



Appendix

Council Finance Committee – May 2026
Utilities Financial Overview and Rate Forecast



Wastewater Fund

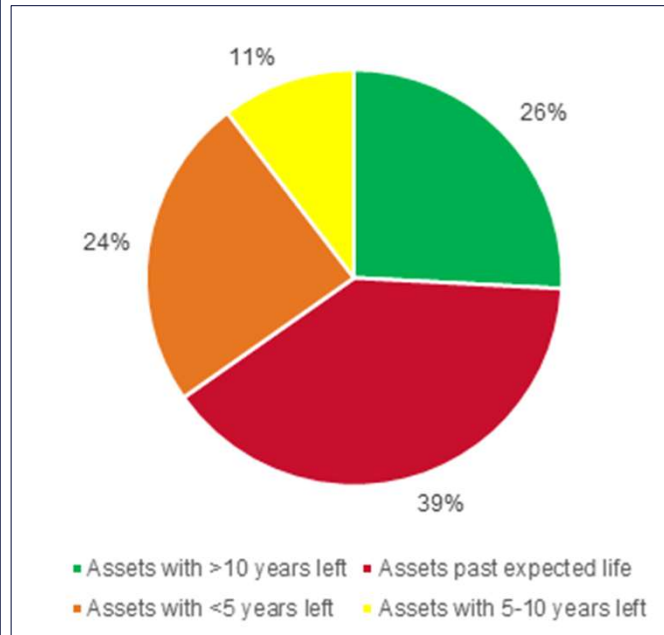
Water Reclamation & Biosolids
Condition Assessment

Water Reclamation and Biosolids Master Plan Update

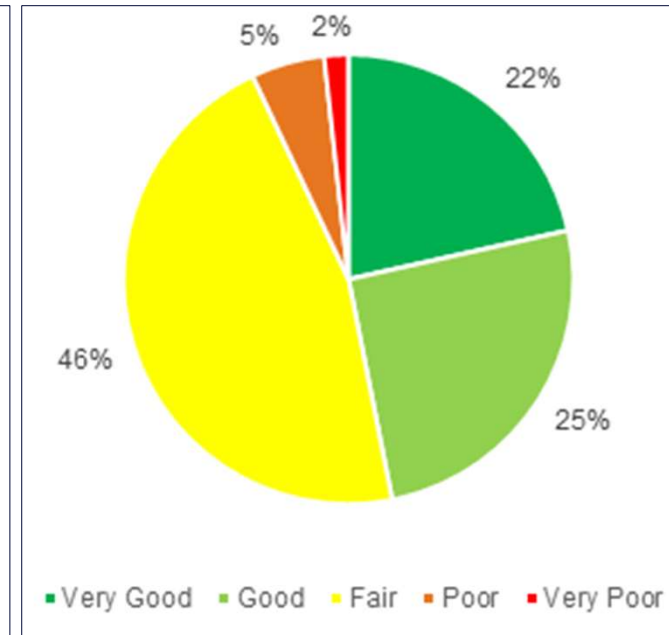
June 2025

- 3 Facilities: DWRF, MWRF, Meadow Springs Ranch
- Evaluation of capital needs, regulatory requirements, system growth

