

**ORDINANCE NO. 10, SERIES OF 2010**

**A ORDINANCE AMENDING SECTION 13.08.050 AND CERTAIN WATER RATE SCHEDULES FOR WATER SERVICE PROVIDED BY THE CAÑON CITY WATER DEPARTMENT, A WATER ACTIVITY ENTERPRISE.**

**WHEREAS**, the Cañon City Water Department, the City's Water Activity Enterprise, recently retained qualified consultants, HDR Engineering, Inc., to perform a comprehensive water rate study in order to develop a financial plan and associated water rate schedules that will generate sufficient revenue to fund the operating and capital needs of the enterprise; and

**WHEREAS**, such comprehensive water rate study has been completed and a report has been submitted to and accepted by the enterprise; and

**WHEREAS**, the Council of Cañon City, as governing body of the Water Activity Enterprise, now wishes to implement the recommendations of its consultant and implement new water rates that are consistent therewith.

**NOW THEREFORE, BE IT HEREBY ORDAINED BY THE COUNCIL OF CAÑON CITY**, as follows:

Section 1. Subsection 13.04.020 of the Cañon City Municipal Code is hereby amended by the addition of a new paragraph 15.5 and a revised paragraph 18, to read as follows:

15.5 "Meter Charge" means the basic charge billed to and payable by each water user connected to the water system for the privilege of being so connected. The meter charge is one of the two components of water rates payable by such users and is billed without regard to actual water consumption. Consumption charges are the second component of water rates applicable to such users.

18. "Multi-Unit", when used to describe a class of water rate, means the water rate chargeable with respect to a multi-unit facility that is served through a single water meter, subject to certain limited exceptions provided for in Sections 13.08.060 and 13.08.070 of Chapter 13.08.

Section 2. Subsection B of Section 13.08.045 shall be amended to read as follows:

B. Abandonment of Previously Valid Taps. Any previously valid connection to the Department water system will be deemed abandoned and null and void for all purposes if the site or structure previously receiving water service or entitled to receive water service has been disconnected or turned off for a period of twelve or more consecutive months, beginning on any date after August 1, 2008 unless, during such period, meter charges and/or account maintenance fees provided for in Section 13.08.050, plus applicable interest and/or other accrued charges, if any, have been paid in full with respect to all months during which the water service was disconnected or turned off. The owner of

property where a previously valid water tap was abandoned shall be treated as an applicant for new water service for all purposes under this chapter if such owner seeks to have water service restored to such owner's property.

Section 3. Section 13.08.050 is hereby repealed and re-enacted, to read as follows:

A. **Meter Charges.** Except as otherwise might be provided in this chapter, every water user whose property or structure is physically connected to the water system shall pay a periodic meter charge for the privilege of being connected to the water system. Such meter charge shall be calculated with respect to the size of the water meter serving such property or structure and shall be billed and payable without regard to whether any water was actually consumed by the water user during the applicable billing period. Meter charges shall be assessed and billed either monthly or quarterly, depending upon the rate classification of the water user, as reflected in the various water rate schedules set forth in Appendix 13.08 to this Chapter 13.08. Meter charges shall be assessed, billed and payable notwithstanding any discontinuation of water service that is requested by a water user or imposed by the Department with respect to the failure of a water service customer who is connected to the water system to pay fees and charges payable pursuant to the provisions of this Chapter 13.08.

B. **Water Consumption Charges Based Upon Metered Usage.** In addition to the applicable meter charge, all water users shall be charged for water delivered to them by the Department according to meter measurement. Charges with respect to such water consumption shall be calculated, billed and payable in accordance with the rates provided for in the various schedules appended to this Chapter 13.08, as the same may be amended from time to time.

C. **Monthly Account Maintenance Fee.**

1. A monthly account maintenance fee shall be charged to and payable by any person holding a valid water tap permit for the period beginning with the purchase of the water tap permit and ending when a physical connection of the property identified in such water tap permit to a Department water main has been made or such water tap permit has been abandoned pursuant to Section 13.08.045. Following the making of such connection, periodic meter charges and water consumption rates calculated in accordance with the applicable rate schedule appended to this Chapter 13.08 shall become billable and payable with respect to such water service customer.
2. Subject to the provisions of Section 13.08.045, persons holding or claiming to hold a valid water tap permit with respect to a property that was previously connected to the water system but which is no longer connected to the water system shall be billed and shall pay a monthly account maintenance fee in order to retain any rights for such property to be reconnected to the water system.

