and timeline for Phase 2-5 of CoCo rail service through

Littleton will be undetermined.

PROPOSED MOTION:
City Council endorses the 0.333% sales tax to fund Phase 2 of the Colorado Connector (CoCo) which will be voted on in the November 2026 election through ballot measure 7A.

PROPOSED MOTION:
I move to approve Resolution 68-2026 supporting a Yes vote on Ballot Issue 7A which seeks voter approval of a Front Range Passenger Rail District Sales and Use Tax of 0.333% to fund Colorado Connector (CoCo) Passenger Rail Service.

CITY OF LITTLETON, COLORADO

Resolution No. 68
Series, 2026

A RESOLUTION OF THE LITTLETON CITY COUNCIL SUPPORTING A YES VOTE ON BALLOT ISSUE 7A WHICH SEEKS VOTER APPROVAL OF A FRONT RANGE PASSENGER RAIL DISTRICT SALES AND USE TAX OF 0.333% TO FUND COLORADO CONNECTOR (COCO) PASSENGER RAIL SERVICE

WHEREAS, in accordance with the Colorado Fair Campaign Practices Act, (C.R.S. § 1-45-117) the Littleton City Council may pass a resolution taking a position on any ballot question; and

WHEREAS, the Front Range Passenger Rail District (the "District") is a special district created by the Colorado General Assembly pursuant to the Front Range Passenger Rail District Act, Article 22 of Title 32, Colorado Revised Statutes, to plan, develop, finance, construct, operate, and maintain interregional passenger rail service along Colorado's Front Range; and

WHEREAS, the City of Littleton is one of twenty-nine municipalities located within the boundaries of the District; and

WHEREAS, the District's Board of Directors has referred Ballot Issue 7A to the voters of the District at the November 3, 2026 election, seeking approval of a 0.333% sales and use tax, equal to one-third of a penny on a one-dollar purchase, to construct, operate, and maintain Colorado Connector ("CoCo") passenger rail service; and

WHEREAS, Ballot Issue 7A exempts gasoline, food, residential electricity and gas, prescription drugs, and medical supplies from the tax, as provided under Colorado law, limiting the impact on essential household purchases; and

WHEREAS, CoCo will provide daily regional passenger rail service connecting twelve station communities from Fort Collins to Pueblo, including a station in the City of Littleton; and

WHEREAS, while the northern segment between Denver and Fort Collins is being funded by the Regional Transportation District and the Colorado Department of Transportation, Ballot Issue 7A will fund the southern segment between Denver and Pueblo, increase service to ten daily round trips on the northern segment and eight daily round trips on the southern segment, and fund a new station in Trinidad served by Amtrak's Southwest Chief; and

WHEREAS, CoCo is planned to operate on existing rail lines, allowing service to be delivered at lower cost and sooner than a system requiring new rail corridors; and

WHEREAS, traffic congestion on Interstate 25 and other Front Range corridors

continues to worsen, and CoCo will offer Littleton residents, commuters, students, and visitors a safe, reliable, and affordable alternative to driving while reducing vehicle emissions and improving regional air quality; and

WHEREAS, CoCo will connect Littleton residents to employment centers, colleges and universities, sports arenas, and entertainment hubs along the Front Range, and will bring visitors to Littleton in support of local businesses; and

WHEREAS, Ballot Issue 7A provides for investment in station area improvements and local connections to rail stations, benefiting the area served by the Littleton station; and

WHEREAS, Ballot Issue 7A requires that all dedicated revenues be reviewed annually by an independent auditor and a rotating group of citizen taxpayers who live in the District, ensuring accountability and transparency to taxpayers; and

WHEREAS, the City Council recognizes that CoCo will strengthen regional mobility, economic vitality, and quality of life for the City of Littleton, its residents, and the entire Front Range.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF LITTLETON, COLORADO THAT THE CITY COUNCIL OF THE CITY OF LITTLETON HEREBY STRONGLY SUPPORTS BALLOT ISSUE 7A AND URGES ITS CITIZENS TO VOTE YES ON BALLOT ISSUE 7A.

INTRODUCED, READ AND ADOPTED at a regularly scheduled meeting of the City Council of the City of Littleton, Colorado, on the 6th day of October 2026, at 6:30 p.m. at the Littleton Center, 2255 West Berry Avenue, Littleton, Colorado.

ATTEST:

_____
Colleen L. Norton
CITY CLERK

_____
Kyle Schlachter
MAYOR

APPROVED AS TO FORM:

_____
Reid Betzing
CITY ATTORNEY

CITY OF LITTLETON, COLORADO
SEAL
INCORPORATED
1890

CoCo - November 2026 Ballot Measure 7A

Sales tax to fund phases 2 -5 of
Front Range Passenger Rail



CoCo at a Glance

Colorado Connector will connect the Front Range with fast, reliable, and comfortable passenger rail service from Fort Collins to Pueblo, evenutally connecting into Wyoming and New Mexico.