WRB Asset Age



WRB Condition Assessment



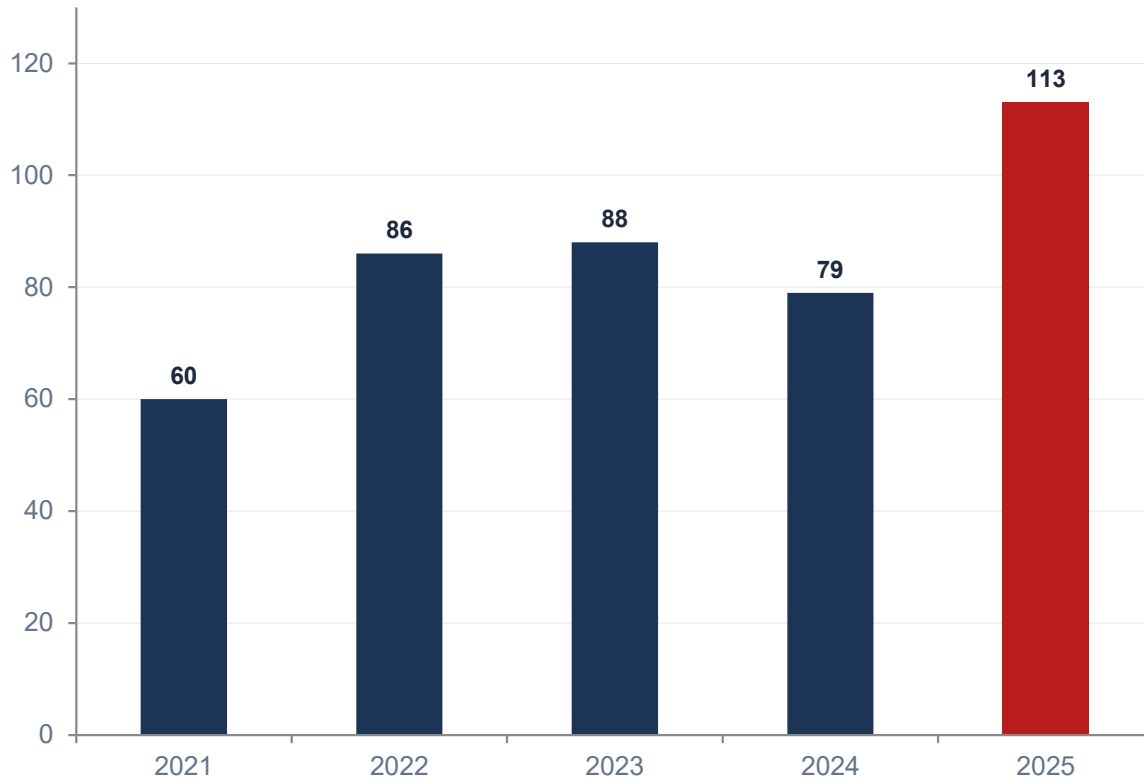


Water Fund

Water Main Break Data Analysis

Break Frequency

Dataset E: 457 confirmed Maximo work orders, 2021–2026 YTD



85.2

5-year average breaks per year
(2021–2025)

