



TOWN BOARD WORK SESSION

March 3, 2014 – 6:00 P.M.

First Floor Conference Room, 301 Walnut Street, Windsor, CO 80550

The Town of Windsor will make reasonable accommodations for access to Town services, programs, and activities and will make special communication arrangements for persons with disabilities. Please call (970) 674-2400 by noon on the Thursday prior to the meeting to make arrangements.

GOAL of this Work Session is to have the Town Board receive information on topics of Town business from the Town Manager, Town Attorney and Town staff in order to exchange ideas and opinions regarding these topics.

Members of the public in attendance who have a question related to an agenda item are requested to allow the Town Board to discuss the topic and then be recognized by the Mayor prior to asking their question.

AGENDA

1. Joint work session with Planning Commission
 - a. Discussion regarding recent conditional use grant (CUG) decisions – S. Ballstadt
 - b. Discussion regarding disconnection of a portion of the Zeiler Farm Annexation and transfer of sewer capacity units to Water Valley West – S. Ballstadt
 - c. Report on February 21, 2014 meeting with the development community – J. Plummer
 - i. Presentation on development fees
 - ii. Presentation on flood study review and analysis fee deposit
 - iii. Discussion of expansion of land use hearing notification areas
 - iv. Update and proposed tap fee for water and sewer
 - d. RFP for Study of Demographics and Housing Opportunities – J. Plummer
 - e. Discussion regarding development review scheduling process – S. Ballstadt
2. Town Attorney Update
 - a. Harmony Ridge Metropolitan District Service Plan review status – I. McCargar
 - b. Raindance Metropolitan District Service Plan review status – I. McCargar
3. Future Meetings Agenda



MEMORANDUM

Date: March 3, 2014
To: Mayor, Town Board and Planning Commission
Via: Kelly Arnold, Town Manager
From: Joseph P. Plummer, AICP, Director of Planning
Re: Presentation on Development Fees and Flood Study Review Deposit
Item #s: 1.c.i. & 1.c. ii.

Discussion

On February 21, 2014 staff hosted a meeting with developers and their representatives to discuss the topics listed on the work session agenda. The meeting was well-attended, with approximately forty individuals, excluding staff, in attendance. Two of the items that were presented for discussion with and feedback from the attendees were proposals to incrementally increase the Town's development fees and implement a deposit to cover the costs of the Town having to retain a consulting firm to review flood study reports.

Development Fees

During 2013 staff conducted a survey of the how Windsor's development fees compare to those of surrounding communities. Upon a review of this data, the Town Board concluded that our development fees could be raised to be more in line with our neighbors' development fees, with the following caveat. Any increases ultimately should only be 80 percent (80%) of the average fees being charged by the other jurisdictions and should be phased in over time. This proposal to increase our development fees over a three-year is reflected in the enclosed spreadsheet and is shown graphically on the enclosed bar graph, with the third increase remaining constant from 2016 through 2018.

This information was shared at the February 21st meeting, and there were very few comments or and literally no concerns expressed by the attendees on this proposal. There was one comment made concerning building permit fees being increased, but, at the direction of the Town Board, the current proposal does not involve increasing or changing our current building permit fees.

Flood Study Review Deposit

When a major subdivision application that could influence a major drainage basin is submitted, the Town requires that a flood study be submitted with the application. In turn, the Town retains the service of a consulting firm which specializes in floodplain analyses to review the flood study. However, at the present time, the development fees that are assessed for a major subdivision review do not include the costs that the Town pays the respective consulting firm for its review. These flood review costs can range anywhere between \$3,000 and \$6,000, based upon the scope and location of the project.

The current proposal, and also as it may be seen in the footnote of the enclosed spreadsheet, is to require a \$6,000 deposit from the developer anytime the engineering department determines that the Town will need to contract with a consultant for a flood study review. Additionally, upon completion of the flood study review, any balance remaining of the \$6,000 deposit that was not used for the study will be refunded to the applicant.

As with the development fee presentation, this information was also shared at the February 21st meeting, and, likewise, there were very few comments or concerns expressed by the attendees on this proposal.

Enclosures: Spreadsheet on Development Fees
 Bar Graph on Development Fees

| Proposed Amendments to Development Fees | | | | | | |
|--|------------------------------|---|----------------------------|---------------------------|---------------------------|-----------------------------|
| 2014 - 2018 | | | | | | |
| March 3, 2014 | | | | | | |
| | | | | 2014 Fees | 2015 Fees | 2016 - 2018 Fees |
| | | | | First | Second | Remaining |
| | | | | 1/3 of | 1/3 of | 1/3 of |
| | | | | 80% of | 80% of | 80% of |
| Type of Application | Windsor's Current Fees | Average Fees of Other Jurisdictions | 80% of Average Fees* | 80% of Average Fees | 80% of Average Fees | 80% of Average Fees |
| Annexation Only | \$500 | \$3,164 | \$2,529 | \$843 | \$1,686 | \$2,529 |
| Annexation With Master Plan | \$650 | \$3,578 | \$2,859 | \$953 | \$1,906 | \$2,859 |
| Master Plan Only | \$150 | \$1,088 | \$870 | \$290 | \$580 | \$870 |
| Preliminary Major Subdivision | \$2,750 | \$2,715 | \$2,172 | \$724 | \$1,448 | \$2,172 |
| Final Major Subdivision | \$500 | \$1,363 | \$1,089 | \$363 | \$726 | \$1,089 |
| Minor Subdivision | \$300 | \$1,171 | \$936 | \$312 | \$624 | \$936 |
| Preliminary Site Plan | \$500 | \$2,381 | \$1,905 | \$635 | \$1,270 | \$1,905 |
| Final Site Plan | \$500 | \$2,203 | \$1,761 | \$587 | \$1,174 | \$1,761 |
| Administrative Site Plan | \$300 | \$2,203 | \$1,761 | \$587 | \$1,174 | \$1,761 |
| Conditional Use Grant | \$100 | \$777 | \$621 | \$207 | \$414 | \$621 |
| Rezoning | \$500 | \$1,117 | \$894 | \$298 | \$596 | \$894 |
| Wireless Telecommunications | \$500 | \$768 | \$615 | \$205 | \$410 | \$615 |

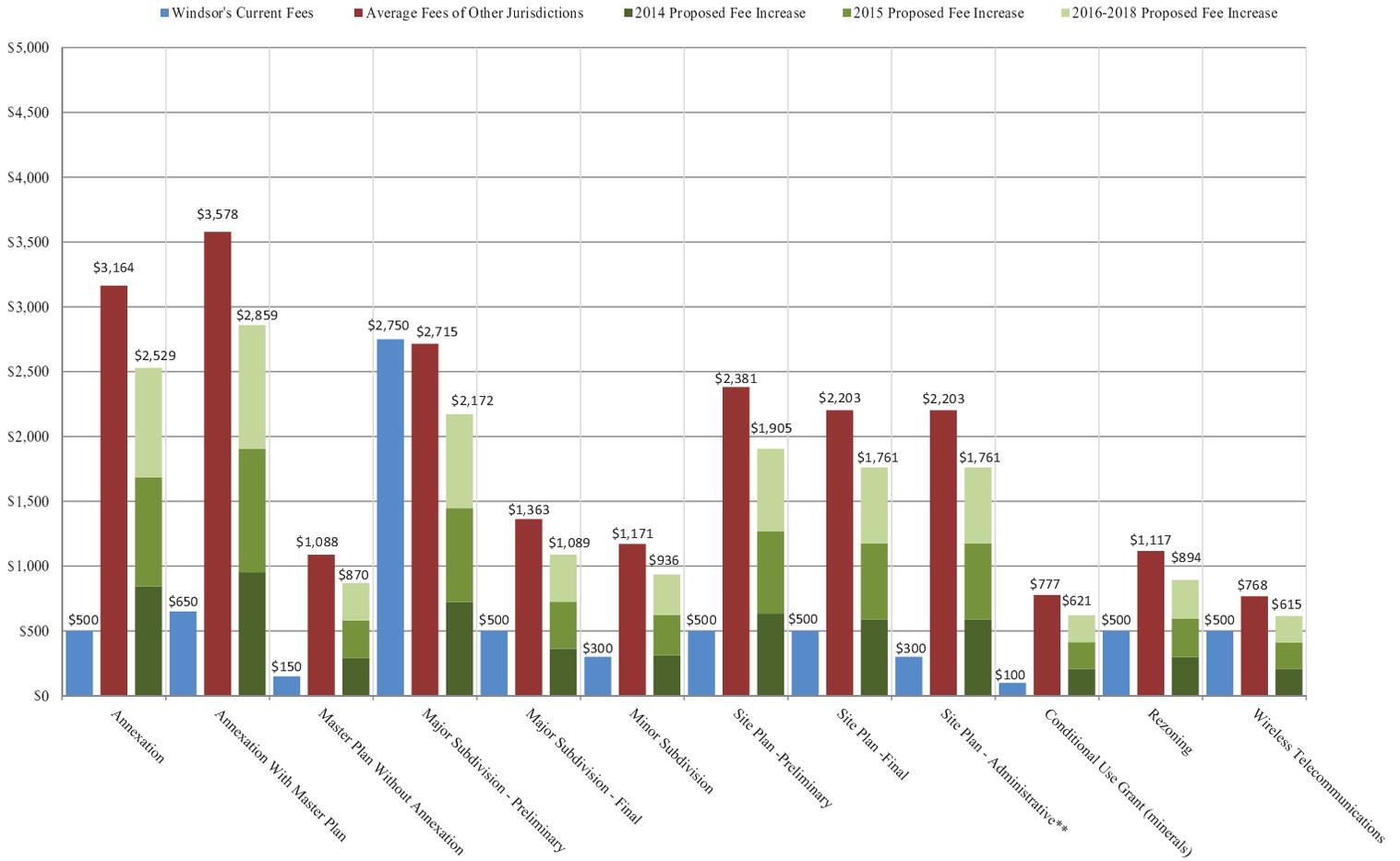
*Amounts rounded to allow for three (3) for equal installments.

