



MEMORANDUM

P.O. Box 4100 ♦ FRISCO, COLORADO 80443

TO: MAYOR AND TOWN COUNCIL
FROM: JEFF GOBLE, PUBLIC WORKS DIRECTOR
DON REIMER, COMMUNITY DEVELOPMENT DIRECTOR
RE: ORDINANCE 22-06: AN ORDINANCE AMENDING CHAPTER 171 OF THE CODE OF
ORDINANCES CONCERNING WATER
DATE: JUNE 14, 2022

Summary and Background:

Staff has identified two needed amendments to Chapter 171 of the Town Code concerning out of Town water rates and the testing and reporting of backflow devices. The changes are outlined below. Town Council approved the proposed Ordinance as written on first reading at their May 24, 2022 Council meeting.

Analysis:

Amendments to 171-11.H and 171-2 Concerning Out of Town Water Rates as related to deed restricted work force housing:

At the April 12, 2022 meeting, Town Council considered a request from property owner that lives outside of Town Limits to pay in-Town water rates as part of the process of placing a Deed Restriction on the property through the Housing Helps program. Following discussion, Council directed staff to prepare an Ordinance which would allow a property owner placing a deed restriction requiring occupancy by the local workforce, who was paying out-of-Town water rates, to receive in-Town rates.

The proposed text is included in the Ordinance as an addition to Section 171.11(H), as follows:

H. For supplying water to users outside the Town, the charge shall be two (2) times the applicable rate within the Town; provided, however, that for any dwelling unit outside the Town that was in existence as of July 1, 2022, the charge shall be the same as the applicable rate within the Town if the dwelling unit is deed restricted as affordable housing or work force housing.

Section 171-2 of the Code, concerning definitions, would also be updated to amend the definitions of "Accessory Housing Unit" and "Affordable Housing," and adding a definition of "Work Force Housing" to read as follows:

ACCESSORY HOUSING UNIT – Shall have the meaning set forth in Section ~~180-5~~ 180-9.3 of this Code.

AFFORDABLE HOUSING – Shall have the meaning set forth in Section 480-5 180-9.3 of this Code.

WORK FORCE HOUSING – Means a dwelling unit that is restricted in perpetuity to occupancy by individuals meeting the employment and occupancy standards as established from time to time by the Town. Occupancy standards include requirements for primary residency and local employment.

Amendments to 171-14A Concerning Backflow Testing:

The Town is required by the Colorado Dept. of Health and Environment to implement and enforce the backflow prevention regulation as outlined by the Safe Drinking Water Act. Part of this regulation requires the Town to compel all water users to have their testable backflow prevention devices tested each year and require copies of the test report be maintained in the Town's records. Therefore, the Town relies on individual property owners to get their devices tested and then send us the report. Over the past few years the Town has been out of compliance with this regulation due to the fact that property owners were not having the tests performed or not sending the Town the reports in a timely fashion.

In order to regain and maintain compliance with CDPH&E and SDWA regulations, staff is requesting the following changes to the Town code:

Report submission deadline: Backflow device testing reports for domestic and fire suppression devices shall be submitted to the Town no later than September 1st of each year. Backflow device testing reports for irrigation devices shall be submitted to the Town no later than July 31st of each year.

Penalty for violation of the testing report deadlines: Staff is proposing that a penalty be imposed on property owners that do not comply with the reporting deadlines. The penalty for the first offense will be a mandatory fine of \$250. Any subsequent violation will carry a mandatory fine of \$500. These fines can be assessed each day the property is out of compliance within a twelve-month period. For example, if we do not receive their report by the deadlines stated above, the first day will carry a fine of \$250, then each day after the first day that we do not receive the report the fine can be \$500 per day until the report is received. Staff is confident that with these proposed changes, we will see a much better compliance rate than we have in the past.

Financial Impact:

The financial impact of these changes is hard to determine at this time as it will depend on how many properties request the rate reduction for workforce housing. Additionally, it is the hope of staff that the backflow reporting requirements and fines associated with failure to report will compel water customers to report in a timely fashion and fines will not need to be issued.

Alignment with Strategic Plan:

These changes align with the Quality Core Services and Inclusive Community sections of the Strategic plan by incentivizing the creation of more deed-restricted workforce housing as well as maintaining the Town's compliance with CDPH&E regulations.

Staff Recommendation:

Based on the information contained in this report, it is recommended the Town Council approve Ordinance 22-06 on second reading.

Reviews and Approvals: This report has been reviewed and approved by:

Thad Renaud, Town Attorney
Leslie Edwards, Finance Director
Diane McBride, Interim Town Manager

Attachments:

Attachment 1 – Ordinance 22-06