3. Persons holding a valid water tap permit with respect to a property that is connected to the water system shall be charged and pay applicable meter charges, notwithstanding that no water is delivered or consumed through such water service connection. Any such permit holder may voluntarily abandon any rights under the water tap permit and relinquish any and all rights to future water serviced based upon such abandoned water tap permit by executing and delivering to the Department a notice of intent to abandon on a form prepared or approved by the Department and thereafter be relieved of all future fees and charges associated with the abandoned water service connection. As an alternative to abandonment, such permit holder may disconnect from the water system by causing the removal of the water meter and appurtenances associated with the physical connection of the property of the permit holder to the water system, provided that such disconnection is accomplished in accordance with the requirements of the Department after written permission to make such disconnection has been obtained from the Department. Following any such disconnection, the permit holder shall become obligated to timely pay monthly account maintenance fees in order to retain rights under the water tap permit and shall be subject to the provisions of Section 13.08.045 respecting abandonment.

D. Non-payment of meter charges or monthly account maintenance fees, whichever is applicable, together with all accrued fees, charges, late charges and other sums then owing, for a period of twelve consecutive months will be conclusive evidence of a water user's intention to abandon any rights to continued or future water service based upon a previously-issued water tap permit.

Section 4. Section 13.08.060 of the Cañon City Municipal Code is hereby amended by the addition of a new subsection D to read as follows:

D. If such facilities are located within the boundaries of the City, the owners of the following types of multi-unit facilities shall pay inside non-residential water rates: duplexes; residential properties legally used for business or commercial purposes, including but not limited to home occupation businesses; and/or approved mixed-use facilities consisting of only one residential unit and only one business or commercial unit.

Section 5. Section 13.08.070 of the Cañon City Municipal Code is hereby amended by the addition of a new subsection D to read as follows:

D. If such facilities are located outside the boundaries of the City the owners of the following types of multi-unit facilities shall pay outside non-residential water rates: duplexes; residential properties legally used for business or commercial purposes, including but not limited to home occupation businesses; and/or approved mixed-use facilities consisting of only one residential unit and only one business or commercial unit.

Section 6. Subsection B of Section 13.08.080 is hereby repealed and re-enacted to read as follows:

B. **Golf Course Rates.** Because golf courses within the Department's water service area have been and will remain open to public play by local inhabitants, offer unique recreational opportunities, enhance quality of life, generate tourism and otherwise foster growth and economic development, the Department has deemed it to be in the public interest for water rates charged to golf courses to have been less than prevailing rates charged to other non-residential water users. It is the Department's goal to bring water rates for golf courses into parity with those applicable to other non-residential water users and uses, but the Department seeks to achieve such parity over a period of years in order to avoid situations where increased costs of water, coupled with other difficult economic circumstances, could force the closure of one or more golf courses and the community's loss of those unique public benefits enumerated in this subsection. Accordingly, unless otherwise specified by valid contract, water rates for all water sold by the Department to golf courses shall be as set forth in Schedule K of Appendix 13.08.

Section 7. Section 13.08.130 is hereby repealed and re-enacted to read as follows:

**13.08.130 Water Surcharge Zone Fees.**

A. **Establishment of Zones.** There are established three (3) water surcharge zones within the Department's water service area, to be designated as Zone I, Zone II and Zone III, respectively.

B. **Zone I.** Zone I shall include territory within which water users receive water that is pumped at the Department's expense only one time after such water leaves the water treatment plant and before it reaches the water users within the zone.

C. **Zone II.** Zone II shall include territory within which water users receive water that is pumped at the Department's expense twice after such water leaves the water treatment plant and before it reaches the water users within Zone II.

D. **Zone III.** Zone III shall include territory within which water users receive water that is pumped at the Department's expense three (3) or more times after such water leaves the water treatment plant and before it reaches the water users within Zone III.

E. **Water Surcharge Zone Maps.** The City Engineer shall prepare and maintain water surcharge zone maps clearly indicating the boundaries of all territory included within each water surcharge zone, as hereinabove described and designated. Territory included within a water surcharge zone need not be contiguous with other territory included in the same zone. Such maps shall be made available for public inspection and copying at City Hall during normal business hours.

F. **Zone Surcharges.** Water users within Zone I, Zone II and Zone III shall be charged on their periodic water billing statements for zone surcharge fees calculated by

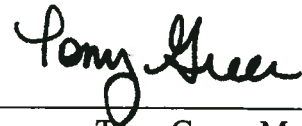
multiplying the water user's actual water consumption for the billing period times the applicable zone surcharge rate. Zone surcharge rates shall be based upon costs of electricity, equipment maintenance and associated labor that are specific to the users within the applicable surcharge zone and shall be in addition to all other charges payable by such water users.

