



WESTERN RESOURCE ADVOCATES
Proposal for Water Efficiency Grant Award

Tap Fee Workshop Series in Colorado

Western Resources Advocates (WRA) respectfully submits this proposal to the Colorado Water Conservation Board (CWCBC) for consideration of an award from the Water Efficiency Grant Program Funds for the delivery of a series of “Tap Fee Workshops.” WRA is a non-profit 501(c)(3) conservation organization based in Boulder, CO, and for over fifteen years our Healthy Rivers program has proactively engaged in the policy, science, and economics of urban water efficiency. Tap fees – also known as “system development charges” or “plant investment fees,” among other terms – are the financial link between the cost of new water supply and the water demands of new development. As such, they can be designed to encourage (or discourage) water efficiency in new developments. Our expertise in tap fees stems from original research we did on this topic, which culminated in a report, [*Water Connection Charges: A Tool for Encouraging Water-Efficient Growth*](#), and the Tap Fee Workshop we developed in November 2015, held in Westminster, CO.

The proposed series of workshops would reach regions of Colorado outside the Denver-Metro area, namely Northern Colorado, South Denver Metro, and Western Colorado. The purpose of the workshops is to educate communities about how tap fees can be used as a tool for encouraging water efficiency in newly constructed developments, and to foster dialogue among neighboring communities on the topic of tap fees. These workshops align with the CWCBC Grant Program Fund’s mission to promote “the benefits of water resource conservation through public education and outreach projects.”

Tap fees that are designed to promote water conservation are a novel and timely topic. A handful of Colorado communities have started structuring their tap fees to encourage efficiency, but this practice is by far the exception to the rule in Colorado and other western states. Because population growth is at the heart of Colorado’s water challenges, the way in which our communities grow will have critical implications for the reliability and security of our future water supply. In short, enabling dramatic efficiency improvements in new development will reduce the impact of new growth on our existing water resources.

The workshop series will provide water utility staff, builders, developers, and consultants with information about the different ways in which tap fees can be structured to encourage efficiency. Local professional peers will highlight what some Colorado communities are successfully doing, and participants will have the opportunity to discuss local trends and issues of importance. These workshops will build upon the success of our first Tap Fee Workshop, and help to foster a state-wide dialogue about this very important – yet often overlooked – financial tool for managing future water demands.

We respectfully request \$28,200 to support the development and execution of three tap fee workshops in Northern Colorado, the South Denver-Metro region, and on the Western Slope.

1. Entity seeking grant funding

Western Resource Advocates
2260 Baseline Rd., Suite 200
Boulder, CO 80302

Primary Contact:

Amelia Nuding

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(720) 763-3749

Amelia Nuding, Senior Water Resources Analyst at WRA, will be the manager and main point of contact for this project. She will conduct outreach to guide workshop agenda development, recruit participants, organize logistics, and facilitate each workshop. She will also be responsible for fulfilling grant requirements, including submittal of progress reports and the final report.

Drew Beckwith, Water Policy Manager, and Bart Miller, Healthy Rivers Program Director, will provide guidance and oversight of this project throughout the course of its development.

2. Entities that will be included in the education and outreach efforts

We will recruit participants in each of the following geographic areas:

- Northern Colorado
- South Metro
- Western Slope

Our primary target participants are the conservation, finance, and tap fee setting/engineering staff from water utilities in each region in which the workshop is held. In addition, we will invite representatives from the building and development sectors, because they are the entities most often responsible for paying tap fees. Lastly, we will invite consultants who are hired to develop tap fee structures for communities.

3. Specific goals of the Project

The workshop has three primary goals, which directly support the CWCB's objective to "improve the nature and breadth of water conservation practices at the local level:"

- i. Increase awareness and technical understanding of how tap fees can be structured to encourage water efficiency in new residential and commercial developments.
- ii. Provide a forum for utilities, builders, developers, and consultants to discuss topics of local importance related to tap fees, such as fair and full accounting, and data management.
- iii. Identify common needs related to implementing conservation-oriented tap fees, and explore options for resolving these needs (such as additional training, continued exchange, additional research, etc.)

4. Scope of Work

Task 1. Workshop Development, July 1 – September 30, 2016

The initial phase of work will involve significant outreach to utilities, developers/builders, and consultants in each of the selected regions to 1) make them aware of the workshop opportunity; 2) understand their needs and interests, and 3) identify potential participants and speakers at the workshop. Part of the mission of the workshop series is for attendees to hear from local voices and their peers, either through formal presentations or facilitated dialogue, so that they can learn from and connect with one another. This necessitates a robust outreach effort, and will result in more effective workshops. Outreach will occur largely through in-person meetings and phone calls in the spring and summer of 2016.

The specific location of each workshop will depend on the results of the outreach conducted in Task 1. That is, we will select a location that is easily accessible to the largest number of interested communities. Some possibilities include Larimer County in Northern Colorado, Douglas County South of Denver, and Garfield County on the Western Slope. Ideally an interested municipality or utility will be able to offer a meeting space in each region.

Each workshop will last approximately 6 hours, depending on the interests and needs of the participants. The core content of each workshop will be based on the original Westminster workshop (see Appendix A) but it will be tailored to the identified interests in each region; it will feature local stakeholders, and allow for dialogue on the region's most pressing issues. All workshops will include:

- Examples of Colorado communities that use tap fees to incentivize water efficiency;
- Sharing of priority interests and challenges with setting tap fees in the local communities;
- Perspectives from the builder/developer community; and
- Identification of ways to help communities take the next step in restructuring their tap fees.