Note: Staff is proposing that a \$6,000 deposit be collected anytime the engineering department determines that the Town will need to contract with a consultant for an independent flood study review. Upon completion of the flood study review, any balance remaining of the \$6,000 deposit that was not used for the review will be refunded to the applicant.

Five year fee proposal spreadsheet



WINDSOR'S DEVELOPMENT FEES; OTHER JURISDICTIONS; & PROPOSED FEE INCREASES*



* Increases over a 3-year period (2014 to 2016-2018) to equal 80% of average fees of other jurisdictions.

** Other jurisdictions did not list administrative site plans as a separate category so the fee for a final site plan has been applied in this example.



MEMORANDUM

Date: March 3, 2014
To: Mayor, Town Board and Planning Commission
Via: Kelly Arnold, Town Manager
From: Joseph P. Plummer, AICP, Director of Planning
Re: Discussion of Expansion of Land Use Hearing Notification Areas
Item #s: 1.c.iii.

Discussion

Last year both the Planning Commission and the Town Board heard comments from the public concerning the Town's notification requirements associated with land use development applications. These comments pertained to concerns the public shared relative to the notification distances that are required for announcements of neighborhood meetings and public hearings (please see enclosed table).

Staff was directed to review these current notification requirements and prepare possible modifications that could be made to these notification distances. Additionally, these findings and potential modifications were also to be shared with the development community.

Similar to the previous agenda items on development fees, staff presented the enclosed scenarios showing what the effects of doubling and also tripling current notification distances would be.

However, and unlike receiving little or no comments about the earlier proposal to increase our development fees and implement a deposit of flood study reviews, staff received very vocal comments from the developers about increasing our notification distances. The opposition that was expressed pertained to:

- The green development signs that are posted for public hearings are prominent and provide adequate information for citizens to contact the planning department for information about the respective project;
- The link on the Town's website lists public hearings in a timely manner;
- Email notifications, that is, the "Notify Me" feature available on our website;
- The Community Developments and Projects Map on the Town's website shows displays locations of ongoing projects and respective public hearings;
- The mailings go to the neighbors whose properties adjoin the site of the proposed development;
- The developers are required to place "display ads" announcing neighborhood meetings in both local newspapers;
- Word-of-mouth throughout neighborhoods advise property owners of pending developments;
- Homeowners' associations may advise their members of pending developments;
- When property owners attend a public hearing and express their dissatisfaction of not being personally notified by either the Town or the developer of a proposed development, they had already heard about the public hearing, otherwise they wouldn't have been in attendance; and
- A comment was made that the public is "hyper-informed" about proposed development proposals.

Reference note for perspective on distances:

The length of the front of Town Hall is 130 feet

The length of the block along Walnut Street between 3rd and 4th Streets in front of Town Hall is 400 feet

Enclosures:

Table showing current notification criteria

List of notification requirements for public hearings and neighborhood meetings

Scenarios showing perspectives on distances that would be caused by doubling and tripling current requirements

Notification Requirements by Land Use Process – Windsor

| REV 4/2011 | Public Hearing | | | | Neighborhood Meeting | | |
|---|-----------------------------------|--------------------------|-----------------|--------------------------|-------------------------------------|---------------------------------------|--------------|
| | Newspaper | Mailing Timeframe | Mailing Area | Posting of Property | Newspaper | Mailing Timeframe | Mailing Area |
| Annexation | Statutory Requirements | Statutory Requirements | 300-feet | 10 days prior to hearing | Display Ad 10 days prior to meeting | 10 days prior to neighborhood meeting | 300-feet |
| Major Subdivision | Legal Ad 10 days prior to hearing | n/a | n/a | 10 days prior to hearing | Display Ad 10 days prior to meeting | 10 days prior to neighborhood meeting | 300-feet |
| Rezoning | Legal Ad 10 days prior to hearing | 10 days prior to hearing | 300-feet | 10 days prior to hearing | Display Ad 10 days prior to meeting | 10 days prior to neighborhood meeting | 300-feet |
| Variance | Legal Ad 10 days prior to hearing | n/a | n/a | 10 days prior to hearing | n/a | n/a | n/a |
| Conditional Use Grant regular | Legal Ad 10 days prior to hearing | 10 days prior to hearing | 100-feet | 10 days prior to hearing | n/a | n/a | n/a |
| Conditional Use Grant-O & G and mining | Legal Ad 10 days prior to hearing | 10 days prior to hearing | 500-feet | 10 days prior to hearing | Display Ad 10 days prior to meeting | 10 days prior to neighborhood meeting | 500-feet |
| Modification of Building Height | Legal Ad 10 days prior to hearing | 10 days prior to hearing | 300-feet | 10 days prior to hearing | n/a | n/a | n/a |
| Land Use Map Amendment | Legal Ad 10 days prior to hearing | 10 days prior to hearing | 300-feet | 10 days prior to hearing | n/a | n/a | n/a |

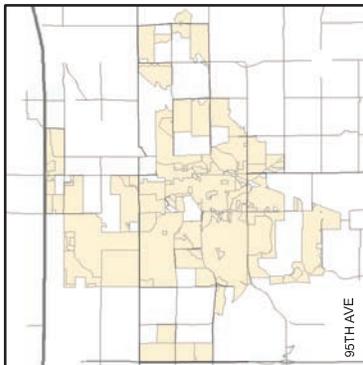
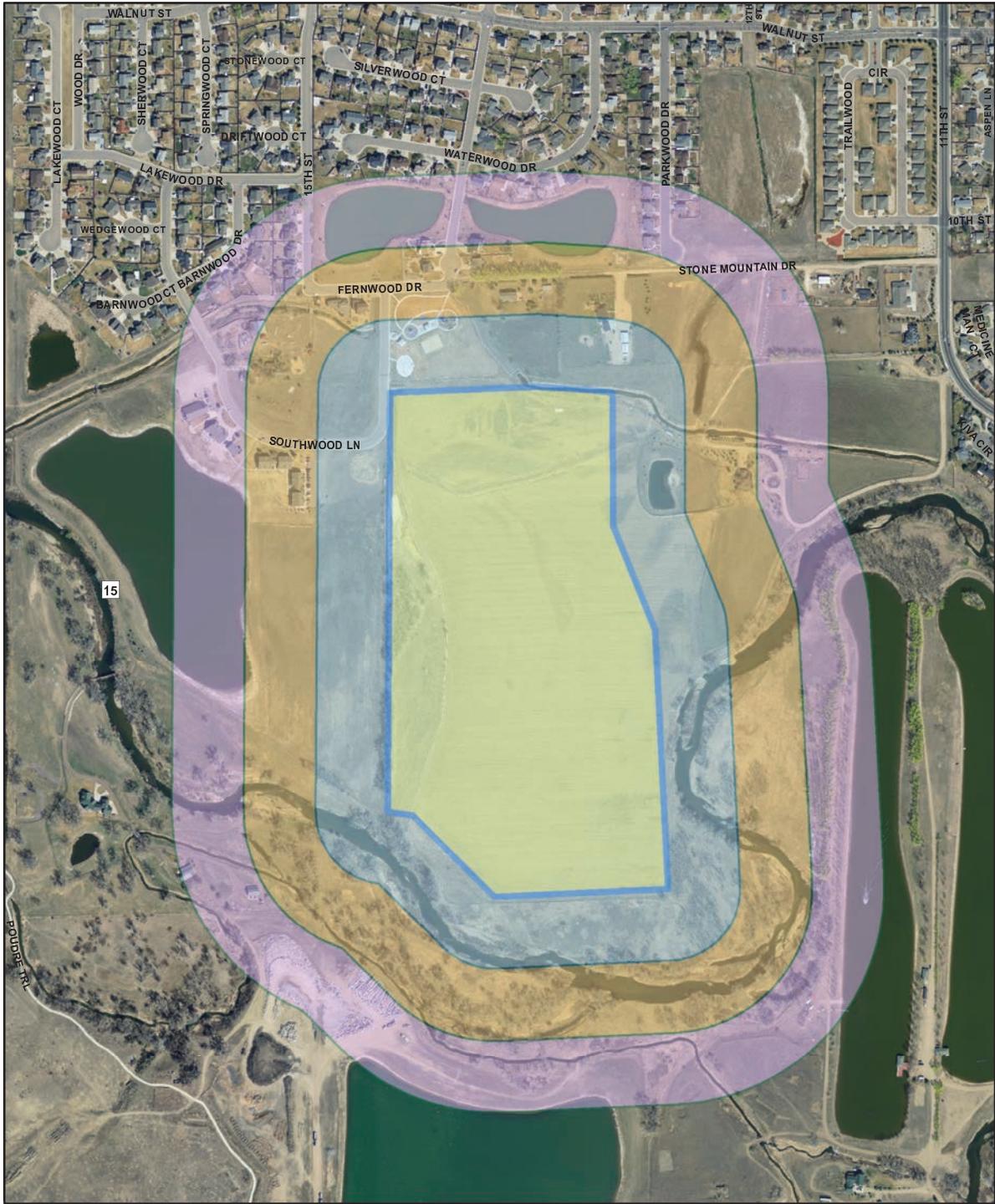