G. Zone Surcharge Rates. Rates to be used to calculate water zone surcharge fees shall be as provided for in Schedule P of Appendix 13.08.

Section 8. As authorized and contemplated in Section 13.08.250A, Appendix 13.08 of Chapter 13.08 of the Cañon City Municipal Code is hereby amended by the adoption of new water rate Schedules D, E, F, G, H, I, J, K, N, O and P, which schedules are attached hereto and incorporated herein. The said new schedules shall supersede and replace those corresponding schedules of Appendix 13.08 that were in effect at the time of the adoption of this ordinance.

Section 9. For purposes of water billing, the City Administrator may implement the assessment, billing and collection of meter charges and water rates provided for in the new schedules adopted pursuant to Section 5 of this ordinance in an orderly progression with respect to each of the three billing cycles applicable to residential users. No meter charge or rate increase provided for in this ordinance shall be applied retroactively with respect to water delivered during a billing cycle that ended prior to the effective date of this ordinance.

Section 10. Safety Clause. The City Council hereby finds, determines, and declares that this ordinance is necessary for the immediate preservation of the public peace, health, and safety of the residents of the City.



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Tony Greer, Mayor

#### ATTESTATION & CERTIFICATION

04/05/2010 – Introduced, Read by title & Passed on first reading

04/09/2010 – Published

04/19/2010 – Passed & Adopted on second reading

04/24/2010 – Effective



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Becky Walker, MMC  
City of Cañon City, Colorado

## Appendix 13.08-A

### RATE AND FEE SCHEDULES

#### Schedules:

- A-1 Inside Tap Fees – Single Units.**
- A-2 Inside Tap Fees – Multi-Unit.**
- B-1 Outside Tap Fees – Single Units.**
- B-2 Outside Tap Fees – Multi-Unit.**
- C Monthly Account Maintenance Fee.**
- D Inside Residential Rates.**
- E Inside Non-Residential Rates.**
- F Inside Multi-Unit Rates.**
- G Outside Residential Rates.**
- H Outside Non-Residential Rates.**
- I Outside Multi-Unit Rates.**
- J Group Users.**
- K Golf Course Rate.**
- L City Rate.**
- M Former Lincoln Park Water District Outside Water Users.**
- N Bulk Water.**
- O Temporary Service.**
- P Zone Surcharge Rates.**
- Q Impact Fees.**
- R Water Department Service Fees.**

**SCHEDULE D**

**INSIDE RESIDENTIAL RATES**

As provided in Section 13.08.050 and subsection 13.08.060A, on and after May 1, 2010, the owner of each water service connection making water service available to a residential dwelling unit (and/or other permitted residential accessory structure or use) shall pay a quarterly Meter Charge as provided for in Part I of this schedule and for water consumption according to the rates set forth in Part II of this schedule.

**PART I**

<u>Meter Charge (Quarterly)</u>	<u>Amount</u>
For a 5/8" connection (meter size)	\$27.90
For a 3/4" connection	\$27.90
For a 1" connection	\$46.59

**PART II**

<u>Water Consumption (rounded to the nearest 1000)</u>	<u>Rate Per 1000 Gallons</u>
1,000 – 12,000 gallons	\$1.30
13,000 – 20,000 gallons	\$2.50
21,000 gallons or more	\$2.65

This table replaces and supersedes Schedule D to Appendix 13.08, as adopted through Ordinance No. 25, Series of 2008, with respect to water consumed on and after May 1, 2010.

## SCHEDULE E

### INSIDE NON-RESIDENTIAL RATES

As provided in Section 13.08.050 and subsection 13.08.060B, on and after May 1, 2010, the owner of each water service connection making water service available to a non-residential unit (and/or other permitted accessory structure or use) shall pay a quarterly Meter Charge as provided for in Part I of this schedule and for water consumption according to the rates set forth in Part II of this schedule.

#### PART I

<u>Meter Charge (Monthly)</u>	<u>Amount</u>
For a 5/8" connection (meter size)	\$ 9.30
For a 3/4" connection	\$ 9.30
For a 1" connection	\$ 15.53
For a 1-1/4" connection	\$ 20.18
For a 1-1/2" connection	\$ 30.97
For a 2" connection	\$ 49.57
For a 3" connection	\$ 93.00
For a 4" connection	\$155.03
For a 6" connection	\$309.97
For a 8" connection	\$495.97
For a 10" connection	\$713.03

#### PART II

<u>Water Consumption (rounded to the nearest 1000)</u>	<u>Rate Per 1000 Gallons</u>
1,000 – 3,000,000 gallons	\$2.25
3,001,000 gallons or more	\$1.90

This table replaces and supersedes Schedule E to Appendix 13.08, as adopted through Ordinance No. 25, Series of 2008, with respect to water consumed on and after May 1, 2010.



