

# AGENDA ITEM SUMMARY

## FORT COLLINS CITY COUNCIL

ITEM NUMBER: 22

DATE: October 16, 2007

STAFF: Brian Janonis  
Terri Bryant  
Bill Bray

### SUBJECT

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Items relating to Utility Rates and Charges for 2008.

### RECOMMENDATION

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Staff recommends adoption of the Ordinances on First Reading.

Electric Board recommends adoption of the monthly electric rates and electric development fees ordinances.

Water Board recommends adoption of the monthly wastewater rates and water, wastewater, and stormwater plant investment fee ordinances.

### FINANCIAL IMPACT

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The rate Ordinances are projected to increase the annual operating revenues of the Wastewater Fund by 12% and the Light and Power Fund by approximately 2.3%. No increases are proposed for water and stormwater monthly rates. The combined utility fees for a typical single family residence will increase \$3.34 per month.

Proposed water, wastewater and stormwater plant investment fees (PIFs) are updated to reflect a new customer's impact on the system and maintain existing customers' equity in the system. Proposed electric development fees and charges cover costs of new commercial and residential development. The financial impacts vary by the size and nature of the development. If the proposed fees are adopted, water, wastewater and stormwater plant investment fees, and electric development fees and charges will increase. The combined utility development fees for a typical single family residence (exclusive of raw water requirements which are not changing) will increase from \$9,213 to \$10,639 or 15.5%.

The proposed fees will be effective January 1, 2008.

### EXECUTIVE SUMMARY

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- A. First Reading of Ordinance No. 119, 2007, Amending Chapter 26 of the City Code to Revise Water Plant Investment Fees and Raw Water Requirements.
- B. First Reading of Ordinance No. 120, 2007 Amending Chapter 26 of the City Code Relating to Wastewater Rates and Charges.

- C. First Reading of Ordinance No. 121, 2007, Amending Chapter 26 of the City Code to Revise Sewer Plant Investment Fees.
- D. First Reading of Ordinance No. 122, 2007 Amending Chapter 26 of the City Code Relating to Electric Rates and Charges.
- E. First Reading of Ordinance No. 123, 2007, Amending Chapter 26 of the City Code to Revise Electric Development Fees and Charges.
- F. First Reading of Ordinance No. 124, 2007, Amending Chapter 26 of the City Code to Revise Stormwater Plant Investment Fees.
- G. First Reading of Ordinance No. 125, 2007, Amending Chapter 26 of the City Code Relating to Utility Connection Fees and Miscellaneous Charges.

Ordinance No. 120, 2007 and Ordinance No. 122, 2007 establish monthly wastewater and electric rates for 2008 as follows:

	% Increase
Wastewater	12
Electric	2.0 - 2.6

The electric rate Ordinance also includes a housekeeping change to the power adjustment clause.

Ordinance No. 125, 2007, updates utility connection fees and miscellaneous charges for returned items and turn-off notices to recover the cost of these services.

Ordinances Nos. 119, 121, 123, and 124, 2007, adopt revised water, sewer and stormwater plant investment fees and electric development fees. The fees are one-time charges paid by developers or builders for the cost of the utility infrastructure needed to serve new development. Per Council direction, plant investment fees are reviewed on an annual basis and revised during the biennial budget cycle. Plant investment fees (PIFs) for water, wastewater and stormwater were updated with the 2006-2007 budget. Electric development fees and charges are updated annually.

**BACKGROUND**

**PLANT INVESTMENT FEES**

- **WATER**

The water plant investment fees are developed to recover the current value of past investment and the current value of future growth-related investment through 2040. This method includes calculating net water system equity, capacity units, and determining the net system equity per unit. Water system assets are valued at replacement costs adjusted by the construction cost index as published by *Engineering News Record*. Net system equity is determined by subtracting outstanding debt principal from the total replacement costs plus estimated future growth related to capital projects. That result is then divided by the future total plant capacity to determine unit cost. The

unit cost is applied to an estimated representative annual usage for each customer class to determine the proposed water PIF.

The following schedule details PIFs for the various customer classes.

WATER PLANT INVESTMENT FEES BY CUSTOMER CLASS					
Customer Class/Meter Size	2006 PIFs		2008-2009 Proposed		Change
	Peak Day Usage (gpd)	Current Charge	Peak Day Usage (gpd)	Proposed Charge	
Unit Fee (\$ per gallon)		\$3.69		\$4.03	9.2%
<b>Residential:</b>					
<b>Single Family</b>					
Inside Use	191	\$ 710	181	\$ 730	3%
Outside Use - \$/Sq. Ft.	864	\$ 0.37	770	\$ 0.36	-3%
<b>Multi-Family (per unit)</b>					
Inside Use	133	\$ 490	122	\$ 490	0%
Outside Use - \$/Sq. Ft.	263	\$ 0.28	232	\$ 0.27	-4%
<b>Non-Residential (meter size)</b>					
¾ inch	1,800	\$ 6,640	1,730	\$ 6,970	5%
1 inch	5,230	\$ 19,300	5,110	\$ 20,590	7%
1 ½ inch	10,470	\$ 38,630	10,300	\$ 41,510	7%
2 inch	16,710	\$ 61,660	16,210	\$ 65,330	6%
3 inch	33,240	\$122,660	35,370	\$142,540	16%
> than 3 inches	Based on specific customer requirements				

\*differences due to rounding

The impact to a typical single family residence (8,600 sq. ft. lot) is a decrease of \$66 from \$3,892 to \$3,826. The decrease is due to a reduction in average usage by the residential class.

**Other**

In addition to updating the wastewater PIF charges, the Ordinance revises Section 26-149 of the City Code which describes Raw Water requirements for non-residential service. The revision clarifies that the customer is required to provide Raw Water equal to 1.92 times the customer’s estimated peak annual use. The revisions apply (1) to a customer with two or more meters and (2) to a customer who increases their annual allotment. An additional change is to correct a spelling error wherein Raw Water Requirements are currently referenced as “RVR” and that is corrected to be “RWR”.

- **WASTEWATER**

The wastewater plant investment fees are developed using a method which assesses new customers based on an allocation of the costs of the existing facilities and the projected growth-related improvements. The utility foresees a significant amount of growth-related treatment plant projects on the planning horizon. The 2005 study of the wastewater plant investment fees recommended a 174% increase. Due to the magnitude of the proposed increase, Council directed a three-year phase-

in of the fees which was implemented beginning January, 2006. The final phase of the 3-phase implementation is included in the proposed 2008 wastewater PIFs.

The proposed fees are shown in the following tables:

WASTEWATER PLANT INVESTMENT FEES					
Customer Class/Meter Size	Existing 2007		Proposed 2008		Change
	Volume Gpd	Current Charge	Volume Gpd	Proposed Charge	
Single Family	340	\$ 2,223	321	\$ 3,194	43.7%
Multi-Family	236	\$ 1,583	208	\$ 2,069	30.7%
<b>Non-Residential (meter size)</b>					
¾ inch	709	\$ 4,749	624	\$ 6,206	30.7%
1 inch	1,814	\$ 12,151	1,644	\$ 16,361	34.6%
1 ½ inch	3,279	\$ 21,965	2,854	\$ 28,396	29.3%
2 inch	5,802	\$ 38,865	5,122	\$ 50,963	31.1%
3 inch	12,105	\$ 81,086	12,209	\$121,484	49.8%
4 inch and above assessed on individual basis					

Wastewater plant investment fees for a typical single-family residence in 2008 would increase from \$2,223 to \$3,194, or 43.7%.

- STORMWATER**

Plant investment fees for stormwater are adopted on a citywide basis. All new development must provide on-site detention as specified in the master plan. Regional elements are sized to handle existing flows and to work in coordination with on-site detention in new developments. Stormwater PIFs pay for a developer’s proportionate share of the system infrastructure as it exists at the time they develop.

The unit of measure used to allocate the value of the existing system between new customers and existing customers is acres of developed land, adjusted with a runoff coefficient (a measure of how water runs off various surfaces). Proposed development fees are calculated by dividing the value of the current system, less outstanding debt, by the total acres of land (existing developed and developable) in the service area. This number is then adjusted by the average runoff for the system. The result is the unit value of the existing system per acre of developed land.

2006 Fees	2008 Proposed Fees	% Change
\$3,070	\$4,420	43.97%

The significant increase in fees is due to the large investments in stormwater infrastructure over the last few years.

- ELECTRIC**

Electric development charges include the allocated and actual costs to the utility for each commercial or residential development. The two components of these charges are the Electric Capacity Fee for the off-site electric system, and the Building Site Charge for the on-site electric costs. The electric development charges are typically increased annually to adjust for inflation and cost increases. Increases range from 12% for residential and 20% for commercial development. The increases are due primarily to the significant increases experienced in the cost of transformers, metals and other construction materials.

The following tables compare current fees with proposed fees for residential and commercial development:

<b>ELECTRIC DEVELOPMENT FEES &amp; CHARGES</b>					
<b>RESIDENTIAL</b>					
<b>Category</b>	<b>Charge</b>	<b>2007</b>	<b>2008</b>	<b>% diff.</b>	
<b>Electric Capacity Fee</b>	Per square foot	\$0.04215	\$0.04731	12%	
	Per lineal front foot	\$7.90	\$9.53	21%	
	Dwelling Unit	150A Single-Fam	\$1,078	\$1,177	9%
		200A Single-Fam	\$1,806	\$1,991	10%
		150A Multi-Fam	\$719	\$785	9%
		200A Multi-Fam	\$1,267	\$1,399	10%
<b>Building Site Charges</b>	Secondary Service	1/0	\$585	\$625	7%
		4/0	\$756	\$787	4%
		350 kCM	\$732	\$873	19%
		1/0 mobile	\$458	\$490	7%
		4/0 mobile	\$593	\$623	5%

ELECTRIC DEVELOPMENT FEES & CHARGES					
COMMERCIAL					
Category	Charge	2007	2008	% diff.	
Electric Capacity Fee	Per square foot	\$0.04215	\$0.04731	12%	
	Per lineal front foot	\$29.83	\$35.52	19%	
	Service Entrance (per 100 amps)	208V 1-Ph	\$946	\$1,146	21%
		240V 1-Ph	\$1,091	\$1,323	21%
		208V 3-Ph	\$1,638	\$1,985	21%
		240V 3-Ph	\$1,890	\$2,291	21%
		480V 3-Ph	\$3,779	\$4,581	21%
Building Site Charges	Primary Circuit (1-phase)	\$7.20	\$8.78	22%	
	Primary Circuit (3-phase)	\$13.10	\$17.72	35%	
	Transformer Installation - 1 phase	\$1,119	\$1,148	3%	
	Transformer Installation - 3 phase	\$2,097	\$2,132	2%	