List of Notification Requirements for Public Hearings and Neighborhood Meetings (To be used in conjunction with Scenarios showing notification distances)

Current Notification Area (shown in blue);
Doubling the Notification (shown in orange); and
Tripling the Notification (shown in purple)

- **Providence Farm Annexation:**
 - Neighborhood Meeting: 300 feet; 600 feet & 900 feet
 - Public Hearing: 300 feet; 600 feet & 900 feet
- **Highland Meadows Golf Course Subdivision Eighth Filing Major Subdivision:**
 - Neighborhood Meeting: 300 feet; 600 feet & 900 feet
 - Public hearing: 300 feet; 600 feet & 900 feet
- **Highland Meadows Golf Course Subdivision Eight Filing – Rezone:**
 - Neighborhood Meeting: 300 feet; 600 feet & 900 feet
 - Public hearing: 300 feet; 600 feet & 900 feet
- **1201 Stone Mountain Court – Conditional Use Grant – (Non-Oil and Gas/large tract development):**
 - Public Hearing Only: 100 feet; 200 feet & 300 feet
- **429 Locust Street – Conditional Use Grant – (Non-Oil and Gas/high-density residential district):**
 - Public Hearing Only: 100 feet; 200 feet & 300 feet
- **Great Western Annexation 2nd (Diamond Valley Pad) Conditional Use Grant – (Oil & Gas):**
 - Neighborhood Meeting: 500 feet; 1,000 feet & 1,500 feet
 - Public Hearing: 500 feet; 1,000 feet & 1,500 feet
- **Church of Latter Day Saints – 500 Greenspire Drive – Modification of Building Height:**
 - Public hearing Only: 300 feet; 600 feet & 900 feet
- **Harmony Road & SH 257 Commercial Corridor – Land Use Amendment:**
 - Public Hearing Only – 300 feet; 600 feet & 900 feet

The first distances for each line item are the current notification distances.



PROJECT NOTIFICATIONS ANNEXATION



Legend

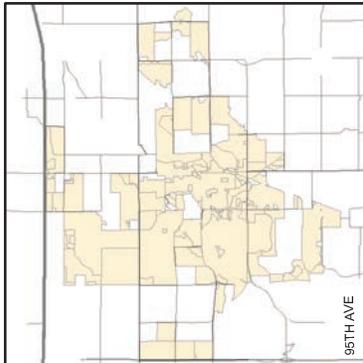
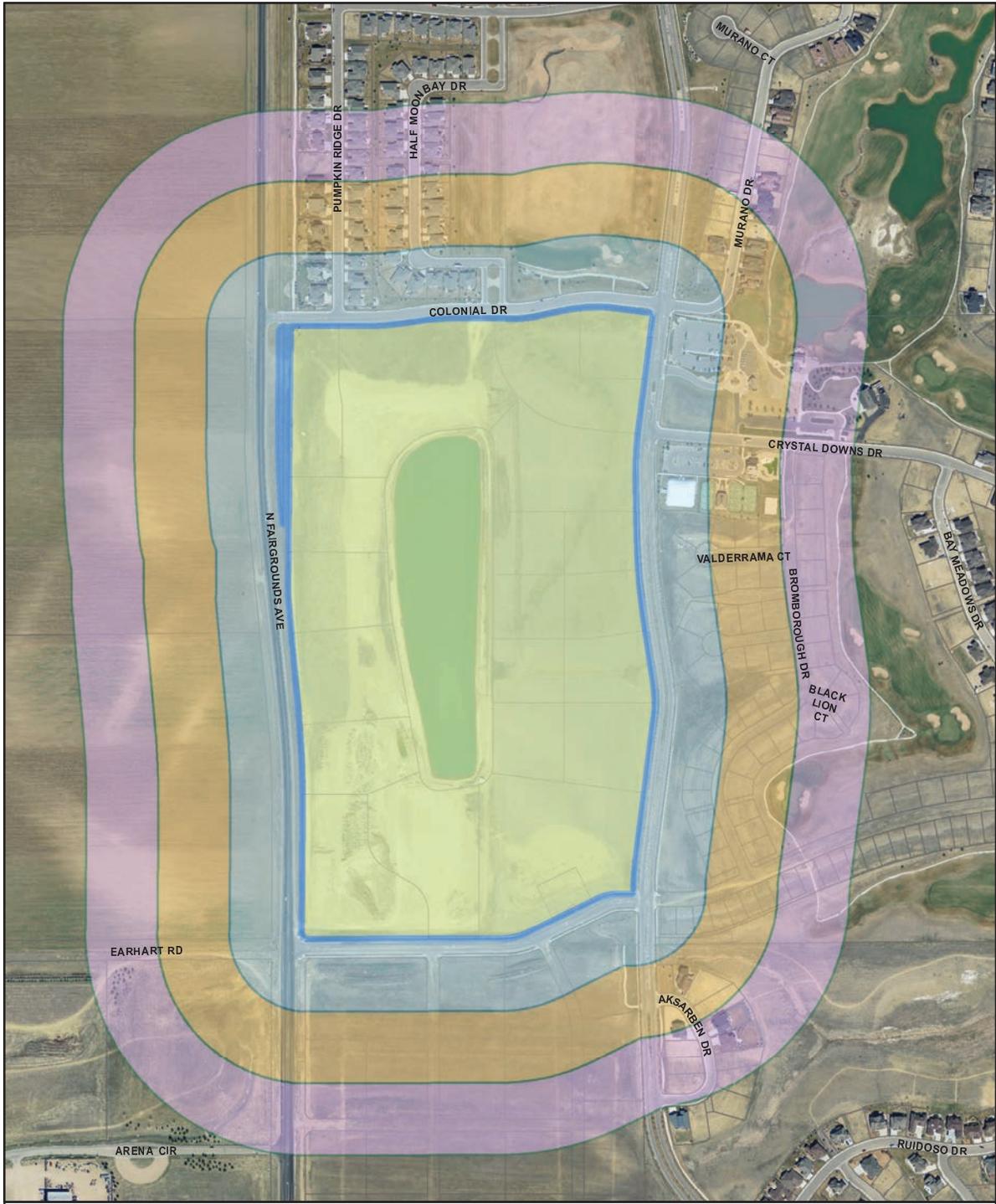
- Municipal Boundaries
- Project Site
- Properties within 300'
- Properties within 600'
- Properties within 900'



DISCLAIMERS:
The information on this map is for reference only.
It is believed to be correct at the time of creation
of this map. However, this map shall not be used
as a substitute for official recorded documents.
The roads shown are plotted but may not be
reflective of what is currently built.

