

Proposed Municipal Code Revisions: Raw Water Dedication

February 16, 2021



Background

- Raw Water Dedication is payment in form of water rights or cash required to receive city water service
- Greeley's raw water dedication policies prescribe:
 - The amount of water required for specific development types
 - The sources of water or other means to meet dedication requirements
 - Process and procedures for dedication
- Proposed ordinance would both revise certain Raw Water Dedication policies and consolidate all policies to single source

Proposed Revisions

1. Allow acceptance of Terry Ranch Raw Water Credits
2. Graduated requirements for landscaping in commercial and multi-family developments
3. Revised requirements for large parcel, single-family developments



A public hearing on the Terry Ranch Project will be held on March 2, 2012

Raw Water Credits

- Terry Ranch, if approved, will be purchased with Raw Water Credits rather than cash
 - Credits redeemable over the next 80 years to meet Greeley's (and only Greeley's) Raw Water Dedication requirements
 - 1 Credit = 1 acre-foot of dedication
 - 12,121 Credits issued
- Greeley will continue to accept useable water rights and cash-in-lieu of water rights
 - Greeley's cash-in-lieu rate should set price ceiling for Credits



Raw Water Credits

- Credits reduce future cash-in-lieu revenue, but
 - Greeley receives Terry Ranch assets and \$125 million in return
 - Seller (Wingfoot Water Resources) assumes all risk that development will occur to sell Credits
 - Reduces Greeley's financial risks
- Issuing Credits in no way gives control to seller
 - Greeley will solely and perpetually own, control and operate Terry Ranch and the rest of its water system

Graduated Landscaping Requirements



- Reduce Raw Water Dedication requirements for water-wise landscaping
- Commercial and multi-family developments only
- Included in commercial and multifamily Raw Water Dedication policy updates in 2019, but ultimately not incorporated in Code

Large-Parcel Lots

- Clarify that Raw Water Dedication required only for developed portion of lot
- Applies to single-family lots over 1 acre
- Aligns with 2019 policy updates



Proposed Consolidation



- Water dedication policies are currently contained in:
 - Chapter 14.06 of the City of Greeley Municipal Code
 - Water and Sewer Board resolutions
 - City Council adopted Master Plans and staff policies

Proposed Consolidation

- Best practice – A single source of policies for developers and staff
- Policies that will be consolidated:
 - Municipal Code Chapter 14 Title 6
 - W&S Board Resolution 14, 2014 – Dedication Requirements
 - W&S Board Resolution 2, 2016 – Gross Area Calculation
 - W&S Board Resolution 1, 2019 – Water Right Yields
 - W&S Board Resolution 3, 2020 – Water Right Yields and Requirements
 - W&S Section 10.5 of Terry Ranch Master Agreement – Raw Water Credits



Proposed Consolidation

- Terry Ranch Master Agreement
 - Greeley defaults if future policy changes no longer accept Credits, specifically disadvantage Credits, or accept new water sources within 10-years
 - Term ensures Greeley does not purposefully erode Credit value
 - Default/remedy structure required to not bind future City Councils
 - Consolidation ensures adequate public notice





Questions?