Key Statistics:

- **12** communities connected
- **2029:** service begins from Denver -Fort Collins
- Up to **10 round trips** per day by 2045
- **190 track miles** – using existing freight lines
- **15 new CoCo stations** - 13 daily service stations & 2 special event stations
- **500 passengers** - 300-500 seats per train

Read the Project Delivery Plan:
ColoradoConnector.com/Plan/

Delivery Targets

Fort Collins to Denver in 2029
(Phase 1 / Joint Service Funding)
Fort Collins to Pueblo in 2032
(Phase 2 - Ballot Funding)
Up to 10 round -trips per day by 2045
(Phases 3-5 - Ballot Funding)

Travel Time *

Fort Collins –Denver: 1h 30m – 1h 45m
Denver –Pueblo: 2h 15m – 2h 40m

*Travel time presented as a range from a perfect tun to a conservative run time



Phase 2: Full Corridor Service

Requires successful ballot initiative in November 2026.

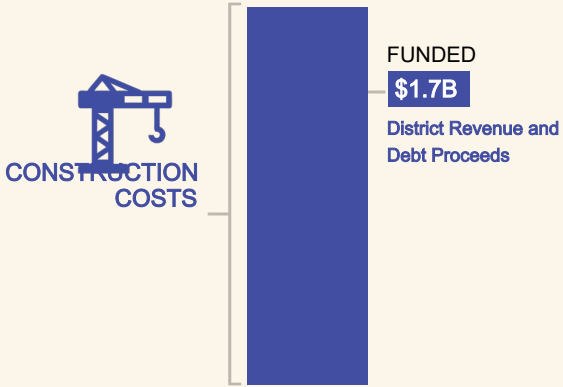
Phase 2 Full Corridor Service requires dedicated new sales tax revenue from **ballot measure 7A** to expand service from Fort Collins to Pueblo by 2032:

- November ballot question 7A: **0.333% sales tax**
- Estimating **$295M in sales tax revenue** per year
- No Federal Funding is assumed in Phase 2.

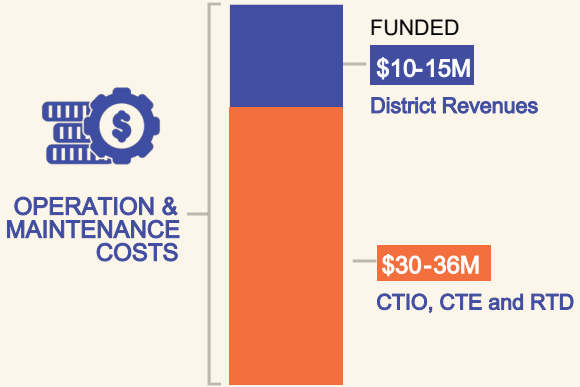
Mineral Station

- Estimated **$13.75M** for platform and engineering
- FRPRD/CDOT would cover full cost
- Does not include cost of developing station & amenities

Capital Cost: $1.7B to construct



Operating Cost: $40-51M/yr to operate



Local Return - Littleton

$2.2 Million Base Every year
$55 Million Over 25 Years

Program Highlights:

- **Funds station access and first -/last -mile improvements**, including sidewalks, bike/ped connections, parking, and local transit.
- **Communities retain local control** of station-area ownership, management, and project priorities.
- **10% participation incentive** increases each community's Local Return allocation (included in figures above).
- **Projects delivered** through a District–Municipality Intergovernmental Agreement (IGA).



What CoCo means for Littleton

Success to developing the station will include ongoing coordination with RTD, FRPR District, and Littleton departments: City Manager's Office, Public Works, Economic Development, Community Development/Housing

Economic Investment

- Public investment already exceeds $130M in pubic infrastructure over the past 10 years
- Estimated $350M in private opportunity around the station
- Net positive $735M+ in economic impact

Activiation Corridor

- Oppportunity to create new district within the City - combine cultural, recreational, and natural offerings
- Examples include Indy Cultural Trail, Dallas Klyde Warr ant Park, Miami Underline, or Atlanta Beltline

Community Amenities

- Housing co -located at transit
- Opportunity for new hotel & other public amenities
- Utilize Local Return program to fund on - demand transit service proposed through the ArapaGO Transit project

The Benefits & Risks of CoCo

Benefits

- ✓ Economic revenue & development opportunity
- ✓ Momentum with RTD and surrounding developments to develop the station
- ✓ Annual $2.2M local return funding
- ✓ Opportunity to fund on -demand transit and other first -last-mile improvements
- ✓ City and Douglas County have already invested over $100M into surrounding area