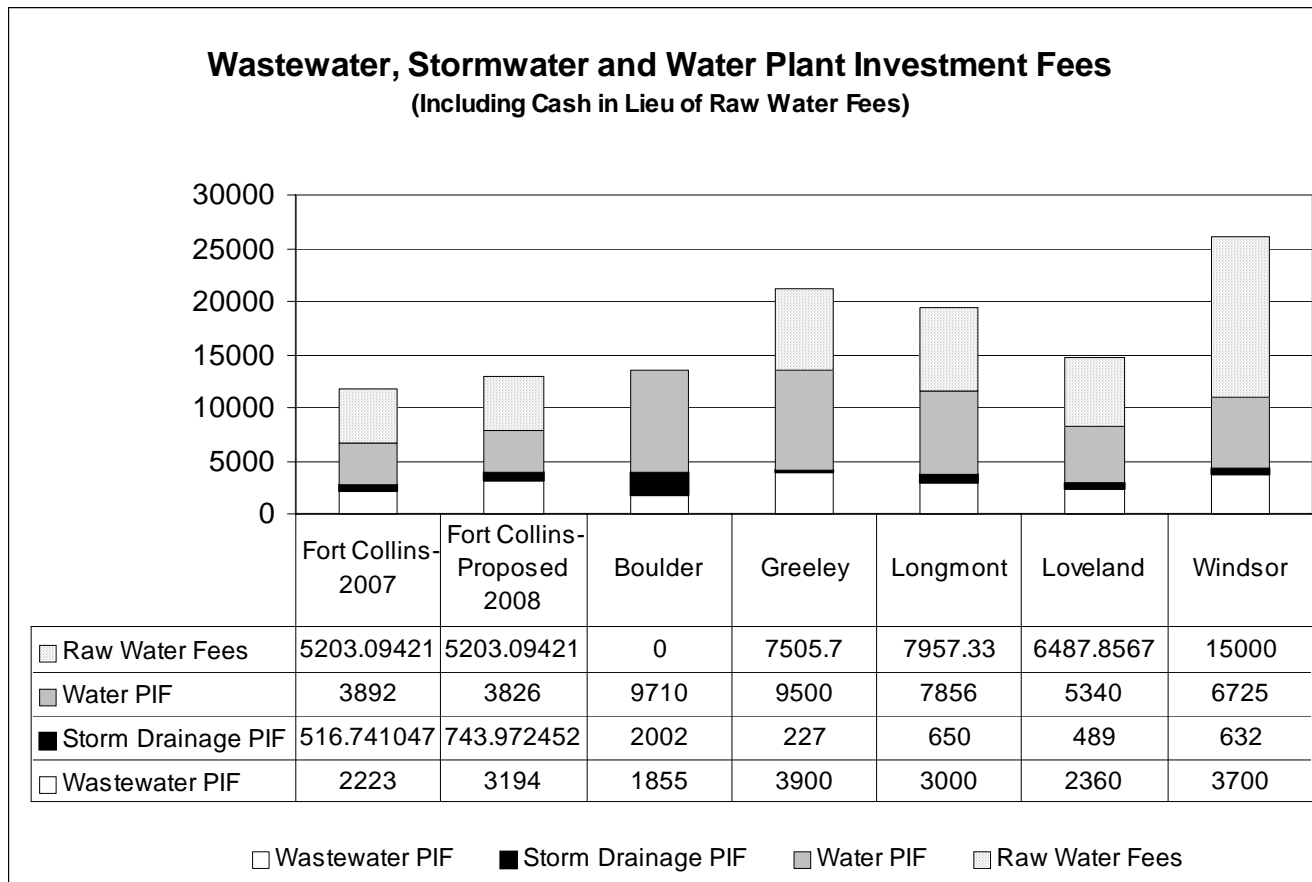
The impact to a typical single family residence (8,600 sq. ft. lot, 150 amp service) is an increase of \$298 from \$2,578 to \$2,876, or 12%.

**SUMMARY OF PIF CHANGES AND COMPARISONS**

The following table shows the overall impact of the proposed Plant Investment Fees and Electric Development Charges on a typical single family residence.

Impact on Single Family				
	Current	Proposed	Change	
Water*	\$ 3,892	\$ 3,826	-2%	(\$ 66)
Raw Water**	\$ 5,203	\$ 5,203	0%	\$ 0
Wastewater	\$ 2,223	\$ 3,194	44%	\$ 971
Stormwater*	\$ 520	\$ 743	43%	\$ 223
Electric*	\$ 2,578	\$ 2,876	12%	\$ 298
<b>Total</b>	<b>\$14,416</b>	<b>\$ 15,842</b>	<b>10%</b>	<b>\$1,426</b>
*Typical, based on lot size				
**No increase for Raw Water				

Comparison to other utilities is difficult due to differences in customer use patterns, the unique capital needs of each utility, and different policy direction from governing bodies. The question of how Fort Collins compares to other area utilities often arises. The graph below compares water, wastewater, and stormwater PIFs and raw water requirements for a single family residence for some neighboring communities.



**MONTHLY RATES**

**Wastewater**

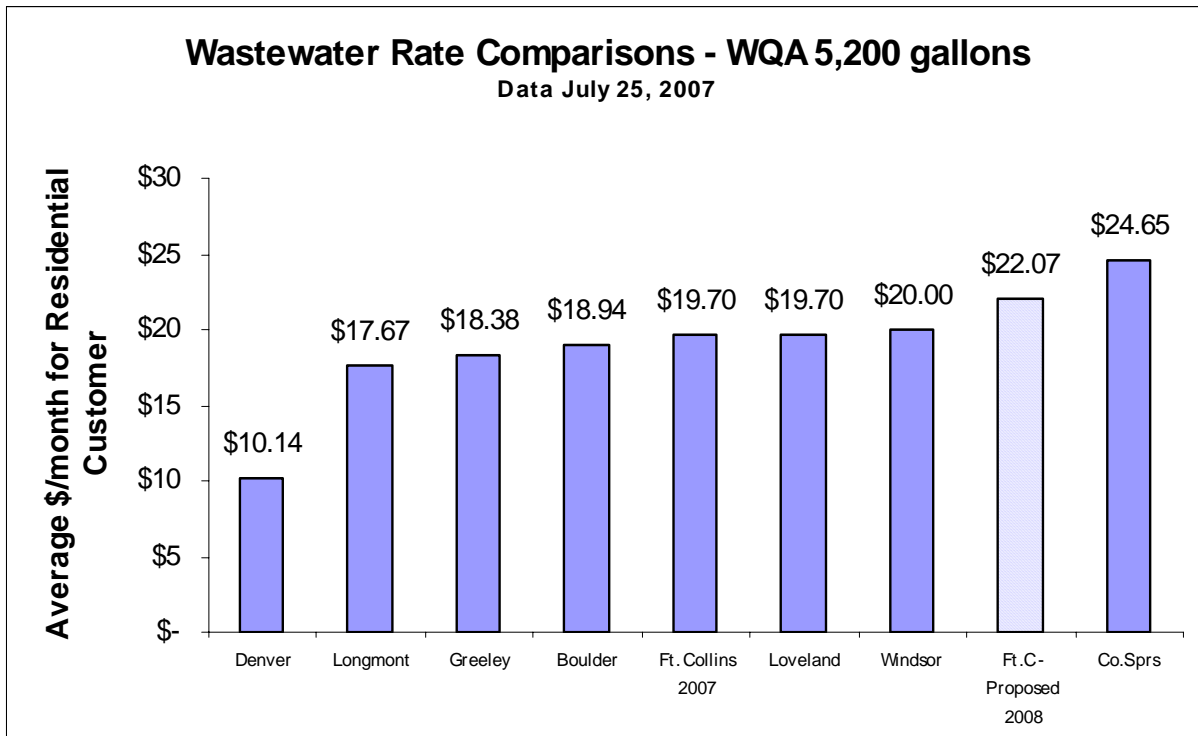
The Ordinance increases the City’s wastewater rates by 12%. The increase is applied “across the board” to all customers. With the proposed rate, a typical single family residential customer’s monthly bill will increase from \$19.70 to \$22.07 or \$2.37 per month in 2008. This is based on a system average of 5,200 gallons per month winter quarter average (WQA) water use. The wastewater rate increase is needed to generate sufficient revenue to fund the wastewater operations and meet the increase in long-term debt service obligations for a major capital project to replace the trickling filter, make odor control improvements and prepare for future regulation-based improvements at the Mulberry facility.

The Mulberry plant was built in 1946 with upgrades in 1958 and 1972. In the past two years, the treatment performance of the plant’s 60-year old trickling filter (which provides first-stage secondary treatment for the plant flow) has degraded several times requiring it to be taken off-line, cleaned and restarted. Failure of the trickling filter creates a significant increase in odors until it has been cleaned. Even after restarting, the trickling filter’s effectiveness has not recovered to its past efficiency. In late 2006, a study by MWH Consulting Engineers was commissioned to determine the best solution for the long-term use of the Mulberry plant. Upgrading the plant’s secondary treatment processes by removing the trickling filter and its associated facilities and installing a new aeration basin and associated facilities is the most cost-effective solution. Because the trickling filter is already recommended for replacement, odor control improvements will also take place.

Upgrading the facility will also allow the Utilities to prepare for future regulation-based improvements. The improvements, including design and construction, are projected to cost \$31.8 million and will be funded by debt.

An 11% increase is proposed for 2009, 10% for 2010, and 9% for 2011 to maintain reserve requirements, meet debt service, and continue operations and maintenance functions.

As shown in the graph below, the City’s wastewater rates remain comparable to those of other local utilities:





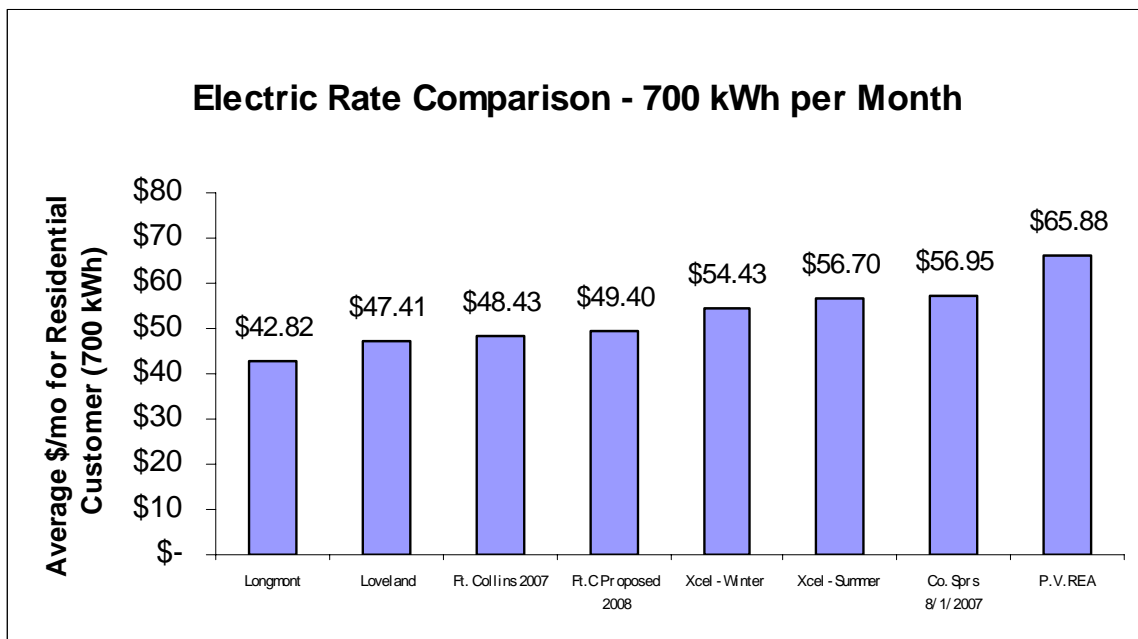
**Electric**

The Utilities are proposing an electric rate increase averaging 2.3% in 2008 and 2.7% in 2009. The rate increase is wholly due to the increases in purchase power costs from Platte River Power Authority, the City’s wholesale energy supplier. On September 27, 2007, Platte River’s Board adopted a 3% wholesale rate increase for 2008 and projects a rate increase of about 3.5% in 2009. Platte River’s increases are due to several factors:

- Increased coal and rail costs at Rawhide and Craig power plants
- Increased purchased power costs from WAPA (Western Area Power Administration)
- Mercury mitigation costs
- Expanded energy efficiency programs (1% of revenues per PR’s 2007 Integrated Resource Plan)
- Capital expenditure increases (new projects & increased material costs for existing projects)
- Reduction in surplus sales revenues

The proposed 2.3% increase in 2008 will vary slightly by rate class. Residential rates will increase 2.0%-2.2%, commercial rates will increase 2.2%-2.3%, and industrial rates will increase approximately 2.6%. For a typical residential customer using 700 kilowatt-hours per month, the monthly bill will increase 97 cents per month from \$48.43 to \$49.40.

