



Built On What Matters

Town of Frederick Board of Trustees Agenda

Frederick Town Hall

Board Chambers

401 Locust Street

Tuesday, January 14, 2025

7:00 PM

FMD 6:30 PM

Agenda

Regular Meeting 7:00 PM

FMD Meeting - 6:30 pm

Work Session

Call to Order – Roll Call

Pledge of Allegiance

Approval of Agenda

Special Presentations

- A. A Woman's Place Presentation -
- B. Flight 629 Memorial, and Unsung Heroes Across America, Inc. -

Public Comment

This portion of the agenda is provided to allow members of the audience to provide comments to the Board of Trustees. Please sign in and you will be called. If your comments or concerns require an action, that item(s) will need to be placed on a later Agenda. Please limit the time of your comments to three (3) minutes.

Staff Reports

- C. Administrative Report -

Consent Agenda

Consent Agenda items are considered to be routine and will be enacted by one motion and vote. There will be no separate discussion of Consent Agenda Items unless a Board member so requests, in which case the item may be removed from the Consent

Agenda and considered at the end of the Consent Agenda.

- D. Approval of December 10, 2024 Minutes
- E. List of Bills -
- F. Resolution 25-R-02 Setting the Posting Place for Town of Frederick Meeting Agendas -
Emily Nitcher, Deputy Town Clerk
- G. Resolution 25-R-03 St Vrain Sanitation District Permit Fees Waiver -
Ryan Johnson, Assistant Town Manager

Action Agenda

- H. Resolution 25-R-08 and 25-R-10 Water Rate Study Adoption and Fee Schedule Amendment -
Sarah Watson, Engineer
- I. Resolution 25-R-04 Annual Update to Water Reservation & Allocation Policy and Water Allowance -
- J. Ordinance No. 1402 Update to Municipal Code Chapter 18, Article IV, Design Standards and Construction Specifications -
Kylie Couch, Engineer
- K. Resolution 25-R-07 2025-2026 Strategic Plan Adoption -
Ryan Johnson, Assistant Town Manager
- L. Resolution 25-R-09 Consideration of a Request for QuikTrip's Monument Sign Variance -
Maureen Welsh, Planner II

Mayor and Trustee Reports

Adjournment

Executive Session

- M. For a conference with the Town Attorney for the purpose of receiving legal advice on specific legal questions under C.R.S. Section 24-6-402(4)(b) regarding NISP.



Town of Frederick

Admin Report 1.14.25

Upcoming Board of Trustees Work Sessions:

The following is the schedule for upcoming meetings, though topics are subject to be changed or rescheduled:

- January 14, 2025 – Regular Meeting
 - January 21, 2025 – Work Session (Canceled)
 - January 28, 2025 – Regular Meeting
 - February 11, 2025 – Work Session
-



Effective, Efficient & Strategic Government Operations

- Communications & Engagement training:
 - Ongoing I.T. training
 - Accessibility training
 - ZenCity training
 - Civic Ready module training
- The Parks, Recreation, Open Space and Trails Commission met on December 11 at Bella Rosa Golf Course. The Commission unanimously approved a Resolution of Support for the Board of Trustees to adopt the Frederick Recreation Area Master Plan. They also discussed their 2025 schedule, possibilities regarding public art in parks, and possibilities for Parks to enhance or partner on Downtown projects.



Community and Economic Vitality

- Communications & Engagement recently announced the winners of the Deck the Downtown competition on social media as part of our increased focus on Frederick's Downtown.
- Parks staff hosted the Festival of Lights in Crist Park on Saturday, December 7. This is by far the largest investment of resources for Parks as far as events go; it takes the team about five weeks to set up for the event and about three weeks to take everything down.
- For a list of all active development applications currently under review by the Town's Planning Department, Engineering Department, Legal Counsel, Frederick-Firestone Fire

Built on What Matters.

Protection District, and external review agencies, please follow these links to our [“What’s Developing”](#) map and webpage, [“Development Applications Under Review.”](#)



Dynamic, Inclusive & Connected Community

- Monthly Communications Newsletter:
 - Electronic and mailer
- Frederick Flash, featuring four articles weekly
- Daily postings on social media platforms
- FRED Culture
 - Peer-led presentations have been completed for 2024
- ADA HB 21-1110 Compliance
 - A progress report has been created for the Town website
 - Training on our new online CommonLook PDF remediation tool
- Town Event Preparation
 - Website updates for 2025 on all event webpages
 - Recruitment for sponsors, food vendors, and market vendors for 2025
 - Deck the Downtown decoration competition for Downtown businesses
 - 11 Downtown participants
 - Preparation for Volunteer Fair on Saturday, January 25
 - Focus on recruitment for non-profit organizations
- Community Partnerships
 - Carbon Valley Cares meetings
- Website Updates
 - Updates to 2025-2026 Strategic Plan
 - Water Study update
 - CIP draft pages
- Town App
 - Process CRM submissions
- Communications staff recently completed the 2024 Top Ten List on social media, and they are working on the design and content for the 2024 Annual Report.
- Board Meetings
 - Closed captioning for meeting recordings
 - New Mayoral Town Hall office hours



Strategic, Reliable and Sustainable Infrastructure

- Parks and Open Space maintenance staff finished fall leaf cleanup after Festival of Lights and began winter watering, tree and landscape pruning, and a few more small projects. Managers have been working to complete the remaining 2024 capital improvement projects and begin the 2025 projects.
- Golf maintenance staff have been winter watering greens, tees, and other areas as we continue to battle dry and windy conditions in the off-season. They have also begun winter maintenance of equipment, which includes rebuilding all mower rollers, sharpening all reels, and a host of other required annual items.
- Public Works Updates:
 - Due to recent safety concerns raised, “No Parking” signs have been installed along Raspberry Way and in Glacier View Business Park.
 - Street sweeping efforts continued through the end of December throughout Town. These operations will begin to slow down in January through March, depending on weather.
 - All curb marking operations downtown and in residential areas have been repaired and repainted.
 - Road grading operations continue on County Roads 5, 14, 16, 17, and 20.5. Roads seem to be holding up well from the mag chloride treatment in October.
 - During winter break, maintenance was completed on the school zone flashing system.
 - A new detection system was purchased for the traffic lights at Godding Hollow and Colorado Boulevard. This system is slated for installation in early January.
 - A concrete trickle channel was poured and installed on the east side of the Prairie Greens detention ponds for optimal drainage and maintenance.
 - Michael Ward and Isiah Fernandez have signed up for a week-long course for water operators with the Rocky Mountain Environmental Association.
 - The Fleet team has finished a few more PLOW OPS installations, as well as installing and configuring the sander hardware to assist in tracking material usage during snow events. The team is waiting on a few small parts to finish this project on all plow trucks.
 - Fleet has installed toolboxes in some Town vehicles to allow crews more efficiency while working out in the field, and they are currently assisting the Police Department with some issues with noisy brakes.



Safe and Secure

- The Police Department’s Santa Cops program continues to grow, and this year saw the largest expansion to date. Using internal budget funds, as well as money raised from local businesses and the annual charity golf tournament, the Police Department was able to accommodate 41 families and 109 children. This is a 45% increase over 2023! All children receive personally chosen winter clothes and toys based on submitted wish lists, and each family also receives a grocery gift card for a holiday meal. It is a labor of love

for the employees involved starting in early October and running through wrapping day in mid-December. Front office staff Patricia Cochran, Madison McIntosh, and Kristy O'Hayre, as well as Victims' Services personnel Alexis Gutierrez and Madison Bergman solicit qualified applications, place orders, track spending, and inventory incoming items for weeks. On wrapping day, the Finance team's Shauntina Martinez and Jennifer Haessler, as well as 15 community volunteers and police employees, made quick work of wrapping each gift. This community service event continues to be a source of pride for the department and represents a dedication to supporting the well-being of Frederick citizens by spreading a little holiday cheer.