Risks

- x New tax on top of existing sales taxes
- x Timeline of CoCo service vs. ability to develop the site
- x Complexity of the site including LRT and passenger rail service
- x Unknown timeline of platform construction and service if tax does not pass

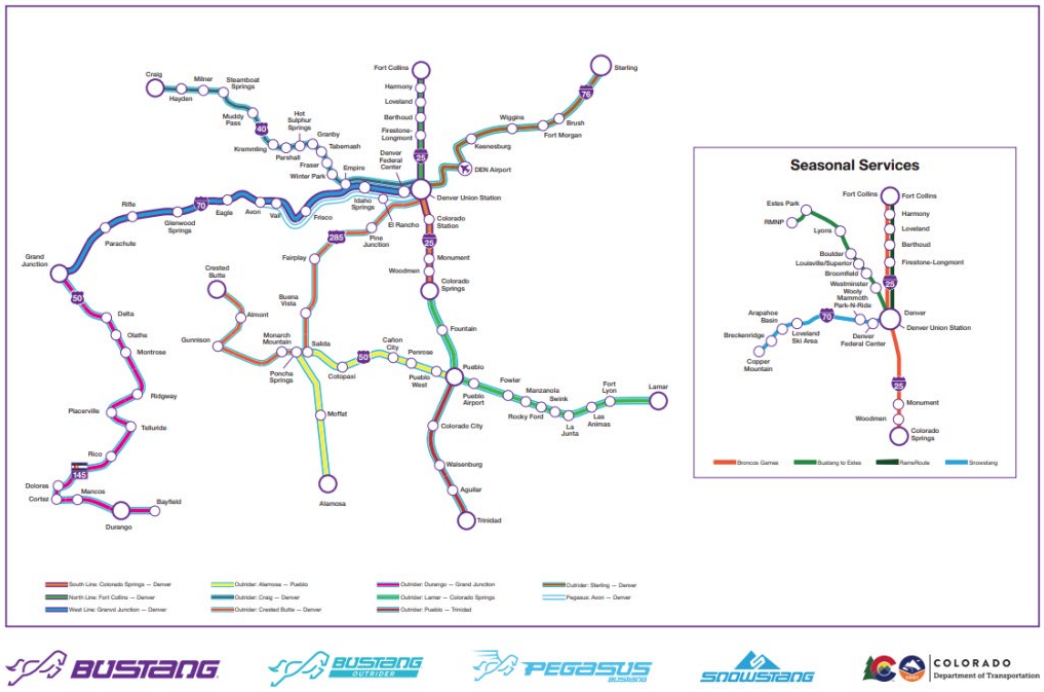
CoCo vs. Bustang

CoCo will provide train service along the Front Range. Bustang provides bus service throughout the state.

Bustang: Statewide bus service run by CDOT; runs along the I-25 and I-70 corridors; Outrider services rural areas

Benefits of Bustang : Lower capital and operating costs than rail service; ability to adjust and add more routes easily

Negatives of Bustang : Only certain routes have dedicated bus lanes; can be susceptible to traffic congestion & crashes; does not service Littleton



Staff Communication

File #: ID# 26-203, **Version:** 1

Agenda Date: 10/06/2026

Subject:
Overview of additional ballot questions

From:	James L. Becklenberg, City Manager
Prepared by:	Reid Betzing, City Attorney
Presentations:	Reid Betzing, City Attorney

PURPOSE:
Staff have prepared information for City Council on the 16 ballot questions Littleton voters will see in the November 3, 2026, general election: 7 statewide constitutional amendments, 7 statewide propositions, and 2 local ballot issues (4A and 7A). This item is informational.

LONG-TERM OUTCOME(S) SERVED:
High-Quality Governance

DISCUSSION:
The November 3, 2026, ballot includes 7 statewide amendments, which would change the Colorado Constitution, and 7 statewide propositions, which would change Colorado state law. Littleton voters will also see 2 local ballot issues: 4A for Littleton Public Schools and 7A for the Front Range Passenger Rail District.