The following chart compares average monthly residential electric rates with other front range utilities:



## Other

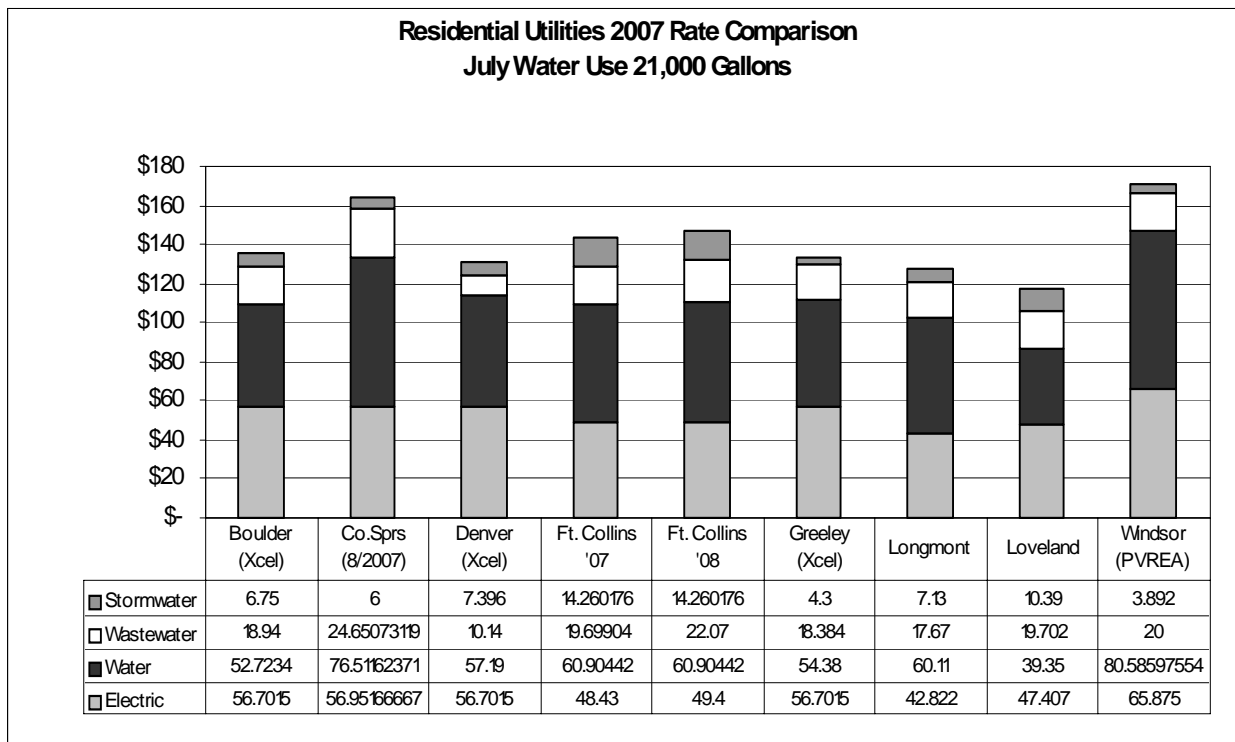
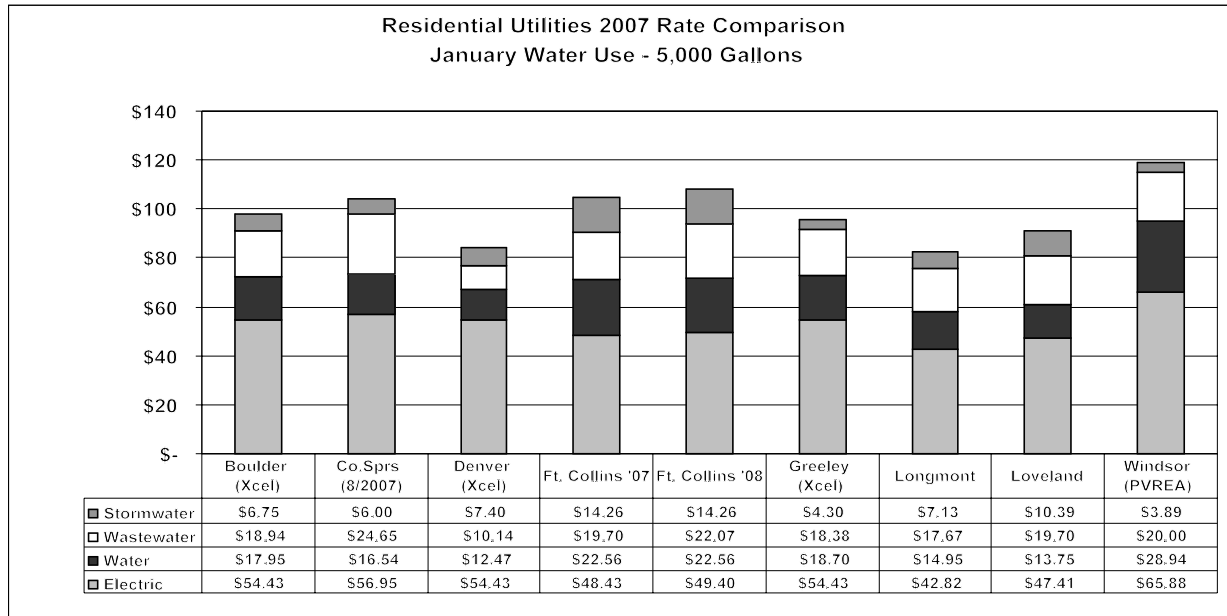
In addition, the electric rate Ordinance includes a housekeeping change to the *Power Factor Adjustment* clause of the commercial and industrial rate classes to reflect the changes in technology. Prior to the capabilities of modern metering equipment, special recording equipment was periodically installed on services to measure power factor. Meters now collect the data necessary to make these calculations each month so periodic testing is no longer required.

## Monthly Rate Summary

The following table summarizes the impact of the proposed rate increases on a typical single family residential customer's monthly utility bill. In total, a "typical" customer's bill will increase \$3.34 per month.

<b>Typical Residential Customer – Monthly Utility Bill</b>				
	<b>Current 2007</b>	<b>Proposed 2008</b>	<b>\$ Increase</b>	<b>% Increase</b>
<b>Electric</b> 700 kWh per month	\$ 48.43	\$ 49.40	\$0.97	2%
<b>Wastewater</b> 5,200 gallons/month winter quarter use	\$ 19.70	\$ 22.07	\$2.37	12%
<b>Stormwater</b> 8,600 sq.ft. lot, light runoff	\$ 14.26	\$ 14.26	\$0.00	0%
<b>Water</b>				
January 5,000 gallons	\$ 22.56	\$ 22.56	\$0.00	0%
July 21,000 gallon	\$ 60.90	\$ 60.90	\$0.00	0%
<b>Total January Monthly Utility Bill</b>	<b>\$104.95</b>	<b>\$108.29</b>	<b>\$3.34</b>	<b>3%</b>
<b>Total June Monthly Utility Bill</b>	<b>\$143.29</b>	<b>\$146.63</b>	<b>\$3.34</b>	<b>2%</b>

The following charts compare water, wastewater, stormwater and electric utility costs for eight front range cities. They include the recommended 2008 increases for wastewater and electric for Fort Collins. Projected rate adjustments for the other cities are unknown at this time.



**CUSTOMER SERVICE FEES AND CHARGES**

The Utilities is proposing increasing the turn-off notice fee from \$7.00 to \$10.00 and the return item fee (returned checks, electronic transfers, credit card payments) from \$15 to \$25. The increases are necessary to offset the associated costs and align with current business practices.

### **WATER BOARD AND ELECTRIC BOARD RECOMMENDATIONS**

The Water Board reviewed the 2008-2009 water utilities' budgets, water, sewer and stormwater plant investment fee changes, and monthly wastewater rate increases at the August 23, 2007 Board meeting. The Board voted 8 to 1 approving the proposed budget and fee changes with an amended motion encouraging City Council to increase the appropriation for water conservation and demand management.

The Electric Board reviewed the 2008-2009 Light and Power budget and the proposed increases to the electric rates and development fees and charges at its meeting on August 15, 2007. The Board unanimously approved a motion supporting the proposed budget and fee changes.

### **ATTACHMENTS**

1. Water Board Minutes – excerpt from August 2007 meeting relating to budget, rates and PIFs.
2. Electric Board Minutes – excerpt from August 2007 meeting relating to budget, rates, and electric fees.

**Fort Collins Utilities' Water Board Minutes**  
Thursday, August 23, 2007

**Water Board Chairperson**

Doug Yadon, 484-3611

**Water Board Vice Chairperson**

Gina Janett, 493-4677

**City Council Liaison**

David Roy

**Staff Liaison**

DeEtta Carr, 221-6702

**Roll Call:***Board Present:*

Chairperson Doug Yadon, Vice Chairperson Gina Janett, Steve Balderson, John Bartholow, Mike Connor, Eileen Dornfest, Phil Phelan, Dave Pillard, and Gary Wockner

*Board Absent:*

Johannes Gessler, Reagan Waskom

*Staff:*

Dennis Bode, Terri Bryant, DeEtta Carr, Carrie Daggett, Laurie D'Audney, Matt Fater, Kevin Gertig, Joyce Grenz, Susan Hayes, Jim Hibbard, Brian Janonis, Karen Mancini, Owen Randall, Dean Saye, Bob Smith, Bill Switzer, Ellen Switzer and Carol Webb

**Water Board Minutes.****2008 – 2009 Budget****Budgeting for Outcomes**

Finance and Budget Manager Terri Bryant discussed the recommended Budget for 2008 and 2009 for Water, Wastewater, Stormwater, and the proposed wastewater rates and plant investment fees. Budgeting for Outcomes is a process that focuses on results and emphasizes accountability. At the end of the process, the City Manager issues a recommended budget on September 4, 2007, with several work sessions scheduled with City Council to review the budget before the first reading on October 16, 2007. The final reading will be on November 20, 2007.

**Stormwater Budget Notes**

Ms. Bryant stated there are no rate increases for the 2008-2009 Budget. The budget was developed with a 3% inflation estimate, labor adjustments projected at 4% and growth projected at approximately 1%. The 2008 proposed budget is 17.8 % greater than the adopted 2007 budget, an increase of \$2.6 million. Two major capital projects, the Canal Importation Basin and the Dry Creek Basin, will be in the construction phase in 2008. The two projects account for \$6.6 million of the \$7.6 million stormwater capital projects budgeted. Operations and maintenance in the Stormwater Utility remains steady with

minimal increases in 2008. Reserves are projected to decrease by approximately \$6 million due to major capital project programs ramping up.

Water Budget Notes

There are no projected rate increases for water. Labor adjustments are at 4%, inflation is estimated at 3% and growth is projected at approximately at 1%. The 2008 budget is projected at 26.4% less than the 2007 adopted budget. The huge decrease is primarily due to capital project expenditures related to the Halligan Expansion. The Halligan budget in 2007 was \$13.7 million, whereas in 2008 it's \$190,000. This project is funded 100% by cash-in-lieu of water rights revenues. The operations and maintenance budgets in the Water Utility increased overall by approximately 4.3% with the largest increase showing in the purchase of vehicles and equipment. The Utilities is fine tuning replacement planning and funding for vehicles and equipment to better facilitate future financial strategies. Reserves are projected to decrease by about \$3 million in 2008 due to a reduction in beginning working capital from the prior year. Water Fund revenues in 2006 were greater than expected; approximately 10.3%. There are three primary reasons for this outcome: the total number of customer increased due to system growth, even though this was not significant; average water use per customer increased due to drier than average year; the water rate for residential customers is an increasing tiered structure.

Wastewater Budget Notes

The wastewater labor adjustments were projected at 4%, inflation is estimated at 3% and growth was projected at approximately .25%. The projected rate increases are 12% across the board in 2008, and 11% across the board in 2009. Utilities Staff is proposing wastewater rate increases in the 2008-2009 Budget. The increase is needed to help fund the unanticipated improvements at the Mulberry Treatment Facility which was built in 1946 with upgrades in 1958 and 1972. The improvements, including design and construction, will cost \$31.8 million which will allow for upgrading the facility for future regulation-based improvements. The 2008 proposed budget is 64.1% greater than the 2007 adopted budget due to the resources needed to fund the Mulberry plant improvements. The operations and maintenance budgets in the Wastewater Utility are stable. While the 2008 proposed budget includes a 4% labor increase and 3% for inflation, the overall operations and maintenance budget in 2008 is .2% less than the adopted budget for 2007.

Plant Investment Fees

Increases to the plant investment fees (PIFs) are proposed in the 2008-2009 Budget to comply with the City Council's direction to update the fees every budget cycle. The Wastewater PIF increase will include the final phase of the three-phase increase directed by City Council for the 2006-2007 Budget.

Summary

In summary, the reserve policies for all funds are met. Debt coverage for all funds is met.

No monthly rate increases for water and stormwater. Wastewater monthly rates proposed to increase 12% across the board. Plant investment fees revised and updated per City Council direction.

#### Discussion

Board Member Gary Wockner stated he has a question. Other than where the board is now, where does the Water Board fit into the development of the budget. Ms. Bryant stated the role the Water Board has played in the past is to look at what Utilities Finance and Budget presents as the budget and if the board has questions they can answer them. Ms. Bryant said Utilities Finance and Budget asks that the board recommend the budget as proposed. Mr. Waskom then stated that it sounds to him that City Council has made some policies, the staff has created a budget based on the Council's guidelines and policies and then the Water Board is asked to review the budget and recommend it to City Council. Ms. Bryant said that this is the only time the Water Board sees the proposed budget other than when it is presented to the Finance Committee. Ms. Bryant stated the Water Board is free to do as they wish with either recommending the budget to City Council or not recommending the budget to City Council.