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Prepared by: Jack Ollava, Associate Planner
jollava@windsorcolorado.com





PROJECT NOTIFICATIONS MAJOR SUBDIVISION & REZONE



Legend

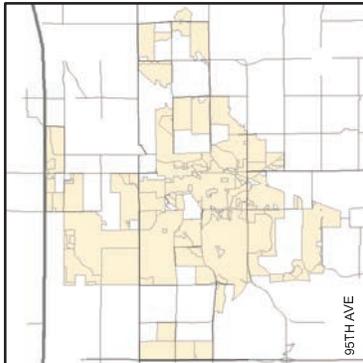
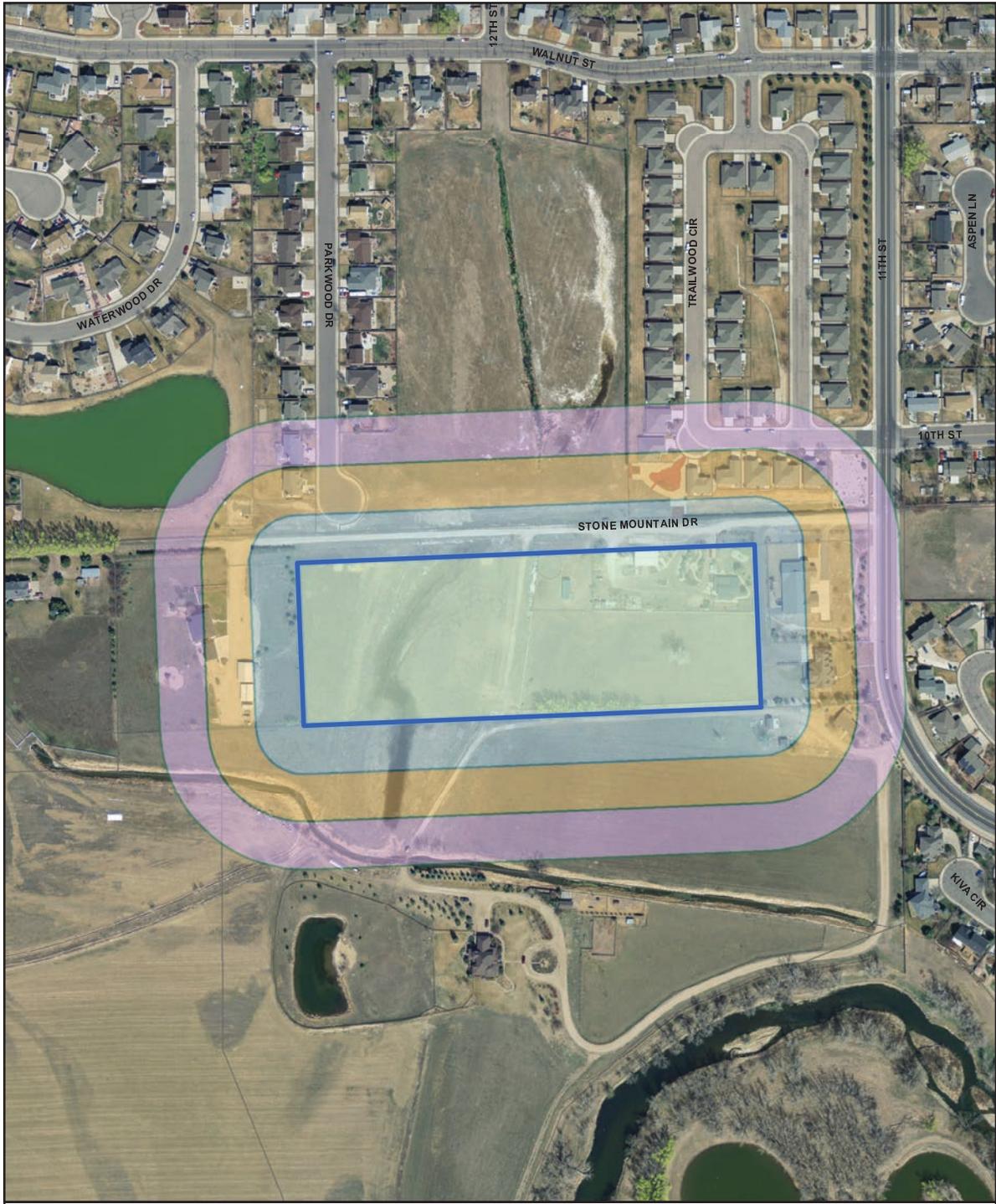
- Municipal Boundaries
- Project Site
- Properties within 300'
- Properties within 600'
- Properties within 900'



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PROJECT NOTIFICATIONS CONDITIONAL USE GRANT #2



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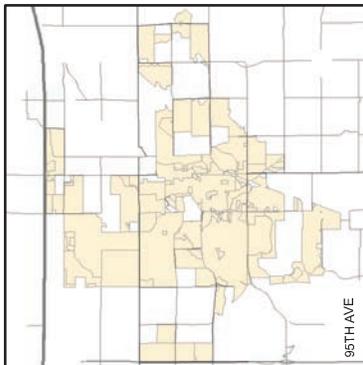
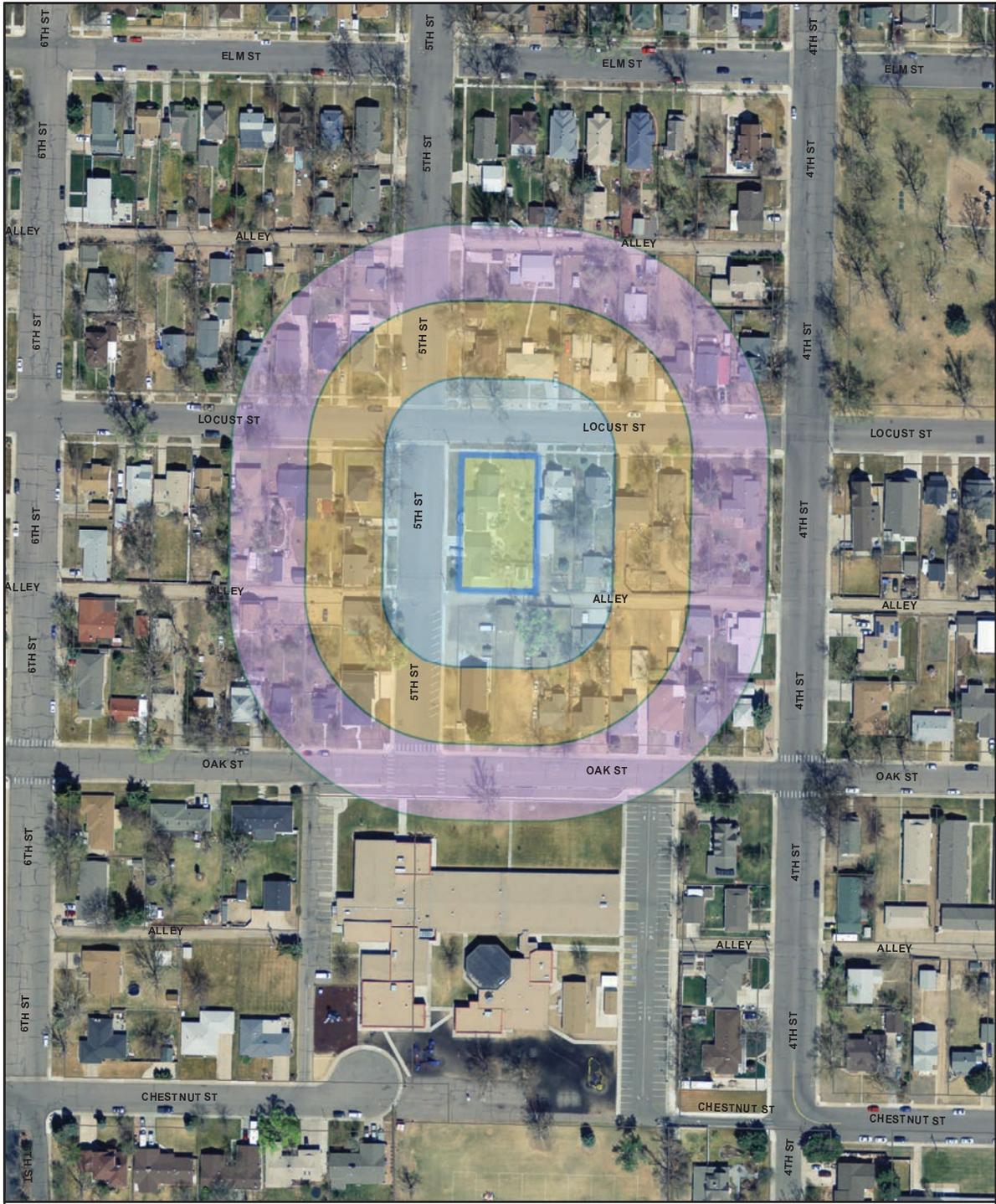
- Municipal Boundaries
- Project Site
- Properties within 100'
- Properties within 300'