- In December, police recruits Grant Pfiffner and Will Stuart successfully completed the Aims Community College Police Academy and subsequent POST exam. Congratulations, officers! They are now beginning their months-long, inhouse field training program where they'll combine their recently acquired knowledge with Frederick's policies and procedures to become top-notch patrol officers. Additionally, current Community Services Officer Kelly Grant will be attending the winter session of the Front Range Community College Police Academy, along with newly hired recruits Jonathan Nichols and Christopher Shank. We wish them all success and look forward to their graduation in May! The addition of police recruits, with the department covering their academy costs with grant funds, has proven to be a valuable new hiring tool for the department.
- In 2023, the Carbon Valley & Mead Victim Services program was created between the Frederick, Dacono, Firestone, and Mead Police Departments. The program consists of two full-time employees and seven volunteers who provide 24/7 victim assistance to residents in all four jurisdictions in accordance with the Colorado Victims' Rights Act. The Victim Assistance & Law Enforcement (VALE) board within the 19th Judicial District provides grant funds, acquired through collection of offender fines and fees, to local jurisdictions to help offset the cost of running these programs. The Frederick Police Department has been awarded \$82,384 for the Carbon Valley & Mead program in 2025. These funds will be used for victim and witness services to include crisis intervention, service referrals, and counseling.



Fiscally Responsible Governance

- Finance has finalized budget adoption assembly and submission to the Department of Local Affairs (DOLA). All items have been officially accepted.
- The 2025 Budget Book assembly has been underway since December 11.
- The 2023 Annual Comprehensive Financial Report (ACFR) should be reviewed and awarded by the Government Finance Officers Association (GFOA) any day now. For unknown reasons, the panel is exceptionally late in the review of submissions for 2024.

Town of Frederick - List of Bills
October 25, 2024 - November 28, 2024

1800DRYCLEAN NORTH METRO DENVER	Uniform cleaning	187.15
AAA PEST PROS LLC	Pest control	355.00
ACCELA INC	User fees	19,034.83
ACE HARDWARE OF FIRESTONE	Supplies	756.07
ACUSHNET COMPANY	Golf course supplies	3,065.66
ADAM MARCOVICH	Dirt hauls	1,000.00
ADAMSON POLICE PRODUCTS	Police uniforms	2,101.35
AGFINITY	Fuel	36,108.04
ALEX SCHULTZ	Livestream BOT	300.00
ALI VANDEUTEKOM	Expense reimbursement	42.92
ALTITUDE AWARDS AND APPAREL	Uniforms	618.75
AUTOMATIC DOOR DOCTORS INC	Front/Rear door replacement	7,747.46
BBC RESEARCH & CONSULTING	Comprehensive Impact Fee Study	2,488.50
BETTER BUSINESS CLEANING	Monthly Cleaning service	6,356.00
BIG M JANITORIAL INC	Property maintenance	600.00
BISCUITS AND BERRIES CATERING	Business awards	3,040.27
BK TIRE, INC.	Vehicle maintenance	844.90
BLACK HILLS ENERGY	Natural gas utility	1,253.37
BLUE STAR RECYCLERS	Fall Electronic Recycling Event	7,197.20
BRIGITS VILLAGE	Draw request and pass through payment	180,000.00
CALLAWAY GOLF	Golf shop merchandise	773.42
CAPITAL BUSINESS SYSTEMS INC	Copier lease program	1,767.72
CARBON VALLEY CHAMBER OF COMM.	Membership	1,270.00
CASSANDRA YUMA	Reimbursement for employee party supplies	100.00
CENTRAL WELD COUNTY WATER DIST	Water purchased	358,262.78
CERVANTES CONCRETE	Concrete repair	5,200.00
CINTAS CORPORATION	PW Mat service	359.24
CITY AND COUNTY OF DENVER	Denver Peak Academy- Black Belt Training	5,000.00
CITY OF LOVELAND	Driving training	1,200.00
CIVIC PLUS	Subscription additions	2,385.96
CLUB FORMS	Gift cards for pro shop	473.84
COMCAST CABLE	Cable and internet service	3,609.49
COMMUNITY COUNSELOR INC	Counseling services	500.00
CONFLUENCE INC	Go Outdoors Frederick 2050	22,120.57
CORKAT DATA SOLUTIONS LLC	Low voltage & fiber installation	22,133.95
COSTAR REALTY INFORMATION INC	Monthly subscription	616.55
DAMON JONES	Boot reimbursement	200.00
DANA KEPNER CO	Water meters	43,542.97
DATASHIELD CORPORATION	Document shredding	178.25
DELL MARKETING LP	Computers	10,466.43
DENVER SIGN FACTORY	Golf course signage	745.00
DESIGN CONCEPTS CLA INC	Community Parks Master Plan	3,623.01
DOWNTOWN COLORADO INC (DCI)	Downtown Revitalization	1,000.00
DUNAKILLY MANAGEMENT GROUP CORP	Owner's Representation Service	18,405.00
E & G TERMINAL INC	Equipment maintenance	323.31
ELDORADO ARTESIAN SPRINGS INC	Water delivery service	403.20
ELEMENT WATER CONSULTING INC	Water Engineering Services	11,763.50
ELEVATED FIRE SUPPLY	Professional services	14,205.61
ELITE HOOD CLEANING & FIRE PROTECTION CO	Kitchen hood cleaning	935.00
ELITE SURFACE INFRASTRUCTURE	Hydrant Deposit refund	4,500.00
ENGLAND THIMS & MILLER INC	Esri GIS & OpenGov Cartegraph	2,945.00
ENTENMANN-ROVIN CO	Police badges	571.00
ENTERPRISE FM TRUST	Vehicle lease program	61,077.35
ENVIROTECH SERVICES, INC.	Chemicals	17,615.25
EVENT RENTS DENVER, LLC	Business awards rentals	789.05
EVERGREEN HWY 52 & COLORADO LLC	MOAPI Silverstone Marketplace	917,593.48
EXPRESS SERVICES INC	Golf Shop Associate - Temp employee	11,293.84

Town of Frederick - List of Bills
October 25, 2024 - November 28, 2024

FACTORY MOTOR PARTS CO	Vehicle maintenance	520.07
FERGUSON ENTERPRISES LLC	Supplies	232.03
FORSGREN ASSOCIATES INC	Non-Potable Water Infrastructure Improvements	20,126.40
FP MAILING SOLUTIONS	Quarterly payment for meter rental	135.00
FRONT RANGE LANDFILL	Landfill vouchers	17,400.13
FRONTLINE PUBLIC SAFETY SOLUTIONS	FTO Software	1,600.00
GENERAL AIR	Supplies	24.29
GEOTAB USA INC	Subscription and Support Bundle	1,578.50
GOLF & SPORT SOLUTIONS LLC	USGA sand	1,027.67
GREEN MILL SPORTMAN'S CLUB	Range fees	600.00
GREEN MOUNTAIN PROMOTIONS	Name plates	108.84
GUS'S GOODIES	Snacks for restaurant	310.00
HARDLINE EQUIPMENT	Equipment maintenance	436.07
HEADSTRONG COUNSELING LLC	Counseling services	100.00
HIGH COUNTRY BEVERAGE	Beverage order for restaurant	289.60
HIRSCHFELD BACKHOE & PIPELINE, INC.	Waterline Relocate	69,510.00
HOLIDAY INN EXPRESS & SUITES FIRESTONE-LONGMONT	Hotel for Chainsaw Carver	773.50
HOME DEPOT CREDIT SERVICES	Sign supplies	416.70
HR ADVANTAGE GROUP	HR Professional Services	7,200.00
HYDROLOGIK LLC	Verizon Cellular Airtime	90.00
IMAGEFIRST HOSPITALITY	Linen services for restaurant	415.80
INTERSTATE FORD	Vehicle maintenance	33,238.18
JUB ENGINEERS INC	Silver Birch and Bella Rosa Intersection Project	66,963.54
KATY PRESS	Retail Consulting Services	2,400.00
KENT VANDYNE	Reimbursement	5.00
KINSCO LLC	Policy Software	202.00
KUMAR & ASSOCIATES INC	Geotechnical Engineering Study	12,643.97
L & M ENTERPRISES INC	Irrigation Central Control	19,371.64
LANDMARK MONUMENTS LLC	Miners Memorial Wall engraving	400.00
LEXIPOL LLC	Policy Software	12,602.84
LUXOTTICA USA LLC	Golf shop merchandise	637.85
LYONS GADDIS TRUST ACCOUNT	Change of Lower Boulder Shares	3,552.20
MAC EQUIPMENT INC	Equipment repair	431.53
MATTHEW BENDER & CO INC	Legal Supplement	40.44
MATTHEW SURA LLC	Oil & Gas legal work	22,360.00
MAX DAFFRON	EDCC Annual Conference Reimbursement	202.50
MCGEE COMPANY	Vehicle supplies	144.30
MINT GREEN GROUP USA	Golf shop merchandise	179.13
MIRROR IMAGE BREWING COMPANY	Beverage order for restaurant	130.00
MOSES WITTEMYER HARRISON & WOODRUFF PC	Legal services	62,154.22
MOUNTAIN TRUCK & EQUIPMENT	Vehicle maintenance	144.00
MY GUY HEATING AND AIR	HVAC repair	120.00
NAIOP	Membership	1,280.00
NATIONAL BUSINESS FURNITURE LLC	Office furniture	4,153.96
NEW CONSOLIDATED LOWER BOULDER RESERVOIR	Reimbursement for legal fees	791.66
NICHOLAS PRODUCTIONS LLC	Deposit for carolers	315.00
NU TSAI CAPITAL, LLC	Holiday Lights	13,571.02
OCCUPATIONAL HEALTH CENTERS	Pre-Employment Screening	171.00
O'CONNOR EMBROIDERY AND APPAREL	Golf shop merchandise	402.08
PAUL C BENEDETTI	Legal Services FURA	1,740.00
PAUL DIKES GLASS INC	Windshield replacement	750.00
PAYPOINT HR LLC	Compensation Analysis	4,000.00
PIONEER DEVELOPMENT COMPANY	Feasibility Analysis	4,500.00
PLUMMER	Water Treatment Feasibility Study	14,846.00
POLICE AND SHERIFFS PRESS INC	Photo ID	17.60
PRAIRIE MOUNTAIN MEDIA	Town Hall recording	2,678.30
PRE ACTION FIRE INC	AES Quarterly Monitoring	150.00

