ALAMOSA CITY COUNCIL
Regular Meeting Minutes

Council Chambers
300 Hunt Avenue, Alamosa, CO
December 7, 2016

As a full service municipal government, our mission is to enhance the quality of life for our residents, visitors, and businesses. We strive to provide balanced business, employment, recreational, and residential opportunities.

Any person needing reasonable accommodation to attend or participate in a public meeting, please contact the Alamosa City Clerk's office by telephone (719) 589-2593, by email cityclerk@ci.alamosa.co.us, in person at 300 Hunt Avenue, or by mail at POB 419, Alamosa, CO 81101.

7:00 PM - Regular Meeting

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The Regular Meeting of the Alamosa City Council was called to order on the above date by Mayor Josef Lucero at 7:01 p.m. The Pledge of Allegiance was recited.

II. ROLL CALL

Present at roll call: Mayor Josef Lucero, Councilors Ty Colemen, Liz Hensley, Kristina Daniel, Jan Vigil, and Michael Stefano. Councilor Griego previously requested to be excused.

III. AGENDA APPROVAL

Councilor Vigil moved, seconded by Councilor Stefano to approve the agenda as presented and excuse Councilor Griego. The motion carried unanimously.

IV. CITIZEN COMMENT

Alamosa City Council welcomes your comments. Citizens wishing to speak may obtain and complete a speaker card through the City Clerk at the start of the meeting.

A. Audience Comments

Dan McCann spoke in regards to Veteran's.

B. Follow-Up

None.

V. CEREMONIAL ITEMS

A. Presentation of Commendation and Community Service Awards to three officers.

Chief Oakes, Captain Maestas, and Captain Anderson presented commendation awards to Officer Alderton and Detective Davidson and a community service award for Officer Knauer. All officers were congratulated by Council.

B. Introduction of Judy Kelloff, Finance Director

Heather Brooks introduced Judy Kelloff who was welcomed by Council.

VI. CONSENT CALENDAR A

The Consent Calendar allows multiple actions with one motion. Consent Calendar A contains routine items which have been recommended for action by staff or advisory boards. Council may remove a consent calendar item for separate consideration.

Councilor Vigil moved, seconded by Councilor Daniel to approve Consent Calendar A as presented. The motion carried unanimously.

C.7.a. Approve Minutes of Meeting November 16, 2016

VII. REGULAR BUSINESS

C. Business Brought Forward by City Staff

1. Public Works

a. Public Hearing and Second Reading, Ordinance No. 20-2016, An Ordinance Approving Rate Increases For The Provision Of Water, Sewer, and Solid Waste Disposal Services.

Heather Brooks reviewed this ordinance with Council in detail again. It's important to remember that the City is a full-service municipality. City staff and City Council take very seriously the responsibility for professional stewardship of public funds.

As part of the financial structure of the City, the utilities are treated as an enterprise fund where the concept is that the rates and charges of the services should cover the operating expenses and capital needs. Compliance is not something that can be risked. Overall, the City has increased rates over the years to cover a majority of the operational increases. However, the rates have not kept up with capital needs and we are currently experiencing the consequences of delayed capital projects that cannot continue unaddressed without risking regulatory compliance.

Ms. Brooks gave a review of other factors that have also pushed for this change including the need to replace equipment and conversations that discussed DOLA grants and what their requirements are to receive grants. This is one of the reasons many communities budget for and conduct formal rate studies and the subsequent rate adjustments. As a result, the City released a request for proposals from qualified engineering and/or financial firms for services required to complete the City's first operational assessments and comprehensive rate studies for the water, wastewater, and solid waste division. The contract was awarded to Willdan Financial Service and this ordinance is a result of that study. Ms. Brooks also informed Council of all the times that this information has been put out to the public.

Ms. Brooks reviewed the rate structure captured in the ordinance.

Mayor Lucero opened the public hearing at 7:42 p.m. and asked for those wishing to speak on this ordinance.

Mic Davis spoke in concern to this ordinance related to the landscaping around their home.

Brian Brownell spoke requesting more information of what the rates are as he was unable to find the reports. He suggested more information on it to be available. Ms. Brooks confirmed all the information is available online and within the ordinance.

Dan McCann spoke about the needs of maintenance for landscapes and stated this is something that needs to be looked at for the future.

Ron Brink stated that education is the main thing when it comes to saving water.

Lori Smith spoke in opposition to this ordinance.

There being no one else wishing to speak, the hearing closed at 8:04 p.m.

Councilor Daniel asked Ms. Brooks to clarify the rates for the non-residential users. Ms. Brooks reviewed the rates in the presentation provided by the consultant, which are also included in this ordinance.

Councilor Daniel

Councilor Stefano moved, seconded by Councilor Daniel to finally adopt Ordinance No. 20-2016. The motion carried unanimously.

2. Finance

a. Resolution No. 16-2016 amending Ordinance 19-2015 for the 2016 Budget also known as the 3rd Budget Amendment.

Judy Kelloff presented information to Council. Several changes have occurred since the adoption of the budget in October 2015. The major items that are reflected in this resolution include the following:

- In the general fund, $124,784 revenue and $209,344 expenses
- In the enterprise fund, $85,800 reallocation of funds. This is for delay expenditures in the sewer department to pay for emergency repairs in sewage department washer compactor.
- In the the cemetery endowment, $8,970.02 to reallocate insurance reimbursement for Cemetery Endowment that was posted to the General Fund in 2015.
- In the employee benefit fund, $550,000 expense due to high claims volume.

Councilor Vigil moved, seconded by Councilor Stefano to approve Resolution No. 16-2016. The motion carried unanimously.

3. City Manager/Legal

a. First Reading, Ordinance No. 21-2016, An Ordinance Establishing A Temporary Moratorium On The Placement Of Certain Manufactured Homes Within The City Of Alamosa Other Than In Mobile Home Parks Through May 30, 2017.

Counselor Schwiesow presented information to Council. The Alamosa *Code of Ordinances* addresses "mobile homes" in Chapter 12, and prohibits them anywhere in the City other than in mobile home parks in Section 12-16, but nowhere defines a "mobile home." The term "mobile home" is often used interchangeably with the term "modular home" or "manufactured home' in common parlance, creating confusion with the Code. Colorado Statute prohibits municipalities from having or enacting zoning regulations which exclude or have the effect of excluding manufactured homes from the municipality if such homes meet or exceed, on an equivalent performance engineering basis, standards established in the municipal building code.

The *Code of Ordinances* does not provide guidelines or regulations for the standards to be applied for the placement of manufactured homes within the City of Alamosa other than in mobile home parks. The City is in the process of reviewing and revising its zoning code, and intends to consider the appropriateness of manufactured housing as part of that process. The moratorium will not affect placement of manufactured homes certified to meet the standards established by the municipal building code, but will allow the City to consider the appropriateness of other forms of manufactured housing in the City and consider appropriate regulations governing the palcement of such housing.

Councilor Daniel moved, seconded by Councilor Stefano to approve Oridnance No. 21-2016 on first reading.

Councilor Daniel amended her motion, seconded by Councilor Stefano to approve Ordinance No. 21-2016 on first reading and setting for a public hearing thereon on Wednesday, December 21, 2016 at 7:00 p.m. or as soon thereafter as the matter may be heard. The motion carried unanimously.

b. Update on Public Art Program

Heather Brooks presented information to Council. This was first introduced to Council back in October 2015 and a line item was created in the 2016 Budget to create a public art program. Council agreed to this and $20,000 was placed in the 2016 budget. Council also agreed to continue this into the 2017 budget. At the retreat in May, Council further discussed what the public art program would look like. Ms. Brooks gave an overview of what this program would look like.

The general concept presented to Council was the City would not buy the art, but would do call for artists, show their work for a year and then rotate it out. Since that time, there has been an art committee created and as of today, the first call for entries for artists was issued. This year's budget will include purchases for ten pedestals being built.

Ms. Brooks advised Council of upcoming dates related to the art program: January 30th is when applications are due, February 15th is when artists are notified if selected; and June 3rd is when installation and unveiling will occur.

D. Committee Reports

None.

E. Staff Announcements

Heather Brooks informed Council of a letter received from the County in regards to the Airport.

Heinz Bergann updated Council on the status of the Inspire Grant.

Ms. Brooks also informed Council of the following:

- Dr. McClure's Holiday Open House is Saturday, December 10, 2016 at 6:00 p.m.
- Alamosa Christmas Light Celebration is next Friday, December 16, 2016 at 6:30 p.m.

- Thanked Heinz and his crew
- USDA DOLA updates
- Her attendance at the Colorado Cooperation Conference

COUNCIL COMMENT

Councilor Hensley spoke in regards to the Neighborhood Watch meeting she attended and informed Council she will be at a CML meeting next week and also informed everyone of Adams State's graduation on the 17th.

Councilor Coleman spoke in regards to the volunteers that came out and put new books in for the story walk; stating it was greatly appreciated.

Mayor Lucero spoke in regards to Pearl Harbor day.

