

ORDINANCE NO. 038, 2018
OF THE COUNCIL OF THE CITY OF FORT COLLINS
ESTABLISHING RENTAL RATES AND DELIVERY CHARGES
FOR USE OF WATER AVAILABLE UNDER THE CITY'S RAW
WATER INTERESTS FOR 2018 THROUGH MARCH 2021

WHEREAS, the City holds title to or otherwise has ownership interests in various water rights, water right decrees, shares in ditch and reservoir companies ("shares"), and contractual rights to the delivery of water that are sources of supply of raw and untreated water (together, "Raw Water Interests"); and

WHEREAS, the amount of water available under the City's Raw Water Interests, at certain times, may be greater than the immediate needs of the City and its inhabitants, and is thus potentially available for use by persons outside of the City as a rental; and

WHEREAS, the City has various agreements and understandings pursuant to which the City allows persons outside of the City and certain City departments to use water available under the City's Raw Water Interests, provided that a charge for the delivery of such water is paid; and

WHEREAS, pursuant to Article XII, Section 4 of the City Charter, if at any time the water supply is greater than the immediate needs of the City and its inhabitants, the City Council may authorize the City Manager to permit the use of such surplus water by consumers outside the City at such rates as the City Council may prescribe, provided that no vested right shall accrue under such permits; and

WHEREAS, pursuant to Article XII, Section 6 of the City Charter, the City Council shall by ordinance from time to time fix, establish, maintain, and provide for the collection of such rates, fees, or charges for water furnished by the City as will produce revenues sufficient to pay the cost of operation and maintenance of the City's utilities in good repair and working order and to provide and maintain an adequate working capital fund for the day-to-day business operations of the utilities; and

WHEREAS, City staff has recommended rental rates and delivery charges for the use of water available under the City's Raw Water Interests for a period of approximately three years, through March 2021, which the Water Board has also recommended; and

WHEREAS, City Council finds that the rental rates and delivery charges set forth herein are appropriate and will provide revenues that offset the cost of operation and maintenance of the City's Raw Water Interests and associated infrastructures and to keep the City's utilities in good repair and working order and to provide and maintain an adequate working capital fund for the day-to-day business operations of the utilities.

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 the City Manager and the Utilities Executive Director are hereby authorized to make water available under the City's Raw Water Interests available for use by persons outside of the City and certain City departments, provided; that such water can be rented or delivered without adversely affecting the City; that no vested right shall accrue under such use; and that appropriate rental rate or delivery charge set forth herein is applied, which may be adjusted as the City Manager or the Utilities Executive Director determine necessary to reflect the remaining yield for the prevalent market price of the water or shares being rented in order to prevent undue economic loss to the City; and that the final price may be rounded up to the nearest dollar.

Section 3. That the City Manager and the Utilities Executive Director are hereby further authorized: to impose on such rentals and deliveries such additional terms and conditions as they deem appropriate to protect the interests of the City in and to the City's Raw Water Interests; and to deny any request for a rental or delivery, to the extent allowed by law, as they deem appropriate to further the interests, policies, and values of the City.

Section 4. That all previous authorizations to make water available under the City's Raw Water Interests are repealed in their entirety.

Section 5. That the rental rates set forth in the table below are hereby approved as the City's rental rates for 2018 through March 2021, provided that the rental rate for fully consumable water shall apply through March 2021.


RATES FOR RENTALS OF SURPLUS RAW WATER	
Type of Water	Rate Per Acre Foot
Arthur Irrigation Company	120% of Annual Assessment
Colorado-Big Thompson Water from the Northern Colorado Water Conservancy District (NCWCD) associated with Shares in the North Poudre Irrigation Company	Rental Rate for North Poudre Irrigation Company (Seasonal Agricultural and Multiple Use Water) + any NCWCD transfer fees calculated at the time of transfer
Larimer County Canal No. 2 Irrigating Company	120% of Annual Assessment
New Mercer Ditch Company	120% of Annual Assessment
North Poudre Irrigation Company: Early Agricultural Use Water	\$15.00 per acre foot
North Poudre Irrigation Company: Seasonal Agricultural and Multiple Use Water	(Annual Assessment / (Sum of Allocation of Seasonal Agricultural Use and Multiple Use Water per share)) + \$2.00 per acre foot
Pleasant Valley and Lake Canal Company	120% of Annual Assessment
Fully Consumable Sources	\$400.00 per acre foot
Sherwood Reservoir Company	120% of Annual Assessment
Sherwood Irrigation Company	120% of Annual Assessment
Warren Lake Reservoir Company	120% of Annual Assessment

Type of Water	Rate Per Share
Water Supply and Storage Company	Annual Assessment + \$1,000.00 share

Section 6. That the delivery charges set forth in the table below are hereby approved as the City's delivery charges for 2018 through March 2021.

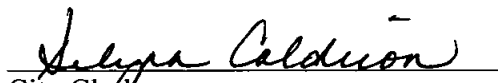
RAW WATER DELIVERY CHARGES	
Type of Water	Rate Per Share
Arthur Irrigation Company	110% of Annual Assessment
Colorado-Big Thompson Water from the Northern Colorado Water Conservancy District	Rental Rate for North Poudre Irrigation Company (Seasonal Agricultural and Multiple Use Water) + any NCWCD transfer fees calculated at the time of transfer
Larimer County Canal No. 2 Irrigating Company	110% of Annual Assessment
New Mercer Ditch Company	110% of Annual Assessment
Pleasant Valley and Lake Canal Company	110% of Annual Assessment
Sherwood Reservoir Company	110% of Annual Assessment
Sherwood Irrigation Company	110% of Annual Assessment
Warren Lake Reservoir Company	110% of Annual Assessment
Type of Water	Rate Per Acre Foot
Fully Consumable Sources	\$120.00 per acre foot

Introduced, considered favorably on first reading, and ordered published this 6th day of March, A.D. 2018, and to be presented for final passage on the 20th day of March, A.D. 2018.



 Mayor

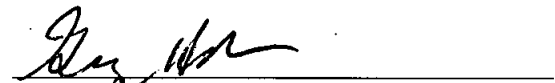
ATTEST:



 City Clerk



Passed and adopted on final reading on the 20th day of March, A.D. 2018.



 Mayor Pro Tem

ATTEST:



 City Clerk