Town of Frederick - List of Bills
October 25, 2024 - November 28, 2024

PRINT EXPERTS	Printing - Community Camera Program	40.73
PSYCHOLOGICAL DIMENSIONS	Pre-Employment Evaluation	850.00
RAMEY ENVIRONMENTAL COMPLIANCE	Professional services	480.56
RB B ARCHITECTS INC	Public Works Facility Project	162,657.00
REDI SERVICES LLC	Porta john and hand washing stations	600.00
RICK ENGINEERING COMPANY - COLORADO	Open Space Site Plan	23,058.40
RINGCENTRAL INC	Town Phone System	3,919.90
ROCKY MTN PLAYGROUND SERVICES LTD	Playground repair	3,896.74
RONALD ARGUELLO	Expense reimbursement	866.18
SAFEWAY	Supplies	19.00
SALT COLLECTIVE LLC	Frederick Awards video	8,000.00
SI PRODUCTS LLC	Staff uniforms	653.74
SIERRA FEDDER	LEAD Graduation	581.50
SIGNARAMA	Sign repair	2,939.12
SMITH POWER PRODUCTS INC	Equipment repairs	1,611.59
SPORT & FITNESS INC	Maintenance on gym equipment	5,021.00
STAPLES ADVANTAGE	Supplies	58.34
STUDIO 37 PHOTOGRAPHY LLC	Business Awards	600.00
STURGEON ELECTRIC COMPANY INC	Speed radar	2,050.00
SUNBELT RENTALS INC	Water truck rentals	3,731.37
SUNFLOWER FARM INC	Volunteer Appreciation venue	1,500.00
SWIRE COCA-COLA USA	Beverage order for restaurant	434.68
SYSCO DENVER	Food for restaurant	730.90
TAYLOR MADE GOLF COMPANY	Golf Shop merchandise	276.86
TELOS ONLINE INC	Back Up link	75.00
THE SHERWIN-WILLIAMS CO	Paint	24.84
TIMECLOCK PLUS LLC	Scheduling software remaining balance	63.36
TLO LLC	Investigation fees	110.40
TRI STATE OIL RECLAIMERS INC	Used oil disposal	100.00
TRT CONSTRUCTION	Restroom remodel	2,150.00
TRUEPOINT SOLUTIONS LLC	On Call Support	2,178.82
UMB BANK, NA	Use Tax Revenue Reference BDS Series 2015	382,400.00
UNITED POWER	Electric utility	11,774.30
UNIVERSITY AUTO PARTS INC	Supplies	1,140.13
URIE VON FELDT	Police Equipment Loan Program	2,000.00
UTILITY NOTIFICATION CENTER OF COLORADO	Raw Water Locates	598.56
VERIZON WIRELESS	PD MDT's and Cellphones	7,610.93
VIA MOBILITY SERVICES	Transportation	12,384.00
VSTRACKING THE ADVOCATE ADVANTAGE	VA Tracking Software	5,000.00
WASTE CONNECTIONS OF COLO INC	Roll Off dumpster	559.64
WEAR PARTS & EQUIPMENT CO INC	Supplies	2,379.72
WELD COUNTY DEPARTMENT OF PUBLIC	Lead and copper testing	2,403.00
WILLDAN FINANCIAL SERVICES	Water Rate Study	1,200.00
WILSON WILLIAMS FELLMAN DITTMAN	Legal services	903.00
ZENCITY TECHNOLOGIES US INC	Zencity software for community engagement	10,500.00
ZENDESK INC	Licensing	14,644.80
Total		2,916,009.91



Built On What Matters

TOWN OF FREDERICK

Board of Trustees

Staff Report

Tracie Crites, Mayor

Kevin Brown, Mayor Pro Tem
Dan March, Trustee
Mark Lamach, Trustee

Adam Mahan, Trustee
Windi Padia, Trustee
Chad teVelde, Trustee

Resolution 25-R-02 Setting the Posting Place for Town of Frederick Meeting Agendas

Agenda Date: Board of Trustees January 14 , 2025

Attachments: 1. Resolution 25-R-02

Reviewed By: Jason Leslie, Deputy Town Manager

Action Type

1) Legislative: Actions that relate to subjects of a long term and general applicability; such as the passing of ordinances/resolutions/policies/etc.

Strategic Plan Alignment:



EFFECTIVE, EFFICIENT & STRATEGIC GOVERNMENT OPERATIONS - As an employer of choice, the Town of Frederick will lead the region in a culture of efficiency, innovation, and strategic partnerships in all municipal services to far exceed the community's expectations and exemplify the fact that Frederick is Built on What Matters, its people.

Summary Statement:

Colorado Revised Statutes requires, annually, the Town adopt a resolution setting the posting places for the Town Board meeting agendas. With the passage of HB19-1087, local governments are authorized to post meeting notices on their website only.

Detail of Issue/Request:

The attached resolution designates the Town of Frederick website as the posting place for all meeting agendas and notices. Previously, state statute required that notices be posted in three places to meet noticing requirements. With the passage of HB19-1087, local governments are now able to post all meeting notices on the website exclusively. This allows all notices to be accessible for free and at any time instead of only when locations are open to the public.

There have been questions in the past as to why the Town of Frederick doesn't post legal notices in the Carbon Valley Consumer Report. The Carbon Valley Consumer Report only publishes once a month and publication would not be efficient for scheduling and processing of applications, notices required by statutes, and other requirements under Colorado law. The Longmont Times Call has the highest general circulation in the Town of Frederick and publishes legal notices daily. The staff recommend that the Times Call continue to be the designated newspaper for publication of legal notices for the town.

Legal Comments:

Not applicable.

Alternatives/Options

The Board may choose to approve the resolution or deny the resolution. The Board may also require additional posting places and/or change the newspaper for legal publications.

Financial Considerations

Not applicable.

Staff Recommendation

Staff recommends the Board adopt the resolution as presented.

Community Impact

The impact on the community will be that they will be informed of when Board of Trustee meetings will happen as they will know when and where to find the information.