EXECUTIVE SESSIONS

Councilor Vigil moved, seconded by Councilor Hensley to enter into Executive Session (9:02 p.m.) pursuant to C.R.S. §24-6-402(4)(b) and (4)(e) to receive advice from the City Attorney concerning the applicability of Section 16-38 of the Code of Ordinances to the construction of the sidewalks along the West end of Clark Street, and to determine positions that may be the subject of negotiations concerning those sidewalks. The motion carried unanimously.

After the executive session, Council will move back into regular session and no further business will be discussed.

1. Executive Session pursuant to C.R.S. § 24-6-402(4)(b) and (4)(e) to receive advice from the City Attorney concerning the applicability of Section 16-38 of the Code of Ordinances to the construction of the sidewalks along the West end of Clark Street, and to determine positions that may be the subject of negotiations concerning those sidewalks.

ADJOURNMENT

The meeting adjourned immediately after the Executive Session.

______________________________	______________________________
Holly C. Martinez, City Clerk	Josef P. Lucero, Mayor

ALAMOSA CITY COUNCIL
COUNCIL COMMUNICATION

Subject/Title:
Presentation of Commendation and Community Service Awards to three officers.

Background:
Special recognition may be in order whenever an employee performs his/her duties in an exemplary manner.

Officer Alderton and Detective Davidson were assigned to assist the Alamosa County Sheriff's Office with a Homicide investigation that occurred in their jurisdiction.

Upon completion of their assignment, both officers took pride in their work and public safety and remained in contact with agencies assisting in the investigation. Both officers obtained information as to the whereabouts of one suspect in this case and provided pertinent information to the Colorado Bureau of Investigations and the Canon City Police Department, which resulted in the apprehension of the suspect.

Officer Dana Knauer coordinated and participated in a community event that provided a safe location and environment for children and families within our community and other communities to enjoy Halloween. This event was well attended and appreciated by those who attended.

ALAMOSA CITY COUNCIL
COUNCIL COMMUNICATION

Subject/Title:
Introduction of Judy Kelloff, Finance Director

ALAMOSA CITY COUNCIL
COUNCIL COMMUNICATION

Subject/Title:
Approve Minutes of Meeting November 16, 2016

ATTACHMENTS:

	Description	Type
🗋	Minutes of Meeting November 16, 2016	Cover Memo

ALAMOSA CITY COUNCIL
Regular Meeting Minutes

Council Chambers
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7:00 PM - Regular Meeting

Council Calendar

5:00 PM - Joint Work Session with Planning and Zoning Commission

After Adjournment of Regular Meeting - Work Session: Review of Preliminary Plans for Ice Rink/Multi-Purpose Pavilion

I. CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The Regular Meeting of the Alamosa City Council was called to order on the above date by Mayor Josef Lucero at 7:03 p.m. The Pledge of Allegiance was recited.

II. ROLL CALL

Present at roll call: Mayor Josef Lucero, Councilors Charles Griego, Michael Stefano, Jan Vigil, Kristina Daniel, Ty Coleman, and Liz Hensley.

III. AGENDA APPROVAL

Councilor Griego moved, seconded by Councilor Vigil, to approve the agenda as presented. The motion carried unanimously.

IV. CITIZEN COMMENT

Alamosa City Council welcomes your comments. Citizens wishing to speak may obtain and complete a speaker card through the City Clerk at the start of the meeting.

A. Audience Comments

Barb Johnson spoke regarding the new restaurant, My Honey's Home Cookin' Cafe'.

B. Follow-Up

None.

V. CONSENT CALENDAR A

The Consent Calendar allows multiple actions with one motion. Consent Calendar A contains routine items which have been recommended for action by staff or advisory boards. Council may remove a consent calendar item for separate consideration.

Councilor Vigil moved, seconded by Councilor Stefano, to approve Consent Calendar A as presented. The motion carried unanimously.

C.7.a. Approve Minutes of Meeting November 2, 2016

C.8.a. Receive October 2016 Monthly Reports

C.2.a. Receive October 2016 Expenditure Report

VI. REGULAR BUSINESS

C. Business Brought Forward by City Staff

1. Public Works

a. First Reading, Ordinance No. 20-2016, An Ordinance Approving Rate Increases For The Provision Of Water, Sewer, and Solid Waste Disposal Services.

Pat Steenburg and City Manager, Heather Brooks presented information to Council regarding the Enterprise Fund and how the utilities should pay for themselves. Meaning, the "rates and charges" that the City charges users for utilities should cover not only the operating expenses, but also the capital needs. At this point, the previous increases have barely kept the City at the normal cost of business increased, but has not cover the capital increases. The City is now being faced with significant capital needs, especially in the waste water area.

Research has been done through USDA and DOLA from a grant perspective. In order to apply for outside funding the rate structure needs to be accurate. The programs do not want to see themselves subsidizing the utilities, they want to see themselves as helping the utilities. A consultant was hired for a rate study to assess what the needs are and the findings are what is before Council tonight.

The City has tried to be very transparent with what the pending rate increases might be. There has been three front page articles indicating that utility rate increases are likely to come. The articles were very straight forward and informative. Council has had two work sessions, which are publicly posted and available to anyone to attend. Tonight is also another public meeting that anyone could have showed up to a provided input. The next Council meeting will be a specific public hearing dedicated to collect input.

Councilor Griego asked that Heather Brooks elaborate more on the percentage of increase and explain what the equivalent is to as far as money. He has been getting calls asking why the increase is not across the board. Heather Brooks explained the huge span of water usage for some people in the winter compared to what they use in the summer. The City has to build a system for the peak instead of just the normal usage because there is an additional cost to the City to meet that peak demand. The reflection of the rates is to limit the impact for the people who are doing more of the household use compared to the ones not conserving.

Councilor Hensely added to the conservation side of the discussion. She indicated that we do not even conserve like how when she grew up and we need to take it seriously. She agrees that the people who make the choices to not conserve should have to make the difference in the pay.

Councilor Stefano spoke regarding the conservation. He does not think that people realize the cost involved for the City for repairs. There is a lot of cost that goes into pumping water into our homes. The salmonella out break made him realize that water is very important and a lot of people take it for granted. There is going to be a time when we need to realize that we need to start conserving.

Councilor Vigil appreciated the comments from the City Manager regarding the conservation piece. He is glad to see there is an option with the water plans. He also echoed the comments of Councilor Stefano and Hensley. He appreciates that we are going in the right direction.

Councilor Daniel appreciated the articles in the paper. We need to talk to people about beautiful lawns and beautification of our community means and what that means to maintain it and how we can conserve water. Any increase is a challenge for people but there are also choices that people have made about not conserving as much as they could. We can all learn from that as well as help educate our constituents, communities, and ourselves.

Councilor Griego appreciates that fact that staff looked at the increases and only increased to the amount that we are paying the bills and doing some of the capital improvements.

Councilor Hensley echoed Councilor Vigil. She is glad that we were very conscientious of those that are on fixed incomes and are at a little lower income and being aware of the different constituents that are in Alamosa.

Mayor Lucero echoed the other council members. He applauded staff and the people that did this.

Councilor Coleman spoke about how difficult it was to come to the conclusion asking to have constituents to pay more for services. However, in order to make sure that we are able to bring revenues in line with the cost to be able to continue with the good quality of services that we currently provide, at this time it is best that we move forward with the rate increase.

Councilor Vigil moved, seconded by Councilor Daniel, to approve the First Reading, Ordinance No. 20-2016, An Ordinance Approving Rate Increases For The Provision Of Water, Sewer, and Solid Waste Disposal Services. The motion carried unanimously.

2. Parks and Recreation

a. Second Reading and Public Hearing, Ordinance No. 19-2016, An Ordinance Approving An Intergovernmental Agreement with the Alamosa School District to Apportion Responsibilities with Respect to a GOCO Grant for the Alamosa Ballfields.

Heinz Bergann reviewed this ordinance with Council.

Mayor Lucero opened the public hearing at 7:57 p.m. and asked for those wishing to speak on the matter.

There being no one wishing to speak, the hearing closed at 7:57 p.m.

Councilor Stefano moved, seconded by Councilor Vigil to finally adopt Ordinance No. 19-2016, An Ordinance Approving an Intergovernmental Agreement with the Alamosa School District to Apportion Responsibilities with Respect to a GOCO Grant for the Alamosa Ballfields. The motion carried unanimously.

b. Acknowledgement of Golf Course Restaurant Sublease

Counselor Schwiesow and Joel Medina gave information to council regarding the Golf Course management agreement with the Alamosa Golf Club. They want to have a sub lease based on what the lease looked like with the prior operator.

Councilor Griego asked about inventory of equipment that the City has out there. Joel Medina informed him that it has been done and it is within the lease. Councilor Griego also asked it the liquor license will be transferred to the new people. Joel informed him that it would.

Councilor Hensley commented about this being positive.

Councilor Coleman congratulated Ms. Medina and the Board for getting a good tenant and wished her the best.