## SCHEDULE F

### INSIDE MULTI-UNIT RATES

As provided in Section 13.08.050 and subsection 13.08.060C, on and after May 1, 2010, the owner of each water service connection making water service available to a multi-unit facility (and/or other permitted accessory structure or use) shall pay a quarterly Meter Charge as provided for in Part I of this schedule and for water consumption according to the rates set forth in Part II of this schedule.

#### PART I

<u>Meter Charge (Monthly)</u>	<u>Amount</u>
For a 5/8" connection (meter size)	\$ 9.30
For a 3/4" connection	\$ 9.30
For a 1" connection	\$ 15.53
For a 1-1/4" connection	\$ 20.18
For a 1-1/2" connection	\$ 30.97
For a 2" connection	\$ 49.57
For a 3" connection	\$ 93.00
For a 4" connection	\$155.03
For a 6" connection	\$309.97
For a 8" connection	\$495.97
For a 10" connection	\$713.03

#### PART II

<u>Water Consumption (rounded to the nearest 1000)</u>	<u>Rate Per 1000 Gallons</u>
1,000 – 1,000,000 gallons	\$3.60
1,001,000 gallons or more	\$2.90

This table replaces and supersedes Schedule F to Appendix 13.08, as adopted through Ordinance No. 25, Series of 2008, with respect to water consumed on and after May 1, 2010.

## SCHEDULE G

### OUTSIDE RESIDENTIAL RATES

As provided in Section 13.08.050 and subsection 13.08.070A, on and after May 1, 2010, the owner of each water service connection making water service available to a residential dwelling unit (and/or other permitted residential accessory structure or use) shall pay a quarterly Meter Charge as provided for in Part I of this schedule and for water consumption according to the rates set forth in Part II of this schedule.

#### PART I

<u>Meter Charge (Quarterly)</u>	<u>Amount</u>
For a 5/8" connection (meter size)	\$41.85
For a 3/4" connection	\$41.85
For a 1" connection	\$69.90

#### PART II

<u>Water Consumption (rounded to the nearest 1000)</u>	<u>Rate Per 1000 Gallons</u>
1,000 – 12,000 gallons	\$2.02
13,000 – 20,000 gallons	\$3.88
21,000 gallons or more	\$4.11

This table replaces and supersedes Schedule G to Appendix 13.08, as adopted through Ordinance No. 25, Series of 2008, with respect to water consumed on and after May 1, 2010.

## SCHEDULE H

### OUTSIDE NON-RESIDENTIAL RATES

As provided in Section 13.08.050 and subsection 13.08.070B, on and after May 1, 2010, the owner of each water service connection making water service available to a non-residential dwelling unit (and/or other permitted accessory structure or use) shall pay a quarterly Meter Charge as provided for in Part I of this schedule and for water consumption according to the rates set forth in Part II of this schedule.

#### PART I

<u>Meter Charge (Monthly)</u>	<u>Amount</u>
For a 5/8" connection (meter size)	\$ 13.95
For a 3/4" connection	\$ 13.95
For a 1" connection	\$ 23.30
For a 1-1/4" connection	\$ 30.27
For a 1-1/2" connection	\$ 46.45
For a 2" connection	\$ 74.35
For a 3" connection	\$ 139.50
For a 4" connection	\$ 232.55
For a 6" connection	\$ 464.95
For a 8" connection	\$ 743.95
For a 10" connection	\$1,069.55

#### PART II

<u>Water Consumption (rounded to the nearest 1,000)</u>	<u>Rate Per 1000 Gallons</u>
1,000 – 3,000,000 gallons	\$3.49
3,001,000 gallons or more	\$2.95

This table replaces and supersedes Schedule H to Appendix 13.08, as adopted through Ordinance No. 25, Series of 2008, with respect to water consumed on and after May 1, 2010.

**SCHEDULE I**

**OUTSIDE MULTI-UNIT RATES**

As provided in Section 13.08.050 and subsection 13.08.070C, on and after May 1, 2010, the owner of each water service connection making water service available to a multi-unit facility (and/or other permitted accessory structure or use) shall pay a quarterly Meter Charge as provided for in Part I of this schedule and for water consumption according to the rates set forth in Part II of this schedule.