**TOWN OF FREDERICK
RESOLUTION NO. 25-R-02**

**A RESOLUTION ESTABLISHING THE POSTING PLACE FOR
TOWN OF FREDERICK MEETING AGENDAS FOR 2025**

WHEREAS, C.R.S. 24-6-402(2)(c) requires that the Town of Frederick designate public place(s) for posting notice of meetings of any local public body, at the first public meeting as defined by the Statutes.

WHEREAS, C.R.S. 24-6-402 (2)(c) also requires the notice of the meeting to be posted no less than 24 hours prior to the holding of the meeting; and

WHEREAS, C.R.S. §24-6-402(2)(c) provides that it is the intent of the General Assembly to transition from posting meeting notices in physical locations to posting notices on a website; and

WHEREAS, C.R.S. 24-70-101 *et. seq.* provides for the publication of legal notices in a newspaper of general circulation within the municipality; and

WHEREAS, the Longmont Daily Times-Call has the highest numbers of circulation of a newspaper within the Town; and

WHEREAS, the Town of Frederick wishes to establish posting places for the year 2025; and

WHEREAS, the Town of Frederick wishes to affirm that it is appropriate to publish all legal publications for the Town of Frederick in the newspaper with the highest general circulation within the Town for the Year 2025 which is the Longmont Daily Times-Call.

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF FREDERICK, WELD COUNTY, COLORADO THAT:

Section 1. The posting places for Town of Frederick Meeting Agendas will be as follows:

Town of Frederick Website www.frederickco.gov

Section 2. The Longmont Times-Call is designated as the official newspaper for the publication of legal notices.

Section 3. Effective Date. This resolution shall become effective immediately upon adoption.

Section 4. Repealer. All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such resolution nor revive any resolution thereby.

Section 5. Certification. The Town Clerk shall certify to the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

INTRODUCED, READ, PASSED, AND ADOPTED ON THIS 14TH DAY OF JANUARY 2025.

ATTEST:

TOWN OF FREDERICK:

Tricia David, Town Clerk

By _____
Tracie Crites, Mayor



Built On What Matters

TOWN OF FREDERICK

Board of Trustees

Staff Report

Tracie Crites, Mayor

Kevin Brown, Mayor Pro Tem
Dan March, Trustee
Mark Lamach, Trustee

Adam Mahan, Trustee
Windi Padia, Trustee
Chad teVelde, Trustee

Resolution 25-R-03 St Vrain Sanitation District Permit Fees Waiver

Agenda Date: Board of Trustees January 14 , 2025

Attachments: 1. 25-R-03 St. Vrain Sanitation District Fee Waiver

Reviewed By: Jason Leslie, Deputy Town Manager

Action Type

2) Administrative: Actions of routine nature that implement policies/directions or effectuate the functioning of government; such as contract approvals/granting of licenses and permits/etc.

Strategic Plan Alignment:



STRATEGIC, RELIABLE & SUSTAINABLE INFRASTRUCTURE– Frederick is dedicated to investing in existing and future transportation, water, storm water, and technology while planning for sustainable growth and development.

4.1 Complete work on a short-term and long-term Facilities Master Plan taking into account the growth needs of the Town.

4.2 Study the economic impacts of municipal services in the Downtown relative to future growth needs of the community and the organization.

Summary Statement:

Staff and the St. Vrain Sanitation District ("District") are in the process of finalizing the development plans for a new administration facility to be located in Frederick within the Eagle Business Park. As part of that process, the District has approached the Town about waiving certain fees not originally covered by the Intergovernmental Agreement that both entities previously entered in to in 2011. This request is to waive those additional fees.

Detail of Issue/Request:

The St. Vrain Sanitation District has proposing to build a new facility in Frederick in the Eagle Business Park. This project is exciting because it increases access to the public who receive services from the District. As part of this process, the District has approach the Town regarding waiver of fees for their project. Historically, the Board would consider a request such as this and take formal action at a Board meeting.

In 2011, the Town entered in to an IGA with the District waiving the majority of fees for both entities should a project be proposed. After the Town's review of that document, it was determined that not all fees were included in that IGA. Thus, the request under consideration at this time is focused only on those fees not already waived. In addition, as a tax exempt entity, the District is not subject to local municipal sales and use taxes that would ordinarily be collected. If approved, the District intends to commence construction in the near term on their new facility.

Legal Comments:

This resolution was reviewed by the Town Attorneys Office.

Alternatives/Options

The Board may choose to not waive additional fees for the District. This alternative is not preferred as both entities work together on these projects and the spirit of the IGA that was previously approved was that we would be waiving each entities fees mutually, since the ends users are the same customers.

Financial Considerations

The Town, as a matter of practice has waived fees for other governmental entities knowing that increases efficiency of completing projects that are publicly funded. No negative financial impact is anticipated.

Staff Recommendation

Staff recommend approval of Resolution 25-R-03 as presented. This action is consistent with how the Board has approached similar requests by other governmental entities for their respective projects.

Community Impact

The community in Frederick will benefit from this project by virtue of having a new administrative office in the Town providing easier access to services for residents of Frederick. Additionally, the waiver of our own fees does not result in a financial burden to the Town since they are fees that the project would have generated by itself. Lastly, because of the IGA, the Town will expect to receive reciprocal consideration if the Town is building a new facility at some point in the future.

TOWN OF FREDERICK, COLORADO

RESOLUTION NO. 25-R-03

A RESOLUTION OF THE TOWN OF FREDERICK, COLORADO WAIVING PERMITTING FEES FOR ST. VRAIN SANITATION DISTRICT FOR CONSTRUCTION OF A NEW ADMINISTRATION FACILITY

WHEREAS, The St. Vrain Sanitation District (“District”) will be constructing a new administration facility located at 4701 Falcon Place, Frederick, Colorado in 2025; and

WHEREAS, Construction of this new facility is needed to ensure consistent delivery of services within the District including in Frederick as the community grows; and

WHEREAS, The District has worked with the Town in completing the development review process; and

WHEREAS, The District will be completing work in conformance with the Town’s adopted codes, standards, and regulations; and

WHEREAS, The Town of Frederick entered in to an Intergovernmental Agreement (IGA) with the District in 2011 that waives several fees listed in Article 13 of the IGA; and

WHEREAS, The IGA did not include certain fees that the District would otherwise be subjected to; and

WHEREAS, The District has requested that the Town waive permit fees, as these projects are a benefit to the Town.

NOW THEREFORE, BE IT RESOLVED by the Board of Trustees of the Town of Frederick, Colorado that:

Section 1. Waiver of Fees.

The following fees related to the Town’s permitting of the above-referenced projects will be waived by the Town:

- a. Building Permit Fees
- b. Commercial Electrical Permit Fees
- c. Plan Review Fees

Section 2. Effective Date. This resolution shall become effective immediately upon adoption.

Section 3. Repealer. All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such resolution nor revive and resolution thereby.

Section 4. Certification. The Town Clerk shall certify the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

INTRODUCED, READ, PASSED, AND ADOPTED THIS 14TH DAY OF JANUARY 2025.

ATTEST:

By _____

Tricia David, Town Clerk

By _____

Tracie Crites, Mayor



Built On What Matters

TOWN OF FREDERICK

Board of Trustees

Staff Report

Tracie Crites, Mayor

Kevin Brown, Mayor Pro Tem
Dan March, Trustee
Mark Lamach, Trustee

Adam Mahan, Trustee
Windi Padia, Trustee
Chad teVelde, Trustee

Resolution 25-R-08 and 25-R-10 Water Rate Study Adoption and Fee Schedule Amendment

Agenda Date: Board of Trustees January 14 , 2025

Attachments:

1. Frederick - Final Rate Study Report - 12 16 24
2. 1-14-25 resolution adopting the Water Rate Study
3. 1-14-25 Fee Schedule amend Resolution
4. 2025 Fee Schedule FINAL amend

Reviewed By: Tricia David, Town Clerk

Action Type

1) Legislative: Actions that relate to subjects of a long term and general applicability; such as the passing of ordinances/resolutions/policies/etc.

Strategic Plan Alignment:



Strategic, Reliable & Sustainable Infrastructure: Frederick is dedicated to investing in existing and future transportation, water, stormwater, and technology while planning for sustainable growth and development. The Water Rate Study will help the Town understand our current and future service costs and Capital cost and guide the Town in setting rates that are adequate to meet the needs of the Town and our customers as we continue to grow.