Statewide Amendments (change the Colorado Constitution)

Measure	Subject areas	What it would do
Amendment 81	Immigration; law enforcement	Require law enforcement to notify the U.S. Department of Homeland Security when a person is charged with a crime of violence or has a prior felony conviction and the person's immigration status cannot be determined
Amendment 82	Constitutional rights; fossil fuels; business	Create a constitutional right for consumers to buy natural gas for cooking or heating in homes and businesses, and for distributors and utilities to sell it for those purposes
Amendment 83	Right to hunt and fish	Establish a constitutional right to hunt, fish, and take fish and wildlife through traditional methods, subject to regulation by the legislature and executive agencies
Amendment 84	Absentee voting; voter ID	Require voters casting ballots by mail to include their signature and some form of real ID on their ballot

Amendment 85	Initiative process; ballot measures	Require ballot questions to be written in plain language at no more than an eighth-grade reading level
Amendment 86	Redistricting	Require congressional maps drawn in 2028 to be approved by both a nonpolitical commission and the Colorado Supreme Court
Amendment 87	Public assistance; public education funding; income taxes; early childhood education	Establish a graduated state income tax

Statewide Propositions (change Colorado state law)

Measure	Subject areas	What it would do
Proposition 132	Criminal sentencing; drug crime	Increase penalties for fentanyl-related felonies, require treatment for certain drug offenses, and limit sentencing exceptions in fentanyl-related crimes that cause another person's death
Proposition 133	Criminal sentencing	Require life in prison without parole or release for persons convicted of trafficking a child for sexual servitude
Proposition 134	Sex and gender; LGBTQ; higher and public education governance; athletics	Require K-12 and collegiate school sports teams to be separated by biological sex unless the team is co-ed
Proposition 135	Sex and gender; LGBTQ; healthcare governance	Prohibit healthcare professionals from providing surgeries to persons under 18 for the purpose of "treatment in response to a minor's perception of sex or gender"
Proposition 136	Business taxes; income taxes	Cap individual and corporate income tax rates at 4.4%
Proposition 137	Wildfire; sales taxes; restricted-use funds; parks and conservation	Allow the state to retain and spend sales tax revenue from sporting goods and equipment for water, land, forest, wildfire prevention, and outdoor recreation
Proposition NN	Public education funding; revenue and spending limits	Increase the TABOR cap and use surplus funds for K-12 education expenses

Local Ballot Issue 4A: Littleton Public Schools

Ballot Issue 4A asks voters whether Arapahoe County School District No. 6 (Littleton Public Schools) taxes should be increased $10,289,724 in 2026, for collection in 2027, and by other amounts in later years up to the limit set for the district by C.R.S. § 22-54-108. The funds would go to general fund purposes such as:

- **Teachers:** attract and retain highly qualified teachers to continue providing exceptional learning opportunities and care for every student
- **Safe schools:** maintain safe, secure schools where all students can thrive

- **Academics and careers:** sustain academic excellence and expand career readiness through innovative programming that prepares all students for success after graduation

Local Ballot Issue 7A: Front Range Passenger Rail District

Ballot Issue 7A would fund construction, operation, and maintenance of Colorado Connector (CoCo) passenger rail service on the Front Range. It would:

- Establish a **0.333% sales and use tax** (one third of a penny on a $1 purchase), raising **$295 million per year** plus whatever amounts are raised annually after
- Authorize **$580 million in new district debt** to construct the service, with a **maximum repayment cost of $785 million**

The service would connect Pueblo, Colorado Springs, Sterling Ranch, Littleton, Denver, Westminster, Broomfield, Louisville, Boulder, Longmont, Loveland, and Fort Collins. The stated purposes are to remove vehicles from highways and increase travel capacity; connect travelers to employment centers, colleges, sports arenas, and entertainment hubs; and invest in station area improvements and local connections to rail stations. Exemptions under Colorado law would apply, including gasoline, food, residential electricity and gas, prescription drugs, and medical supplies.

The full official ballot language for Ballot Issues 4A and 7A is included as Attachment A.

BACKGROUND:
The November 3, 2026, general election is a coordinated election. Statewide amendments amend the Colorado Constitution, while statewide propositions amend Colorado statutes. Ballot Issue 4A was referred by the Littleton Public Schools Board of Education, and Ballot Issue 7A was referred by the Front Range Passenger Rail District; neither was referred by the City.

Prior Actions or Discussions

City Council was provided a brief overview on September 22, 2026.

FISCAL IMPACTS:
This item is informational and requires no City funding. None of the ballot questions was referred by the City, and the City would not collect or administer revenue from Ballot Issues 4A or 7A.

- **Ballot Issue 4A** is a Littleton Public Schools property tax. It would increase taxes $10,289,724 in 2026, for collection in 2027, for property owners within the district, including Littleton residents and businesses.
- **Ballot Issue 7A** would add a 0.333% sales and use tax within the Front Range Passenger Rail District, raising $295 million per year district-wide, and would authorize $580 million in district debt with a maximum repayment cost of $785 million.
- **Statewide measures** with tax or revenue effects include Amendment 87 (graduated income tax), Proposition 136 (4.4% income tax cap), Proposition 137 (retention of sporting goods sales tax revenue), and Proposition NN (TABOR cap). [Staff to confirm whether any would directly affect City revenues.]

