

ORDINANCE NO. 708

AN ORDINANCE MODIFYING TITLE 21 OF THE MUNICIPAL CODE OF THE TOWN OF BERTHOUD, LARIMER COUNTY, COLORADO, CONCERNING THE WATER AND WASTEWATER LINE EXTENSION POLICY, AMENDING TITLE 21.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF BERTHOUD, LARIMER COUNTY, COLORADO:

21-1-101. Introduction.

(1) Statement of Purpose. It is the purpose of this policy to provide a fair and equitable distribution of the costs of installing water and wastewater lines to all the parties benefiting from their installation. This policy covers most cases, but a recognition is made that special cases may occur. When special cases do occur, deviations may be made from the specifics of the policy, provided the final arrangements maintain this fair and equitable intent. Such arrangements can be made through the mutual consent of the Town Administrator and the developer of the property. Such arrangements shall be contained in a development agreement executed by the developer and the Town. This ordinance shall be interpreted and enforced to ensure that a development will pay all direct costs and their proportionate share of indirect costs.

(2) Definitions.

- (a) "Town" means the Town of Berthoud, Colorado.
- (b) "Development" means the creation of two or more parcels of land.
- (c) "Developer" means the subdivision developer, parcel owner or any other party or parties within the Town's urban service area.
- (d) "Property" means the subdivision, parcel, lot, tract or any other described piece of land for which the water or wastewater line is being installed.
- (e) "Utility Superintendent" means the Superintendent of the Town of Berthoud Water or Wastewater Department.

(3) Line Installation Policy. In order to facilitate the orderly continuation of the Town's water distribution and wastewater collection systems, water and wastewater mains shall be installed to the furthest point or points of a property. The developer shall install lines on more than one side of the property and/or through more than one internal easement or right-of-way if it is determined that those lines are needed to provide service to other properties beyond the subject property.

(4) All mains which are necessary for the service to or within a property or as required above, shall be installed at the cost of the developer, except for the following conditions:

(a) Mains larger than those required to serve the property but required by the Town shall be subject to the provisions of 21-1-102, below.

(5) Prior to construction, plans and specifications for the water and wastewater systems to be installed shall be reviewed and approved by the Town Administrator after consultation with the appropriate engineering and other appropriate staff.

(6) The developer shall be responsible for payment of the Town's review, inspection and associated costs. Such costs shall be in accordance with the actual costs. Payment of such costs shall be made prior to acceptance by the Town of the improvements by the Town.

(7) Upon completion of the work and written acceptance by the Town the water distribution and wastewater collection systems shall become the property of the Town.

(a) The Town shall own and maintain the water mains, water main appurtenances, and fire hydrants and appurtenances therein. The property owner shall maintain the service line attachment to the main line, meter, meter pit, vaults and all other appurtenances from the main line. For fire service lines the Town's ownership ends at the valve on the main or the point of connection to the last domestic service off the line.

(b) The Town shall own and maintain the wastewater mains, manholes and regional wastewater lift stations. The property owner shall maintain the wastewater service line and attachment to the main line. Where a lift station is built to provide service to a specific development or area the Town may either establish a special monthly assessment to cover maintenance, overhead and depreciation or require a property owner's association to cover these costs.

(8) All workmanship and materials shall be warranted in writing by the developer against any defects for a period of one year from the date of acceptance by the Town. Any repair or reconstruction performed during such warranty period as a result of defects in material and/or workmanship shall be warranted for a period of one year from the acceptance of such repair or reconstruction by the Town.

(9) Properties which are served by private lines that were not constructed according to Town approved plans and specifications shall have mains complying to Town standards installed and extended to serve the property. The cost thereof shall be paid by the owners served, or assessed against the owners in accordance with applicable laws.

(10) No mains shall be extended outside the Urban Service Area, except as may be necessary to serve the property within the Town or upgrade service to existing customers, without the prior express written consent and approval of the Board of Trustees.

21-1-102. Reimbursement Policy and Procedure

(1) Reimbursement for Line Extension Through Undeveloped Property. In accordance with the Comprehensive Plan development is encouraged in areas directly adjacent to the Town. In the event a development is not located adjacent to the Town a developer may find it necessary to install a water or wastewater lines through undeveloped property to obtain service. Such person may request the establishment of a reimbursement agreement to recover a portion of the line installation costs from subsequent future development along the line.

(a) The establishment of a reimbursement agreement is optional and must be requested by the developer prior to construction of the line.

(b) The developer shall obtain three independent written quotes or bids for the line. The lowest bid shall be the basis for establishing a reimbursable amount, regardless of whether the low bidder performs the work or not. The quotes or bids shall be obtained for doing the work in a reasonable but not an accelerated time period.

(c) The reimbursable amount shall not be increased or decreased to reflect fluctuations in construction costs and shall not be increased for interest nor decreased for depreciation. The date of the construction quote or bid shall establish the initial index value.

(d) The reimbursement agreement shall expire after a period of ten (10) years from the acceptance of the line unless extended in writing by the Board of Trustees.

(e) Reimbursement payments shall be due and payable prior to the installation of any service or line extension to the undeveloped parcel.

(f) If the line is installed through or adjacent to more than one property, the future developers shall pay for their proportional share based on the usage of the line generated through their property.

(2) Reimbursement for Line Extension Through Previously Developed Areas. A developer may find it necessary to replace an existing undersized or otherwise inadequate line to obtain service. The developer may be eligible to establish a reimbursement agreement in the following cases:

(a) If a property adjacent to the replacement line had a tap on the original undersized line and is later subdivided the developer of this second property shall reimburse the original developer an amount determined pursuant to the provisions of this ordinance. To be eligible for such reimbursement the developer must establish a reimbursement agreement as provided in Section (1).