Summary Statement:

Engineering and Finance staff recommended the Town complete a Water Rate Study to address rising costs of Capital Improvement Projects, Operations and Maintenance of

the water system, future water supply projects, and higher treated water costs. The Town Board supported that recommendation, and the contract was awarded to Willdan in 2023. The Water Rate Study has determined that the Town's current rate and fees do not generate enough revenues to maintain and improve the system, acquire water rights, and participate in the Northern Integrate Supply Project (NISP). The consultant has reviewed our fund history and future project costs based on the current Capital Improvement Project list for potable water. The Water Rate Study identified the water revenue increase required to meet the revenue needs for 2025 and on. The Town will need to update the underlaying assumptions annually prior to proposing the new water rates for adoption at the end of the year.

Detail of Issue/Request:

The Town Board authorized a water rate study to assess whether current rates are sufficient and, if not, to determine the rates needed to support the Town's water system for both existing and future customers. The water rates and fees go towards the construction of Capital Improvement projects, purchase of treated water, maintenance of the water system, and future water supply projects like NISP.

Staff and Willdan presented the initial study findings in June of this year at a work session and gathered feedback from the Board. Once updates were made to the rate structure a form was created for feedback from the community about the three rate options. Following that feedback memos were sent to the Board to provide an update on the community preference and the status of the study. The draft report as presented to the Board in November. Following that work session staff and the consultant updated the study to reflect the feedback and provided additional detail about the potential cost of the proposed rates to residential customers so they can see what the cost of using 1,000-40,000 gallons of water would be. Staff did not receive any additional comments from the public after sharing this information.

In February, staff sought feedback from the Board to help guide the consultant in setting priorities for the new rate structure. The Board's priorities included water conservation, staff impacts, and affordability for residents on fixed incomes. Input from the finance and engineering departments was also incorporated.

Several factors influence the cost of water service, including:

- Geographic location and population density
- Treatment facility size and type
- Customer base and growth trends
- Age of infrastructure
- Regulatory requirements specific to the area
- Quality standards for treatment
- Impact of previous rate increases
- Development, impact, and plant investment fees

The study's analysis showed that a 9% rate increase may be required, with the primary

driver being the Northern Integrated Supply Project (NISP). The Town's current participation in NISP is expected to provide 2,600 acre-feet (AF) of water for potable use, with a portion becoming a reusable water supply after wastewater treatment for non-potable purposes. If the Town decides to increase its NISP participation to address future long-term water supply needs, additional funding will be required. Town Board may consider alternative funding options for the Town's obligations for NISP such as bonds. The amount of revenue increase that will go towards NISP is 79%.

The remaining 9.3% will go towards the increase in Operations and Maintenance costs, and 11.7% will go towards the increasing Capital Improvement Projects costs. These are vital to continue to operate at a high level of service and improve the water system.

The Town's current water billing system includes a monthly base rate and a water usage rate, both determined by tap size. Each tap size has its own base rate and tiered usage rates. As customers use more water, the cost per gallon increases through higher tiers, encouraging water conservation. The non-potable water rates follow a similar tiered structure, where higher usage results in higher costs to discourage excessive water use. Below is a snapshot from the fee schedule, showing the base rates and tiered usage rates.

Potable Water Rates - In Town - 5/8" Taps		
Use (Gallons)	Cost	
Base rate	\$31.57	
3,001 to 5,000 gallons	\$3.20	per 1000 gallons
5,001 to 15,000 gallons	\$4.43	per 1000 gallons
15,000 to 25,000 gallons	\$5.79	per 1000 gallons
25,000 and over	\$8.05	per 1000 gallons

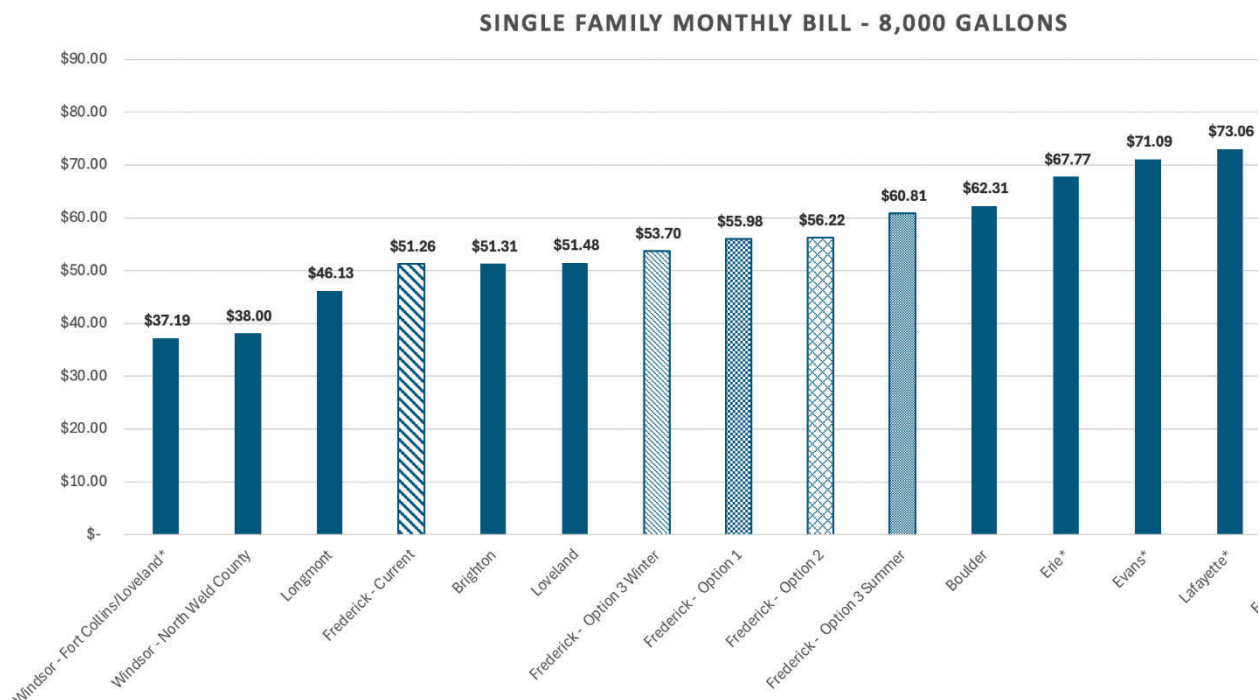
After reviewing existing data and input from the Board, staff, and consultants, three rate structure alternatives were developed:

1. **Cost-of-service update** – Refines existing rates to reflect updated costs.
2. **Simplified structure** – Streamlines rates by shifting from tap size to user category.
3. **Seasonal structure** – Adjusts rates based on seasonal water usage patterns.

Following public outreach, approximately 50% of residents supported the simplified structure (Option 2). This structure replaces the existing system, which uses different tiers for each tap size, with a simpler model that charges based on user type—residential or non-residential. The new structure retains special rates for Prairie Greens, schools, the softball park, and bulk (hydrant) water. No water is included in the base rate, reducing monthly costs for small households and those on fixed incomes. While the previous Board included 3,000 gallons in the base rate to support residents on fixed incomes, the new base rate will be about 50% lower than the current rate.

The proposed rate structure ensures adequate funding for ongoing operations, maintenance, and future projects. With the new rates, the Town's water service costs would be comparable to nearby communities such as Windsor, Longmont, Brighton, Loveland, and others. For an average household using 8,000 gallons of water per month, the average bill would be approximately \$20 less than that of neighboring

towns.



Given that non-residential users account for a large share of both current and future water use, their rates will increase, and the cost for higher usage tiers will also rise. This structure encourages water conservation across all user categories, ensuring sustainable water management for the Town's long-term needs.