Under the Colorado Fair Campaign Practices Act (C.R.S. § 1-45-117), the City may adopt a resolution taking a position on a ballot issue but may not otherwise spend public funds to urge voters to support or oppose it.

STAFF RECOMMENDATION:
Staff takes no position on additional ballot measures.

ALTERNATIVES:
Council can provide direction to support or oppose any additional ballot measures, of which resolutions of support or opposition would be presented to City Council on October 20, 2026.

Alternatively, Council can choose to not take positions on additional ballot measures.

GENERAL ELECTION · TUESDAY, NOV. 3, 2026

Ballot Questions

Statewide amendments and propositions, plus local issues 4A and 7A, with the case for and against each

7	7	2
Amendments	Propositions	Local issues

STATEWIDE · AMENDMENTS

Amendments 81–84

Amendments change the Colorado Constitution

Amendment 81

Immigration · Law enforcement

Require law enforcement to notify the U.S. Department of Homeland Security when a person is charged with a crime of violence or has a prior felony conviction and the person's immigration status cannot be determined

Amendment 82

Constitutional rights · Fossil fuels · Business

Provide a constitutional right for consumers to purchase natural gas for cooking or heating in homes and businesses and for distributors and utilities to sell natural gas for those purposes

Amendment 83

Right to hunt and fish

Establish a right to hunt, fish, and take fish and wildlife in the state constitution, through traditional methods, and allow the state legislature and executive agencies to regulate it

Amendment 84

Absentee voting · Voter ID

Require voters casting ballots by mail to place their signature and some form of real ID on their ballot

STATEWIDE · AMENDMENTS

Amendments 85–87

Amendments change the Colorado Constitution

Amendment 85

Initiative process · Ballot measures

Require ballot questions to be in plain language, at no more than an eighth-grade reading level

Amendment 86

Redistricting

Require congressional maps drawn in 2028 to be approved by both a nonpolitical commission and the state supreme court

Amendment 87

Public assistance · Public education funding · Income taxes · Early childhood education

Establish a graduated income tax within the state

STATEWIDE · AMENDMENTS

Amendment 81

Needs: 55% to pass

Law enforcement reporting to federal authorities

Police would have to notify Homeland Security when someone charged with a violent crime, or any crime with a prior felony, can't be confirmed as lawfully present. It overrides current state limits on working with immigration enforcement, and as an amendment the legislature couldn't undo it by statute. Backed by Advance Colorado.



Supporters say

- The federal government should know when people who may be here unlawfully are charged with serious crimes
- Colorado's current limits on cooperating with federal immigration authorities go too far
- Reporting happens only after there's enough evidence to charge someone, which answers due-process concerns



Opponents say

- Reporting happens at charging, before any court finds the person guilty
- Citizens and green-card holders whose status can't be verified within 72 hours could be reported
- Could invite profiling and make immigrant communities less willing to report crime (ACLU of Colorado, several DAs)

STATEWIDE · AMENDMENTS

Amendment 82

Needs: 55% to pass

Right to purchase and sell natural gas

A two-sentence amendment giving consumers a constitutional right to buy natural gas for cooking or heating in homes and businesses, and utilities a right to sell it. It doesn't say how the right would be enforced or which existing rules it overrides. Backed by Advance Colorado.

Supporters say

- Protects consumer choice to keep gas stoves, furnaces, and water heaters
- Guards homeowners and businesses against being steered or required toward electric alternatives
- State policies limiting natural gas don't fit Coloradans' energy needs or budgets

Opponents say

- Locks a fossil fuel into the constitution; home and business gas is about 15% of state greenhouse emissions
- Would make building-efficiency and electrification policies harder to adopt
- Vague wording could mean years of litigation; the state's two largest oil and gas groups have taken no position

STATEWIDE · AMENDMENTS

Amendment 83

Needs: 55% to pass

Constitutional right to hunt and fish

Creates a constitutional right to hunt, fish, and harvest wildlife by “traditional methods,” and names hunting and fishing the preferred way to manage wildlife. Colorado Parks and Wildlife would still set seasons and limits, and endangered or federally protected species (like wolves and lynx) are excluded.

Supporters say

- Protects Colorado’s hunting and fishing heritage from future ballot campaigns, like the 2020 wolf and 2024 big-cat measures
- Keeps wildlife decisions with science-based professionals rather than statewide campaigns
- Hunting would still be regulated, with seasons and limits

Opponents say

- Unnecessary: hunting and fishing are already legal and managed by Parks and Wildlife
- “Traditional methods” is undefined and could be used to challenge the trapping limits voters passed in 1996
- Could shift wildlife decisions from voters and the legislature into court; even some hunters oppose it

STATEWIDE · AMENDMENTS

Amendment 84

Needs: 55% to pass

Mail ballot voter identification

Mail voters would add the last four digits of their Social Security number, or a REAL ID-compliant Colorado license or ID number, to the outside of their ballot, on top of the current signature check. Ballots with missing or wrong information wouldn't count unless the voter fixes it.