113

Breaks in 2025 — highest on record

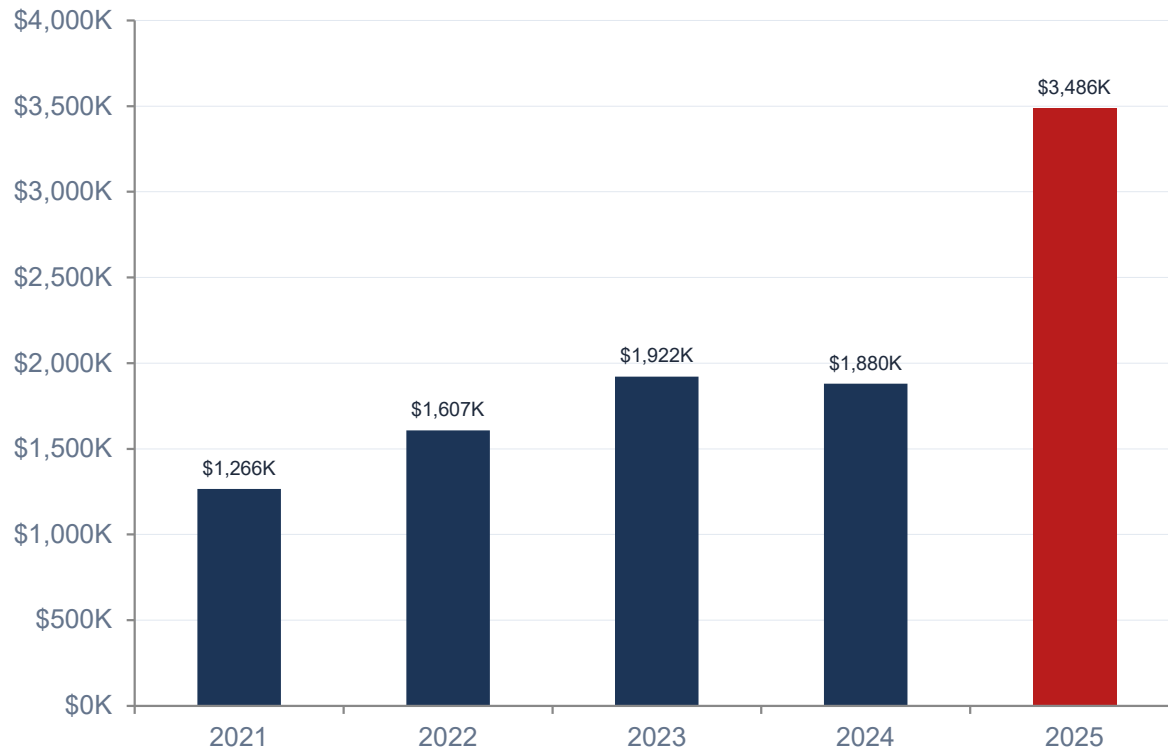
~107

2026 annualized pace
(31 breaks in first 106 days)

2025 spike was DIP-dominated (76 of 113 breaks), indicating system-wide degradation — not isolated to Cast Iron.

Annual Break Costs

Source: Transmission & Distribution departmental main break subset costs — 2021 through 2025



Year	Breaks	Total Cost	Cost / Break
2021	59	\$1,265,599	\$21,451
2022	86	\$1,607,048	\$18,687
2023	88	\$1,922,081	\$21,842
2024	80	\$1,880,060	\$23,501
2025	114	\$3,486,000	\$30,579
5-Yr Total	427	\$10,160,788	\$23,796 avg

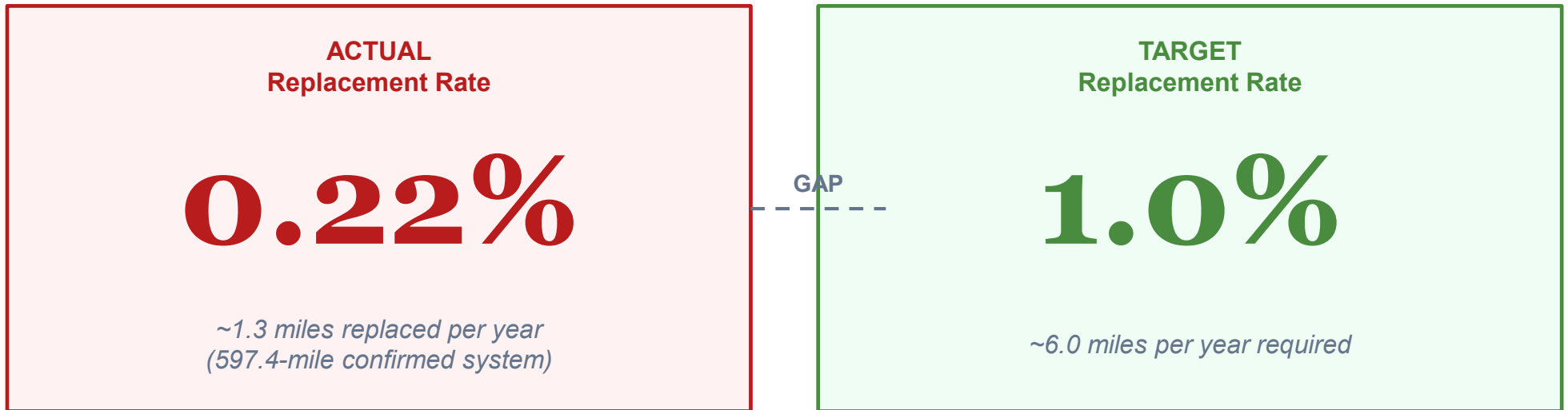
2025 cost per break: \$30,579

42% above the 5-year average of \$23,796

Departmental subset costs — includes personnel, overtime, street restoration, sand & gravel, pipe and materials, traffic control, .

The Replacement Rate Gap

0.22% actual vs. 1.0% target — five consecutive years of compounding shortfall



0.78%/yr
Annual replacement shortfall

~23 miles
Deferred replacement (2021–2025 est.)

~\$46M
Cumulative capital gap since 2021
(at \$2M/mile est.)*

*Capital gap = 0.78%/yr shortfall × 597.4 miles × 5 years × \$2.0M/mile (based on Fort Collins replacement project history).