(b) If the line to be replaced is in such a condition or configuration that it would in the opinion of the Town Administrator be eligible for replacement, the Town may pay the portion of the cost that it would incur to replace or upgrade the line as calculated, subject to fund availability. Such Town participation shall be administered in accordance with Section (3).

(3) Reimbursement for Major Structures. A developer may find it necessary to install a major structure to obtain water or wastewater service. The developer may be eligible to establish a reimbursement agreement.

(a) A reimbursement agreement may be established if the major structure is a component of the water distribution or wastewater collection system that will bring direct benefits to an identifiable area. Examples are:

1. Wastewater lift stations
2. Water booster pump stations
3. River or highway crossings

(b) The cost of the utility line or structure required by the project itself shall be paid by the Developer. The cost of the remainder of the utility line required by the Town shall be paid by the Town.

(c) To be eligible for reimbursement, the developer shall establish a reimbursement agreement as provided in Section (2).

21-1-103. Line Oversizing Policy

(1) General. The purpose of the line oversizing policy is to enable a developer to recover the costs incurred to install an oversized water or wastewater line. The "oversized" portion is the difference between the line size required by the property and the line size required by the Town to meet future growth demands. The developer is required to bear the full costs for installing 8" wastewater lines, or larger if required to serve that development, and for installing all water lines 6" in diameter, or larger if required to serve that development.

(2) Line Sizing. The actual size of the water or wastewater line required shall be initially established by the developer with supporting documentation to verify that the sizes of the water or wastewater lines or both, meet the Town's specifications. Final evaluation and design shall be determined by the Town. Criteria to be used for this determination shall include, but shall not be limited to the following:

- (a) Utility Master Plan requirements.
- (b) Potential future demand on the water or wastewater system as related to the proposed development.
- (c) Hydraulic design criteria of the water or wastewater system.

(3) Town Participation in Oversizing Project. The Town may require a developer to install an oversized water or wastewater line. If an oversized line is required, the Town will participate in the project costs if the oversizing is required to provide service to the Town's existing customers.

(4) Developer Reimbursement. When the Town requires a developer to oversize either water or wastewater lines to meet the needs of anticipated development the developer may request the Town to enter into a reimbursement agreement. The agreement may provide that the developer will be reimbursed the cost of the required oversizing from future developments which make use of the oversizing. The reimbursement agreement shall expire upon repayment to the developer of the oversizing costs or the expiration of 10 years from the completion of the installation.

(5) Determination of Eligible Project Costs.

(a) Only those components of the water or wastewater line project that are specifically related to the oversizing shall be included for oversizing participation. Eligible costs include those costs to furnish and install the oversized pipe, fittings, valves and service saddles. The costs for design, installation, service lines, manholes, surface repairs and connected lines and appurtenances are not eligible. Wastewater manholes will be included if larger than a 4-foot diameter manhole is needed because of the wastewater line size.

(b) Construction Quotes. If the developer is aware that there will be oversizing required and that the cost of the oversizing is less than \$5,000, the developer shall obtain a minimum of three written quotes from qualified contractors for construction of the oversized line. The quotations shall be based on construction of the line in a reasonable but not an accelerated time period. The Town and the developer shall agree on a reasonable time frame to be included in the request for quotations. The lowest quote shall be the basis for determining eligible oversizing costs.

(c) Competitive Bids. If the cost of the oversizing is estimated to be greater than \$5,000, the developer shall obtain competitive bids for the construction of the oversized line, in accordance with the State laws and Town procedures for capital projects. The bids shall be based on construction of the line in a reasonable but not an accelerated time period. The Town and the developer shall agree on a reasonable time frame to be included in the request for quotations. The Town and the developer have the right to reject any and all bids, for cause.

(d) Determination of Final Costs. The developer's engineer shall submit to the Town a summary of the final eligible project costs. The final costs shall be based on the lower of the actual installation costs or the bid received for the project.

(6) Water and Wastewater Development Agreement. If the Town agrees to participate in an oversizing project the developer shall prepare a Water and Wastewater Development Agreement which will include:

(a) An estimate of the oversized line project costs, prepared by a Professional Engineer. Itemization of the cost estimate shall be attached to the agreement.

(b) Distribution of project costs between the Town and the developer.

(c) Time schedule or phasing plan(s) which the developer agrees to comply with.

(d) Any reimbursement agreements between the developer and future developers along the oversized line.

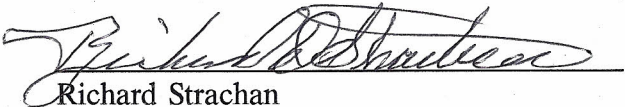
(e) The Water and Wastewater Development Agreement shall be reviewed and signed by the Utility Superintendent, the Town Attorney, and the Developer.

21-1-104. Effective Date:

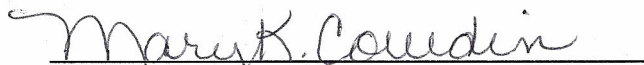
The Board of Trustees of the Town of Berthoud herewith finds, determines and designates that this Ordinance shall take effect and be in force thirty (30) days after publication.

At its meeting July 26, 1994, a public hearing was set by the Board of Trustees of the Town of Berthoud for its meeting held on the 9th day of August, 1994. After the public hearing, the Ordinance was read, passed and ordered published by the Board of Trustees at its meeting this 9th day of August, 1994.

TOWN OF BERTHOUD:


Richard Strachan
Mayor

ATTEST:


Mary K. Cowdin
Town Clerk

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