Chairperson Doug Yadon said the payment of \$190,000 in 2008 seems very low. Interim Fort Collins Utilities General Manager Brian Janonis stated that payment covers just annual payment to the irrigation company for the Utilities purchase of Halligan. Mr. Yadon then asked about the Mulberry plant and it being an unanticipated failure. Was there a plan to replace the plant? Mr. Janonis said they had in the Master Plan, at one time, that they were going to replace the capacity. They were not going to replace it at Mulberry, but at the Drake plant. However, for a variety of reasons they wanted to keep the flow in the river at Mulberry. Mulberry just deteriorated faster than was planned and that capital project had to be moved up in time. Mulberry is an important flow contribution to the river. It would not be practical for the Mulberry plant to go away. John Bartholow said there was the Conservation meeting just prior to the Water Board meeting and it was apparent that the Conservation Program could benefit from some extra funds. Mr. Bartholow would like to be in a position to encourage City Council to increase the budget for the Water Conservation Program by a factor of four along with a program to carefully evaluate what the effectiveness is. The goal would be to find out what it costs to buy down our water use. This can fit into the water planning that has to be done and into Halligan. It would help to find out what is the most cost-effective way to get water for rate payers. He would like to interject this into whatever motion the board comes up with. Mr. Janonis said the Water Conservation Plan will be seen in September and has put some costs benefits to conservation measures.

Another question was about plant investment fees going way up and are there alternatives to this. Mr. Janonis said the plant investment fees have been lagging behind. Three years ago City Council was presented with a major plant investment fee increase, and at that time, the City Council did not allow for plant investment fees to increase all at once. They had to phase it in over three years. A big chunk of this is trying to make up for not getting the increase three years ago. The plant investment fees are lagging behind about six or seven years since the prior study had been done. Mr. Hibbard stated stormwater is

## ATTACHMENT 1

going up because they keep investing heavily into the infrastructure. They put \$5 million a year into the infrastructure and new customers coming online benefit from that.

Board Member Mike Conner made a motion the Water Board approves the Water, Wastewater and Stormwater Utilities 2008 and 2009 Budget and rate increases. Water Board Member David Pillard seconded the motion.

Board Member Mike Conner said he feels, if he has done his math correctly looking at interest charges only just for 2008 budget, utilities is spending over \$4.5 million in interest. Mr. Connor would really like to encourage City Council to move to a cash basis. A water facility in the area is writing a check for a huge building project. He realizes the situation Utilities is in, but he would really like to see some momentum built up to move away from paying interest in the future. The 2009 Budget has some large borrowing and he feels that will drive rates up. Mr. Connor would like to see some progress towards this in 2009. and Board Member John Bartholow said he feels the same way

Board Member Gary Wocker said he will not be supporting the recommendation to approve the 2008-2009 Budget as proposed because of three reasons. The first reason is that he wants more invested in water conservation programs and feels there is a significant opportunity, especially now, to start investing quite a bit more in water conservation and demand management to get at our water supply issues. He feels this budget woefully under-budgets this issue. The second reason he will not support this budget is tied to this. It involves \$7.9 million for budget transfer for Halligan for 2009. He is not sure that the demand has been presented successfully that will argue that this needs to be spent right now. He feels there are many other ways to get at that demand management that are not being addressed in this budget. The third reason he is not going to support this budget is he has spent considerable time talking, over the last few weeks, about the Stormwater Master Plan and the CIPO Project and Red Fox Meadows which is highly controversial. He does not support the budget in these three issues but he supports everything else.

Board Member Gina Janett asked Mr. Janonis if he could bring the Water Board up to speed on just what is happening with Halligan. Mr. Janonis said they hope to have a draft environmental impact statement out in 2008, comments in 2008, and starting design and maybe construction in 2009.

Board Member John Bartholow asked Ms. Bryant for a timeline on the budget. She responded that the first reading of the budget is on October 16, 2007. City Council will get their packets a week before October 16, 2007. Discussion of the budget will start from September 4, 2007 and go until the first reading. Sometimes the discussion goes beyond the October 16, 2007 reading. The final reading is on November 20, 2007.

Board Member John Bartholow then recommended an amendment to the motion. He wanted to approve this budget, but that the board encourages City Council to adjust the allocation for water conservation by a significant amount (suggests four times the



## ATTACHMENT 1

amount) and demand management. Board Member Eileen Dornfest seconded the motion. The amendment passed unanimously.

The amended motion to approve the budget for 2008-2009 with the encouragement to City Council for allocation for water conservation by a significant amount (four times the amount) and demand management was then voted on. The Water Board voted with eight in favor of the amended motion and one against. Mr. Wockner said he feels that with the amended motion being passed, not all of his comments would go away, but he feels this is this is an exciting opportunity for City Council, Utilities, and the Water Board to really consider conservation and demand management that would save money and water. He feels that if we go about conservation correctly, it may reduce demand enough that Halligan may not be necessary. He still has some problems with the CIPO Project and Red Fox Meadows and wants that to be noted.

**Fort Collins Utilities Electric Board Minutes  
Monday, August 20, 2007**

**Electric Board Chair**

John Morris, 377-8221

**Electric Board Vice Chair**

Dan Bihn, 218-1962

**City Council Liaison**

Wade Troxell

**Staff Liaison**

DeEtta Carr, 221-6702

**Roll Call:**

*Board Present*

Chairperson John Morris, Tom Barnish, Dan Bihn, John Harris, Jeff Lebesch and Steve Wolley

*Absent*

John Graham

*City Council Liaison*

Wade Troxell

*Visitors*

Eric Sutherland

*Staff Present:*

Kraig Bader, Bill Bray, Terri Bryant, DeEtta Carr, Eric Dahlgren, Joyce Grenz, Brian Janonis, Bob Micek, John Phelan, Tom Rock, Ellen Switzer, Dennis Sumner and Norm Weaver

**Meeting Convened**

Chairperson John Morris called the meeting to order at 5:40 p.m.

**Citizen Participation**

Regarding The Rocky Mountain Sustainable Living Fair, Eric Sutherland said:

1. He was expressing concerns about the view expressed by vendors at the Sustainable Living Fair;
2. He feels adoption of biofuels should not be promoted at Sustainable Living Fair;
3. He feels City sponsorship endorses these views; and
4. Thanked City Staff for correcting information on the Web site.

**Minutes of April 18, 2007**

Board Member Tom Barnish made a motion, which was seconded, to approve the minutes of the June 20, 2007, meeting. The motion passed unanimously.

**2008-2009 Budget Presented to the Electric Board**

Utilities Finance and Budget Manager Terri Bryant introduced Ellen Switzer, Utilities Financial Operations Manager, and stated that Ms. Switzer would be giving the presentation for the 2008-2009 Budget to the Electric Board. Ms. Bryant said Ms. Switzer is the primary accountant for the Light and Power Fund. Ms. Bryant said the one big unknown Ms. Switzer will address through her presentation is where Platte River Power Authority (PRPA) will be going with rates in the future. Utilities made some projections based on the preliminary information they have from PRPA. Ms. Bryant wanted to caution the Electric Board the information is preliminary and has not been finalized.

Ms. Switzer stated that this was her 34<sup>th</sup> Light and Power Budget. Ms. Switzer said the City used Budgeting for Outcomes process for the 2008-2009 Budget which focuses on results and emphasizes accountability. The process determines how much revenue will be available and the results that matter most to citizens. Those results are: economic health, environmental health, neighborhood quality, safe community, cultural and recreational opportunities, transportation and high performing government. The budgeting process allocated revenue to achieve each result and decides how to best deliver the results citizens expect. The City Manager issues the recommended budget on September 4, 2007. City Council will review and make changes in the budget at the series of study sessions and public hearings, and then Council will make final appropriations in November.

**2009-2009 Budget Assumptions and Highlights**

- The budget was developed using the following assumptions:
  - Growth projected at 1 percent per year;
  - Inflation estimated at 3 percent per year;
  - Purchase power rates are projected to increase 3 percent in 2008, 3.7 percent in 2009 and 3 percent per year through 2012;
  - Retail electric rates are projected to increase an average of 2.3 percent in 2008 and 2.7 percent in 2009;
  - Development charges are projected to increase based on costs of labor and materials; and
  - Salaries estimated to increase 3 to 4 percent per year.
- Retail Rates – As shown above, retail electric rates are projected to increase an average of 2.3 percent in 2008 and 2.7 percent in 2009. The purchase power increases will be passed through to the energy and demand components of each rate class. The fixed charges and facilities demand charges will not change. As a

result, the rate increase will vary for each rate class going up slightly more in the commercial and industrial classes than in the residential. Based on Platte River Power Authority's wholesale rate projections, retail rates are projected to increase 2.3 percent each year from 2010-2012.

- The proposed 2008 budget is 17.9 percent (or \$15.3 million) greater than the adopted 2007 budget. The increase is primarily due to an ambitious capital program (+\$11.5 million) and the increased purchase power (+2.4 million). The payment to the Customer Services and Administration (CS&A) fund is also projected to increase about \$1 million.
  
- Operations and maintenance budgets are stable. Three landscape maintenance employees will be transferred to the CS&A Fund in 2008 offsetting inflationary and salary increases resulting in zero percent increase in the O&M budget for 2008.
- Energy Services continues funding to meet energy supply policy goals, other ongoing conservation and community service programs and 68 percent of City's Climate Wise program.
- Purchase Power includes funding for renewables to meet the goals of the Energy Supply Policy.
- Payments in Lieu of Taxes (PILOTs) continue to be budgeted at 6 percent of revenues.
- Light and Power's portion of Utilities CS&A increased approximately \$1 million in 2008. These are estimates; 2008-2009 transfers to CS&A will be based on actual expenses which are typically less than budget. The 2008 increases include the following:
  - New positions: Executive Director and Project Manager – Assets;
  - Transfer of Regulatory and Governmental Affairs Division (5 positions) and landscape maintenance crew;
  - Increased IT costs for operations and capital replacement; and
  - Capital replacement of the Customer Service Division phone system and additional capital funding for automated meter reading.
- There are large capital projects and system additions planned in the next two years:
  - Capital Projects:
    - ✓ Electric Substation (Trilby) ~ \$5.2 million (2008);
    - ✓ Replace Building C ~ \$4.4 million (2008);
    - ✓ Southwest Annexation ~ \$0.8 million per year (2008 and 2009); and
    - ✓ Wi Fi Pilot Project.
  - System Addition:
    - ✓ Major Ductbanks and Circuits ~ \$1.2 million per year (2008 and 2009);
    - ✓ Replacement of UG Cable ~\$1.0 million per year (2008 and 2009);

- ✓ UG Equipment Upgrades ~\$1.4 million per year (2008 and 2009); and
  - ✓ Transformer Purchases ~ \$1.6 million per year (2008 and 2009).
- Reserves – Based on the aggressive capital program, reserves are projected to decrease from \$56.5 million at year end 2008, to \$39.5 million at year end 2009. Projected 2009 reserves will meet all of Light and Power’s reserve policy requirements.
- No other significant shifts in priorities or resources are planned.

#### Budget Summary

- Total Light and Power Budget
  - 2008 is \$100.8 million and 2009 is \$95.4 million
- Retail Rate Increases
  - 2008 is 2.3 percent and 2009 is 2.7 percent (Pass through PRPA increases)
- 2 percent of revenues targeted for Energy Supply Policy
  - 1 percent Renewables; and
  - 1 percent DSM and energy conservation.
- Reduced growth projections –1 percent
- Use of reserves to meet capital needs:
  - Trilby Substation;
  - Replace aging UG infrastructure;
  - Duct Banks; and
  - New facility for crews and equipment.

#### Financial Policies

- Increase Net Assets (Income After Contributions and Transfers)
  - 2008-\$3,352,712 and 2009-\$3,168,332
- Reserves
  - Operating Reserve – 8 percent of operating budget less purchase power.
    - ✓ Fully funded at about \$1.6 million in 2008-2009
  - Art in Public Places - 1 percent of specified capital appropriations.
  - Capital Reserve – 20 percent of cost of 5 year capital improvements.
    - ✓ Fully funded at \$16.5 million in 2008-2009
  - Purchase Power Reserve – targeted at up to 25% of annual operation revenue.
    - ✓ PP Reserve was 34 percent of revenue year end 2006 (about \$27 million);
    - ✓ PP Reserve is projected to decrease over the next two years to the 25 percent level; and
    - ✓ Since the reserve is projected to return to the established target in 2009, staff recommends that Council take no action to reduce the Purchase Power Reserve at this time.
  - Reserves will be drawn down and used to fund portions of the capital and system additions projects.
    - ✓ \$12.3 million in 2008; and
    - ✓ \$ 3.5 million in 2009.