Supporters say

- Adds an objective second check instead of relying only on signature matching, which can be subjective
- Makes sure every ballot is matched to the right person
- People already show ID for many everyday activities, and in-person voters already do

Opponents say

- Colorado's elections are already secure, with signature checks and bipartisan review
- Ballots could be rejected over missing or mistyped numbers if voters miss the notice to fix them
- Writing ID numbers on the outside of an envelope raises identity-theft concerns

STATEWIDE · AMENDMENTS

Amendment 85

Needs: 55% to pass

Plain language ballot questions

All state and local ballot questions would have to be in plain language at no more than an 8th-grade reading level. It would also bar state law from requiring conflicting wording on citizen initiatives, widely seen as aimed at a 2021 law requiring tax-cut measures to open with wording about reduced funding for services.

Supporters say

- Ballot language is often confusing or legalistic; voters deserve questions they can understand at a glance
- The legislature shouldn’t be able to require framing language on citizen initiatives that could sway voters
- Backed by Advance Colorado

Opponents say

- An 8th-grade reading level may be hard to reach for complex fiscal or legal measures without oversimplifying
- Removing required disclosures, like fiscal-impact wording, would leave voters knowing less
- Opposed by Colorado Common Cause and Defend Our Ballots

STATEWIDE · AMENDMENTS

Amendment 86

Needs: 55% to pass

Congressional redistricting

Any mid-decade congressional redistricting would need approval from both the independent redistricting commission and the Colorado Supreme Court, with public meetings and protections for communities of interest. Maps drawn purposefully to favor one party would be banned. Backed by Advance Colorado.

Supporters say

- Protects the independent, citizen-led process 71% of voters approved in 2018
- The current map is widely rated fair (an “A” from Princeton; a 4–4 delegation split)
- Heads off a “redistricting war” by holding any mid-decade change to the same nonpartisan bar

Opponents say

- With other states redrawing for partisan gain, it would make it much harder for Colorado to respond
- $250,000 from Speaker Mike Johnson’s PAC suggests the aim is protecting Republican-held seats
- The constitution already limits redistricting to the year after the census

STATEWIDE · AMENDMENTS

Amendment 87

Needs: Simple majority

Graduated income tax

Replaces the flat 4.4% income tax with brackets from 3.7% to 8.4%. Households earning over $500,000 (roughly the top 3%) would pay more; lower brackets would get a slight cut. It would raise about $2 billion a year for K-12, health care, and childcare/pre-K. Competes directly with Proposition 136.



Supporters say

- Nurses, teachers, and working families now pay the same rate as millionaires and large corporations
- Most taxpayers, including most seniors and veterans, would see a small cut
- Funds squeezed school, health care, and childcare budgets, with an annual independent audit



Opponents say

- Higher top rates could push high earners, entrepreneurs, and businesses out of Colorado
- Would hit small businesses that pay taxes through their owners' personal returns
- Removes TABOR's flat-tax protection, opening the door to future increases; new money may replace rather than add to spending

STATEWIDE · PROPOSITIONS

Propositions 132–135

Propositions change Colorado state law



Proposition 132

Criminal sentencing · Drug crime

Increase penalties for fentanyl-related felonies, require treatment for certain drug offenses, and limit sentencing exceptions in fentanyl-related crimes that cause another person's death



Proposition 133

Criminal sentencing

Require life in prison without parole or release for persons convicted of human trafficking a child for sexual servitude



Proposition 134

Sex and gender · LGBTQ · Higher ed. governance · Public ed. governance · Athletics

Require all K-12 and collegiate school sports teams to be separated based on biological sex, unless the team is co-ed



Proposition 135

Sex and gender · LGBTQ · Healthcare governance

Prohibit healthcare professionals from providing surgeries to persons under age 18 for the purpose of "treatment in response to a minor's perception of sex or gender"

STATEWIDE · PROPOSITIONS

Propositions 136, 137 & NN

Propositions change Colorado state law

Proposition 136

Business taxes · Income taxes

Establish a 4.4% cap on individual and corporate income tax rates

Proposition 137

Wildfire · Sales taxes · Restricted-use funds · Parks and conservation

Allow the state to retain and spend sales tax revenue from sporting goods and equipment for water, land, forest, wildfire prevention, and outdoor recreation purposes

Proposition NN

Public education funding · Revenue and spending limits

Increase TABOR cap and use surplus funds for K-12 education expenses

STATEWIDE · PROPOSITIONS

Proposition 132

Needs: Simple majority

Penalties for fentanyl crimes

Selling or distributing any amount of fentanyl would become a Level 1 drug felony (8–32 years). Possessing any amount would be a felony; under one gram would require court-ordered treatment, possibly reducing it to a misdemeanor. Estimated costs reach $68.2 million a year by year five, with no treatment funding. Backed by Advance Colorado.

