

ORDINANCE NO. 126, 2019
OF THE COUNCIL OF THE CITY OF FORT COLLINS
AMENDING CHAPTER 26 OF THE CODE OF THE CITY OF
FORT COLLINS TO REVISE WATER RATES, FEES, AND
CHARGES AND UPDATING RELATED PROVISIONS

WHEREAS, the City Council is empowered and directed by Article XII, Section 6 of the Charter of the City of Fort Collins, to by ordinance from time to time 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 as set forth therein; and

WHEREAS, the rates, fees or charges for utility services set forth herein are necessary to produce sufficient revenues to provide the utility services described herein; and

WHEREAS, the revenue from the rates, fees or charges for utility services set forth herein shall be used to defray the costs of providing such utility services as required by the Charter and the City Code; and

WHEREAS, Article III, Chapter 26 of the City Code establishes the water utility as a utility service furnished by and an enterprise of the City; and

WHEREAS, City Code Sections 26-126 and 26-127 concern various water-related rates, fees, and charges; and

WHEREAS, City Code Section 26-118 requires that the City Manager analyze the operating and financial records of the utility during each calendar year and recommend to the City Council user rates or adjustments to be in effect for the following year; and

WHEREAS, the City Manager and City staff have recommended to the City Council adjustment of the water-related rates, fees, and charges as set forth herein to be effective January 1, 2020; and

WHEREAS, this Ordinance does not increase water rates for the fund as a whole, although there are variations for individual customer rates classes based on recent cost-of-service model updates;

WHEREAS, the Water Board considered the proposed water-related rates, fees, and charges adjustments for 2019 at its meeting on September 19th, 2019, and recommended approval of the proposed adjustments by a unanimous vote; and

WHEREAS, based on the foregoing, City Council desires to amend Chapter 26 of the City Code to adjust the scope and rate of the water-related rates, fees, and charges as set forth herein.

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

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

Section 2. That Section 26-118(c) of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-118. – Determination of user rates.

...

(c) In addition to the monthly service charges set forth in §§ 26-126 and 26-127, there shall be a charge for payments in lieu of taxes and franchise (PILOT). The charge shall be six and zero-tenths (6.0) percent of said monthly service charges billed pursuant to said §§ 26-126 and 26-127.

...

Section 3. That Section 26-126 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-126. - Schedule A, flat rates for unmetered construction water use.

For residential and nonresidential premises under construction with a planned meter size greater than one (1) inch, no flat unmetered water service will be provided. For residential and nonresidential premises under construction with a planned meter size of one (1) inch or less, the following flat rates will apply per month until the permanent meter is set:

<i>Category</i>	<i>Component Charge</i>	<i>Billed Charge (with PILOT)</i>
¾-inch construction service, flat charge per month	\$29.56	\$31.33
1-inch construction service, flat charge per month	\$56.36	\$59.75

Section 3. That Section 26-127 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-127. - Schedule B, meter rates.

(a) *Residential rates.*

- (1) Residential customers with one (1) dwelling unit shall pay the sum of the following changes:

<i>Category</i>	<i>Component Charge</i>	<i>Billed Charge (with PILOT)</i>
a. Base monthly charge for residential customers with one (1) dwelling unit	\$16.93	\$17.94
b. Quantity monthly charge for residential customers with one (1) dwelling unit (volumetric)		
Tier 1 - For the first seven thousand (7,000) gallons used per month, per one thousand (1,000) gallons	\$2.621	\$2.779
Tier 2 - For the next six thousand (6,000) gallons used per month, per one thousand (1,000) gallons	\$3.012	\$3.193
Tier 3 - For all additional gallons used per month, per one thousand (1,000) gallons	\$3.465	\$3.673
c. Income-qualified assistance discount. Discount applied to monthly base and Tier 1 volumetric charges for IQAP participating residential customers in properties with one (1) dwelling unit, as further described in Section 26-724 of the Code.	23 percent	

(2) Residential customers with two (2) dwelling units shall pay the sum of the following charges:

<i>Category</i>	<i>Component Charge</i>	<i>Billed Charge (with PILOT)</i>
a. Base monthly charge for residential customers with two (2) dwelling units	\$17.88	\$18.95
b. Quantity monthly charge for residential customers with two (2) dwelling units (volumetric)		
Tier 1 - For the first nine thousand (9,000) gallons used per month, per one thousand (1,000) gallons	\$2.271	\$2.407
Tier 2 - For the next four thousand (4,000) gallons used per month, per one thousand (1,000) gallons	\$2.610	\$2.766
Tier 3 - For all additional gallons used per month, per one thousand (1,000) gallons	\$3.003	\$3.183
c. Income-qualified assistance discount. Discount applied to monthly base and Tier 1 volumetric charges for IQAP participating residential customers in properties with two (2) dwelling units, as further described in Section 26-724 of the Code.	23 percent	