Board Member Tom Barnish asked in Budgeting for Outcomes, is there a group that goes through Customer Service and Administration Fund (CS&A) in the same way so there is some logic as to where the fund is spent. The process for doing the budget for CS&A is slightly different. Managers write the offers as in Budgeting for Outcomes and prepare their budget. The offers are reviewed by the Executive Director. The cost of CS&A is included in each one of the funds. Payments and Transfer Offers are reviewed a second time by the Results teams. The costs can go up and down each year for each fund depending on capital expenses. Transfers are based on actual expenses.

It was asked whether CSU's electrical account is considered residential or industrial. Ms. Switzer said CSU's electrical account is considered industrial. Ms. Switzer then asked if there was a motion recommending that City Council adopt the proposed 2008-2009 Budget and Rate Increases. Board Member Dan Bihn motioned to adopt the 2008-2009 Budget and Rate Increases with John Harris seconding the motion. The motion passed unanimously.

# Utility Rates & Development Fees

Fort Collins City Council Meeting  
October 16, 2007

1

Plant Investment  
Fees/Electric Development  
Fees and Charges

**Proposed Changes -  
2008**

2

## BACKGROUND

- ↳ Plant Investment Fees (PIFs) and Electric Development Fees fund capital improvements for new development.
- ↳ Per Council direction – PIFs are reviewed annually and updated at least biennially.
- ↳ Electric Development Fees updated annually

3

## PIFs PHILOSOPHY Water, Wastewater, Stormwater

- ↳ Equitable to both new and existing customers
- ↳ Directly related to new customers impact on the system
- ↳ Easy to understand and implement
- ↳ Compliant with current legislation

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## Electric Development Fees and Charges

- ↳ Electric Capacity Fee (ECF) for the off-site electric system
- ↳ Building Site Charge (BSC) for the on-site electric costs
- ↳ Annually adjusted for inflation and cost increases

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### SINGLE FAMILY – PLANT INVESTMENT FEES AND ELECTRIC DEVELOPMENT FEES

	Existing 2007		Proposed 2008		
	Peak Day Usage (gpd)	Existing Charge	Peak Day Usage (gpd)	Proposed Charge	% Change
<b>WATER:</b>					
Inside Use	191	\$ 710	181	\$ 730	3.0%
Outside Use - \$/Sq. Ft. *	864	\$ 0.37	770	\$ 0.36	-3.0%
<b>WASTEWATER:</b>	<u>Volume Gpd</u>		<u>Volume Gpd</u>		
	340	\$2,223	321	\$3,194	43.7%
<b>ELECTRIC:</b>					
Capacity Fee*		\$1,993		\$2,250	12.9%
Building Site		\$ 585		\$ 625	6.8%
<b>STORMWATER:*</b>		\$3,070		\$4,420	44.9%

\*Based on typical lot size

6

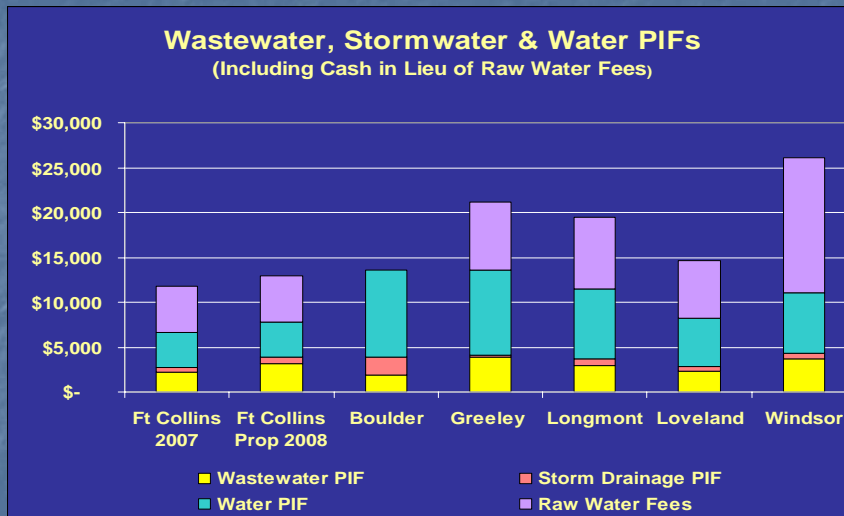
## Single Family Residential Impact

<u>Utility</u>	<u>Existing</u>	<u>Proposed</u>	<u>Change</u>
Water*	\$ 3,892	\$ 3,826	-2%
Raw Water	\$ 5,203	\$ 5,203	0%
Wastewater	\$ 2,223	\$ 3,194	44%
Stormwater*	\$ 520	\$ 743	43%
Electric*	\$ 2,578	\$ 2,876	12%
<b>TOTAL</b>	<b>\$14,416</b>	<b>\$15,842</b>	<b>10%</b>

\*Typical, based on lot size

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## COMPARISONS



8

## 2008 Proposed Utility Changes to Monthly Rates

- Wastewater            12%
- Electric                2.0% to 2.6%
- Stormwater            0%
- Water                    0%

9

## Rate Change Ordinances

- Electric Rate – pass-thru increase from PRPA
- Wastewater Rate Increase:
  - Meet Debt Service Requirements
  - Fund Operations and Maintenance
- Minor Code Clarifications

10

## ELECTRIC

(Monthly Rate Increases)

- Increase due to 3% rate increase from Platte River Power Authority
- No increase for O&M in electric rate
- Rates will vary by customer class
  - 2.0% to 2.2% increase to residential,
  - 2.2% to 2.3% increase to commercial,
  - approximately 2.6% increase to industrial)
- Typical residential customer's monthly bill will increase \$0.97 (700 kwh)

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## WASTEWATER 12%

(Monthly Rate Increase)

- "Across the Board" increase – does not vary by customer class
- Based on metered water consumption – winter quarter average (WQA) for residential and some commercial
- Typical residential customer's monthly bill will increase \$2.37 (based on 5,200 WQA)

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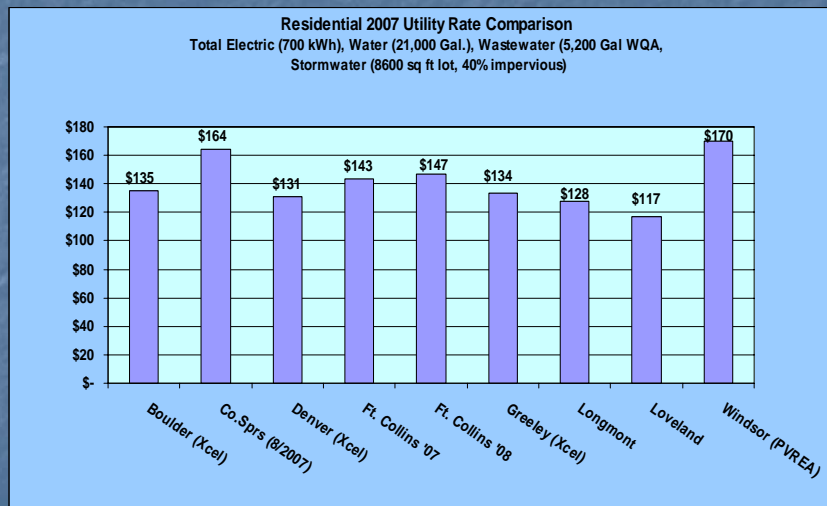
## CUSTOMER IMPACT

### TYPICAL RESIDENTIAL CUSTOMER'S MONTHLY BILL (Summer Water Use – 21,000 gal per mo)

	2007	2008	Increase	%
Electric	\$ 48.43	\$ 49.40	\$0.97	2%
Waste	\$ 19.70	\$ 22.07	\$2.37	12%
Storm	\$ 14.26	\$ 14.26	\$0.00	0%
Water	\$ 60.90	\$ 60.90	\$0.00	0%
<b>TOTAL</b>	<b>\$143.29</b>	<b>\$146.63</b>	<b>\$3.34</b>	<b>2%</b>

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## Cost Comparisons



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## Assistance Programs

- Payment Assistance Fund
- REACH – free weatherization for customers meeting income guidelines
- Rebates – on utilities for seniors or disabled customers

15

## Code Clarifications

- Update "*Power Factor Adjustment*" clause to reflect new technologies in collecting data
- Revise Raw Water Requirements for increased allotments for nonresidential customers
- Revise Customer Service turn-off fees and return-item fees

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# Questions?



17

ORDINANCE NO. 119, 2007  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AMENDING CHAPTER 26 OF THE CODE OF THE CITY OF FORT COLLINS  
TO REVISE WATER PLANT INVESTMENT FEES  
AND RAW WATER REQUIREMENTS

WHEREAS, the City Council is empowered and directed by Article XII, Section 6, of the Charter of the City of Fort Collins, Colorado, 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 of the water utility, as set forth therein; and

WHEREAS, Section 26-120 of the City Code provides that the rates and parameters of the Water Plant Investment Fees be reviewed annually by the City Manager and shall be presented to City Council for approval no less frequently than biennially; and

WHEREAS, the City Council adopted Ordinance No. 133, 2005 on November 15, 2005, which revised plant investment fees payable by water users both inside and outside of the City; and

WHEREAS, the City Council has determined that it is appropriate for new development to contribute its proportionate share of providing capital improvements; and

WHEREAS, staff recommends that existing water plant investment fees be adjusted based on the current replacement cost of the capital facilities that will be needed to serve new development and by existing system capacity; and

WHEREAS, staff recommends certain clarifications be made related to raw water requirements for nonresidential service; and

WHEREAS, based on the foregoing, it is the desire of the City Council to amend Chapter 26 of the City Code to revise water plant investment fees.

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

Section 1. That Section 26-128 of the Code of the City of Fort Collins is hereby amended to read as follows:

**Sec. 26-128. Schedule C, water plant investment fees.**

The water plant investment fee prescribed in § 26-120 shall be payable by users both inside and outside of the city, as follows:

- (1) *Single-family residential buildings*: For the first three-fourths ( $\frac{3}{4}$ ) inch water tap or meter, a fee of seven hundred ~~ten~~ thirty dollars (~~\$710.730.~~) for a single-family residence,



plus ~~thirty-seven~~ thirty-six cents (~~\$0.37~~ 0.36) for each square foot of lot area. For lots greater than one-half acre, the lot size shall be deemed to be one-half acre for the purposes of this calculation. For each additional tap or meters larger than three-fourths (¾) inch, the nonresidential rate shall apply.

(2) *Residential buildings of two (2) or more dwelling units:* For each residential building unit a fee of four hundred ninety dollars (\$490.), plus ~~twenty-eight~~ twenty-seven cents (~~\$0.28~~ 0.27) for each square foot of lot area. The fee will provide for one (1) tap per residential building and an adequate number of additional taps to serve common irrigable areas, if any. The number and size of taps shall be determined by the General Manager based upon the criteria established in the Uniform Plumbing Code as amended pursuant to Chapter 5 of the Code.

(3) *Mobile home parks:* For each mobile home park, a fee of four hundred ninety dollars (\$490.) for each mobile home space in the park, plus ~~twenty-eight~~ twenty-seven cents (~~\$0.28~~ 0.27) for each square foot of lot area. The fee will provide for one (1) tap per mobile home park. The size of the tap shall be determined by the General Manager based upon the criteria established in the Uniform Plumbing Code as amended pursuant to Chapter 5 of the Code.

(4) *Hotels, roominghouses, sororities, fraternities and similar uses:* The nonresidential rate shall apply.

(5) *Nonresidential service:*

- a. Service to all nonresidential taps, including but not limited to taps for commercial and industrial service, shall be charged according to the size of the meter pursuant to the following schedule:

<i>Meter Size (inches)</i>	<i>Nonresidential Plant Investment Fee</i>
¾	<del>\$6,640.</del> <u>\$ 6,970.</u>
1	<del>19,300.</del> <u>20,590.</u>
1½	<del>38,630.</del> <u>41,510.</u>
2	<del>61,660.</del> <u>65,330.</u>
3	<del>122,660.</del> <u>142,540.</u>

- b. The fee for all meters larger than three (3) inches shall be negotiated with the General Manager and shall be based on estimated peak day demand but shall not be less than the charge for a 3” meter.

Section 2. That Section 26-149 of the Code of the City of Fort Collins is hereby amended to read as follows:

**Sec. 26-149. Raw water requirement; nonresidential service.**

(a) Nonresidential service shall apply to all services not included in the residential category and shall include without limitation all commercial, industrial, public entity, group housing, such as nursing homes, fraternities, hotels and motels, and mixed-use customers.

(b) The minimum RWR for water meters up to three and zero tenths (3.0) inches in diameter are as follows:

<i>Meter Size (inches)</i>	<i>RWR (acre-feet)</i>
¾	.90
1.0	3.00
1.5	6.00
2.0	9.60
3.0	14.40

(c) The RWR for customers requiring a meter larger than three and zero tenths (3.0) inches, and for customers requiring two (2) or more meters, shall be determined by multiplying the applicant's estimate of peak annual use, or the total annual allotment for the meter or meters, whichever is greater, by one and ninety-two one-hundredths (1.92), provided that such estimate is first approved and accepted by the General Manager.