Councilor Daniel moved, seconded by Councilor Griego to the Motion to Authorize the Mayor to Sign the City's Acknowledgement of Golf Course Restaurant Sublease. The motion carried unanimously.

3. City Manager/Legal

a. Update on Alamosa County Airport Parking Lot Requirements

Heather Brooks gave an update on this item. She wanted to make sure that Council was aware that they wanted to work closely with the County and be good partners. Staff's goal is to take the next few months to meet with County staff to try to work through this item.

The situation that they are looking at is when the new terminal was being built, the original plans included the paving of the parking lot, which made it compliant with the code requirements. As the nearing of completion, the contractor was in discussions with the Public Works Department. At that point in time there was an indication that the parking lot was not going to be paved. This was extremely concerning because it was part of the original plans and it is a code requirement. Several communications were sent to the County raising red flags of not being sure if they could even issue a certificate of occupancy because of the code requirements. The response was that the Commissioners were always intending at some point to pave it. The City in good faith issued a certificate of occupancy. Now twenty months from that point in time they were contacted by the County in regards to that the plans may have changed to just do gravel. This does not meet the code requirements and is not the understanding that the City had when issuing the certificate of occupancy.

The City does not want to be heavy handed and to be a bad partner in any way. We know from the past several months how hard the County has worked for the Essential Air Service and Boutique Air. The airport is very important to the County. Through the community discussions we've got a really good test as to how strongly the community wants to be behind the airport. At the end of the day, everybody wants the same thing. It's just a matter of how we get there.

The County is getting pulled in a lot of directions as far as funding and they are trying to prioritize and figure out how to make some of these major projects happen. Our plan is to evaluate some of the different options we have, to have some communications at the staff level, and see if we can come up with solution to when it is going to be paved and have that be acceptable from a code perspective.

There are still discussions that need to happen and Council will be updated before the final next steps.

D. Committee Reports

Councilor Hensley spoke about the Marketing Board.

E. Staff Announcements

Heinz spoke regarding Celebration of Lights on Friday, starting at 5:00 pm.

Heather spoke regarding the following:
- City facilities being closed on Thursday and Friday
- Two public open houses will be held on November 30th and December 1st at City Hall

Don Chapman spoke gave an update on the Alamosa County Hazard Mitigation Plan

COUNCIL COMMENT

Councilor Daniel spoke about the followin:
- She appreciates the City's presence at the town hall meeting with the Governor
- She is also looking forward to the Parade of Lights
- She thanked the city police for the assistance for the security the provided yesterday

Councilor Griego spoke about the Veteran's Day Parade

Mayor Lucero commented on the Veteran's Day Parade

Councilor Hensley spoke about Erich Schwiesow and the Big Band

Councilor Stefano thanked the City for the opportunity to learn through the CML

ADJOURNMENT

The meeting adjourned at 8:29 p.m.

Lachelle Montano, Deputy City Clerk

Josef P. Lucero, Mayor

ALAMOSA CITY COUNCIL
COUNCIL COMMUNICATION

Subject/Title:
Public Hearing and Second Reading, Ordinance No. 20-2016, An Ordinance Approving Rate Increases For The Provision Of Water, Sewer, and Solid Waste Disposal Services.

Recommended Action:
That Council conduct a public hearing and, unless evidence to the contrary is introduced, pass Ordinance No. 20-2016 on second reading.

Background:
OVERALL BACKGROUND

As a full-service municipality, the City of Alamosa provides a wide range of services including public safety, parks and recreation, utilities, etc. All of the services compete for limited financial resources and the City's goal is to operate as efficiently as possible while providing the services deemed important by residents. This responsibility for professional stewardship of public funds is taken very seriously by staff and City Council. As part of the financial structure of the City, the utilities are treated as an enterprise fund where the concept is that the rates and charges for the services should cover the operating expenses and capital needs. See Alamosa Code of Ordinances Section 20-1. The provision of water and wastewater is also unique in that these areas are highly regulated and capital discussions carry a much higher level of importance. For example, if funds are limited the City can reduce its level of street services. While this would not be politically acceptable, the regulations are much less severe in this area. In regards to wastewater, the City cannot reduce its level of service since that would violate regulatory requirements. Simply put, if the City does not meet regulatory requirements in the utility area, services either cease or the State could assume operational control with much higher rates. Overall, the City has increased rates over the years to cover a majority of the operational increases. However, the rates have not kept up with capital needs and we are currently experiencing the consequences of delayed capital projects that cannot continue unaddressed without risking regulatory compliance.

In November of 2014, City of Alamosa received its new wastewater treatment plant discharge permit under the National Pollutant Discharge Elimination System. In addition to new monitoring requirements that cost an estimated $40,000 to implement, we were encumbered with a two-year compliance schedule to meet new maximum contaminant levels for metals that we had not had to meet in the past. This is an example of the regulatory moving target for which we are constantly aiming as the arsenic concentrations that we now have to address were approved by the Colorado Department of Health and Environment in 2008 when the water plant was built. After many discussions with consulting engineers, arsenic speciation studies, and the evaluation of operations at the water treatment plant, it was determined that our most reasonable and cost effective solution for the new requirement would be the re-location of our discharge back to the same location that the State forced us to move it from 21 years ago when the plant was built. This, on top of the already substantial list of deferred maintenance items at the aging plant prompted staff to begin researching different funding opportunities that would be necessary to realize these improvements in the time allowed. During these investigations, staff was involved in a conversation with the City Manager from Bayfield, Colorado at the CML Small Communities Conference at Adams State University who said that they had been denied a very much needed DOLA grant because they were unable to justify their low rates. They were told, essentially, that DOLA existed to assist, not subsidize. This has been verified by conversations with DOLA and USDA, and this is one reason that many communities budget for and conduct formal rate studies and the subsequent rate adjustments.

As a result, in October of 2015, the City released a Request for Proposals from qualified engineering and/or financial firms for services required to complete the City's first operational assessments and comprehensive rate studies for the water, wastewater, and solid waste divisions. That contract was ultimately awarded to Willdan Financial Services and the ordinance being considered tonight is the result of that study.

As emphasized above, the City's rates have historically been structured to maintain operations at an acceptable level but have not been adequate to develop the fund balances necessary to provide for capital needs and utility reinvestment. One industry and financial rule of thumb that was discovered during this rate study is that ideally a utility should be reinvesting its total annual depreciation back into the system each year. This provides for the maintenance of the investment made by the taxpayer into the infrastructure and allows more efficient utility improvements and expansion in the future. The 2015 audit identifies a total enterprise fund depreciation of over $1.4 million, with annual capital improvements and upgrades scheduled for 2017 totaling $674,000 we are falling short of that re-investment goal by approximately 53%. Assuming grant funds or low interest loans make themselves available next year the City's planned expenditures in the enterprise fund will total approximately $1.5 million.

As noted above, staff is focused on operating as efficiently as possible in order to minimize rates. However, it is important to provide clarity that the City has never and will never simply increase rates just to increase rates. Sanitation rates have not been increased since 2012. Sewer rates have not been increased since 2012 and prior to that very minimally. Water rates have been increased minimally (roughly 3%-3.5%) per year since 2013. Clearly the lack of increases and minimal increases do not cover normal cost-of-business increases that include electrical, chemical, insurance, personnel, etc. and in no way provide for capital reinvestment. Additionally, while rate increases are not desirable, it is absolutely critical to understand that at some point the capital improvements must be made to maintain compliance and simply deferring them creates a much larger cost to the resident and significant regulatory risk.

WATER

The Colorado legislature has required the State Engineer to implement new well rules to administer wells for their impacts on surface streams, to control the continued depletion of the confined aquifer from which we draw our municipal water, and to return the aquifer to historic levels. Additional expenses imposed upon the City by these new well rules are the necessity of the creation of a water augmentation plan, the purchase of augmentation water in order to replace the depletions caused by pumping of its confined aquifer municipal supply wells, and the purchase of existing deep aquifer wells within our response zone for the retirement of historical pumping. It is currently expected to cost the City in excess of $3 million to put this plan and these water rights in place. This, coupled with the recently discovered annual membrane replacement needs, represent considerable unavoidable costs for the water utility that have not been an issue in the past.

Compliance with these new rules will require a more robust conservation effort than has ever been seen in the valley and will impact each and every valley water user to some degree. Staff feels strongly that the City has an obligation to other valley water users as well as to ourselves to both make water conservation a priority and to guarantee the sustainability of our own infrastructure to ensure that when our residents turn on the tap, they will receive clean, safe, and sufficient water flow.

The City has already implemented new aspects of its conservation plan; we have created a Water Smart Team to identify how we can do better. The Team has brainstormed on how to reduce irrigation needs on City-owned property, including parks; effective education materials for the public; and programs to help limited/fixed income households put in water smart landscaping as well as evaluating the potential of removing sections of unnecessary turf at the golf course to reduce irrigation demand. We are also developing baseline water consumption numbers in our facilities and parks and will develop metrics based on those numbers to evaluate the success of city-wide water conservation efforts into the future. Sadly, conservation was not something we have been aggressive enough with in the past, but we are taking steps in the right direction.