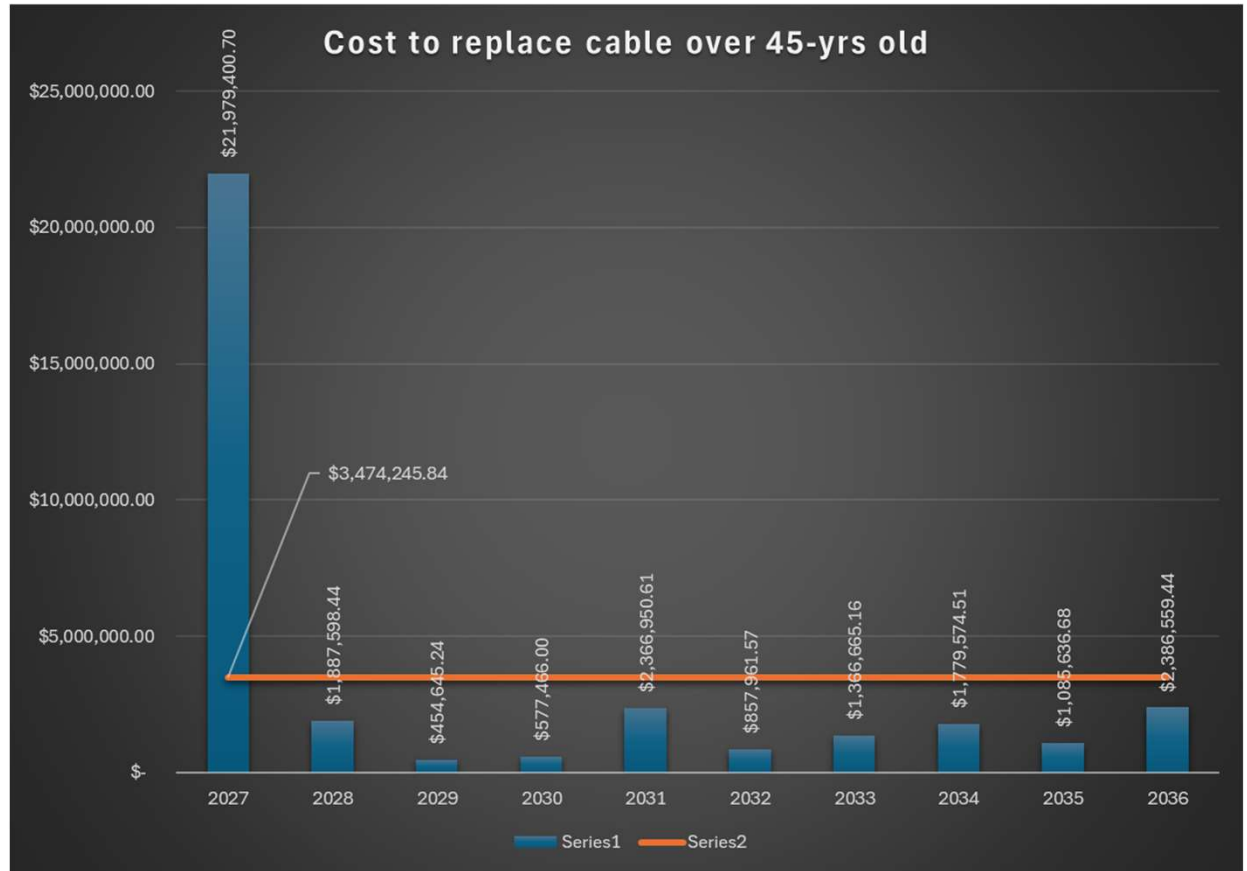


Light & Power Fund

Cable & Transformer Asset
Replacement Program

Light & Power Cable Replacement Program – Over 45-years

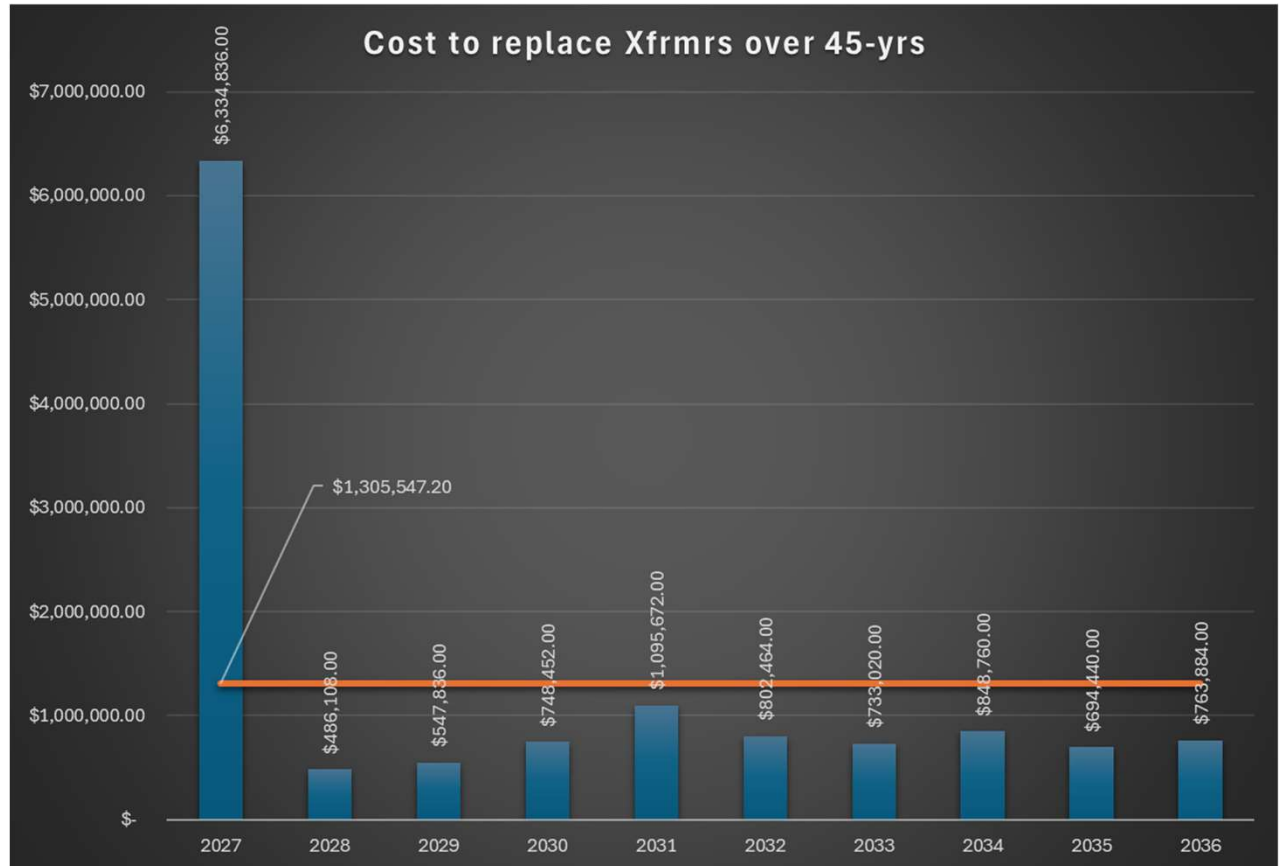
Cost to Replace of 45 Yrs		
Year	Total	Average
2027	\$ 21,979,400.70	\$ 3,474,245.84
2028	\$ 1,887,598.44	\$ 3,474,245.84
2029	\$ 454,645.24	\$ 3,474,245.84
2030	\$ 577,466.00	\$ 3,474,245.84
2031	\$ 2,366,950.61	\$ 3,474,245.84
2032	\$ 857,961.57	\$ 3,474,245.84
2033	\$ 1,366,665.16	\$ 3,474,245.84
2034	\$ 1,779,574.51	\$ 3,474,245.84
2035	\$ 1,085,636.68	\$ 3,474,245.84
2036	\$ 2,386,559.44	\$ 3,474,245.84



Light & Power Transformer Replacement Program – Over 45-years



45-yr Program		
Year	Total	Average
2027	\$ 6,334,836.00	\$ 1,305,547.20
2028	\$ 486,108.00	\$ 1,305,547.20
2029	\$ 547,836.00	\$ 1,305,547.20
2030	\$ 748,452.00	\$ 1,305,547.20
2031	\$ 1,095,672.00	\$ 1,305,547.20
2032	\$ 802,464.00	\$ 1,305,547.20
2033	\$ 733,020.00	\$ 1,305,547.20
2034	\$ 848,760.00	\$ 1,305,547.20
2035	\$ 694,440.00	\$ 1,305,547.20
2036	\$ 763,884.00	\$ 1,305,547.20





Additional Regional Rate Comparisons

2026 CAMU, Water Districts