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 jollava@windsorcolorado.gov





PROJECT NOTIFICATIONS CONDITIONAL USE GRANT - RESIDENTIAL



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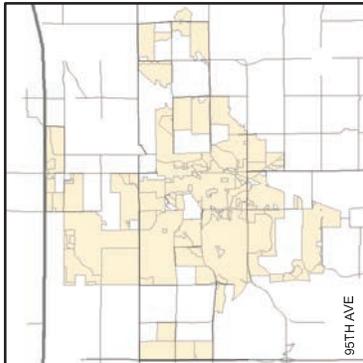
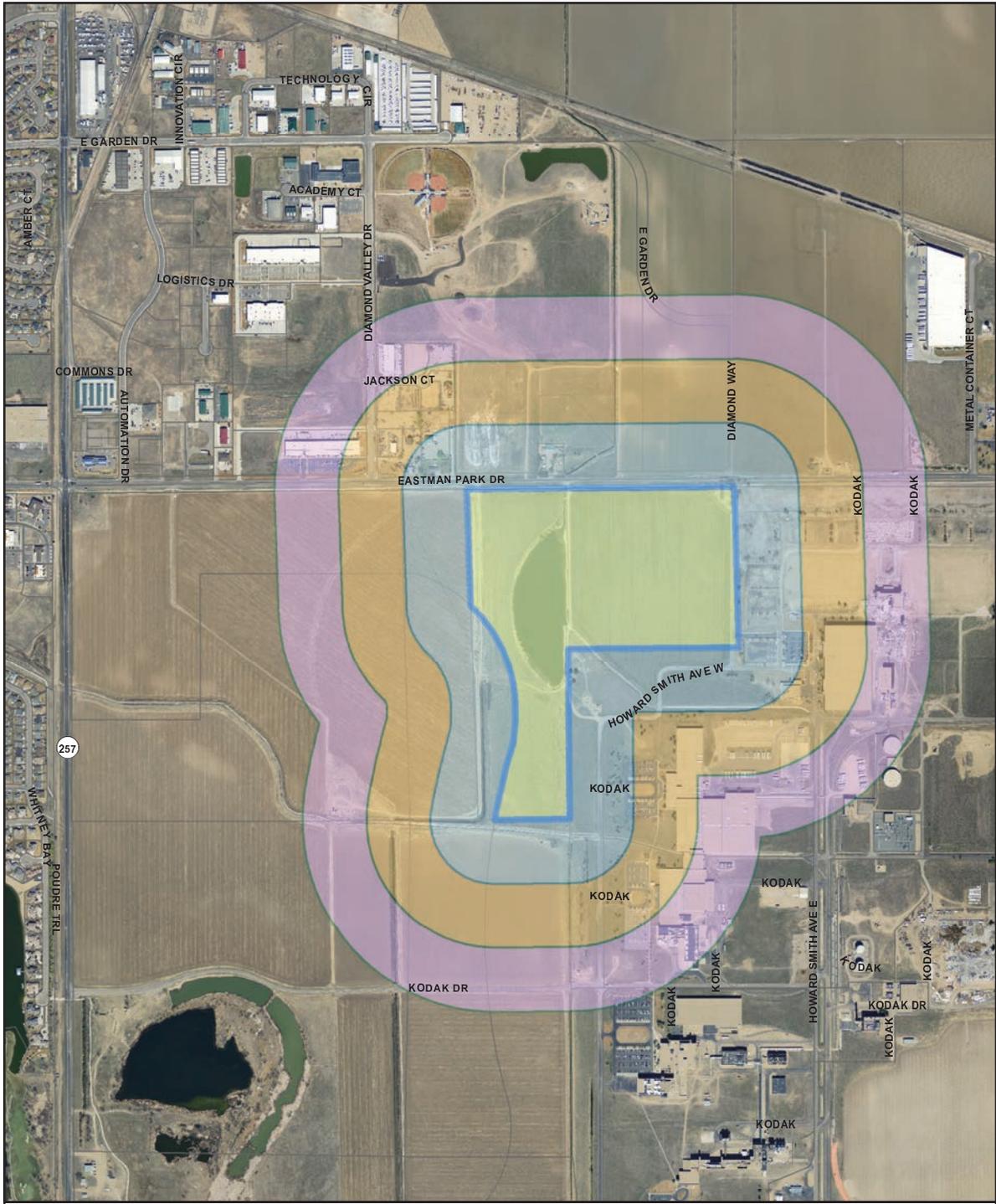
- Municipal Boundaries
- Project Site
- Properties within 200'
- Properties within 300'
- Properties within 100'



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Jillie.Sullivan@townofwindsor.com





PROJECT NOTIFICATIONS O&G CONDITIONAL USE GRANT



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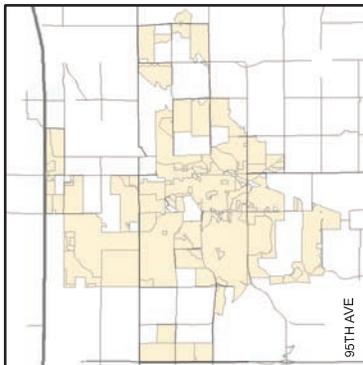
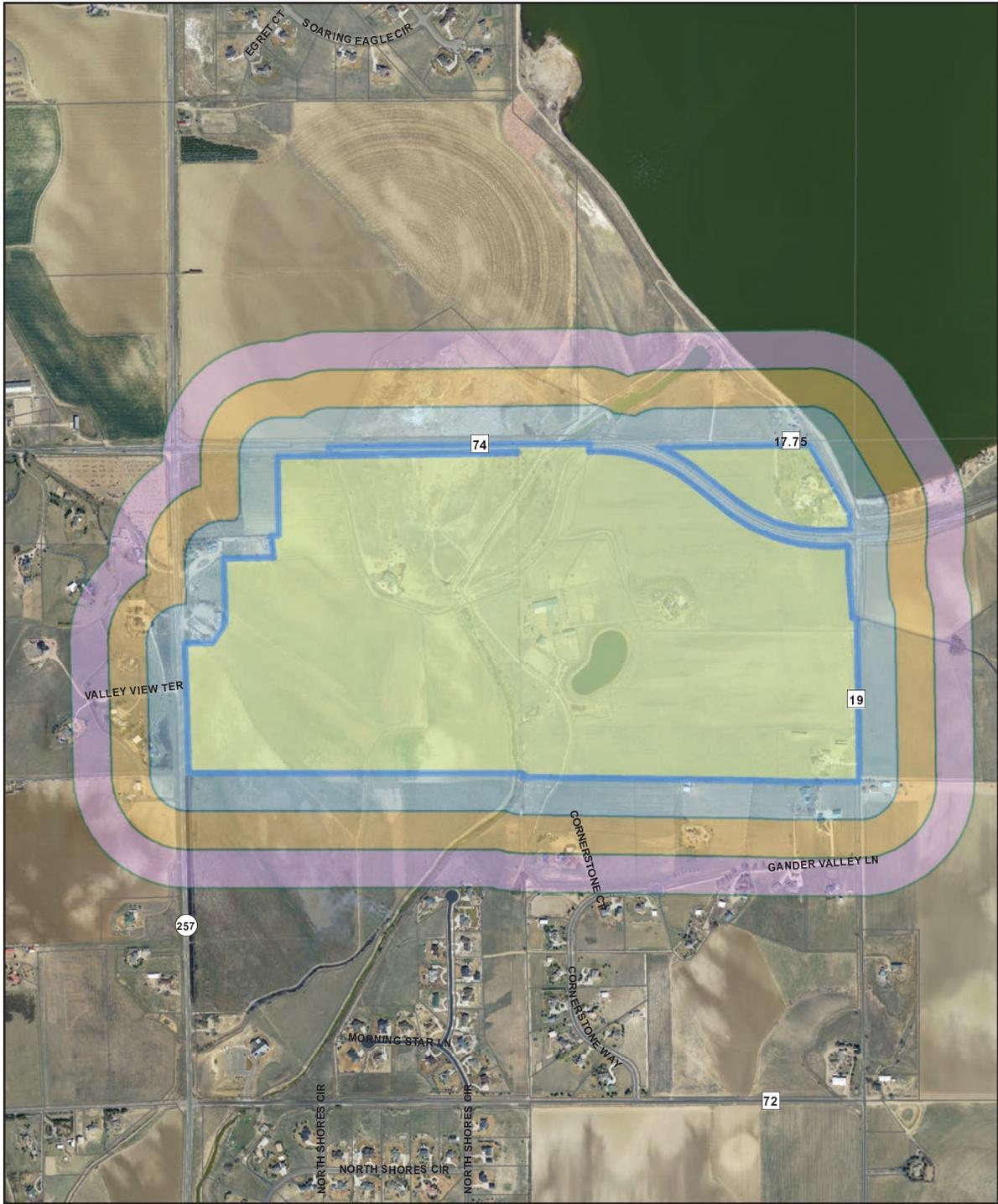
- Municipal Boundaries
- Project Site
- Properties within 1000'
- Properties within 1500'