- (3) Residential customers with more than two (2) dwelling units shall pay the sum of the following charges:

<i>Category</i>	<i>Component Charge</i>	<i>Billed Charge (with PILOT)</i>
a. Base monthly charge for residential customers with more than two (2) dwelling units		
First dwelling unit	\$12.86	\$13.64
Second and each additional dwelling unit	\$4.28	\$4.53
b. Quantity monthly charge for residential customers with more than two (2) dwelling units (volumetric)		
Winter - per one thousand (1,000) gallons used in the winter season months of November through April	\$1.870	\$1.982
Summer - per one thousand (1,000) gallons used in the summer season months of May through October	\$2.337	\$2.477
The meter reading date shall generally determine the seasonal monthly quantity charge; however, no customer shall be billed more than six (6) full billing cycles at the summer quantity charge.		
c. Income-qualified assistance discount. A discount applied to the monthly base and volumetric charges above for IQAP participating residential customers in properties with more than two (2) dwelling units who hold water and wastewater service accounts in their own names, subject to Section 26-724 of the Code.	23 percent	

(b) *Nonresidential rates.*

- (1) *Base charge.* Nonresidential, except for special users as described in Subsection 26-127(c) below, customers shall pay a base monthly charge based on meter size as follows:

<i>Meter Size (inches)</i>	<i>Monthly Base Charge</i>	<i>Billed Charge (with PILOT)</i>
¾	\$15.06	\$15.97
1	\$42.02	\$44.54
1½	\$114.25	\$121.10
2	\$172.17	\$182.50
3	\$262.60	\$278.36

4	\$412.26	\$437.00
6	\$799.74	\$847.72
8	\$1,412.81	\$1,497.58

(2) *Quantity charges.* Nonresidential customers shall pay monthly charges as follows:

<i>Category</i>	<i>Component Charge</i>	<i>Billed Charge (with PILOT)</i>
Winter - per one thousand (1,000) gallons used in the winter season months of November through April	\$2.095	\$2.221
Summer - per one thousand (1,000) gallons used in the summer season months of May through October	\$2.619	\$2.776
The meter reading date shall generally determine the seasonal monthly quantity charge; however, no customer shall be billed more than six (6) full billing cycles at the summer quantity charge.		

(3) *Charges for excess use.* Nonresidential customers shall also pay monthly water use charges in excess of the amounts specified in the following table:

<i>Category</i>	<i>Component Charge</i>	<i>Billed Charge (with PILOT)</i>
Winter - per one thousand (1,000) gallons used in the winter season months of November through April	\$3.010	\$3.191
Summer - per one thousand (1,000) gallons used in the summer season months of May through October	\$3.765	\$3.991
The meter reading date shall generally determine the seasonal monthly quantity charge; however, no customer shall be billed more than six (6) full billing cycles at the summer quantity charge.		

...

(c) *High volume industrial rates.* High volume industrial rates apply to any customer with an average daily demand in excess of two million (2,000,000) gallons per day. The specific rate for any qualifying customer shall be based upon the applicable peaking factor for that customer as follows:

<i>Peaking Factor</i>	<i>Monthly Charge per Thousand Gallons</i>	<i>Billed Charge (with PILOT)</i>
1.00—1.09	\$1.64	\$1.74
1.10—1.19	\$1.70	\$1.80
1.20—1.29	\$1.76	\$1.86
1.30—1.39	\$1.81	\$1.91
1.40—1.49	\$1.87	\$1.98
1.50—1.59	\$1.91	\$2.03
1.60—1.69	\$1.97	\$2.09
1.70—1.79	\$2.03	\$2.16
1.80—1.89	\$2.08	\$2.21
1.90—1.99	\$2.15	\$2.28
> 2.00	\$2.20	\$2.33

(d) *Service outside the City.* The monthly charge for water taken through a meter by a user outside the City limits shall be the same as for like service within the City limits as specified in Subsections (a) and (b) of this Section.

(e) *Rates by special water services agreement.* The rate structure and associated charges for water service pursuant to a special water services agreement approved by the City Council pursuant to Section 26-130 shall be as set forth in said agreement.

Section 4. That the modifications set forth above shall be effective for meter readings on or after January 1, 2020, and in the case of fees not based on meter readings, shall be effective for all fees paid on or after January 1, 2020.

Introduced, considered favorably on first reading, and ordered published this 15th day of October, A.D. 2019, and to be presented for final passage on the 5th day of November, A.D. 2019.



 Mayor

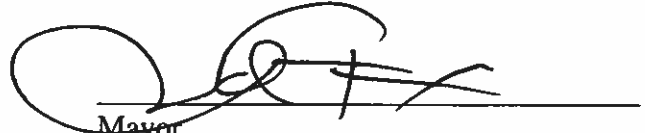
ATTEST:



 City Clerk



Passed and adopted on final reading on the 5th day of November, A.D. 2019.


Mayor

ATTEST:


City Clerk