Supporters say

- Current penalties are too light to deter dealers profiting from a cheap, deadly drug
- Pairs accountability with court-directed treatment
- Supported by families affected by fentanyl

Opponents say

- Sharing a single pill could bring the same 8–32 year sentence as a major trafficker
- Treatment is required but not funded
- Weakening Good Samaritan protections could discourage 911 calls during overdoses

STATEWIDE · PROPOSITIONS

Proposition 133

Needs: Simple majority

Penalties for human trafficking of a minor

Anyone convicted of child sex trafficking would get life without parole, up from 8–48 years now. The crime becomes a class 1 felony, and the definition expands to cover buyers as well as sellers. It applies going forward only. Backed by Protect Kids Colorado.

Supporters say

- The punishment should match the severity of the crime
- Buying or selling a child for sex warrants the state's harshest sentence
- Closes a gap between the person arranging the transaction and the buyer

Opponents say

- No exemption for trafficking victims coerced into recruiting others, who could face life in prison
- A mandatory life sentence removes judges' discretion
- May do little to deter traffickers; opposed by victim-services groups including the Colorado Coalition Against Sexual Assault

STATEWIDE · PROPOSITIONS

Proposition 134

Needs: Simple majority

Male and female participation in school sports

Student athletes from elementary school through college would have to play on teams matching their biological sex; co-ed teams stay open to all. This changes current law, which lets students play on teams matching their gender identity. Backed by Protect Kids Colorado.

Supporters say

- Physical differences make competition unfair, and in some sports unsafe, for female athletes
- Protects roster spots, records, and scholarships for women and girls

Opponents say

- Would effectively exclude transgender kids from playing with their peers
- Enforcement could subject any student to invasive questions about their body
- Unnecessary given the small number of transgender athletes involved

STATEWIDE · PROPOSITIONS

Proposition 135

Needs: Simple majority

Prohibit certain surgeries for minors

Health care professionals couldn’t perform surgeries on anyone under 18 to change sex characteristics based on their perception of sex or gender. State and federal funds, including Medicaid and insurance coverage, couldn’t pay for them. Backed by Protect Kids Colorado.



Supporters say

- These surgeries are irreversible, and minors are too young to consent
- Protects children’s bodily integrity; some who usually oppose government involvement in family decisions support it



Opponents say

- Puts government into private medical decisions made by families and their doctors
- The language names a wide range of providers, from chiropractors to mental health therapists
- Could affect youth who need sex-related surgeries for other medical reasons

STATEWIDE · PROPOSITIONS

Proposition 136

Needs: Simple majority

Income tax rate cap

Caps individual and corporate income tax rates at 4.4%, the current rate. It directly counters Amendment 87's graduated tax; if both pass, conflicting provisions are resolved by whichever gets more yes votes. Backed by Advance Colorado.

Supporters say

- Keeps Colorado's rates low and competitive for workers, entrepreneurs, and businesses
- Blocks higher top rates that could push high earners and small businesses out of state

Opponents say

- Locks in a flat rate where middle-income earners pay the same rate as millionaires
- Limits revenue for schools, health care, and childcare budgets that supporters of 87 say are squeezed

STATEWIDE · PROPOSITIONS

Proposition 137

Needs: Simple majority

Sporting goods sales tax for conservation

Lets the state keep sales tax revenue from sporting goods (about $175 million in 2027-28) outside the TABOR limit for water, land, forest, wildfire, and outdoor recreation. No new tax; the effect is smaller refunds in surplus years. Backed by The Nature Conservancy and Western Resource Advocates.

Supporters say

- Forests, water, and wildlife need urgent investment as wildfire and drought risks grow
- The state now spends only about $16.4 million a year on wildfire mitigation
- No new tax: it keeps money already collected, tied to outdoor gear that depends on healthy lands

Opponents say

- A permanent carve-out set by formula rather than legislative priorities, shrinking refunds by about $175 million in 2029
- The state already faces budget shortfalls
- Some environmental groups say too much would go to thinning and logging rather than home hardening

STATEWIDE · PROPOSITIONS

Proposition NN

Needs: Simple majority

Raise TABOR cap for K-12 education

Lets the state keep revenue above the TABOR cap (raised by about $4.6 billion, equal to K-12 spending) for schools and homestead-exemption reimbursements, starting in 2027-28. No tax-rate change; the main effect is on refunds. A $50,000 single filer would lose about $21 in 2027 and $39 in 2028.