In an effort to encourage conservation among our residents, we have maintained the inclining block rate structure that was adopted in 2007 and have created a new customer class to capture those institutional users that should be held to different rates than the traditional commercial structure. Users that see large fluctuations in seasonal water use due to irrigation such as the School District, ASU, and Alamosa County will be included in this new class.

Staff wanted very much to recommend a rate structure that equitably distributes our increased revenue need while understanding the financial difficulties experienced by our seniors and other fixed income minimal users. We have maintained very modest increases for our average users, for example, a user of 8,000 gallons of water per month will see their normal water bill increase from $17.28 to $17.76, an increase of 2.78% or $0.48, while minimal senior users will actually see a decrease in rates. Larger users however will see much greater increases due to the greater increases in rates in the inclining rate structure as water consumption increases. Currently a user of 50,000 gallons per month is billed $91.62 per month, the proposed rates will increase that monthly bill to $114.78, an increase of 25.28% or $23.16. It was our goal to create a conservation rate structure that reduced voluntary usage to an amount that is more appropriate for the conditions in which we live and focused the lion's share of the increased revenue needs on those users who are making usage decisions based on landscaping choices rather than actual residential needs.

Just to be clear, a different percentage of increase is being proposed for each block of consumption, the 178% increase for water use above and beyond 100,000 gallons per month for residential customers is just that; an increase for each thousand gallons used over and above 100,000 gallons. The percent increases for each consumption block is as follows:

Volume	Current	Proposed	Increase
0-8000	$ 1.41	$ 1.44	2.13%
8001-50000	$ 1.77	$ 2.31	30.51%
50001-100000	$ 2.28	$ 4.04	77.19%
Greater than 100,000	$ 2.90	$ 8.08	178.62%
Flat Fee	$ 6.00	$ 6.24	4.00%

For an example, this means that a residential customer that uses 110,000 gallons per month will see a 69 percent increase in their monthly water bill, not the consumption block increase of 178%. I have created a water bill for 110,000 gallon per month residential user using existing and proposed rates below as an example:

Consumption	Current Rate	Proposed Rate	Percent Increase
0 - 8,000	$ 11.28	$ 11.52	
8,001 - 50,000	$ 74.34	$ 97.02	
50,001 - 100,000	$ 114.00	$ 202.00	
Greater than 100,000	$ 29.00	$ 80.80	
Base Fee	$ 6.00	$ 6.24	
Total Bill	$ 234.62	$ 397.58	**69.46%**

Thankfully, Willdan Financial Services has the experience and technical expertise to recommend this rate structure with the understanding that if successful, water consumption will go down thus causing a reduction in revenue. These assumptions have been built into the system to ensure financial sustainability for fixed costs. It is no secret that Colorado has been consuming water at rates higher than it should, and the San Luis Valley is no different. The valley as a whole needs to reduce its water consumption both to meet the new water laws, but also begin to live in a more sustainable manner.

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SEWER

Many maintenance and upgrade needs at the wastewater plant have been deferred due to a lack of maintenance and capital resources in our enterprise fund. Since going on-line in August of 1995, many systems at the plant have either completely failed or degraded to a point that they are no longer a viable and consistent aspect of our treatment process. Compounding the issue of these system failures is the fact that in the years since construction, many of our systems have become obsolete, making parts and service impossible or incredibly expensive. An example is our two ultra-violet disinfection units that are the final step in the treatment process. At some point in years past, these units both quit working but it was discovered that the total coliform limits on our discharge permit were quite easily attainable without these units on-line so what little money that was available for maintenance and upgrade was spent elsewhere. Since receipt of our most recent permit, however, the total coliform limit was changed to a more species specific limit that we were not able to achieve without the UV system. This required us to cannibalize one unit to essentially rebuild the other. Not only do we now not have any redundant system in the event of a failure, the mother board on the unit that is currently in operation is being jumped electrically to negate a fault in the board itself. When that board fails, and it will eventually, the unit will not be repairable as it has become obsolete, is no longer supported, and after a diligent search we do not believe a stash of parts exist anywhere for purchase.

Issues other than the discharge location and UV system that need to be addressed at the wastewater plant include plant-wide HVAC, a failing roof, the aeration system in the basins, and aging and inefficient blowers. Council approved the replacement of the rapidly failing bar screen at a cost of $86,000 earlier this year to meet an immediate need by deferring other projects.

When the existing sewer rates and rate structure were evaluated, no problems or inconsistencies were noted and since the sewer rates are calculated based on in-house use water only, measured during the winter months, and changes annually, it is difficult to apply a conservation rate. Therefore it was decided to apply a standard rate increase equally across the board. No block structure has been implemented into the sewer rates. An average residential sewer bill for 5,000 gallons per month that is currently billed at $17.80 will see an increase to $19.22, an increase of $1.42 per month or 8%.

SOLID WASTE

The solid waste rates being proposed are solely the result of the cost of service aspect of the Willdan Study. The study looked at many operational variables, including but not necessarily limited to considerations such as routing, daily operations, landfill transport and tipping fees, polycart and dumpster cost, fuel consumption, labor, fleet replacement requirements, and fleet maintenance costs. The result of this analysis created a cost of service that could be applied to the different user classes; the rate increases being presented this evening simply represent the cost to provide solid waste services to the different user classes. Simply stated, any rate less than those proposed do not cover operational and capital expenses.

COMPARATIVE INFORMATION

As shared above, staff takes very seriously their responsibility to keep costs down and reduce the need for rate increases. However, when the need to increase rates occurs, we often hear that residents cannot afford increases, that our rates are already too high, that we need to operate more efficiently, etc. It is our hope that the information contained in this letter will help clarify the extent to which the City has gone to keep rates low and the justification for the increases. Additionally, we often find that evaluating this information with an understanding of rates in surrounding communities helps to further highlight just how well the City has done at keeping rates low. The table below is only provided for informational purposes. The City's goal will never be to increase rates to match other communities. Rate increases are 100% tied to operational and capital needs.

FUTURE DISCUSSION

The rate increases brought before Council for consideration represent the majority of items reviewed during the rate analysis. However, there are several remaining items that will be brought before Council for consideration over the next several months including tap fees, construction water rates, and multiple identical service calls.

Issue Before the Council:

Does Council wish to pass Ordinance No. 20-2016 on second reading as presented?

Alternatives:
Council is free to select or develop any number of alternatives such as passing the Ordinance on second reading as presented, make modifications to the Ordinance as presented, or deny the request and provide staff with further direction.

Fiscal Impact:
This rate increase is intended to bring revenues in line with costs by adjusting fees charged to utility customers across all activities of the enterprise fund, being water, wastewater, and solid waste and will help serve to allow each enterprise activity to generate revenues sufficient to cover its costs in order to remain viable.

Legal Opinion:
The City Attorney has reviewed the information contained in this package and will be available for questions.

Conclusion:
While never easy, this rate increase is necessary to maintain the sustainability of the services we provide.

ATTACHMENTS:

	Description	Type
	Work Session Slides	Backup Material
	Ordinance 20-2016	Ordinance

CITY OF
ALAMOSA, COLORADO

OPERATIONAL ASSESSMENT AND COMPREHENSIVE RATE STUDIES FOR WATER, WASTEWATER AND SOLID WASTE DIVISIONS

Presented by ***Kevin Burnett***

WILLDAN
Financial Services

Presentation Contents

- Introduction
- Review purpose of study
- Overview of utility rate seting process
- Summary of projected revenue increases
- Rate Options
- Curbside Recycling
- Plant Investment Fees
- Questions and Discussion

PURPOSE OF THE RATE STUDY

- Evaluate sufficiency of existing water, sewer and solid waste revenue to:
  - Provide funding for current and future operating, maintenance, and capital expenses
  - Meet minimum reserve level requirements
  - Meet legal obligations associated with outstanding debt
- Develop rates which will generate sufficient revenue ***to*** meet cost of providing essential services
  - Adjust rates between classes to appropriately reflect the cost to serve each class

Financial Target

- Cashflow model incorporates the following financial target:
  - Operating reserves: 90 days of operations and maintenance expense (O&M)

Primary Assumptions and Goals

- Yearly escalation factors:
  - Customer growth per year– 0.5%
  - Operating costs – 3.0%
- Capital projects planned in the City's 10-year CIP

Typical Utility Rate-Setting Process

Planning

Project Initiation & Management

- Data Collection & Assessment
- Confirmation of Goals and Objectives
- Frequent Communication

→

Analysis

Rate Setting & Financial Plan

- Customer Statistics
- System Revenue Requirements
- Integration of Capital Improvement Plan
- Multi-year Financing Analysis
- Alternatives Analyses

→

Communication

Summary Report

- Written
- Public Presentations

↓

Adopted Rates & Financial Plan

Utility Rate Setting Process

Holistic Approach to Rate Design:

Revenue Requirements Analysis

- Determine revenue needed to meet utility costs
- Project O&M, capital and debt expenses
- Analyzes reserves

Cost of Service Analysis

- Allocate utility costs by function and customer demand

Rate Design Analysis

- Develop rate structure for each customer class to collect appropriate level of revenues

Utility Rate Setting Process

Evaluate Current Financial Condition	
Operating Revenues	
less	Operating Expenses
less	Debt Service
less	Transfers
less	Capital Expenditures
less	Reserve Requirements
=	Total Available Resources
vs.	Needed Capital Additions (ongoing R&R) and O&M
	Identify Optimum Funding Strategy

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Financial Plans

Why Increase Revenue?

