

ORDINANCE NO. 116, 2022
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING CHAPTER 26 OF THE CODE OF THE CITY OF FORT COLLINS
TO MAKE VARIOUS CHANGES TO THE WATER SUPPLY REQUIREMENT FOR
NONRESIDENTIAL WATER SERVICE

WHEREAS, the City Council is empowered and directed by Article XII, Section 6, of the City Charter to fix, establish, maintain, and provide for the collection of such rates, fees, or charges for utility services furnished by the City as will produce revenues sufficient to pay the costs, expenses, and other obligations of the water utility, as set forth therein; and

WHEREAS, the City owns and operates a water utility that provides treated water service to customers in its service area; and

WHEREAS, through various water supply furnishing and development programs, the City has required that persons desiring new or increased water service from the water utility furnish or otherwise provide to the City certain rights to use water or payments of cash in order to offset the impacts of the requested water service, which requirements are currently set forth in Sections 26-129, 26-147, 26-148, 26-149, and 26-150 of City Code as the Water Supply Requirement (“WSR”); and

WHEREAS, City staff has historically reviewed the WSR (and its predecessor water supply furnishing or development requirements) periodically to ensure that the rights to use water and cash payments received by the City are sufficient to offset the impacts from the requested new or increased water service and to ensure that they are administrable and fair for customers; and

WHEREAS, in the lead up to Ordinance No. 119, 2021, City staff completed a comprehensive and thorough review of the WSR and determined that various changes thereto were desirable and beneficial for the water utility and its ratepayers, including to ensure that, among other things, the impacts of new and increased water service were offset and that the water utility has sufficient water supplies and infrastructure to serve customers of the water utility with an adequate level of service, while doing so in a fair and equitable manner such that development through the new or increased water service pays its own way; and

WHEREAS, since Ordinance No. 119, 2021 went into effect on January 1, 2022, City staff has concluded that certain changes to the WSR are necessary to efficiently administer the WSR and for equity and fairness for customers; and

WHEREAS, the City Manager and City staff has recommended to the City Council that the following changes be enacted.

NOW, THEREFORE, BE IT ORDAINED BY THE COUNCIL OF THE CITY OF FORT COLLINS as follows:

Section 1. That the City Council hereby makes and adopts the determinations and findings contained in the recitals set forth above.

Section 2. That Section 26-41 of the Code of the City of Fort Collins is hereby amended by the deletion of the definition “*Change in use*”:

Sec. 26-41. - Definitions.

The following words, terms and phrases, when used in this Article, shall have the meanings ascribed to them in this Section:

...

~~*Change in use* shall mean a material change in how City water is used on a property that requires changes to physical infrastructure, additional legal approvals, or changes to legal classifications of the property. The following circumstances are identified by way of example and not limitation:~~

~~A change in use would result from:~~

- ~~—— (1) the property being included in a different use category for zoning or land use purposes;~~
- ~~—— (2) the property being included in any development review process under the Land Use Code;~~
- ~~—— (3) the property being served by an additional service line;~~
- ~~—— (4) a service line or meter being relocated and applied to a different use or building on the property;~~
- ~~—— (5) a building on the property being expanded;~~
- ~~—— (6) the property requiring any Commercial General Alteration permit under City Code where there is an increase in fixture units or water use; or~~
- ~~—— (7) the property being reclassified from residential to commercial in the Utility’s billing system.~~

~~A change in use would not result from:~~

- ~~—— (1) ownership of a water service being transferred from one owner to another;~~
- ~~—— (2) ownership of a property or premise being transferred from one owner to another;~~
- ~~—— (3) more or less water being delivered under an existing water service;~~
- ~~—— (4) an annual allotment being exceeded and excess water use surcharges are assessed;~~
- ~~—— (5) a water meter being repaired or replaced; or~~
- ~~—— (6) an existing water service line downstream of the curb stop being repaired or replaced.~~

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Section 3. That Section 26-147 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-147. - Grant of water rights; required.

All owners of premises requesting water service from the City, including as a new water service or a change in use replacing an existing meter or service with a larger size, shall, before being granted a water service permit, satisfy the assessed Water Supply Requirements (WSR) as determined in this Division without cost to the City. The WSR is as provided in this Division.

Section 4. That Section 26-149(g) of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-149. - Water supply requirement (WSR); nonresidential service.

...

(g) ~~In the case of a change in use of the existing water service to a property or a new water service permit on the property being issued, the utility shall assign an annual allotment in the application of the WSR pursuant to §26-147. and~~ In the case of the replacement of an existing meter with a larger size or other change to an existing water service, the utility will credit the nonresidential user towards the water service permit as follows. If an annual allotment has been assigned, the credit towards the water service shall be for the amount of the annual allotment for the property. If the credit towards the water service is greater than the annual allotment that would otherwise be assigned for the new water service permit, the credit for the water service shall establish the allotment and no cash refund or water certificates issued by the City shall be provided to the applicant. If no annual allotment has been assigned, the credit towards the water service shall be the amount set forth below for the existing meters serving the property. The credit authorized under this subsection is not transferrable to other properties.

If no annual allotment has been assigned, the credit towards the water service shall be as follows:	
<i>Meter Size (inches)</i>	<i>Annual Allotment (gallons/year)</i>
¾	152,745
1	509,141
1½	1,018,286
2	1,629,255
3	2,443,880
Above 3	169,714 gallons per

	acre foot of WSR met for the permit or, if such amount cannot be established, the average historical use over a representative time period as determined by the Utilities Executive Director
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Introduced, considered favorably on first reading at an adjourned meeting, and ordered published this 25th day of October, A.D. 2022, and to be presented for final passage on the 1st day of November, A.D. 2022.

Mayor

ATTEST:

City Clerk

Passed and adopted on final reading on this 1st day of November, A.D. 2022.

Mayor

ATTEST:

City Clerk