(d) Upon application for a water service permit after March 1, 1984, each applicant who is a nonresidential user ~~is~~ shall be assigned an annual allotment of water equal to the greater of the RWR as determined pursuant to this Section ~~or~~ and any RWR ~~previously that was~~ satisfied at the time of application for nonresidential water service. Further, in the event that, pursuant to subsection (f) of this Section 2, a nonresidential user submits more raw water than required under the provisions of this subsection, then the annual allotment shall be determined pursuant to said subsection (f). When a user uses more water than the annual allotment, as determined by monthly billing records in a given calendar year, ~~than the annual allotment,~~ a raw water surcharge in the amount prescribed in § 26-129 will be assessed on the volume of water used in excess of the annual allotment.

(e) In the event an applicant applying for a nonresidential water service permit has, prior to March 1, 1984, surrendered water rights or otherwise satisfied the requirements of the

City under an earlier water development program, then the minimum RWR for that property ~~will~~shall be considered satisfied under this Section. However, such nonresidential user ~~will~~shall be subject to the raw water surcharge when the annual allotment is exceeded.

(f) A nonresidential user may increase said user's annual allotment by submitting more water rights, City certificates or cash ~~than in addition to~~ the minimum required, ~~and such~~Such submission, if made on or before December 31, 2007, shall be deemed to raise the user's allotment by an equivalent amount. Such submission, if made after December 31, 2007, shall raises the user's annual allotment ~~in a like amount~~by the amount of equivalent water rights submitted in acre-feet divided by 1.92.

Section 3. That paragraph (b) of Section 26-150 of the Code of the City of Fort Collins is hereby amended to read as follows:

(b) The satisfaction of the minimum ~~RWR~~RWR shall be made no later than the time of issuance of the water service permit. An owner of water rights or City certificates may submit acceptable water rights and/or City certificates to the City, whether or not an application for a water service permit is pending, and be credited accordingly for raw water value. Such credit may then be used to satisfy, in whole or in part, assessed RWR on subsequent application for a water service permit. Upon request, the City will convert such credit into a City water certificate in any desired amount not to exceed the amount of credit being carried by the City and issue such certificate to the owner. Once the credits have been designated to a particular premises in satisfaction of the RWR for water service, they shall not be transferred to another property.

Section 4. That the amendments to Chapter 26 of the City Code contained herein shall go into effect on January 1, 2008.

Introduced and considered favorably on first reading, and ordered published this 16th day of October, A.D. 2007, and to be presented for final passage on the 20th day of November, A.D. 2007.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Passed and adopted on final reading on the 20th day of November, A.D. 2007.

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Mayor

ATTEST:

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City Clerk

ORDINANCE NO. 120, 2007  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AMENDING CHAPTER 26  
OF THE CODE OF THE CITY OF FORT COLLINS  
RELATING TO WASTEWATER RATES AND CHARGES

WHEREAS, the City Council is empowered and directed by Article XII, Section 6, of the Charter of the City of Fort Collins, Colorado, 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 of the wastewater utility, as set forth therein; and

WHEREAS, Section 26-277 of the Code of the City of Fort Collins requires that the City Manager analyze the operating and financial records of the wastewater utility during each calendar year and recommend to the City Council the user rate fees or adjustments to be in effect for the following year; and

WHEREAS, Section 26-277 further requires that the user rates shall be revised as necessary to assure equity of the rate system established and to assure that sufficient funds are obtained to adequately operate and maintain the wastewater system; and

WHEREAS, the treatment performance of the Mulberry Wastewater Reclamation Plant has significantly degraded and \$31.8 million is required to upgrade the plant's secondary treatment processes, to prepare the plant for future regulation-based improvements and to make odor control improvements; and

WHEREAS, such improvements are not related to growth and will require increased user rates over the next five years in order to generate sufficient revenues to repay the debt to finance these needed improvements; and

WHEREAS, the City Manager has recommended to the City Council that the following wastewater rates be imposed for the billing year beginning January 1, 2008; and

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

Section 1. That Section 26-280 of the Code of the City of Fort Collins is hereby amended to read as follows:

**Sec. 26-280. Service charges established by category.**

The schedule of rates for each category described in § 26-279 shall be as follows:

<i>Category</i>	<i>Class of Customer</i>	<i>Rate</i>
A	Single-family residential user (flat rate)	<del>\$20.67</del> <u>\$23.15</u> per month
	Single-family residential user (metered water use)	<del>\$9.12</del> <u>\$10.21</u> per month plus <del>\$1.820</del> <u>\$2.038</u> per 1,000 gallons of either winter quarter water use or 3,000 gallons, whichever is greater
B	Duplex (two-family) residential users (flat rate)	<del>\$32.79</del> <u>\$36.72</u> per month
	Duplex (two-family) residential users (metered water use)	<del>\$12.17</del> <u>\$13.63</u> per month plus <del>\$1.820</del> <u>\$2.038</u> per 1,000 gallons of either winter quarter water use or 4,000 gallons, whichever is greater
C	Multi-family residential user (more than two dwelling units including mobile home parks) and winter quarter based nonresidential user	<del>\$1.820</del> <u>\$2.038</u> per 1,000 gallons of winter quarter water use, plus a base charge of <del>\$1.44</del> <u>\$1.61</u> per month per dwelling unit served
D	Minor nonresidential user	<del>\$1.820</del> <u>\$2.038</u> per 1,000 gallons of water use, measured sewage flow or winter quarter water use, whichever is applicable, plus the following applicable base charge:

<i>Size of water meter (inches)</i>	<i>Base charge</i>
¾ or smaller	\$ <del>-6.14</del> <u>6.88</u>
1	<del>14.03</del> <u>15.71</u>
	<del>28.40</del> <u>31.81</u>
1½	<del>31.81</del> <u>31.81</u>
	<del>47.53</del> <u>53.23</u>
2	<del>53.23</del> <u>53.23</u>
	<del>78.98</del> <u>88.46</u>
3	<del>88.46</del> <u>88.46</u>

4	<del>132.64</del> <u>148.56</u>
6	<del>650.30</del> <u>728.34</u>
8	<del>706.14</del> <u>790.88</u>

E and F Intermediate nonresidential user ~~\$1.820~~ \$2.038 per 1,000 gallons of water use, measured wastewater flow or winter quarter water use, whichever is applicable; plus a surcharge of ~~\$1.744~~ \$1.953 per million gallons for each milligram per liter of suspended solids in excess of 250 milligrams per liter; plus a surcharge of ~~\$1.464~~ \$1.640 per million gallons for each milligram per liter of BOD in excess of 200 milligrams per liter or a surcharge of ~~\$0.903~~ \$1.011 per million gallons for each milligram per liter of COD in excess of 300 milligrams per liter, or a surcharge of ~~\$2.621~~ \$2.936 per million gallons for each milligram per liter of TOC in excess of 100 milligrams per liter, whichever is applicable. The user shall pay this calculated amount plus the applicable base charge set forth below:

<i>Size of water meter (inches)</i>	<i>Base charge</i>
¾ or smaller	\$ <del>6.14</del> <u>6.88</u>
1	<del>14.03</del> <u>15.71</u>
1½	<del>28.40</del> <u>31.81</u>
2	<del>47.53</del> <u>53.23</u>
3	<del>78.98</del> <u>88.46</u>
4	<del>132.64</del> <u>148.56</u>
6	<del>650.30</del> <u>728.34</u>

- G User outside City limits The rate for users outside the City limits shall be the same as for like service inside the City limits as is specified in Categories A—F and H in this Section
- H Special with agreement The rate pursuant to a special wastewater services agreement approved by the City Council pursuant to § 26-290 shall be set forth in said agreement.

Section 2. That paragraph (a) of Section 26-282 of the Code of the City of Fort Collins is hereby amended to read as follows:

**Sec. 26-282. Wastewater strength or industrial surcharges and categories established.**

(a) The schedule of wastewater strength surcharge for customers located either inside or outside the City limits shall be as follows:

<i>Parameter</i>	<i>Excess over (mg/l)</i>	<i>Rate per 1,000 gallons</i>
BOD	200	<del>0.001464</del> <u>0.001640</u>
COD	300	<del>0.000903</del> <u>0.001011</u>
TOC	100	<del>0.002621</del> <u>0.002936</u>
TSS	250	<del>0.001744</del> <u>0.001953</u>

Section 3. That the amendments to Chapter 26 of the City Code contained herein shall go into effect on January 1, 2008.

Introduced and considered favorably on first reading, and ordered published this 16th day of October, A.D. 2007, and to be presented for final passage on the 20th day of November, A.D. 2007.

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Mayor

ATTEST:

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City Clerk



Passed and adopted on final reading on the 20th day of November, A.D. 2007.

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Mayor

ATTEST:

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City Clerk

ORDINANCE NO. 121, 2007  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AMENDING CHAPTER 26 OF THE CODE OF THE CITY OF FORT COLLINS  
TO REVISE SEWER PLANT INVESTMENT FEES

WHEREAS, the City Council is empowered and directed by Article XII, Section 6, of the Charter of the City of Fort Collins, Colorado, 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 of the wastewater utility, as set forth therein; and

WHEREAS, Section 26-277 of the Code of the City of Fort Collins, requires that the City Manager analyze the operating and financial records of the wastewater utility during each calendar year and recommend to the City Council the user rate fees or adjustments to be in effect for the following year; and

WHEREAS, Section 26-283 of the City Code provides that the City Manager review the rates and parameters of the Sewer Plant Investment Fees annually and present them to City Council for approval no less frequently than biennially; and

WHEREAS, a study of the Sewer Plant Investment Fees was conducted in 2005 which recommended an increase in Plant Investment Fees of 174%; and

WHEREAS, in light of the magnitude of those proposed increases, City Council determined in 2005 to buffer the impact of the fees by phasing them in over a three year period; and

WHEREAS, the first phase of the new fees was adopted by Ordinance 134, 2005 and was effective January 1, 2006; and

WHEREAS, the second phase of the new fees was adopted by Ordinance 174, 2006 and was effective January 1, 2007; and

WHEREAS, in accordance with Council's earlier direction, the City Manager now recommends that the final phase of the fees recommended in 2005 be adopted to be effective January 1, 2008.

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

Section 1. That paragraphs (a) and (d) of Section 26-284 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-284. Sewer plant investment fees and surcharges established.

(a) The schedule of sewer plant investment fees, subject to the exceptions and additional requirements provided in this Section, is as follows:

<i>Category</i>	<i>SPIF</i>
A	<del>\$2,223.</del> <u>\$3,194.</u>
B and C	<del>\$1,583</del> <u>\$2,070.</u> for each dwelling unit or mobile home space

<i>Category</i>	<i>Water meter size (inches)</i>	<i>Fee</i>
D, E, F	¾	<del>\$ 4749.</del> <u>\$ 6,209.</u>
	1	<del>12,151.</del> <u>16,358.</u>
	1½	<del>21,965.</del> <u>28,397.</u>
	2	<del>38,865.</del> <u>50,964</u>
	3	<del>81,086.</del> <u>121,480</u>
	4 and above	Calculated on an individual basis based on peak wastewater flow (determined in the manner set forth hereinafter) but no less than the charge for a three-inch meter.
G		Same as equivalent category, plus any special sanitation district fees.
H		Determined pursuant to paragraph (d) of this Section.

....

(d) The amount of the plant investment fee and surcharge for each nonresidential surcharged user, users in Category H and any user that is expected to generate greater than its proportionate share of peak day flow at the treatment plant for the applicable category (including both contributed wastewater volume and volume related to infiltration and inflow), shall be calculated utilizing the following formula:

$$\text{SPIF} = \text{Flow} \times [\text{Flow}_{\$} + (\text{BOD} \times \text{BOD}_{\$}) + (\text{TSS} \times \text{TSS}_{\$})]$$

Where:

SPIF = Plant investment fee for Category H users and users discharging wastewater with average concentrations of BOD and/or TSS which exceed those average concentrations which are set forth in § 26-282(b) under Category E-34

Flow = The user's proportionate share of peak day flow at the treatment plant including both contributed wastewater volume and volume related to infiltration and inflow

Flow<sub>s</sub> = ~~\$3.59~~ \$5.31 per gallon (unit cost of facilities attributable to treating wastewater flow)

BOD = Average BOD concentration for user category or measured BOD concentration for the user as determined in accordance with Subsection (c) of this Section, but not less than 200 mg/l

BOD<sub>s</sub> = ~~\$0.0078~~ \$0.0116 per mg/l (unit cost of facilities attributable to treating BOD)

TSS = Average TSS concentration for user category or measured TSS concentration for the user as determined in accordance with Subsection (c) of this Section, but not less than 250 mg/l

TSS<sub>s</sub> = ~~\$0.0062~~ \$0.0093 per mg/l (unit cost of facilities attributable to treating TSS)

Section 2. That the amendments to Chapter 26 of the City Code contained herein shall go into effect on January 1, 2008.