- Water Fund
  - Additional revenue is needed to:
    - Meet cash reserve targets
    - Fund capital needs (average of $660,000 a year)
    - Continue to fund current service standards

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Why Increase Revenue?

- Sewer Fund
  - Additional revenue is needed to:
    - Meet cash reserve target
    - Fund capital needs (average of $415,000 a year)

Why Increase Revenue?

- Sanitation Fund
  - Additional revenue is needed to:
    - Meet cash reserve target
    - Fund capital needs (average of $172,000 a year)

Historical Increases - Water

Use	2013	2014	2015	2016
Base	No Change	No Change	No Change	No Change
0-8,000	3.28%	3.17%	3.85%	4.44%
8,001 – 50,000	3.25%	3.14%	3.66%	4.12%
50,001 – 100,000	3.55%	3.43%	3.79%	4.11%
> 100,000	3.13%	3.03%	2.94%	3.57%

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Revenue Recommendations - Water

Water Financial Plan					
Year	Revenue Increase	Debt Issuance (millions)	Fiscal Year	Revenue Increase	Debt Issuance (millions)
2017	6%	$-	2022	4%	$-
2018	6%	-	2023	3%	-
2019	4%	-	2024	3%	-
2020	4%	-	2025	3%	-
2021	4%	-			

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Historical Increases - Sewer

Class/Use	2011	2012
Residential		
Flat	5.00%	0.95%
Flow	33.33%	25.00%
Commercial		
Flat	4.29%	2.74%
Flow	33.33%	25.00%
BOD (per 25mg/L, >200 mg/L)	20.00%	16.67%
TSS (per 10 mg/L, >140 mg/L)	33.33%	25.00%
Industrial		
Flat	2.78%	2.70%
Flow	33.33%	25.00%
BOD (per 25mg/L, >200 mg/L)	20.00%	16.67%
TSS (per 10 mg/L, >140 mg/L)	33.33%	25.00%

Revenue Recommendations - Sewer

Sewer Financial Plan					
Year	Revenue Increase	Debt Issuance (millions)	Fiscal Year	Revenue Increase	Debt Issuance (millions)
2017	8%	$-	2022	5%	$-
2018	8%	-	2023	0%	-
2019	7%	-	2024	0%	-
2020	7%	-	2025	0%	-
2021	6%	-			

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Revenue Recommendations - Sanitation

Sanitation Financial Plan					
Year	Revenue Increase	Debt Issuance (millions)	Fiscal Year	Revenue Increase	Debt Issuance (millions)
2017	7%	$-	2022	3%	$-
2018	10%	-	2023	2%	-
2019	9%	-	2024	2%	-
2020	3%	-	2025	2%	-
2021	3%	-			

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Monthly Base Charge - Water

Current	Option 1	Option 2	Option 3
$6.00	$6.36	$6.24	$6.24

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Volume Rate - Water

Class/Use	Current	Option 1	Option 2
Residential (Inside)			
0-8,000	$1.41	$1.49	$1.44
8,001 – 50,000	1.77	1.88	2.31
50,001 – 100,000	2.28	2.42	4.04
> 100,000	2.90	3.07	8.08
Senior (Inside)			
0-8,000	$1.27	$1.35	$0.74
8,001 – 50,000	1.59	1.69	1.19
50,001 – 100,000	2.05	2.42	4.04
> 100,000	2.61	3.07	8.08

Volume Rate - Water

Class/Use	Current	Proposed
Commercial (Inside)		
0-8,000	$1.41	$1.49
8,001 – 50,000	1.77	1.88
50,001 – 100,000	2.28	2.42
> 100,000	2.90	3.07
Institution		
0-8,000	$1.41	$1.49
8,001 – 50,000	1.77	1.88
50,001 – 100,000	2.28	2.98
> 100,000	2.90	4.93

Sewer Rates

Class/Use	Current	Proposed
Residential		
Flat	$5.30	$5.72
Flow	2.50	2.70
Commercial		
Flat	$7.50	$8.10
Flow	2.50	2.70
BOD (per 25mg/L, >200 mg/L)	0.35	0.38
TSS (per 10 mg/L, >140 mg/L)	0.25	0.27
Industrial		
Flat	$7.60	$8.21
Flow	2.50	2.70
BOD (per 25mg/L, >200 mg/L)	0.35	0.38
TSS (per 10 mg/L, >140 mg/L)	0.25	0.27

Sanitation Rates

Class/Use	Current	Proposed
Residential		
1 Container (64 gallons)	$7.50	$9.63
1 Container (96 gallon)	10.25	12.84
2 Containers (96 gallon)	20.50	25.68
Non-Residential		
1 Container (96 gallon)	$25.00	$25.00
1 Container (2 Cubic Yard, 1 per week)	56.00	89.88
1 Container (2 Cubic Yard, 2 per week)	112.00	178.69
1 Container (2 Cubic Yard, 3 per week)	168.00	268.57
1 Container (2 Cubic Yard, 4 per week)	224.00	357.38
1 Container (2 Cubic Yard, 5 per week)	280.00	447.26
1 Container (2 Cubic Yard, 6 per week)	336.00	536.07

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Sanitation Rates

Class/Use	Current	Proposed
Non-Residential		
1 Container (3 Cubic Yard, 1 per week)	$84.00	$94.16
1 Container (3 Cubic Yard, 2 per week)	168.00	188.32
1 Container (3 Cubic Yard, 3 per week)	252.00	281.41
1 Container (3 Cubic Yard, 4 per week)	336.00	375.57
1 Container (3 Cubic Yard, 5 per week)	420.00	469.73
1 Container (3 Cubic Yard, 6 per week)	504.00	563.89
1 Container (4 Cubic Yard, 1 per week)	$192.25	$98.44

SANITATION RATES

Class/Use	Current	Proposed
Residential Yard Waste	$5.00	$7.50

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Average Residential Bill [1]

Service	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Water	$19.05	$19.53	$20.03	$20.54	$21.07	$21.63	$22.20	$22.79	$23.41	$24.05
Sewer	20.30	21.78	23.37	25.08	26.92	28.91	31.04	33.33	35.81	38.47
San	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25	10.25
Total[2]	49.60	51.56	53.65	55.87	58.24	60.79	63.49	66.37	69.47	72.77
Water	$19.05	$20.07	$21.27	$22.13	$23.01	$23.93	$24.89	$25.63	$26.40	$27.20
Sewer	20.30	21.92	23.68	25.34	27.11	28.74	30.17	30.17	30.17	30.17
San	10.25	12.84	14.12	15.40	15.86	16.33	16.82	17.16	17.50	17.85
Total[3]	49.60	54.83	59.07	62.87	65.98	69.00	71.88	72.96	74.07	75.22

(1) 9,000 gallons of water flow, 6,000 gallons of sewer flow, 1 96 gallon sanitation container

(2) Based on average rate increases for 2013-2016

(3) Based on water option 2

Water Plant Investment Fees

- Buy-in approach
- Fee based on current investment in water system
- Impact fee represents cost to buy-into water system at same level as current development
- Fee is based on meter size

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Water Plant Investment Fees *

	Current Fee	Calculated Fee
3/4-inch(1)	$1,000	$1,436
1-inch	1,700	2,398
1 1/2-inch	3,300	4,782
2-inch	5,300	7,654
3-inch	10,000	14,360
4-inch	16,700	23,938
6-inch(1)	33,300	47,862

(1) Standard residential meter size

* City's tap fees will be reviewed and updated in addition to the plant investment fees

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Sewer Plant Investment Fees

- Buy-in approach
- Fee based on current investment in sewer system
- Impact fee represents cost to buy-into sewer system at same level as current development
- Fee is based on meter size

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Sewer Plant Investment Fees *

	Current Fee	Calculated Fee
4-inch(1)	$500	$1,236
6-inch	1,250	2,060
8-inch	3,000	3,296
10-inch	4,500	4,738
12-inch	7,000	8,858

(1) Standard residential meter size

* City's tap fees will be reviewed and updated in addition to the plant investment fees

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THE CITY OF ALAMOSA

CITY OF
ALAMOSA, COLORADO

QUESTIONS & DISCUSSION

ORDINANCE NO. 20-2016

AN ORDINANCE AMENDING CHAPTER 20, SECTIONS 20-3, 20-4, 20-5, 20-8, 20-31, and 20-89 OF THE CODE OF ORDINANCES OF THE CITY OF ALAMOSA, COLORADO, TO INCREASE WATER, SEWER, AND SOLID WASTE FEES