Since the Non-Potable Water Infrastructure Master Plan was developed alongside the water rate study, the recently completed Capital Improvement Project (CIP) list was incorporated into the rate analysis. The plan identifies substantial improvements needed to support non-potable water use for Town parks, open spaces, and developments, requiring an increase in non-potable water rates. While the Town and developers will share the costs, projects directly tied to new development will be funded by the developers. The future rate increase will primarily affect existing non-potable water users, which include developers, the Town, and the High School. Staff is recommending that additional outreach be conducted in 2025 to communicate to those raw water users about potential increases in the raw water rates. The proposed rate water rates will be further investigated in 2025.

Staff secured a state grant covering 75% of the \$360,000 cost of the Water Reuse Plan which will begin in 2025. Staff will continue pursuing additional funding opportunities to support future CIP projects and other planning efforts.

Communications have been sent out to the public over social media, in the Frederick Flash, newsletter, and on the Town's website to provide information about the potential rate increase. If the Board approves the rate increase additional communication will be sent out to the public through the same channels to continue to notify residents and

customers about the rate increase. Staff will also continue its advertisement of water conservation programs available to residents and other opportunities available to non-residential customers through regional partnerships. The Town currently offers a lawn replacement program, garden in a box discounts, slow the flow sprinkler audits, toilet rebates, irrigation controller rebates, and clothes washer rebates all to promote water conservation. As the cost of water increases these programs will continue to be available to help our residents and customers save water inside and outside of their homes.

Legal Comments:

The Town is required by contract to pay for the treated water received by Central Weld County Water District and the Town's fee schedule as referenced in the Municipal Code dictates how fees and water rates are assessed.

Alternatives/Options

The Town Board may direct staff to work with the consultant to identify if the proposed water rates can fund additional needs of the community.

Financial Considerations

The project is paid for by the Water Fund. If the Water Rates are not established with valid assumptions the Town may not collect the revenues necessary for maintenance of the potable and non-potable water system and purchase additional water shares in accordance with the Short-Term and Long-Term Water Resources Plans. The water fund is an enterprise fund, so the revenues are generated by monthly usage fees and one time impact fees collected at building permit for new structures.

Staff Recommendation

Staff recommends the Board approve the resolutions adopting the final Water Rate Study and proposed potable water rates. Staff will continue to enact the communication plan with the Communications & Engagement department after the Board decision and throughout the year.

Community Impact

This item will impact the cost of water service to residents and customers. As the Town is sensitive to the rising costs that residents and customers are subjected to the Town has pared this Water Rate Study to determine the water revenue increase needed to meet the needs of residents and the Town as we continue to grow. The Town is not proposing a rate increase greater than that needed to meet the Town and customers needs as the Town provides a high level of service, improves the water system, and acquires water rights to meet the needs of the community.

Town of Frederick, CO

Water Rate Study



WILLDAN



TABLE OF CONTENTS

TABLE OF CONTENTS	i
Section 1 – Executive Summary	1
1.1 Study Overview	1
1.2 Financial Plan	2
1.3 Reserve Targets	2
1.3.1 Cash Reserve Target	2
1.4 Revenue Increase versus Rate Increase	2
1.5 User Rates	2
1.6 Findings and Recommendations	3
Section 2 - Introduction	8
2.1 Introduction	8
2.2 Goal and Objectives	8
2.3 Organization of this Report	9
2.4. Reliance on Data	9
Section 3 – Overview of Financial Planning Principles, Processes and Issues	10
3.1 Introduction	10
3.2 Discussion of General Financial Planning Principles	11
3.3 The Revenue Sufficiency Process	12
3.3.1 Determination of the Revenue Requirements	12
3.4 Financial Management Goals of the Town	13
3.4.1 Reserve Targets	13
Section 4 – Rate Study Development and Results	15
4.1 Revenue Sufficiency Analysis	15
4.1.1 General Methodology	15
4.1.2 Data Items	15
4.1.3 2023 Beginning of Year Cash Balance	15
4.1.4 2023 Unaudited Actuals and 2024 Budget	16
4.1.5 Capital Improvements Plan (CIP)	16
4.1.6 Northern Integrated Supply Project (NISP)	17

4.1.7	General Assumptions	17
4.1.8	Results of the Revenue Sufficiency Analysis.....	18
4.2	Cost-of-Service Analysis.....	21
4.2.1	General Methodology	21
4.2.2	Cost-of-Service Analysis.....	21
Section 5 – Rate Design Analysis.....		25
5.1	Proposed Water Rate Structure Changes.....	25
Section 6 – Conclusions and Recommendations		30
6.1	Conclusions.....	30
6.2	Recommendations.....	30
•	Appendix A – Financial Plan	
•	Appendix B – Cost-of-Service Analysis and Rate Design	

Section 1 – Executive Summary

The Town of Frederick's (Town)'s water enterprise fund is self-supporting and funds the operations and maintenance (O&M) associated with the utility, capital outlay and routine repair and replacement of aging system components for the water system. Water user rate revenue provides a stable secure revenue source for the utility and is the primary revenue source for operations.

There are two main objectives for this study. The first objective of this study was to develop a ten-year financial plan to evaluate the current financial condition for the utility and ensure it is generating sufficient revenue over the ten-year period to cover the costs of operation. To the extent the utility was found not to be generating adequate revenue under current rates, the financial plan includes recommended rate revenue adjustments to ensure continued revenue sufficiency and stability. The second was to evaluate and make refinements to the existing rate structure to ensure that each customer class was paying their proportionate share of operating the system. These objectives are discussed in further detail in the body of this report.

Digital Accessibility Accommodation Request and Issue Submission

Digital Accessibility Accommodation Request and Issue Submission. Online accessibility-related accommodation requests or issue identification should be submitted via an online form or via email at accessibility@frederickco.gov or at:

[Digital Accessibility Accommodation Request and Issue Submission | Frederick, CO - Official Website](#)

1.1 Study Overview

The Town contracted with Willdan Financial Services ("Willdan"), to complete a water rate study comprised of the following objectives:

- **Ten-Year Financial Plan:** Identify the revenues required by the utility to meet the annual costs of operation, maintenance, capital projects and accumulation and maintenance of appropriate reserves.
- **Rate Update:** Review and update the Town's existing water rates and comment on their adequacy to meet projected revenue requirements, meet the Town's objectives, as well as cost-of-service principles whereby the rates and charges are based upon the cost of providing service.

1.2 Financial Plan

The ten-year (current year plus nine years) water financial plan was developed based on the Town's projected revenues and expenditures, system growth and recent consumption trends. The projections reflect the best available information and assessments developed and refined through numerous meetings and teleconferences between Willdan and Town staff. Upon completion of the financial plan, it was determined that projected revenues through anticipated system growth, existing user rates and projected system utilization alone will not be sufficient to meet anticipated system expenditures, and additional rate revenue increases will be required.

1.3 Reserve Targets

1.3.1 Cash Reserve Target

Through the study process Willdan worked with Town staff to identify and recommend a financially prudent cash reserve target for each utility to help ensure the continued financial viability of the water enterprise fund. The cash reserve target is:

- **Operating Reserve:** Cash reserve equivalent to 180 days of annual operations and maintenance expenses.

1.4 Revenue Increase versus Rate Increase

The terms “*revenue increase*” and “*rate increase*” are often used interchangeably but are not always the same thing. A *revenue increase* represents the additional funding that is required in a given year. A *rate increase* represents the increase in the utility rates paid by an individual customer and in turn how the additional revenue will be recovered. As way of an example the financial plan may indicate the need for 10% more revenue. One option to generate additional revenue would be to raise the utility rates for all customer classes by 10%. In this case the *revenue increase* and the *rate increase* are the same. However, the 10% revenue increase may be achieved by raising the utility rates for the residential class by 8%, the commercial class by 12% and the school class by 9%. In this case the additional revenue generated (*revenue increase*) is equal to 10% more revenue, but the percentage *rate increase* by class varies.

1.5 User Rates

As suggested in section 1.2, rate revenue increases are projected during the ten-year study period to meet the Town's obligations. The study also proposes refinements to the existing water user rates, to better

align with the Town's goals of revenue stability and encouraging conservation. This is discussed in more detail in Section 5.1.