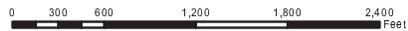
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 jollava@windsorcolorado.gov





PROJECT NOTIFICATIONS LAND USE MAP AMENDMENT



Legend

- Municipal Boundaries
- Project Site
- Properties within 300'
- Properties within 600'
- Properties within 900'



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Prepared by: Jack Ollava, Associate Planner
Jillie Sullivan/Information.com





Utility Tap Fee Analysis

February 2014

Utility Tap Fee Background

- Currently collect tap fees for water, sewer, storm drainage and in some cases raw water.
- Fees are collected on the building permit when it is issued.
- Fees have not been adjusted since 2007.
- Currently there is no provision for NISP project on either the water tap fee or monthly bill to existing customers.

Current Tap Fee Schedule

Water Plant Investment Fee Schedule

| Meter Size | Fee | Equiv. Ratio | Plant Investment Fee |
|------------|---------|--------------|----------------------|
| 3/4" | \$6,725 | 1 | \$6,725 |
| 1" | | 1.62 | \$10,895 |
| 1 1/2" | | 3.82 | \$25,690 |
| 2" | | 6.29 | \$42,300 |
| 3" | | 13.86 | \$93,209 |
| 4" | | 23.87 | \$160,526 |
| 5" | | 37.52 | \$252,322 |

Sewer Plant Investment Fee Schedule

| Tap Size | Fee | Equiv. Ratio | Plant Investment Fee |
|----------|---------|--------------|----------------------|
| 3/4" | \$3,700 | 1 | \$3,700 |
| 1" | | 1.62 | \$5,994 |
| 1 1/2" | | 3.82 | \$14,134 |
| 2" | | 6.29 | \$23,273 |
| 3" | | 13.86 | \$51,282 |
| 4" | | 23.87 | \$88,319 |
| 5" | | 37.52 | \$138,824 |

Drainage Tap Fees

STORM DRAINAGE FEES

| CODE SECTION | DESCRIPTION | RES/ORD NUMBER |
|---------------------|---|-----------------------|
| | NEW GROWTH BASIN IMPACT FEE | |
| 13-3-50 | Collected when there is to be construction of more than 350 square feet of impervious surface on any property | Ord 2003-1148 |

New Growth Basin Impact Fee =
 (Impervious Rate Factor) X (New Growth Basin Impact Fee Factor)
 X (Area)

where Impervious Rate Factor is based on the following table of values

| Category of Development | Impervious Rate Factor |
|--|------------------------|
| very low density Single-Family residential 1.5 acres | 0.10 |
| very low density Single-Family residential 2.5 acres | 0.10 |
| Single-Family residential high density | 0.40 |
| Single-Family residential medium density | 0.40 |
| Light Industrial | 0.80 |
| Heavy Industrial | 0.90 |
| Commercial | 0.95 |
| Multi-Family residential | 0.70 |
| Residential Mixed Use | 0.50 |

New Growth Basin Impact Fee Factor = \$0.1838 / square foot
 Area = net area in square feet of the property

Water Tap Fees 2014

- Buying into our system entails two separate parts.
 1. The first part covers the currently invested infrastructure.
 2. The second part covers the fees related to buying capacity from North Weld County Water District.
- Proposing addition of a third part to cover the cost of the NISP due from the Town.

Proposed 2014 Water Tap Fee

Water Plant Investment Fee Recommendation

Recommend we adjust the Water Plant Investment fee by adjusting the buy in to the Town system and by adding a third portion to the fee representing the NISP buy in. A summary of the preceding paragraphs appears below.

| | |
|--|---------------|
| 1. Buy In to existing Town System | \$ 3,565.81 |
| 2. Portion due North Weld for additional capacity | 5,400.00 |
| 3. NISP Buy in fee | <u>475.00</u> |
| Total Water Plant Investment Fee | \$ 9,440.81 |

Rounding our fee to \$9,400 will serve our needs for 2014 and facilitate daily operations.

Proposed Water Plant Investment Fee Schedule

| Meter Size | Fee | Equiv. Ratio | Plant Investment Fee |
|--|---------|--------------|----------------------|
| 3/4" | \$9,400 | 1 | \$9,400 |
| 1" | | 1.62 | \$15,228 |
| 1 1/2" | | 3.82 | \$35,908 |
| 2" | | 6.29 | \$59,126 |
| 3" | | 13.86 | \$130,284 |
| 4" | | 23.87 | \$224,378 |
| Taps over 4" will be considered individually | | | |

Sewer Tap Fees 2014

This fee has only one component. We use the same system buy-in method here as we do in the water fund. We do not need to consider any outside service providers or NISP buy in component.

Proposed Sewer Tap Fee 2014

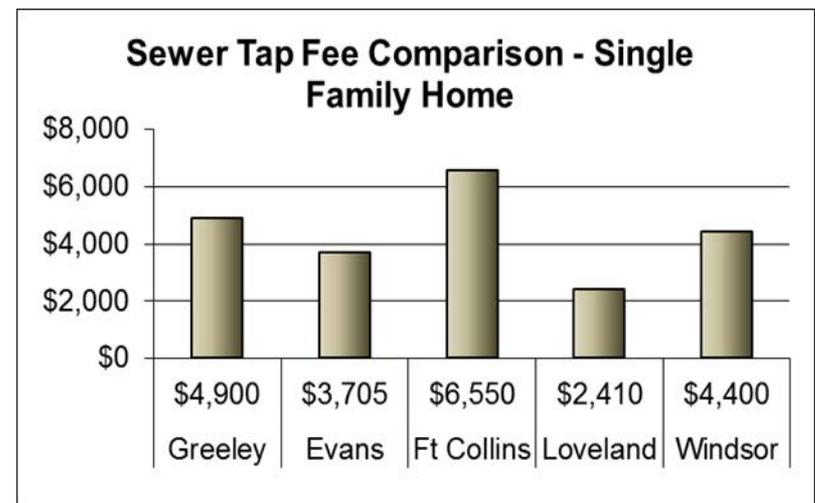
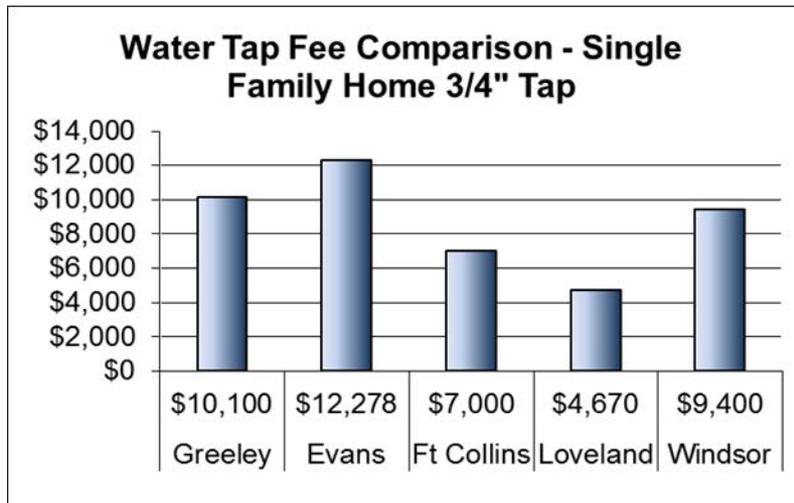
Proposed Sewer Plant Investment Fee Schedule

| Tap Size | Fee | Equiv. Ratio | Plant Investment Fee |
|--|------------|---------------------|-----------------------------|
| 3/4" | \$4,400 | 1 | \$4,400 |
| 1" | | 1.62 | \$7,128 |
| 1 1/2" | | 3.82 | \$16,808 |
| 2" | | 6.29 | \$27,676 |
| 3" | | 13.86 | \$60,984 |
| 4" | | 23.87 | \$105,028 |
| Taps over 4" to be considered individually | | | |

Summary and Comparison

Plant Investment Fees

| | <u>2013 Existing</u> | <u>2014 Proposed</u> | <u>Dollars Difference</u> | <u>Percentage Difference</u> |
|--------------|--------------------------|--------------------------|-------------------------------|----------------------------------|
| Water | \$6,725 | \$9,400 | \$2,675.00 | 39.78% |
| Sewer | \$3,700 | \$4,400 | \$700.00 | 18.92% |





Town Of Windsor

Plant Investment Fee Study

Fiscal Year 2014

February 12, 2014

Dean Moyer, Director of Finance
Dennis Wagner, Director of Engineering

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Water Fund

Water Plant Investment Fees

Overview

Plant Investment Fees are a one-time fee collected at the time a new structure begins service through the Town water system. This fee is charged as a “buy in” fee for the user to become part of the existing system. The system used to calculate this fee is appropriately termed the “system buy-in” method.