WHEREAS, costs for providing water, sewer, and solid waste services have increased at a rate above and beyond the City's historic rate adjustments; and

WHEREAS, Section 20-1 of the *Code of Ordinances of the City of Alamosa* states that the purpose of the ordinance provisions covering the wastewater utility is to generate revenue from service charges to pay for all costs of operation and maintenance of the wastewater system; and

WHEREAS, each enterprise activity should ideally generate revenues sufficient to cover its costs in order to remain viable; and

WHEREAS, in order to bring revenues in line with costs it is necessary to adjust fees charged to utility customers across all activities of the enterprise fund, being water, wastewater, and solid waste; and

WHEREAS, in order to address pending capital improvement needs it is necessary to adjust fees charged to utility customers across all activities of the enterprise fund; and

WHEREAS, in order to be considered for grant funding for pending necessary capital improvements it was necessary that the City perform a rate study to ensure itsrates are adequateto maintain sustainable and successful utilities and services; and

WHEREAS, the City has commissioned such a rate study, and the results and recommendations of the rate study have been received and considered, and are addressed in this Ordinance;

NOW, THEREFORE, BE IT HEREBY ORDAINED by the City Council of the City of Alamosa, Colorado:

Section 1.

Deletion of SECTION 20-3 OF THE *CODE OF ORDINANCES OF THE CITY OF ALAMOSA*. Section 20-3 of the *CODE OF ORDINANCES OF THE CITY OF ALAMOSA is hereby deleted in its entirety.*

<u>Section 2</u>.

Amendment of <u>SECTION 20-4 OF THE *CODE OF ORDINANCES OF THE CITY OF ALAMOSA.*</u> Section 20-4 is hereby amended in its entirety to read as follows:

Sec. 20-4. - Determining a surcharge for users with excess BOD and TSS.

The city shall assess a surcharge for all non-residential users discharging wastes with bio-chemical oxygen demand (BOD) and total suspended solids (TSS) strengths greater than those of the typical residential user. For purposes of this Section, normal strength wastes are considered to be two hundred (200) milligrams per liter BOD and one hundred forty (140) milligrams per liter TSS. An atypical, non-residential user's BOD and TSS strengths shall be determined by laboratory analysis of the user's discharge performed by the City at such intervals and times as the City deems appropriate. The surcharge rate structure for such above-normal strength waste dischargers will be sufficient to cover the costs of treating such user's above normal strength wastes. Said users shall pay an additional surcharge as set forth below in Section 20-5, for each twenty-five (25) milligrams per liter of BOD over the normal strength wastes as defined above, and for each ten (10) milligrams per liter of TSS over the normal strength wastes as defined above.

<u>Section 3</u>.

Amendment of <u>SECTION 20-5 OF THE *CODE OF ORDINANCES OF THE CITY OF ALAMOSA.*</u> Section 20-5 is hereby amended in its entirety to read as follows:

Sec. 20-5. - Determining each user's wastewater service charge

Each user's wastewater charge will be assessed by applying the applicable volumetric rate per one thousand (1,000) gallons of water, or fraction thereof, used plus a flat monthly rate, plus any applicable BOD or TSS surcharge as set forth below for the period of time from January 1, 2017 to December 31, 2021. In making such assessment, the City may classify industrial, commercial, and other non-residential establishments as a residential user, provided that the wastes for these establishments are equivalent to the wastes from the average residential user with respect to volume, BOD and TSS.

Sewer

January 1, 2017 to December 31, 2017

User Class	Flat Rate	Volumetric Charge (per 1,000 Gallons)	BOD Surcharge For Each 25 mg/l > 200 mg/l	TSS Surcharge For Each 10 mg/l > 140 mg/l
Residential	$ 5.72	$ 2.70		
Commercial	$ 8.10	$ 2.70	$ 0.38	$ 0.27
Industrial	$ 8.10	$ 2.70	$ 0.38	$ 0.27

January 1, 2018 to December 31, 2018

User Class	Flat Rate	Volumetric Charge (per 1,000 Gallons)	BOD Surcharge For Each 25 mg/l > 200 mg/l	TSS Surcharge For Each 10 mg/l > 140 mg/l
Residential	$ 6.18	$ 2.92		
Commercial	$ 8.75	$ 2.92	$ 0.41	$ 0.29
Industrial	$ 8.75	$ 2.92	$ 0.41	$ 0.29

January 1, 2019 to December 31, 2019

User Class	Flat Rate	Volumetric Charge (per 1,000 Gallons)	BOD Surcharge For Each 25 mg/l > 200 mg/l	TSS Surcharge For Each 10 mg/l > 140 mg/l
Residential	$ 6.61	$ 3.12		
Commercial	$ 9.36	$ 3.12	$ 0.44	$ 0.31
Industrial	$ 9.36	$ 3.12	$ 0.44	$ 0.31

January 1, 2020 to December 31, 2020

User Class	Flat Rate	Volumetric Charge (per 1,000 Gallons)	BOD Surcharge For Each 25 mg/l > 200 mg/l	TSS Surcharge For Each 10 mg/l > 140 mg/l
Residential	$ 7.07	$ 3.34		
Commercial	$ 10.02	$ 3.34	$ 0.47	$ 0.33
Industrial	$ 10.02	$ 3.34	$ 0.47	$ 0.33

January 1, 2021 to December 31, 2021

User Class	Flat Rate	Volumetric Charge (per 1,000 Gallons)	BOD Surcharge For Each 25 mg/l > 200 mg/l	TSS Surcharge For Each 10 mg/l > 140 mg/l
Residential	$ 7.50	$ 3.54		
Commercial	$ 10.62	$ 3.54	$ 0.50	$ 0.35
Industrial	$ 10.62	$ 3.54	$ 0.50	$ 0.35

Each user's volumetric charge will be based on the average of their November, December, January, and February water use for the immediately preceding year unless adjusted by the city for exceptional circumstances. Any such adjustments will be reflected on the first full month's bill along with notification of the change. This will minimize the impact of irrigation on the calculation of volume used as the basis for the sewer use volumetric charges.

Section 4.

Amendment of SECTION 20-8 OF THE *CODE OF ORDINANCES OF THE CITY OF ALAMOSA*. Section 20-8 is hereby amended to delete the first sentence thereof.

Section 5.

Amendment of SECTION 20-31 OF THE *CODE OF ORDINANCES OF THE CITY OF ALAMOSA.* Section 20-31 is hereby amended in its entirety to read as follows:

Sec. 20-31. - Water rates within city limits.

(a) All water use shall be measured by standard meters to be installed in all places where water is or may have to be used from the City water system.

(b) In determining the category of use as set forth below for each type of water user, the following definitions shall be applicable:

(1) Residential Water: Use in a dwelling. For purposes of the volumetric charge to be applied to any residential use that involves more than a single unit (multi-family dwellings, mobile home parks, apartment complexes, etc), the volumetric category into which the user falls shall be determined by dividing the total usage by the number of single family residence equivalents making up that total usage.

(2) Senior Water: Upon application by the consumer and upon determination by the city of the consumer's eligibility, water service to a residence occupied by any consumer, either as owner or lessee thereof, who is 65 years of age or older.

(3) Commercial Water: Use in a commercial facility, including residential type uses in commercial lodging establishments such as hotels, motels, bed and breakfasts, RV parks, etc.

(4) Institutional Water: Use by any governmental, institutional, or any private entity in a campus type setting that experiences large seasonal water demand due to irrigation or other use.

(b) The monthly charge for water shall be the combined total of a monthly base charge and a monthly volume charge, computed as follows:

(1) The monthly base charge for each premise to which water service is available during the month, regardless of whether or not any water is consumed, shall be as set forth below.