Task 2. Workshop Execution, October 1 - November 30, 2016

WRA proposes to deliver the three workshops during the fall of 2016. We will promote the workshop to local stakeholders in each region through in-person meetings, phone calls, and email announcements, and will seek additional mechanisms (e.g., CWCB list serve) for raising awareness about the workshops as well. WRA will facilitate the day, and coordinate sessions led by local stakeholders (i.e. utility staff, builders/developers, local government planning staff). We aim to gather 20-40 participants at each workshop, and will arrange for the workshop space and provide food and beverage as appropriate. A post-workshop survey will provide us with feedback about the day and what additional support participants need going forward.

Task 3. Reporting, September – December 2016

The 50% completion progress report – estimated to be submitted by September 30 – will include a record of contacts and outreach conducted, identification of selected speakers, and the final logistics for each workshop including dates, locations, and agendas. The 75% completion progress report – estimated to be submitted by November 30 – will be submitted after the first or

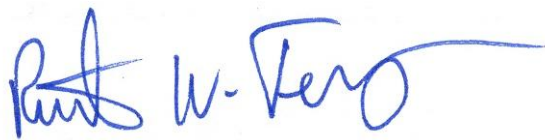
second workshop, and contain a summary of the workshop progress. A final report will be submitted by December 31, 2016 after completion of the third workshop, and will contain a summary of the two previous interim reports, analysis of all attendee comments and feedback from the workshop series, and suggestions for how the CWCB and other stakeholders can best advance the adoption of conservation-oriented tap fees.

5. Project Budget

	Amelia Nuding	Drew Beckwith	Bart Miller	Cost (\$)	Gates Family Foundation Support*	CWCB Grant Request
Hourly Rate (\$/hr)	\$100	\$125	\$150			
	HOURS					
<u>Task 1 – Workshop Development</u>						
Outreach	120	5	2			
Agenda Development	40	5	2			
Logistics Coordination	40					
Task 1 Sub-total	200	10	4	\$21,850	\$9,400	\$12,450
<u>Task 2 – Workshop Execution</u>						
3 workshops, including travel, set up, breakdown	40	40				
Hours Sub-total	40	40		\$9,000		
<u>Travel Costs</u>						
Hotel (West Slope)				\$200		
Vehicle (all three workshops)				\$300		
Per Diem (all three workshops)				\$200		
<u>Materials for Three Workshops</u>						
Space rental (if necessary)				\$700		
Facilitation Materials				\$250		
Food & beverage				\$1,400		
Task 2 Sub-Total				\$12,050		\$12,050
<u>Task 3 – Reporting</u>						
50% Progress Report	10	2	1			
75% Progress Report	5	2	1			

Final Report	10	2	1			
Task 3 Sub-total	25	6	3	\$3,700		\$3,700
Project Total				\$37,600		
Total Gates Family Foundation Support						
Total CWCB Request						\$28,200

*The Gates Family Foundation is currently supporting WRA's work on integrating water and land use, and we will leverage their support in conducting outreach to builders, developers, and utilities about tap fees. This constitutes the 25% match in Task 1, accounting for 50 hours of Amelia Nuding's time, 2 hours of Drew Beckwith's time and 1 hour of Bart Miller's time.



Richard Trilsch
Vice President of Finance and Administration
Western Resource Advocates

Date: 5/11/2016



Tap Fee Workshop – Agenda

Date: Tuesday November 3rd, 2015

Time: 9 am – 4pm

Location: City Park Recreation Center, Community Room, 10455 Sheridan Blvd., Westminster
CO 80020

Coffee & Networking 8:30 – 9:00

- 1) Welcome and Introductions **9:00 – 9:20**
- 2) Tap Fees in Your Community **9:20 – 10:30**
 - *In small groups, introduce yourselves and share top priorities related to tap fees. Followed by group report out/discussion.*

Break 10:30 – 10:45

- 3) Water Demand Management through Tap Fees– **10:45 – 11:30**
 - Presentations from Stu Feinglas (Westminster, Water Resources Analyst) and Lyle Whitney (Aurora, Water Conservation Supervisor)
 - Discussion, Q&A
- 4) Finance & Revenue Panel **11:30 – 12:15**
 - JoAnn Giddings, Aurora, Deputy Director of Water Financial Administration
 - Rick Giardina, Raftelis, CPA Executive Vice President
 - Todd Christiano, Denver Water, Manager of Budget and Rates

Lunch 12:15 – 1:00

- 5) Developer/Builder Panel **1:00 – 1:45**
 - Scott Smith, Home Builder Association, CEO
 - David Ware, McStain Neighborhoods, President and CEO
 - Curtis Mitchell, Fountain, Utility Director

Break 1:45 - 2:00

- 6) Priority Issues: Topics of Interest **2:00 – 3:00**
 - *Based on the top issues raised throughout the day, participants will gather in small groups to workshop the issue of most interest to them.*
- 7) Report out from Priority Issues Session **3:00 – 3:30**
- 8) Identification of Needs and Next Steps: **3:30 – 4:00**
 - *Review of common themes: questions, concerns, interests, possibilities*
 - *Identification of next steps for individuals and as a group*