Our current Plant Investment fee structure of buying into our system entails two separate parts. The first part covers the Town’s side of the water system. The second part covers the fees related to North Weld County Water District.

Part One – Buy In for the Town System

To determine the buy in to the Town’s water system we must first determine the net value of the existing utility system in current dollars or “replacement value”. The first step in this process is to prepare a list of existing assets that were or can be purchased with plant investment fees. This list does not include assets installed and dedicated to the Town by developers, nor does it include maintenance and repair items that are funded through ongoing monthly user fees. To bring the original cost of each asset to its present day value, a construction cost index was applied to each year the asset has existed. This index can be found in the Engineering News Record. A credit against the total valuation must be given for existing debt against the assets involved.

Present Value of Existing Town of Windsor System

Detailed calculations of the value of the system and a chart of the construction cost index can be found in the finance department. The total value from these calculations is \$21,776,169.

The next calculation determines the number of equivalent ¾” taps currently on the Town’s system. A conversion factor is applied to all taps larger than ¾” to get an equivalent number of ¾” taps.

Town of Windsor
Equivalent 3/4" Water Taps
as of December 31, 2013

| Meter Size | # of Customers | Equiv. Ratio | Equiv. Tap |
|-------------------|-----------------------|---------------------|-------------------|
| 3/4" | 5,340 | 1 | 5,340 |
| 1" | 171 | 1.62 | 277 |
| 1 1/2" | 67 | 3.82 | 256 |
| 2" | 17 | 6.29 | 107 |
| 3" | 4 | 13.86 | 55 |
| 4" | 3 | 23.87 | 72 |
| | 5,602 | | 6,107 |

When both the net value of the system and equivalent taps is calculated, the plant investment fee is determined by dividing the net value of the system by the number of equivalent taps. That number is the theoretical value each customer has invested in the system and the amount that new customers should pay to buy their share of the system. Using these two numbers, we determine the water plant investment fee to be \$3,565.81, which equals \$21,776,169 net value divided by 6,107 equivalent taps.

Part Two – Portion due North Weld

North Weld County Water District Agreement

In August 2013 the Town signed a water service agreement with North Weld County Water District covering the foreseeable future. This agreement contains provisions for future payments that need to be addressed in the Town's Plant Investment Fee Structure.

Under this agreement, section 10.2 states that "Windsor shall pay the current Plant Investment Fee (Base and Distance Portions) for each one gallon per minute (1gpm) greater than 1720 gpm, to be delivered through the meter located at 34997 WCR 19."

The current rate on additional capacity is \$9,000 per 1gpm. We need to add this cost to the total Plant Investment Fee. Past usage records show that a average single family home has peak day demand of .6 gallons per minute. Therefore, to pay for its impact, a single-family home should contribute 60% of the fee paid to North Weld for the additional capacity. This works out to be \$5,400 (\$9,000 * .6).

Proposed Part Three – Paying for NISP

We have been participants in the NISP project for a number of years and have paid \$912,358 into the project as of December 31, 2013. The estimated remaining portion due from us is currently \$40,833,000. We also do not assign any of our tap fee or monthly water bills specifically to pay for NISP. As the dates for the possible construction draw closer, we need to have something in place to pay for this project. I think the most equitable way to approach this is to add an additional portion to our tap fee as well as begin charging a monthly fee on the water bills. What follows is my best idea so far.

At the end of 2013, we had 14,056 residential lots identified in the Windsor GMA, some are platted while some are only master planned or under review. Windsor will not serve water to all of these potential customers. The breakdown follows.

| Residential Lots as of December 31, 2013 | | | | | | |
|---|--------|--------|--------|-----------|--------------|--|
| Status | Zoning | Total | Issued | Remaining | Permit Ready | |
| Platted SF | | 3,256 | 1,860 | 1,396 | 260 | |
| Non Platted SF | | 3,994 | | | | |
| Platted MF | | 415 | 60 | 355 | 265 | |
| Non Platted MF | | 2,587 | | | | |
| Total Served by Windsor | | 10,252 | 1,920 | 1,751 | 525 | |
| Total lots @12/31/13 | | 14,056 | | | | |
| % Served by Windsor | | 73% | | | | |

We cannot really go to existing homeowners and ask for an additional fee at this time. We can however use them to calculate what our “NISP Tap Fee” should be. Cost breakdown and proof below.

| NISP Project and Permit Breakdown 12/31/2013 | | | |
|---|--------|---------------------|---------------------|
| NISP Cost Already paid | | \$912,358 | |
| Cost remaining | | \$40,833,000 | |
| Estimated Total Cost | | <u>\$41,745,358</u> | |
| Number of lots | 10,252 | | |
| Cost per lot | | \$4,072 | |
| Already Paid Lots | 1,920 | | |
| Cost per already paid | | \$475 | \$912,358 |
| Remainder | | \$3,597 | \$6,905,735 |
| Not yet paid lots | 8,332 | | |
| at permit fee | | \$475 | \$3,959,254 |
| Remainder | | \$3,597 | \$29,968,012 |
| | | | <u>\$41,745,358</u> |

Step 1 – Take the estimated total cost of the NISP project and divide it by the number of total lots we will serve (10,252) to get the cost assigned to each lot (\$4,072).

Step 2- To allocate fairly between developed and undeveloped lots, take the amount already paid to NISP (\$912,358) and divide by the lots that have already paid (1,920) to get a “system buy in” fee for the NISP project (\$475). This would be collected as a one-time fee on the building permit at time of issue.

Step 3- Subtract the buy in portion (\$475) from the total cost per lot (\$4,072) to get the remainder (\$3,597) per lot. Spread this cost over all of the lots (10,252) as a monthly fee over a 50 year period. Fifty years being the useful life that we would assign to such a project if we built the entire thing ourselves. This equates to a monthly water bill charge of \$6.00 per month.

Water Plant Investment Fee Recommendation

Recommend we adjust the Water Plant Investment fee by adjusting the buy in to the Town system and by adding a third portion to the fee representing the NISP buy in. A summary of the preceding paragraphs appears below.

Proposed Water Plant Investment Fee Schedule

| Meter Size | Fee | Equiv. Ratio | Plant Investment Fee |
|--|---------|--------------|----------------------|
| 3/4" | \$9,400 | 1 | \$9,400 |
| 1" | | 1.62 | \$15,228 |
| 1 1/2" | | 3.82 | \$35,908 |
| 2" | | 6.29 | \$59,126 |
| 3" | | 13.86 | \$130,284 |
| 4" | | 23.87 | \$224,378 |
| Taps over 4" will be considered individually | | | |
| 1. | | | |

| | |
|---|---------------|
| 1. Buy In to existing Town System | \$ 3,565.81 |
| 2. Portion due North Weld for additional capacity | 5,400.00 |
| 3. NISP Buy in fee | <u>475.00</u> |
| Total Water Plant Investment Fee | \$ 9,440.81 |

Rounding our fee to \$9,400 will serve our needs for 2014 and facilitate daily operations.

Sewer Fund

Sewer Plant Investment Fees

Overview

We use the same system buy-in method here as we do in the water fund. We do not need to consider any outside service providers or NISP buy in component.

Present Value of Existing System

Detailed calculations of the value of the system and a chart of the construction cost index can be found in the finance department. The total value from these calculations is \$28,647,980.