Introduced and considered favorably on first reading, and ordered published this 16th day of October, A.D. 2007, and to be presented for final passage on the 20th day of November, A.D. 2007.

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Mayor

ATTEST:

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City Clerk

Passed and adopted on final reading on the 20th day of November, A.D. 2007.

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Mayor

ATTEST:

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City Clerk

ORDINANCE NO. 122, 2007  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AMENDING CHAPTER 26  
OF THE CODE OF THE CITY OF FORT COLLINS  
RELATING TO ELECTRIC RATES, FEES AND CHARGES

WHEREAS, the City Council is empowered and directed by Article XII, Section 6, of the Charter of the City of Fort Collins, Colorado, 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 of the electric utility, as set forth therein; and

WHEREAS, Platte River Power Authority has indicated that the wholesale cost of power will increase approximately 3% in 2008; and

WHEREAS, the City Manager has recommended that the rates for electric service be adjusted to reflect this increase in purchase power costs; and

WHEREAS, improved metering technology has enabled to the Utilities to calculate a customer's power factor without periodic testing; and

WHEREAS, the City Manager and staff have recommended to the City Council the following adjustments to the electric rates for all billings issued with meter readings on or after January 1, 2008; and

WHEREAS, based on the foregoing, it is the desire of the City Council to amend Chapter 26 of the City Code to revise electric rates, fees and charges.

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

Section 1. That paragraph (c) of Section 26-464 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-464. Residential energy service, schedule R.

....

(c) *Monthly rate.* The monthly rates for this schedule are as follows:

(1) Fixed charge, per account: Three dollars and sixty-nine cents (\$3.69).

(2) Demand charge, per kilowatt-hour: Two and ~~seventy~~seventy-eight one-hundredths cents (~~\$0.0270~~ \$0.0278).

(3) Distribution facilities charge, per kilowatt-hour: One and fifty-six one-hundredths cents (\$0.0156).

(4) Energy charge, per kilowatt-hour: One and ~~seventy-four~~ seventy-nine one-hundredths cents (~~\$0.0174~~ \$0.0179).

(5) In lieu of taxes and franchise: a charge at the rate of six and zero-tenths (6.0) percent of all monthly service charges billed pursuant to this Section.

...

Section 2. That paragraph (c) of Section 26-465 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-465. Residential demand service, schedule RD.

...

(c) *Monthly rate.* The monthly rates are as follows:

(1) Fixed charge, per account: Six dollars and eight cents (\$6.08).

(2) Demand charge, per kilowatt: ~~Three~~ Four dollars and ~~ninety-four~~ five cents (~~\$3.94~~ \$4.05).

(3) Distribution facilities charge, per kilowatt-hour: One and twelve one-hundredths cents (\$0.0112).

(4) Energy charge, per kilowatt-hour: One and ~~seventy-four~~ seventy-nine one-hundredths cents (~~\$0.0174~~ \$0.0179).

(5) In lieu of taxes and franchise: a charge at the rate of six and zero-tenths (6.0) percent of monthly service charges billed pursuant to this Section.

...

Section 3. That paragraphs (c) and (i) of Section 26-466 of the Code of the City of Fort Collins are hereby amended to read as follows:

Sec. 26-466. General service, schedule GS.

...

(c) *Monthly rate.* The monthly rates for this schedule are as follows:

(1) Fixed charge, per account:

- a. Single-phase, two-hundred-ampere service: Two dollars and eighty-four cents (\$2.84).
- b. Single-phase, above two-hundred-ampere service: Seven dollars and forty-six cents (\$7.46).
- c. Three-phase, two-hundred-ampere service: Four dollars and sixty-one cents (\$4.61).
- d. Three-phase, above two-hundred-ampere service: Eight dollars and seventy-three cents (\$8.73).

(2) Demand charge, per kilowatt-hour:

- a. First two thousand (2,000) kilowatt-hours: ~~Three and eighty-nine one-hundredths~~ four cents (~~\$0.0389~~ \$0.0400).
- b. Next five thousand (5,000) kilowatt-hours: One and ~~eighty-three~~ eighty-eight one-hundredths cents (~~\$0.0183~~ \$0.0188).
- c. All additional kilowatt-hours: Zero (\$0.00).

(3) Demand charge, per kilowatt:

- a. All kilowatts billed in excess of twenty-five (25) kilowatts: Six dollars and ~~seventy-nine~~ ninety-nine cents (~~\$6.79~~ \$6.99).

(4) Distribution facilities charge, per kilowatt-hour: One and forty-two one-hundredths cents (\$0.0142).

(5) Energy charge, per kilowatt-hour: One and ~~seventy-four~~ seventy-nine one-hundredths cents (~~\$0.0174~~ \$0.0179).

(6) In lieu of taxes and franchise: a charge at the rate of six and zero-tenths (6.0) percent of all monthly service charges billed pursuant to this Section.

...

(i) *Power factor adjustment.* Power factor shall be determined by ~~periodic testing~~ using ~~graphic~~ watt and volt-ampere ~~reactive instruments~~ measurements collected by the electric meter at the point of service. ~~Such test results~~ The power factor calculated from such measurements shall be the basis of billing adjustment until satisfactory correction has been made. ~~Periodic testing Review~~ shall be conducted on ~~an approximate six month schedule or as otherwise determined~~ a monthly basis by the utility. If the power factor falls below ninety-percent lagging, a power factor adjustment may be made by increasing the billing demand by one (1) percent for each one (1) percent ~~or major fraction thereof~~



by which the power factor is less than ninety-percent lagging. This adjustment shall be based on the power factor at the time of maximum demand as recorded during the ~~periodic test~~ billing period.

...

Section 4. That paragraphs (c) and (j) of Section 26-467 of the Code of the City of Fort Collins are hereby amended to read as follows:

Sec. 26-467. General service 50, schedule GS50.

...

(c) *Monthly rate.* The monthly rates for this schedule are as follows:

(1) Fixed charge, per account: Twenty-five dollars and zero cents (\$25.). An additional charge of forty dollars and zero cents (\$40.) may be assessed if telephone communication service is not provided by the customer.

(2) Coincident demand charge, per kilowatt: Twelve dollars and ~~thirty one sixty-seven~~ seven cents (~~\$12.31~~ \$12.67) but not less than one cent (\$.01) per kilowatt-hour.

(3) Distribution facilities demand charge, per kilowatt: Four dollars and thirty-one cents (\$4.31).

(4) Energy charge, per kilowatt-hour: One and ~~seventy four~~ seventy-nine one-hundredths cents (~~\$0.0174~~ \$0.0179).

(5) In lieu of taxes and franchise: a charge at the rate of six and zero-tenths (6.0) percent of all monthly service charges billed pursuant to this Section.

...

(j) *Power factor adjustment.* Power factor shall be determined by ~~periodic testing~~ using ~~graphic~~ watt and volt-ampere reactive ~~instruments measurements collected by the electric meter at the point of service.~~ Such test results ~~The power factor calculated from such measurements~~ shall be the basis of billing adjustment until satisfactory correction has been made. ~~Periodic testing Review~~ shall be conducted on ~~an approximate six month schedule or as otherwise determined a monthly basis~~ by the utility. If the power factor falls below ninety-percent lagging, a power factor adjustment may be made by increasing the coincident and distribution facilities demand by one (1) percent for each one (1) percent ~~or major fraction thereof~~ by which the power factor is less than ninety-percent lagging. This adjustment shall be based on the power factor at the time of maximum demand as recorded during the periodic test billing period.

...

Section 5. That paragraphs (c) and (k) of Section 26-468 of the Code of the City of Fort Collins are hereby amended to read as follows:

Sec. 26-468. General service 750, schedule GS750.

...

(c) *Monthly rate.* The monthly rates for this schedule are as follows:

(1) Fixed charge, per account: Thirty dollars and sixty cents (\$30.60).

a. Additional charge for each additional metering point: Twenty-five dollars and ninety-two cents (\$25.92).

b. An additional charge of forty dollars and zero cents (\$40.) for each metering point may be assessed if telephone communication service is not provided by the customer.

(2) Coincident demand charge, per kilowatt: Twelve dollars and ~~thirteen-forty-eight~~ eight cents (~~\$12.13~~ \$12.48) but not less than one cent (\$0.01) per kilowatt-hour.

(3) Distribution facilities demand charge, per kilowatt:

a. First seven hundred fifty (750) kilowatts: Four dollars and twenty-five cents (\$4.25).

b. All additional kilowatts: Two dollars and ninety-one cents (\$2.91).

(4) Energy charge, per kilowatt-hour: One and ~~seventy-one~~ seventy-six one-hundredths cents (~~\$0.0171~~ \$0.0176).

(5) In lieu of taxes and franchise: a charge at the rate of six and zero-tenths (6.0) percent of all monthly service charges billed pursuant to this Section.

...

(k) *Power factor adjustment.* Power factor shall be determined by ~~periodic testing~~ using ~~graphic~~ watt and volt-ampere reactive ~~instruments~~ measurements collected by the electric meter at the point of service. ~~Such test results~~ The power factor calculated from such measurements shall be the basis of billing adjustment until satisfactory correction has been made. ~~Periodic testing Review~~ shall be conducted on ~~an approximate six-month schedule or as otherwise determined a monthly basis~~ by the utility. If the power factor falls below ninety-percent lagging, a power factor adjustment may be made by increasing the coincident and distribution facilities demand by one (1) percent for each one (1) percent ~~or major fraction thereof~~ by which the power factor is less than ninety-percent

lagging. This adjustment shall be based on the power factor at the time of maximum demand as recorded during the periodic test billing period.

Section 6. That paragraph (b) of Section 26-469 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-469. Special area floodlighting, schedule FL.

...

(b) *Monthly rate*. The monthly rates (including a six-and-zero-tenths-percent charge in lieu of taxes and franchise) are as follows:

(1) Charge per lamp, mercury vapor:

a. One-hundred-seventy-five-watt: Fifteen dollars and ~~five~~ sixty-four cents (~~\$15.55~~ \$15.64).

b. Two-hundred-fifty-watt: Eighteen dollars and ~~eight~~ forty cents (~~\$18.28~~ \$18.40).

c. Four-hundred-watt: ~~Twenty-three~~ Twenty-four dollars and ~~nine~~ eight cents (~~\$23.89~~ \$24.08).

(2) Charge per lamp, high-pressure sodium:

a. Seventy-watt: Six dollars and ~~seven~~ sixty-one cents (~~\$6.57~~ \$6.61).

b. One-hundred-watt: Nine dollars and thirty-~~five~~ cents (~~\$9.30~~ \$9.35).

c. One-hundred-fifty-watt: Fourteen dollars and ~~two~~ eighty cents (~~\$14.72~~ \$14.80).

d. Two-hundred-fifty-watt: Eighteen dollars and ~~seventy~~ eighty-three cents (~~\$18.70~~ \$18.83).

e. Four-hundred-watt: Twenty-four dollars and ~~four~~ eighty-four cents (~~\$24.64~~ \$24.84).

...

Section 7. That paragraph (c) of Section 26-470 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-470. Traffic signal service, schedule T.

(c) *Monthly rate.* The monthly rates (including a six-and-zero-tenths-percent charge in lieu of taxes and franchise) are as follows:

(1) Fixed charge, per account: Forty-nine dollars and fifty-one cents (\$49.51).

(2) Charge, per kilowatt-hour: Four and ~~sixty-one~~seventy-two one-hundredths cents (~~\$0.0461~~ \$0.0472).

(3) Equipment rental charges, when applicable, will be determined by cost analysis by the utility. Service extensions and signal installations made by the utility shall be paid for by the City general fund, subject to material and installation costs at the time of installation.

...

Section 8. That the amendments to Chapter 26 of the City Code contained herein shall go into effect for all bills issued with meter readings on or after January 1, 2008.