1.6 Findings and Recommendations

It is recommended that the Town update the cashflow portion of this study each year to ensure that actual revenues and expenses for that year are tracking closely with projections developed for this study, and that revenue is sufficient to fund projected expenses going forward. This is important as actual operating results may differ from the projections, and assumptions made during this study may change and have a material impact on the analysis. As customer usage patterns change, or the composition of the Town's customer base changes, the Town should conduct an in-depth cost-of-service analysis to ensure appropriate allocation of costs to customer classes. The proposed revenue increases are illustrated in Table 1-1.

Table 1-1 Projected Revenue Increases Years Ending December 31	
Description	Revenue Increases ⁽¹⁾
2025	9.0%
2026	9.0%
2027	9.0%
2028	9.0%
2029	8.5%
2030	8.5%
2031	8.5%
2032	8.5%
2033	8.0%
(1) The increases are proposed to be effective January 1	

As discussed in Section 1.4, a revenue increase may be different from a rate increase. Through the study revisions to the existing rate structure were proposed in order to achieve the recommended revenue increases. An option that the Town may want to consider is the issuance of debt which can lower the revenue increases in the short term, by funding expenditures debt rather than by raising rates. The selection of the most appropriate funding strategy for expenditures is primarily a policy decision

between use of cash (“Pay-as-you-go financing” or PAYGO), the issuance of debt, or a combination. PAYGO is the use or build-up of cash to fund large expenditures. With debt financing, expenditures are funded with borrowed funds (usually through the issuance of bonds) with the obligation of repayment, typically with interest, in future years. Each funding mechanism has a different impact on water rates in the short and long run, different net present values, risks, and legal obligations. Due to the borrowing costs associated with debt, cash funding can be cheaper in the end; however, debt typically ensures greater generational equity for the expenditures being financed, where future customers who will benefit contribute to the cost through debt service payments.

The existing water rate structure was updated with two changes based on direction from Town Staff and Board. The first refinement was to encourage conservation through the rate structure. This goal is reflected through a tightening (reduction) in the allotment of water in each tier, while increasing the unit cost of water used in each tier. The second refinement was a goal of simplifying the rate structure by reducing tiers and eliminating the minimum usage included in the monthly base charge.

The recommended potable base charge and water rates are summarized in Tables 1-2 and 1-3. It should be noted that future non-potable capital needs reflect an annual cost of \$218,500. The non-potable rates identified in Table 1-4 and 1-5 reflect the rates required to generate \$218,500, an increase from the current \$40,000 in annual revenue. The rates are only being provided for informational purposes at this time, the rate increase is not being recommended.

Table 1-2
Recommended Potable Water Rates – Base Charge (Option 2)
Current Through 2029

Monthly Base Charge						
All Customers						
Meter Size	Current	2025	2026	2027	2028	2029
5/8-inch	\$31.57	\$16.28	\$17.75	\$19.34	\$21.08	\$22.98
5/8-inch Evanston	56.41	29.09	31.71	34.56	37.67	41.00
3/4-inch	35.61	24.42	26.62	29.01	31.62	34.47
3/4-inch Evanston	62.89	43.63	47.56	51.84	56.51	61.59
1-inch	61.18	40.70	44.36	48.36	52.71	57.45
1-inch Evanston	96.12	72.72	79.27	86.40	94.18	102.66
1 1/2-inch	116.74	81.40	88.73	96.71	105.42	114.90
1 1/2-inch Evanston	168.37	145.45	158.54	172.81	188.36	205.31
2-inch	185.50	130.24	141.96	154.74	168.66	183.84
2-inch Evanston	257.76	232.72	253.66	276.49	301.37	328.50
3-inch	347.03	260.48	283.92	309.48	337.33	367.69
3-inch Evanston	367.09	465.43	507.32	552.98	602.75	656.99
4-inch	597.40	407.00	443.63	483.56	527.08	574.51
Prairie Greens	463.50	296.49	323.17	352.26	383.96	418.52
Elementary	695.25	552.64	602.38	565.60	715.69	780.10
Senior/High	625.73	552.64	602.38	565.60	715.69	780.10
Softball	40.63	109.60	119.47	130.22	141.94	154.71

Table 1-3
Recommended Potable Water Rates – Volume (Option 2)
Current Through 2029

Current		Proposed					
Tiers	Rate	Tiers	2025	2026	2027	2028	2029
Single Family – Volume Rate (\$/1,000 Gals)							
Varies By Meter Size	\$0.00	0 – 5,000	\$4.13	\$4.50	\$4.90	\$5.34	\$5.83
	2.72	5,001 – 20,000	6.19	6.75	7.36	8.02	8.74
	3.62	Over 20,000	10.83	11.81	12.87	14.03	15.29
	5.63						
Multifamily – Volume Rate (\$/1,000Gals)							
Varies By Meter Size	\$0.00	0 – 5,000	\$4.13	\$4.50	\$4.90	\$5.34	\$5.83
	2.72	5,001 – 20,000	6.19	6.75	7.36	8.02	8.74
	3.62	Over 20,000	10.83	11.81	12.87	14.03	15.29
	5.63						
Non-Residential – Volume Rate (\$/1,000 Gals)							
Varies By Meter Size	\$0.00	0 – 90,000	\$4.50	\$4.91	\$5.35	\$5.83	\$6.35
	2.72	90,001 – 550,000	6.75	7.36	8.02	8.74	9.53
	3.62	Over 550,000	11.81	12.88	14.04	15.30	16.68
	5.63						
Prairie Greens – Volume Rate (\$/1,000 Gals)							
All Use	\$2.72	All Use	\$4.13	\$4.50	\$4.90	\$5.34	\$5.83
School – Volume Rate (\$/1,000 Gals)							
All Use	\$2.72	All Use	\$4.51	\$4.92	\$5.36	\$5.85	\$6.37
Softball – Volume Rate (\$/1,000 Gals)							
All Use	\$2.72	All Use	\$5.62	\$6.13	\$6.68	\$7.28	\$7.94
Bulk – Volume Rate (\$/1,000 Gals)							
All Use	\$16.12	All Use	\$15.74	\$17.16	\$18.70	\$20.38	\$22.22

Table 1-4
Calculated Non-Potable Water Rates – Base Charge
Current Through 2029

Monthly Base Charge						
All Customers						
Meter Size	Current	2025	2026	2027	2028	2029
5/8-inch	\$5.94	\$38.80	\$42.29	\$46.10	\$50.25	\$54.77
3/4-inch	11.88	58.20	63.44	69.15	75.37	82.15
1-inch	23.76	97.00	105.37	115.25	125.62	136.92
2-inch	78.41	310.40	338.34	368.79	401.98	438.15
3-inch	78.41	620.80	676.67	737.57	803.95	876.31
4-inch	78.41	970.00	1,057.30	1,152.46	1,256.18	1,369.23

Table 1-5
Calculated Non-Potable Water Rates - Volume
Current Through 2029

Current		Proposed					
Tiers	Rate	Tiers	2025	2026	2027	2028	2029
With Dedication – Volume Rate (\$/1,000 Gals)							
Varies By Meter Size	\$0.52	Varies By Meter Size	\$1.41	\$1.54	\$1.68	\$1.83	\$1.99
	0.78		4.23	4.61	5.03	5.48	5.97
Without Water Share Dedication – Volume Rate (\$/1,000Gals)							
Varies By Meter Size	\$1.22	Varies By Meter Size	\$2.11	\$2.30	\$2.51	\$2.73	\$2.98
	1.48		4.93	5.37	5.86	6.38	6.96

Section 2 - Introduction

2.1 Introduction

Willdan Financial Services (“Willdan”) was retained by the Town of Frederick, Colorado (“Town”) to conduct a Water Rate Study (“Rate Study”) for the Town’s water utility (“Utility”). This report details the results of the Rate Study analysis for the forecast period, where estimated actuals for 2023 were used as the starting point for the forecast period 2024 through 2033, the results of which are presented in this Rate Study Report.

The results of the Rate Study presented herein are a financial plan with suggested rate adjustments designed to provide revenues sufficient to fund the ongoing operating, maintenance and capital costs necessary to operate the Town’s water utility. The Rate Study was developed to meet the financial requirements and goals set forth by the Town’s for the water enterprise fund, including maintenance of adequate reserves while adhering to the principles of cost-of-service.