**Town of Windsor
Equivalent 3/4" Sewer Taps
as of December 31, 2013**

| Meter Size | # of Customers | Equiv. Ratio | Equiv. Tap |
|-------------------|-----------------------|---------------------|-------------------|
| 3/4" | 5,818 | 1 | 5,818 |
| 1" | 171 | 1.62 | 277 |
| 1 1/2" | 67 | 3.82 | 256 |
| 2" | 17 | 6.29 | 107 |
| 3" | 4 | 13.86 | 55 |
| 4" | 3 | 23.87 | 72 |
| | 6,080 | | 6,585 |

Sewer Plant Investment Fee Recommendation

When both the net value of the system and equivalent taps is calculated, the plant investment fee is determined by dividing the net value of the system by the number of equivalent taps. That number is the theoretical value each customer has invested in the system and the amount that new customers should pay to buy their share of the system.

Using the two numbers calculated on the preceding page we determine the sewer plant investment fee to be \$4,350.53. To make daily operations and collection of this fee easier, it should be rounded up to \$4,400.

Proposed Sewer Plant Investment Fee Schedule

| Tap Size | Fee | Equiv. Ratio | Plant Investment Fee |
|-----------------|------------|---------------------|-----------------------------|
| 3/4" | \$4,400 | 1 | \$4,400 |
| 1" | | 1.62 | \$7,128 |
| 1 1/2" | | 3.82 | \$16,808 |
| 2" | | 6.29 | \$27,676 |
| 3" | | 13.86 | \$60,984 |
| 4" | | 23.87 | \$105,028 |

Taps over 4" to be considered individually

Storm Drainage Fund

Storm Drainage Fees

Overview

Our current storm drainage impact fee is collected partially through an initial payment at the time of building permit issuance and then through a recurring monthly charge on the utility bills. The portion collected at the time of the building permit is called the “New Growth Basin Impact Fee”. It was adopted in 2003 and has not been adjusted since then. The text from our code describing the calculation appears below.

| STORM DRAINAGE FEES | | |
|---|--|------------------------------------|
| Code Section | Description | Resolution/Ordinance Number |
| NEW GROWTH BASIN IMPACT FEE | | |
| 13-3-50 | Collected when there is to be construction of more than 350 square feet of impervious surface on any property | Ord 2003-1148 |
| | <p>New Growth Basin Impact Fee = (Impervious Rate Factor) X (New Growth Basin Impact Fee Factor) X (Area)</p> <p>where Impervious Rate Factor is based on the following table of values</p> | |
| Category of Development | Impervious Rate Factor | |
| Very low density Single-Family residential 1.5 acres | 0.10 | |
| Very low density Single-Family residential 2.5 acres | 0.10 | |
| Single-Family residential high density | 0.40 | |
| Single-Family residential medium density | 0.40 | |
| Light Industrial | 0.80 | |
| Heavy Industrial | 0.90 | |
| Commercial | 0.95 | |
| Multi-Family residential | 0.70 | |
| Residential Mixed Use | 0.50 | |
| New Growth Basin Impact Fee Factor = \$0.1838 / square foot Area = net area in square feet of the property | | |

This fee was developed by outside consultants in 2003 and does not have a system buy in component as do the water and sewer tap fees which we developed in house. We will not adjust this fee at this time. We will know later in 2014 the cost of improvements mandated by the state through the MS4 program.

Summary and Comparison

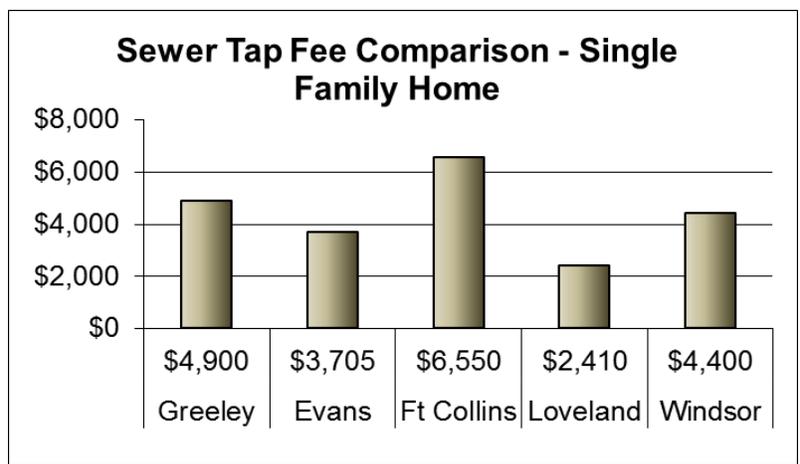
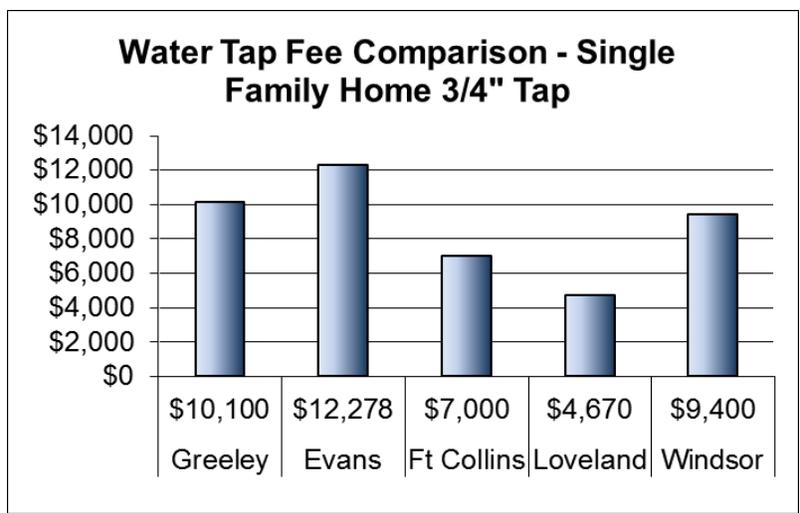
Summary and Comparison

The following chart compares the recommended plant investment fees with the existing fees.

Plant Investment Fees

| | <u>2013 Existing</u> | <u>2014 Proposed</u> | <u>Dollars Difference</u> | <u>Percentage Difference</u> |
|--------------|--------------------------|--------------------------|-------------------------------|----------------------------------|
| Water | \$6,725 | \$9,400 | \$2,675.00 | 39.78% |
| Sewer | \$3,700 | \$4,400 | \$700.00 | 18.92% |

The following graph compares Windsor plant investment fees for a single family home with the plant investment fees of neighboring communities.





FUTURE TOWN BOARD MEETINGS
Work Sessions & Regular Meetings will be held in the Board Chambers
unless otherwise noted.

| | |
|---|--|
| March 10, 2014 5:30 p.m./1st floor conference room | Board/Manager/Attorney Monthly Meeting |
| March 10, 2014 7:00 p.m. | Town Board Meeting Kern Board Meeting |
| March 17, 2014 6:00 p.m. | Town Board Work Session Discussion regarding oil and gas funds for school districts |
| March 24, 2014 6:00 p.m. | Town Board Work Session |
| March 24, 2014 7:00 p.m. | Town Board Meeting |
| March 31, 2014 | Fifth Monday |
| April 7, 2014 6:00 p.m. | Town Board Work Session |
| April 14, 2014 5:30 p.m./1st floor conference room | Board/Manager/Attorney Monthly Meeting |
| April 14, 2014 7:00 p.m. | Town Board Meeting |
| April 21, 2014 6:00 p.m. | Town Board Work Session CRC election question discussion |
| April 28, 2014 6:00 p.m. | Town Board Work Session Update from Colorado Municipal League – Sam Mamet, Director |
| April 28, 2014 7:00 p.m. | Town Board Meeting |
| May 5, 2014 6:00 p.m. | Town Board Work Session |
| May 12, 2014 5:30 p.m./1st floor conference room | Board/Manager/Attorney Monthly Meeting |
| May 12, 2014 7:00 p.m. | Town Board Meeting Kern Board Meeting |
| May 19, 2014 6:00 p.m. | Town Board Work Session |
| May 26, 2014 | Memorial Day |
| June 2, 2014 6:00 p.m. | Town Board Work Session |
| June 9, 2014 5:30 p.m./1st floor conference room | Board/Manager/Attorney Monthly Meeting |
| June 9, 2014 7:00 p.m. | Town Board Meeting |

June 16, 2014
6:00 p.m. Town Board Work Session

June 23, 2014
6:00 p.m. Town Board Work Session

June 23, 2014
7:00 p.m. Town Board Meeting

June 30, 2014 Fifth Monday

Additional Events

None.

Future Work Session Topics

None.