

AGENDA ITEM SUMMARY

City Council



STAFF

Heidi Hansen, Water Utilities Development Review Manager
Wes Lamarque, Water Utilities Civil Engineer III
Matt Fater, Senior Director, One Water Infrastructure Engineering

SUBJECT

Items Relating to Water Service Lines and Wastewater Service Lines.

EXECUTIVE SUMMARY

A. First Reading of Ordinance No. 038, 2026, Amending Section 26-94 of the Code of the City of Fort Collins Regarding Water Service Lines.

B. First Reading of Ordinance No. 039, 2026, Amending Section 26-256 of the Code of the City of Fort Collins Regarding Wastewater Service Lines.

The purpose of this item is to adopt ordinances updating City Code to provide additional flexibility for shared water and wastewater services. These changes support development and housing affordability by reducing construction costs and aligning Utilities requirements with current Land Use Code standards, while maintaining reliable water and wastewater service and protecting existing infrastructure.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinances on First Reading.

BACKGROUND / DISCUSSION

Staff are proposing two ordinances to support development while maintaining high quality, reliable water and wastewater service. The proposed updates provide additional flexibility for shared water and wastewater services for three housing types. These changes reduce construction costs, supporting housing development and affordability. The three proposed service updates for both water and wastewater are:

Single-unit detached homes on individual lots: Currently, single-unit detached homes on individual lots cannot have shared water or wastewater services. The proposed code change will introduce a variance process to be used when a shared service is in the best interest of the property owners and the Utility. This will enable some lots not currently adjacent to City infrastructure to develop.

Accessory structures (including Accessory Dwelling Units (ADU)): Currently, only one additional structure may share a water or wastewater service with the primary structure. The proposed code change will allow

multiple accessory structures on the same lot to share services (e.g. an ADU and a garage). This supports construction of additional structures on an existing lot without requiring additional services.

Single-unit attached housing: Currently, Chapter 26 (Utilities) of the Municipal Code limits combination services to six attached units, which does not align with the Land Use Code standard of eight units per building. The proposed change removes the unit limit from the Utilities section of the Municipal Code so combination services may serve the number of attached units permitted under the Land Use Code, eliminating an unnecessary development constraint.

Together, these updates support continued development in the City while establishing a consistent framework that protects existing infrastructure and supports long-term operational needs.

CITY FINANCIAL IMPACTS

The proposed water and wastewater service code updates do not have a financial impact on the City.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

Water Commission provided the following discussion and feedback on this item which are also included in the attached meeting minutes:

Commissioners discussed the original intent of restricting shared utility services, noting past challenges in clearly defining repair and maintenance responsibilities among multiple property owners. Staff explained that proposed shared service updates would require varying pipe sizes depending on housing type and configuration. Scenarios requiring variances were reviewed, including situations where a sewer main is not readily accessible. Staff noted that these types of variances would be handled administratively. Discussion included considerations related to homeowner's associations (HOAs) and operational unknowns associated with shared services. Staff stated that shared service connections would require utility easements to ensure protection and access for the furthest served property. For single-unit attached housing, maintenance responsibilities would be clearly defined at the public curb stop, with covenant agreements outlining responsibilities among property owners within the structure. For single-unit detached properties, covenants would similarly define long-term maintenance obligations.

PUBLIC OUTREACH

None.

ATTACHMENTS / LINKS

1. Water Commission Meeting Minutes, February 19, 2026
2. Ordinance No. 038, 2026
3. Ordinance No. 039, 2026