(2) The monthly volumetric charge for a consumer within the city limits per one thousand (1,000) gallons (or fraction thereof) shall be as set forth below for the period of time from January 1, 2017 to December 31, 2021:

Residential Water

January 1, 2017 to December 31, 2017

Quantity Used	Charge per 1,000 Gallons or Fraction Thereof
0 to 8,000 Gallons	$ 1.44
8,001 to 50,000 Gallons	$ 2.31
50,001 - 100,000 Gallons	$ 4.04
In Excess of 100,000 Gallons	$ 8.08
Base Charge	$ 6.24

January 1, 2018 to December 31, 2018

Quantity Used	Charge per 1,000 Gallons or Fraction Thereof
0 to 8,000 Gallons	$ 1.53
8,001 to 50,000 Gallons	$ 2.45
50,001 - 100,000 Gallons	$ 4.28
In Excess of 100,000 Gallons	$ 8.56
Base Charge	$ 6.61

January 1, 2019 to December 31, 2019

Quantity Used	Charge per 1,000 Gallons or Fraction Thereof
0 to 8,000 Gallons	$ 1.59
8,001 to 50,000 Gallons	$ 2.55
50,001 - 100,000 Gallons	$ 4.45
In Excess of 100,000 Gallons	$ 8.91
Base Charge	$ 6.88

January 1, 2020 to December 31, 2020	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.65
8,001 to 50,000 Gallons	$ 2.65
50,001 - 100,000 Gallons	$ 4.63
In Excess of 100,000 Gallons	$ 9.26
Base Charge	$ 7.15

January 1, 2021 to December 31, 2021	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.72
8,001 to 50,000 Gallons	$ 2.75
50,001 - 100,000 Gallons	$ 4.82
In Excess of 100,000 Gallons	$ 9.63
Base Charge	$ 7.44

Senior Water

January 1, 2017 to December 31, 2017	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 0.74
8,001 to 50,000 Gallons	$ 1.19
50,001 - 100,000 Gallons	$ 4.04
In Excess of 100,000 Gallons	$ 8.08
Base Charge	$ 6.24

January 1, 2018 to December 31, 2018	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 0.78
8,001 to 50,000 Gallons	$ 1.26
50,001 - 100,000 Gallons	$ 4.28
In Excess of 100,000 Gallons	$ 8.56
Base Charge	$ 6.61

January 1, 2019 to December 31, 2019	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 0.82
8,001 to 50,000 Gallons	$ 1.31
50,001 - 100,000 Gallons	$ 4.45
In Excess of 100,000 Gallons	$ 8.91
Base Charge	$ 6.88

January 1, 2020 to December 31, 2020	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 0.85
8,001 to 50,000 Gallons	$ 1.36
50,001 - 100,000 Gallons	$ 4.63
In Excess of 100,000 Gallons	$ 9.26
Base Charge	$ 7.15

January 1, 2021 to December 31, 2021	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 0.88
8,001 to 50,000 Gallons	$ 1.42
50,001 - 100,000 Gallons	$ 4.82
In Excess of 100,000 Gallons	$ 9.63
Base Charge	$ 7.44

Commercial Water

January 1, 2017 to December 31, 2017	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.49
8,001 to 50,000 Gallons	$ 1.88
50,001 - 100,000 Gallons	$ 2.42
In Excess of 100,000 Gallons	$ 3.07
Base Charge	$ 6.24

January 1, 2018 to December 31, 2018	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.58
8,001 to 50,000 Gallons	$ 1.99
50,001 - 100,000 Gallons	$ 2.57
In Excess of 100,000 Gallons	$ 3.25
Base Charge	$ 6.61

January 1, 2019 to December 31, 2019	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.64
8,001 to 50,000 Gallons	$ 2.07
50,001 - 100,000 Gallons	$ 2.67
In Excess of 100,000 Gallons	$ 3.38
Base Charge	$ 6.88

January 1, 2020 to December 31, 2020	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.71
8,001 to 50,000 Gallons	$ 2.16
50,001 - 100,000 Gallons	$ 2.77
In Excess of 100,000 Gallons	$ 3.52
Base Charge	$ 7.15

January 1, 2021 to December 31, 2021	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.78
8,001 to 50,000 Gallons	$ 2.24
50,001 - 100,000 Gallons	$ 2.89
In Excess of 100,000 Gallons	$ 3.66
Base Charge	$ 7.44

Institutional Water

January 1, 2017 to December 31, 2017	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.49
8,001 to 50,000 Gallons	$ 1.88
50,001 - 100,000 Gallons	$ 2.98
In Excess of 100,000 Gallons	$ 4.93
Base Charge	$ 6.24

January 1, 2018 to December 31, 2018	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.58
8,001 to 50,000 Gallons	$ 1.99
50,001 - 100,000 Gallons	$ 3.16
In Excess of 100,000 Gallons	$ 5.23
Base Charge	$ 6.61

January 1, 2019 to December 31, 2019	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.64
8,001 to 50,000 Gallons	$ 2.07
50,001 - 100,000 Gallons	$ 3.29
In Excess of 100,000 Gallons	$ 5.43
Base Charge	$ 6.88

January 1, 2020 to December 31, 2020	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.71
8,001 to 50,000 Gallons	$ 2.16
50,001 - 100,000 Gallons	$ 3.42
In Excess of 100,000 Gallons	$ 5.65
Base Charge	$ 7.15

January 1, 2021 to December 31, 2021	
Quantity Used	**Charge per 1,000 Gallons or Fraction Thereof**
0 to 8,000 Gallons	$ 1.78
8,001 to 50,000 Gallons	$ 2.24
50,001 - 100,000 Gallons	$ 3.55
In Excess of 100,000 Gallons	$ 5.88
Base Charge	$ 7.44

Section 6.

Amendment of SECTION 20-89 OF THE *CODE OF ORDINANCES OF THE CITY OF ALAMOSA.* Section 20-89 is hereby amended in its entirety to read as follows:

Sec. 20-89. Garbage Collection Fees Established; Billing; Variances.

(1) For residential dwellings for the period from January 1, 2017 to December 31, 2021, the monthly collection fee shall be as set forth in the following schedule. The minimum fee shall be that for a 64 gallon container.

Residential Solid Waste	
January 1, 2017 to December 31, 2017	
Size of Container	**Monthly Fee per Container**
64 Gallon	$ 9.63
96 Gallon	$ 12.84

January 1, 2018 to December 31, 2018	
Size of Container	**Monthly Fee per Container**
64 Gallon	$ 10.59
96 Gallon	$ 14.12

January 1, 2019 to December 31, 2019	
Size of Container	**Monthly Fee per Container**
64 Gallon	$ 11.55
96 Gallon	$ 15.40

January 1, 2020 to December 31, 2020	
Size of Container	**Monthly Fee per Container**
64 Gallon	$ 11.89
96 Gallon	$ 15.86

January 1, 2021 to December 31, 2021	
Size of Container	**Monthly Fee per Container**
64 Gallon	$ 12.25
96 Gallon	$ 16.33

(2) For non-residential users, for the period from January 1, 2017 to December 31, 2021, the monthly collection fee shall be set as set forth in the following schedule. The minimum fee shall be that for a 96 gallon container. The collection fee for containers larger than 3 cubic yards shall be the fee designated herein for 3 cubic yard containers, plus $25 dollars per collection for each additional cubic yard of capacity.

Commercial Solid Waste

March 1, 2017 to December 31, 2017						
Number of Collections Per Week - 2 Cubic Yard Container						
Number of Containers	1	2	3	4	5	6
1	$ 89.88	$ 178.69	$ 268.57	$ 357.38	$ 447.26	$ 536.07
2	$ 139.10	$ 277.12	$ 416.22	$ 554.25	$ 693.35	$ 831.37
3	$ 188.32	$ 375.55	$ 563.87	$ 751.12	$ 939.44	$ 1,126.67
4	$ 237.54	$ 473.98	$ 711.52	$ 947.99	$ 1,185.53	$ 1,421.97
5	$ 286.76	$ 572.41	$ 859.17	$ 1,144.86	$ 1,431.62	$ 1,717.27
6	$ 335.98	$ 670.84	$ 1,006.82	$ 1,341.73	$ 1,677.71	$ 2,012.57

March 1, 2017 to December 31, 2017						
Number of Collections Per Week - 3 Cubic Yard Container						
Number of Containers	1	2	3	4	5	6
1	$ 94.16	$ 188.32	$ 281.41	$ 375.57	$ 469.73	$ 563.89
2	$ 147.92	$ 295.83	$ 442.68	$ 590.60	$ 738.52	$ 886.43
3	$ 201.68	$ 403.34	$ 603.95	$ 805.63	$ 1,007.31	$ 1,208.97
4	$ 255.44	$ 510.85	$ 765.22	$ 1,020.66	$ 1,276.10	$ 1,531.51
5	$ 309.20	$ 618.36	$ 926.49	$ 1,235.69	$ 1,544.89	$ 1,854.05
6	$ 362.96	$ 725.87	$ 1,087.76	$ 1,450.72	$ 1,813.68	$ 2,176.59

January 1, 2018 to December 31, 2018						
Number of Collections Per Week - 2 Cubic Yard Container						
Number of Containers	1	2	3	4	5	6
1	$ 98.87	$ 196.56	$ 295.43	$ 393.12	$ 491.99	$ 589.68
2	$ 153.01	$ 304.84	$ 457.85	$ 609.68	$ 762.69	$ 914.52
3	$ 207.15	$ 413.12	$ 620.27	$ 826.24	$ 1,033.39	$ 1,239.36
4	$ 261.29	$ 521.40	$ 782.69	$ 1,042.80	$ 1,304.09	$ 1,564.20
5	$ 315.43	$ 629.68	$ 945.11	$ 1,259.36	$ 1,574.79	$ 1,889.04
6	$ 369.57	$ 737.96	$ 1,107.53	$ 1,475.92	$ 1,845.49	$ 2,213.88