Supporters say

- Shores up school funding without raising anyone's tax rate
- TABOR's cap forces Colorado to underfund schools even in good revenue years
- For most households, the refunds given up amount to tens of dollars a year

Opponents say

- Permanently weakens TABOR and effectively ends refunds; one analysis puts losses at $7,381 per taxpayer over 10 years
- After the first years, the money splits with the general budget; as little as a quarter might reach schools
- Refunds are real relief given Colorado's high cost of living

LOCAL · BALLOT ISSUE 4A

Littleton Public Schools

Arapahoe County School District No. 6

TAX INCREASE

$10,289,724

in 2026, for collection in 2027

…and by other amounts in later years, up to the limit set for the district by state law (Section 22-54-108).

Funds go to general fund purposes.

Funds would be used for purposes such as:

Teachers

Attract and retain highly qualified teachers to continue to provide exceptional learning opportunities and care for every student

Safe schools

Maintain safe, secure schools where all students can thrive

Academics & careers

Sustain academic excellence and expand career readiness through innovative programming to prepare all students for success after graduation

LOCAL · BALLOT ISSUE 4A

Ballot Issue 4A

Needs: Simple majority

Littleton Public Schools mill levy override

A roughly $10 million property tax increase for day-to-day operations. LPS closed a $10.6 million deficit by freezing pay and adding a furlough day; the MLO would restore a one-step raise for teachers and about 2% for other staff. Cost: about $25 a year per $100,000 of home value (about $150 on a $600,000 home). Likely ongoing.

Supporters say

- Keeps pay competitive so LPS can recruit and retain teachers and staff
- Cuts so far were kept out of classrooms; the MLO restores employee pay and ends the furlough day
- State funding problems are expected to last several years, so revenue needs to match expenses

Opponents say

- Property owners are already stretched by this year’s wave of school tax measures
- Some question the framing that the only alternative is a wage freeze and furloughs
- Some voters prefer the state fix school funding; LPS overrides don’t expire, so this would likely be permanent

LOCAL · BALLOT ISSUE 7A

Front Range Passenger Rail District

Colorado Connector (CoCo) passenger rail on the Front Range

0.333%

sales & use tax

One third of a penny on a $1 purchase

$295M

tax increase per year

Plus whatever amounts are raised annually after

$580M

new district debt

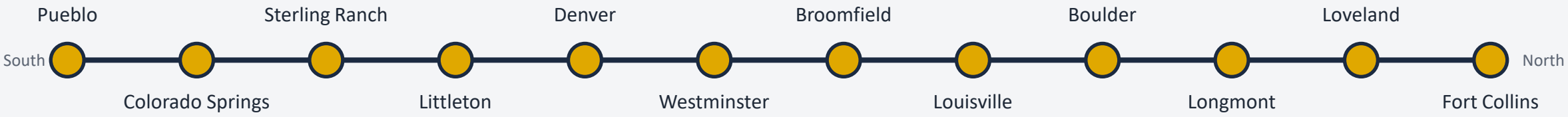
To construct the service

$785M

total repayment cost

Maximum cost to repay the debt

Communities connected



LOCAL · BALLOT ISSUE 7A

What the CoCo tax would pay for

Construct, operate, and maintain Colorado Connector passenger rail

Relieve the highways

Remove vehicles from highways and increase travel capacity

Connect travelers

Connect travelers to employment centers, colleges, sports arenas, and entertainment hubs along the Front Range

Improve station areas

Invest in station area improvements and local connections to rail stations

EXEMPT FROM THE TAX

Exemptions under Colorado law include:

- Gasoline
- Food
- Residential electricity & gas
- Prescription drugs
- Medical supplies

LOCAL · BALLOT ISSUE 7A

Ballot Issue 7A

Needs: Simple majority

Colorado Connector (CoCo) passenger rail

A 0.333% sales and use tax (about $295 million a year) plus $580 million in debt, with a $785 million repayment cost, to build and run passenger rail from Pueblo to Fort Collins. Littleton would have a stop. Food, gasoline, residential utilities, prescriptions, and medical supplies are exempt.

Supporters say

- Plans include a Littleton stop, and Littleton City Council has voiced support in study sessions
- Takes cars off highways and increases travel capacity along I-25
- Connects travelers to jobs, colleges, sports arenas, and entertainment across the Front Range

Opponents say

- Adds a new sales tax with no end date, plus $580 million in debt
- Everyone pays the tax, whether or not they ride the train
- The project depends on ridership, and service on the southern segment is years away