Introduced and considered favorably on first reading, and ordered published this 16th day of October, A.D. 2007, and to be presented for final passage on the 20th day of November, A.D. 2007.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Passed and adopted on final reading on the 20th day of November, A.D. 2007.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

ORDINANCE NO. 123, 2007  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AMENDING CHAPTER 26  
OF THE CODE OF THE CITY OF FORT COLLINS  
TO REVISE ELECTRIC DEVELOPMENT FEES AND CHARGES

WHEREAS, the City Council is empowered and directed by Article XII, Section 6, of the Charter of the City of Fort Collins, Colorado, 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 of the electric utility, as set forth therein; and

WHEREAS, the City Council has determined that it is appropriate for new development to contribute its proportionate share of providing capital improvements; and

WHEREAS, Section 26-471 of the City Code requires that the City Manager review electric development fees annually and present the fees to the City Council for approval no less than biennially; and

WHEREAS, the City Manager and staff have recommended to the City Council the following adjustments to the electric development fees and charges for all billings issued on or after January 1, 2008; and

WHEREAS, based on the foregoing, it is the desire of the City Council to amend Chapter 26 of the City Code to revise electric development fees and charges.

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

Section 1. That paragraphs (b) and (c) of Section 26-472 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-472. Residential electric development fees and charges.

...

(b) The ECF shall be the total of the site footage charge, dwelling charge and systems modification charge, to be determined as follows:

(1) The site footage charge shall be the combined total of:

a. Four and ~~two hundred fifteen one-thousandths~~ seven hundred thirty-one one-thousandths cents (~~\$0.04215~~ \$0.04731) per square foot of developed site square footage, including all applicable tracts but excluding the area dedicated public rights-of-way; and

b. ~~Seven-Nine~~ dollars and ~~ninety-fifty-three~~ cents (~~\$7.90~~ ~~\$9.53~~) per lineal foot of the developed site abutting a dedicated street or roadway.

(2) The dwelling unit charge shall be as follows:

a. For single-family panel size with one-hundred-fifty-amp service (nonelectric heat), one thousand ~~seventy-eight~~ ~~one-hundred~~ ~~seventy-seven~~ dollars (~~\$1,078.~~~~\$1,177.~~) per dwelling unit;

b. For single-family panel size with two-hundred-amp service (nonelectric heat or electric heat), one thousand ~~eight hundred six~~ ~~nine hundred ninety-one~~ dollars (~~\$1,806.~~ ~~\$1,991~~) per dwelling unit;

c. For multi-family panel size with one-hundred-fifty-amp service (nonelectric heat), seven hundred ~~nineteen-eighty-five~~ dollars (~~\$719.~~~~\$785.~~) per dwelling unit;

d. For multi-family panel size with two-hundred-amp service (nonelectric heat or electric heat), one thousand ~~two hundred sixty seven~~ ~~three hundred ninety-nine~~ dollars (~~\$1,267.~~~~\$1,399.~~) per dwelling unit.

(3) A system modifications charge will apply when a new or modified service will require infrastructure in addition to or different from the standard base electrical system model. The differential costs associated with such system modifications will be included in the calculated ECF.

(c) A Building Site Charge ("BSC") for any new or modified residential service shall be paid prior to issuance of a building permit for the related construction or modification. The BSC shall be based upon the current rates as of the time of issuance of the building permit. The BSC shall be the total of the secondary service charges, and any additional charges, determined as follows:

(1) The secondary service charge shall be as follows:

<i>Secondary Service Size</i>	<i>Charge (up to 65 feet)</i>	<i>Plus Per Foot Charge For Each Foot Over 65</i>
1/0 service	<del>\$585.00</del> <del>\$625.00</del>	<del>\$4.24</del> <del>\$4.50</del> /Foot
4/0 service	<del>\$756.00</del> <del>\$787.00</del>	<del>\$5.46</del> <del>\$5.45</del> /Foot
350 kCM Service	<del>\$732.00</del> <del>\$873.00</del>	<del>\$5.82</del> <del>\$6.92</del> /Foot
1/0 Mobile Home Service	<del>\$458.00</del> <del>\$490.00</del>	N/A
4/0 Mobile Home Service	<del>\$593.00</del> <del>\$623.00</del>	N/A

(2) Actual special costs to the utility of installation of secondary service resulting from site conditions shall be included in the BSC as additional charges. Such conditions may include, but are not limited to, frozen or rocky soil, concrete cutting and asphalt replacement.

...

Section 2. That paragraphs (b) and (c) of Section 26-473 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-473. Nonresidential electric development fees and charges.

...

(b) The ECF shall be the total of the site footage charge, service entrance charge and systems modification charge, to be determined as follows:

(1) The site footage charge shall be the combined total of:

a. Four ~~and two hundred fifteen one-thousandths~~ seven hundred thirty-one one-thousandths cents (~~\$0.04215~~ \$0.04731) per square foot of developed site square footage, including all applicable tracts but excluding the area of dedicated public rights-of-way; and

b. ~~Twenty-nine~~ Thirty-five dollars and ~~eighty-three fifty-two~~ cents (~~\$29.83~~ \$35.52) per lineal foot of the developed site abutting a dedicated street or roadway.

(2) The service entrance charge shall be ~~as follows:~~ fifty-five dollars and eleven cents (\$55.11) per kilovolt-amp (kVA) of service entrance rating for Utility-owned transformers and forty-five dollars and seventy-eight cents (\$45.78) per kVA of service entrance rating for customer-owned transformers.

~~a. For single phase service at two hundred eight (208) volts, nine hundred forty six dollars (\$946.) per one hundred (100) amps;~~

~~b. For single phase service at two hundred forty (240) volts, one thousand ninety one dollars\_ (\$1,091.) per one hundred (100) amps;~~

~~c. For three phase service at two hundred eight (208) volts, one thousand six hundred thirty eight dollars\_ (\$1,638.) per one hundred (100) amps;~~

~~d. For three phase service at two hundred forty (240) volts, one thousand eight hundred ninety dollars\_ (\$1,890.) per one hundred (100) amps;~~

~~e. For three phase service at four hundred eighty (480) volts, three thousand seven hundred seventy nine dollars (\$3,779\_) per one hundred (100) amps.~~

(3) A system modifications charge will apply when a new or modified service will require infrastructure in addition to or different from the standard base electrical system model. The differential costs associated with such system modifications will be included in the calculated ECF.

(c) A Building Site Charge ("BSC") for extending primary circuitry to the transformer for any new or modified nonresidential service shall be invoiced and paid in the same manner and at the same time as the ECF is invoiced and paid pursuant to Subsection (a) of this Section. The BSC shall be the total of the primary circuit charge, transformer installation charge and any additional charges, determined as follows:

(1) The primary circuit charge for service from the utility source to the transformer shall be as follows:

a. For single-phase service, a charge of seven eight dollars and twenty seventy-eight cents (~~\$7.20~~ \$8.78) per foot of primary circuit;

b. For three-phase service, a charge of thirteen seventeen dollars and ten seventy-two cents (~~\$13.10~~ \$17.72) per foot of primary circuit.

(2) The transformer installation charge shall be as follows:

a. For single-phase service, a charge of one thousand one hundred nineteen forty-eight dollars (~~\$1,119~~ \$1,148) per transformer;

b. For three-phase service, a charge of two thousand ninety-seven two thousand one hundred thirty-two dollars (~~\$2,097~~ \$2,132.) per transformer.

(3) Actual special costs to the utility of installation of service resulting from site conditions shall be included in the BSC as additional charges. Such conditions may include, but are not limited to, frozen or rocky soil, concrete cutting and asphalt replacement.

...

Section 3. That the amendments to Chapter 26 of the City Code contained herein shall go into effect for all bills issued on or after January 1, 2008.



Introduced and considered favorably on first reading, and ordered published this 16th day of October, A.D. 2007, and to be presented for final passage on the 20th day of November, A.D. 2007.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Passed and adopted on final reading on the 20th day of November, A.D. 2007.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

ORDINANCE NO. 124, 2007  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AMENDING CHAPTER 26 OF  
THE CODE OF THE CITY OF FORT COLLINS  
TO REVISE STORMWATER PLANT INVESTMENT FEES

WHEREAS, Article XII Municipal Public Utilities, Section 6 Municipal Utility Rates and Finances, requires all net operating revenues of the city's utilities to be held within the respective utility's fund; and

WHEREAS, the City Council is empowered and directed by Article XII, Section 6, of the Charter of the City of Fort Collins, Colorado, 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 of the storm water utility, as set forth therein; and

WHEREAS, Section 26-511(a) of the Code requires that the City Manager review the rates and parameters of the Stormwater Plant Investment Fees annually and present them to City Council for approval no less frequently than biennially; and

WHEREAS, the City Council adopted Ordinance No. 136, 2005 on November 15, 2005, which established the stormwater plant investment fees now in effect; and

WHEREAS, the Council has adopted stormwater basin master plans recommending stormwater facilities that are necessary to provide for the proper drainage and control of flood and surface waters within the City; and

WHEREAS, the Council adopted Ordinance No. 168, 1998 determining that all developed lands within the City benefit by the installation of such stormwater facilities; and

WHEREAS, existing stormwater rate payers have paid for the design, right-of-way and construction of stormwater facilities identified in the drainage basin master plans that will benefit and be utilized by new development; and

WHEREAS, the Council has determined that new development should pay its proportionate share of the costs of the stormwater infrastructure as it exists at the time of development; and

WHEREAS, based on the foregoing, it is the desire of the City Council to amend Chapter 26 of the City Code to revise stormwater plant investment fees.

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

Section 1. That subparagraph (2) plant investment fee base rate of Section 26-512 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-512. Stormwater plant investment fees established.

.....

(2) *Plant investment fee base rate.* The stormwater plant investment fee base rate is ~~three thousand seven hundred~~ four thousand twenty dollars (~~\$3,070~~ \$4,420.) per gross acre of area.

.....

Section 2. That the amendments to Chapter 26 of the City Code contained herein shall go into effect January 1, 2008.

Introduced and considered favorably on first reading, and ordered published this 16th day of October, A.D. 2007, and to be presented for final passage on the 20th day of November, A.D. 2007.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Passed and adopted on final reading on the 20th day of November, A.D. 2007.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

ORDINANCE NO. 125, 2007  
OF THE COUNCIL OF THE CITY OF FORT COLLINS  
AMENDING CHAPTER 26 OF THE CODE OF THE CITY OF FORT COLLINS  
RELATING TO UTILITY CONNECTION FEES AND MISCELLANEOUS CHARGES

WHEREAS, the City Council is empowered and directed by Article XII, Section 6, of the Charter of the City of Fort Collins, Colorado, 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 of the such utility, as set forth therein; and

WHEREAS, with respect to the four City utilities, the City Code requires the City Manager to analyze the operating and financial records during each calendar year and recommend to the City Council the user fees or adjustments to be in effect for the following year; and

WHEREAS, due to the increased cost of processing turn off notices and returned payments, the City Manager recommends that the service fees be adjusted to reflect the costs.

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

Section 1. That paragraph (b) of Section 26-712 of the Code of the City of Fort Collins is hereby amended to read as follows:

Sec. 26-712. Utility bill and account charges authorized; procedures.

(b) The following account and miscellaneous fees and charges shall apply to all City utility customers receiving service pursuant to the terms of Chapter 26, whether within or outside of the corporate limits of the City, except as otherwise expressly stated:

Service connection fee for account with one or more metered services (including non metered services for the same account)	\$19.65
Customer-initiated rate change (after 90 days of new service)	\$19.65
Service connection fee for account with only non-metered services (stormwater, wastewater, wind, flat commercial electric, sprinkler clocks, cable towers and floodlights)	\$10.00
Service fee to reinstate an account to the owner/property manager between tenants	\$10.00
Turn-off notice fee	\$7.00

	<u>10.00</u>
Reconnect fee per service for water or electric following disconnection for delinquency	\$20.00
After-hours reconnect - Water (after 5:00 p.m. weekdays or weekend/holiday)	\$46.00
After-hours reconnect - Electric (after 5:00 p.m. weekdays or weekend/holiday)	\$55.45
Return item fee (check, electronic fund transfer, credit card, etc.)	<del>\$15.00</del> <u>25.00</u>
Owner-requested repair disconnect fee, per trip	\$20.00
Research/document fee per hour	\$20.00
Other miscellaneous charges will be based on direct cost plus 15% indirect costs.	

Section 2. That the amendments to Chapter 26 of the City Code contained herein shall go into effect on January 1, 2008.

Introduced and considered favorably on first reading, and ordered published this 16th day of October, A.D. 2007, and to be presented for final passage on the 20th day of November, A.D. 2007.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

Passed and adopted on final reading on the 20th day of November, A.D. 2007.

\_\_\_\_\_  
Mayor

ATTEST:

\_\_\_\_\_  
City Clerk