January 1, 2018 to December 31, 2018						
Number of Collections Per Week - 3 Cubic Yard Container						
Number of Containers	1	2	3	4	5	6
1	$ 103.58	$ 207.15	$ 309.55	$ 413.13	$ 516.70	$ 620.28
2	$ 162.71	$ 325.42	$ 486.95	$ 676.66	$ 812.37	$ 975.08
3	$ 221.84	$ 443.69	$ 664.35	$ 940.19	$ 1,108.04	$ 1,329.88
4	$ 280.97	$ 561.96	$ 841.75	$ 1,203.72	$ 1,403.71	$ 1,684.68
5	$ 340.10	$ 680.23	$ 1,019.15	$ 1,467.25	$ 1,699.38	$ 2,039.48
6	$ 399.23	$ 798.50	$ 1,196.55	$ 1,730.78	$ 1,995.05	$ 2,394.28

January 1, 2019 to December 31, 2019						
Number of Collections Per Week - 2 Cubic Yard Container						
Number of Containers	1	2	3	4	5	6
1	$ 107.77	$ 214.25	$ 322.02	$ 428.50	$ 536.26	$ 642.75
2	$ 166.78	$ 332.27	$ 499.06	$ 664.55	$ 831.32	$ 996.82
3	$ 225.79	$ 450.29	$ 676.10	$ 900.60	$ 1,126.38	$ 1,350.89
4	$ 284.80	$ 568.31	$ 853.14	$ 1,136.65	$ 1,421.44	$ 1,704.96
5	$ 343.81	$ 686.33	$ 1,030.18	$ 1,372.70	$ 1,716.50	$ 2,059.03
6	$ 402.82	$ 804.35	$ 1,207.22	$ 1,608.75	$ 2,011.56	$ 2,413.10

January 1, 2019 to December 31, 2019						
Number of Collections Per Week - 3 Cubic Yard Container						
Number of Containers	1	2	3	4	5	6
1	$ 112.90	$ 225.80	$ 337.41	$ 450.31	$ 563.21	$ 676.10
2	$ 177.36	$ 354.71	$ 530.78	$ 708.13	$ 885.49	$ 1,062.83
3	$ 241.82	$ 483.62	$ 724.15	$ 965.95	$ 1,207.77	$ 1,449.56
4	$ 306.28	$ 612.53	$ 917.52	$ 1,223.77	$ 1,530.05	$ 1,836.29
5	$ 370.74	$ 741.44	$ 1,110.89	$ 1,481.59	$ 1,852.33	$ 2,223.02
6	$ 435.20	$ 870.35	$ 1,304.26	$ 1,739.41	$ 2,174.61	$ 2,609.75

January 1, 2020 to December 31, 2020						
Number of Collections Per Week - 2 Cubic Yard Container						
Number of Containers	1	2	3	4	5	6
1	$ 111.00	$ 220.68	$ 331.68	$ 441.35	$ 552.35	$ 662.03
2	$ 171.78	$ 342.24	$ 514.03	$ 684.48	$ 856.26	$ 1,026.72
3	$ 232.56	$ 463.80	$ 696.38	$ 927.61	$ 1,160.17	$ 1,391.41
4	$ 293.34	$ 585.36	$ 878.73	$ 1,170.74	$ 1,464.08	$ 1,756.10
5	$ 354.12	$ 706.92	$ 1,061.08	$ 1,413.87	$ 1,767.99	$ 2,120.79
6	$ 414.90	$ 828.48	$ 1,243.43	$ 1,657.00	$ 2,071.90	$ 2,485.48

January 1, 2020 to December 31, 2020						
Number of Collections Per Week - 3 Cubic Yard Container						
Number of Containers	1	2	3	4	5	6
1	$ 116.28	$ 232.57	$ 347.53	$ 463.82	$ 580.10	$ 696.39
2	$ 182.67	$ 365.35	$ 546.70	$ 729.38	$ 912.04	$ 1,094.72
3	$ 249.06	$ 498.13	$ 745.87	$ 994.94	$ 1,243.98	$ 1,493.05
4	$ 315.45	$ 630.91	$ 945.04	$ 1,260.50	$ 1,575.92	$ 1,891.38
5	$ 381.84	$ 763.69	$ 1,144.21	$ 1,526.06	$ 1,907.86	$ 2,289.71
6	$ 448.23	$ 896.47	$ 1,343.38	$ 1,791.62	$ 2,239.80	$ 2,688.04

January 1, 2021 to December 31, 2021						
Number of Collections Per Week - 2 Cubic Yard Container						
Number of Containers	1	2	3	4	5	6
1	$ 114.33	$ 227.30	$ 341.63	$ 454.59	$ 568.92	$ 681.89
2	$ 176.94	$ 352.51	$ 529.45	$ 705.01	$ 881.95	$ 1,057.52
3	$ 239.55	$ 477.72	$ 717.27	$ 955.43	$ 1,194.98	$ 1,433.15
4	$ 302.16	$ 602.93	$ 905.09	$ 1,205.85	$ 1,508.01	$ 1,808.78
5	$ 364.77	$ 728.14	$ 1,092.91	$ 1,456.27	$ 1,821.04	$ 2,184.41
6	$ 427.38	$ 853.35	$ 1,280.73	$ 1,706.69	$ 2,134.07	$ 2,560.04

January 1, 2021 to December 31, 2021						
Number of Collections Per Week - 3 Cubic Yard Container						
Number of Containers	1	2	3	4	5	6
1	$ 119.77	$ 239.55	$ 357.96	$ 477.73	$ 597.51	$ 717.28
2	$ 188.15	$ 376.31	$ 563.10	$ 751.25	$ 939.41	$ 1,127.56
3	$ 256.53	$ 513.07	$ 768.24	$ 1,024.77	$ 1,281.31	$ 1,537.84
4	$ 324.91	$ 649.83	$ 973.38	$ 1,298.29	$ 1,623.21	$ 1,948.12
5	$ 393.29	$ 786.59	$ 1,178.52	$ 1,571.81	$ 1,965.11	$ 2,358.40
6	$ 461.67	$ 923.35	$ 1,383.66	$ 1,845.33	$ 2,307.01	$ 2,768.68

(3) Residential yard waste pickup is offered generally from April through the first part of November, weather dependent. Those who wish to take advantage of this service shall call the department of finance to establish an account for the service. Free drop-off services are available at the city recycling center at 1130 Old Airport Road during normal business hours. The following monthly rates shall apply for yard waste pickup:

Green Waste

January 1, 2017 to December 31, 2017	
Size of Container	**Monthly Fee Per Container**
96 Gallon	$ 7.50

January 1, 2017 to December 31, 2017	
Size of Container	**Monthly Fee Per Container**
96 Gallon	$ 8.25

January 1, 2017 to December 31, 2017	
Size of Container	**Monthly Fee Per Container**
96 Gallon	$ 8.99

January 1, 2017 to December 31, 2017	
Size of Container	**Monthly Fee Per Container**
96 Gallon	$ 9.26

January 1, 2017 to December 31, 2017	
Size of Container	**Monthly Fee Per Container**
96 Gallon	$ 9.54

(5) The city offers free large item pickup twice a year, typically in May and October. At all other times large item pickups can be scheduled by calling the department of public works, fees to be assessed depending on the type and size of the item.

(6) Commercial containers shall be leased from the city. The lease prices shall be as set by the city manager, and amended from time to time, to be roughly proportionate to the city's cost of providing and maintaining such containers.

Section 7. General Repealer. All acts, orders, ordinances, resolutions, or portions thereof in conflict herewith are hereby repealed to the extent of such conflict.

Section 8. Recording and Authentication. This ordinance, immediately upon its passage, shall be authenticated by the signatures of the Mayor and City Clerk, recorded in the City Book of Ordinances kept for that purposes, and published according to law.

Section 9. Publication and Effective Date. This ordinance shall take effect ten (10) days after publication following final passage. Publication both before and after final passage shall be by the title of this ordinance, which Council determines constitutes a sufficient summary of the ordinance, together with the statement that the full text of the ordinance is available for public inspection and acquisition on the City's website and in the office of the City Clerk.

Section 10. Declaration of Public Interest. This ordinance is necessary to preserve the peace, health, safety, welfare, and to serve the best interest of the citizens of the City of Alamosa, Colorado.

INTRODUCED, READ AND ORDERED published the 16th day of November, 2016, and a public hearing hereon fixed for the 7th day of December, 2016 at 7:00 p.m., or as soon thereafter as the matter may be heard.

APPROVED, AND ADOPTED after public hearing this 7th day of December, 2016.

CITY OF ALAMOSA

By: ______________________________
Josef P. Lucero, Mayor

Attest: ______________________________
Holly C. Martinez, City Clerk

ALAMOSA CITY COUNCIL
COUNCIL COMMUNICATION

Subject/Title:
Executive Session pursuant to C.R.S. § 24-6-402(4)(b) and (4)(e) to receive advice from the City Attorney concerning the applicability of Section 16-38 of the Code of Ordinances to the construction of the sidewalks along the West end of Clark Street, and to determine positions that may be the subject of negotiations concerning those sidewalks.