**PART I**

<u>Meter Charge (Monthly)</u>	<u>Amount</u>
For a 5/8" connection	\$ 13.95
For a 3/4" connection	\$ 13.95
For a 1" connection	\$ 23.30
For a 1-1/4" connection	\$ 30.27
For a 1-1/2" connection	\$ 46.45
For a 2" connection	\$ 74.35
For a 3" connection	\$ 139.50
For a 4" connection	\$ 232.55
For a 6" connection	\$ 464.95
For a 8" connection	\$ 743.95
For a 10" connection	\$1,069.55

**PART II**

<u>Water Consumption (rounded to the nearest 1000)</u>	<u>Rate Per 1000 Gallons</u>
1,000 – 1,000,000 gallons	\$5.58
1,001,000 gallons or more	\$4.50

This table replaces and supersedes Schedule I to Appendix 13.08, as adopted through Ordinance No. 25, Series of 2008, with respect to water consumed on and after May 1, 2010.

**SCHEDULE J**

**GROUP USERS**

As provided in Section 13.08.050 and subsection 13.08.080A, on and after May 1, 2010, each group user, including but not necessarily limited to the Brookside and Orchard Park water districts, shall pay for water service in accordance with the following rate:

**PART I**

<u>Meter Charge (Monthly)</u>	<u>Amount</u>
For a 5/8" connection	\$ 13.95
For a 3/4" connection	\$ 13.95
For a 1" connection	\$ 23.30
For a 1-1/4" connection	\$ 30.27
For a 1-1/2" connection	\$ 46.45
For a 2" connection	\$ 74.35
For a 3" connection	\$ 139.50
For a 4" connection	\$ 232.55
For a 6" connection	\$ 464.95
For a 8" connection	\$ 743.95
For a 10" connection	\$1,069.55

**PART II**

<u>Water Consumption (rounded to the nearest 1000)</u>	<u>Rate Per 1000 Gallons</u>
Per 1,000 gallons	\$2.87

This table replaces and supersedes Schedule J to Appendix 13.08, as adopted through Ordinance No. 25, Series of 2008, with respect to water consumed on and after May 1, 2010.

## **SCHEDULE K**

### **GOLF COURSE RATE**

Effective as of the first full billing cycle following the adoption of this schedule, unless otherwise agreed in writing or required pursuant to contract, Shadow Hills Golf Club and Four Mile Ranch Golf Course, shall be billed and pay for water service in accordance with the following base rate:

Base Rate:

Per 1000 Gallons	\$1.22
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Note: In addition to water consumption charges billed and payable in accordance with the foregoing base rate, Four Mile Ranch Golf Course shall be billed for and pay zone surcharges respecting such consumption calculated in accordance with the applicable zone surcharge rate set forth in Schedule P.

Note: Effective May 1, 2010 Cotter Corporation, whose rate was formerly reflected in this Schedule K, shall be an Outside Non-Residential User and be charged for water service in accordance with the provisions of Schedule H.

This table replaces and supersedes Schedule K to Appendix 13.08, as adopted through Ordinance No. 25, Series of 2008, with respect to water consumed on and after May 1, 2010.

**SCHEDULE N**

**BULK WATER**

As provided in Section 13.08.090, on and after May 1, 2010, each bulk water user shall pay the following rate and additional charges, when applicable, for the purchase of water at the City's bulk water dispensing station.

**Water Rate:**

Per 1,000 Gallons	\$6.04
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**Additional Charges:**

New User Fee/Application Fee	\$10.00
Administration Fee	\$2.00

This table replaces and supersedes Schedule N to Appendix 13.08, as adopted through Ordinance No. 25, Series of 2008, with respect to water consumed on and after May 1, 2010.

**SCHEDULE O**  
**TEMPORARY SERVICE**

As provided in Section 13.04.100, on and after May 1, 2010, each temporary tap user shall pay the following rate and additional charges, when applicable, for the use of water.

**Water Rate:**

Per 1,000 Gallons	\$6.04
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**Additional Charges:**

Meter Rental per day	\$5.00
Set Up Fee	\$30.00

Deposit may be required

This table replaces and supersedes Schedule O to Appendix 13.08, as adopted through Ordinance No. 25, Series of 2008, with respect to water consumed on and after May 1, 2010.



**SCHEDULE P**

**ZONE SURCHARGE RATES**

As provided in Section 13.08.130, on or after May 1, 2010, zone surcharge fees for each surcharge zone shall be as follows:

<u>Applicable Zone</u>	<u>Rate</u>
<b>Zone I</b>	\$0.24/1,000 gallons
<b>Zone II</b>	\$0.49/1,000 gallons
<b>Zone III</b>	\$0.73/1,000 gallons

This table replaces and supersedes Schedule P to Appendix 13.08, as adopted through Ordinance No. 8, Series of 2008, with respect to water consumed on and after May 1, 2010.