Based on discussions with Town staff, this report presents the recommended financial plans and rate adjustments to meet the Town’s objectives.

Digital Accessibility Accommodation Request and Issue Submission

Digital Accessibility Accommodation Request and Issue Submission. Online accessibility-related accommodation requests or issue identification should be submitted via an online form or via email at accessibility@frederickco.gov or at:

[Digital Accessibility Accommodation Request and Issue Submission | Frederick, CO - Official Website](#)

2.2 Goal and Objectives

A primary goal of the Rate Study was to develop a financial plan for the utility that evaluates the adequacy of the current revenue streams to meet ongoing costs (operations & maintenance and capital), fund Central Weld water purchases, participate in the Northern Integrated Supply Project (NISP) and to maintain industry standard financially prudent cash reserves. More specifically the Rate Study was undertaken to:

- Conduct the analysis in accordance with industry standards consistent with American Water Works (“AWWA”) guidelines and utilizing Town specific revenue and expense, growth and customer billing data;

-
- Develop a financial plan consistent with industry standards and best practices while recognizing the needs specific to the Town; and
 - Recommend rates that adhere to and meet cost-of-service principles, which requires a matching between the fees being assessed to customers and the cost they place on the system.

2.3 Organization of this Report

This Rate Study presents an overview of the rate-making concepts employed in the development of the analysis contained here. The analysis is followed by a discussion of the data, assumptions and results associated with each component of the analysis. Finally, appendices with detailed schedules are presented for further insight into the data, assumptions and calculations which drive the results presented in this Rate Study. The report is organized as follows:

- Section 1 – Executive Summary
- Section 2 – Introduction
- Section 3 – Overview of Utility Rate-Making Principles, Processes and Issues
- Section 4 – Rate Study Development and Results
- Section 5 – Rate Design Analysis
- Section 6 – Conclusions and Recommendations
- Appendix A – Financial Plan
- Appendix B – Cost-of-Service Analysis and Rate Design

2.4. Reliance on Data

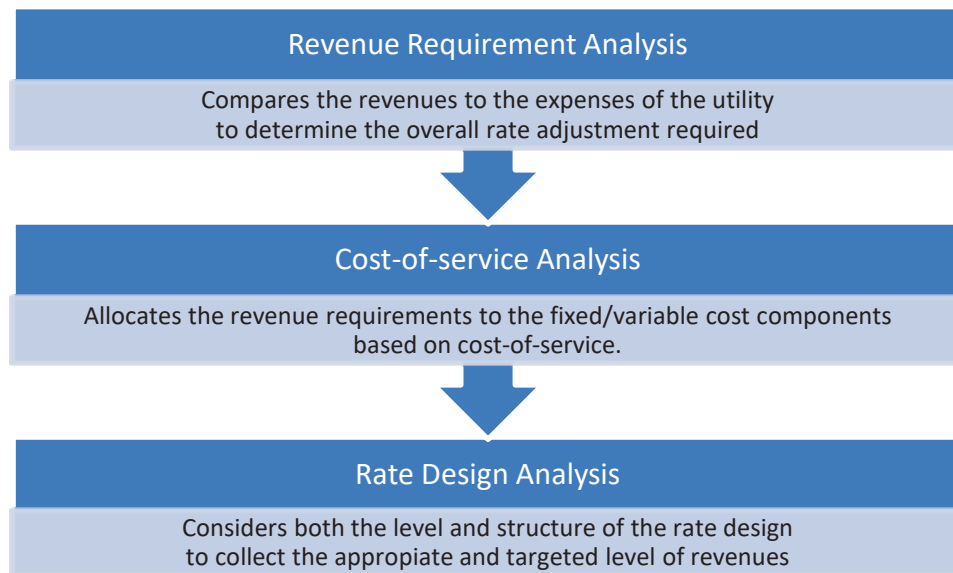
During this project the Town (and/or its representatives) provided Willdan with a variety of financial and technical information, including system operating metrics, fund balances, budget data, historical operating results, capital project costs and demographic data. This data was used by Willdan in the process of developing the financial plans and recommended rate adjustments. Willdan did not independently assess or test for the accuracy of such data, historic or projected, but worked with Town staff to better understand the data and its sources and believe it to be the best available information at the time of the study.

Section 3 – Overview of Financial Planning Principles, Processes and Issues

3.1 Introduction

The scope of this study included the development of cost-based water user charges through cost-of-service and rate design analysis using Town specific expense and customer billing data and system flow and production data. Utility rates must be set at a level where operating, maintenance and capital expenses are met with the revenues received from customers; and that revenues generated from utility rates are used only for this purpose. In addition, the user rates for customers must be based upon their proportionate share of the costs of operating the systems. This is a significant point, as failure to achieve this level could lead to insufficient funds being available to adequately maintain the system. A comprehensive rate study typically consists of following three interrelated analyses:

- I. **Financial Planning/Revenue Requirement Analysis:** Create a ten-year plan (current plus nine years) to support an orderly, efficient program of on-going maintenance and operating costs, capital improvement and replacement activities. In addition, the long-term plan should fund and maintain appropriate reserve balances to adequate levels based on industry standards and the Town of Frederick's fiscal policies and specific needs.
- II. **Cost-of-Service Analysis:** Identifies and apportions annual revenue requirements to functional cost components based on the demands placed on the utility system based on Town specific financial and system performance data.
- III. **Rate Design:** Develops an equitable and proportionate fixed/variable schedule of rates for the Town's customer base. The policy objectives are harmonized with cost-of-service objectives to achieve the balance between customer equity and financial stability goals. The balance of fixed and variable charges ensures that the Town has a stable revenue source (the fixed charge) to cover fixed operating costs, while the variable component of the rate structure helps to ensure those customers who place higher demands and costs on the system (through higher water use, particularly during peak periods) incur a higher bill reflective of their system use.



This Rate Study utilized generally accepted rate-making principles and standards established by the industry' governing body, American Water Works Association (AWWA) in its "M1 Principles of Water Rates Fees and Charges" manual. While generally accepted industry standards were used as the basis and approach of the cost-of-service and rate design, the analysis was completed using Town specific system performance and production data, as well as cost and customer billing data. The principles used resulted in the development of rates and charges which are projected to: 1) generate sufficient revenue to meet the financial requirements of the water utility, and 2) address the need to recover costs from users in a manner which is proportionate to the cost of providing service on a fair and equitable basis relative to the service provided, and which does not exceed the cost of providing the service. A discussion of some of the key principles of rate-making, and how the processes employed herein are guided by those principles, is presented below.

3.2 Discussion of General Financial Planning Principles

While the individual rates for each of the utility vary based on a variety of factors, rates should be consistent with general rate-making principles set forth in utility rate-making practice and literature. The principles by which rate practitioners are guided is that rates designed for any utility should strike a reasonable balance between several key factors. In general, rates designed should:

- Generate a stable rate revenue stream which, when combined with other sources of funds, is sufficient to meet the financial requirements and goals of the utility;

- Be based upon the proportionate cost of providing the service and not exceed the cost of providing the service;
- Be fair and equitable – that is, they should generate revenue from customer classes which is reasonably in proportion to the cost to provide service to that customer class;
- Be easy to understand by customers; and
- Be easy to administer by the utility.

Striking the appropriate balance between the principles of rate-making is the result of a detailed process of evaluation of revenue requirements and cost-of-service, and how those translate into the rate design alternatives which meet legal requirements and the specific objectives of the utility under the circumstances in which it operates. A review of the Town’s existing rates and their adherence to these principles is discussed in Section 4.2.2 of this report.

3.3 The Revenue Sufficiency Process

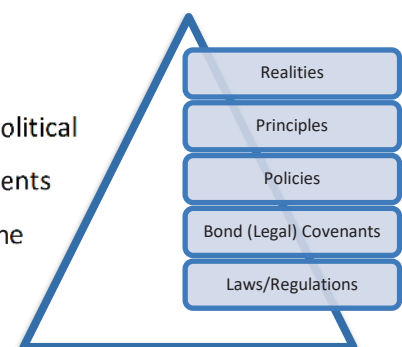
To evaluate whether existing rates and charges which will generate sufficient revenue to meet the fiscal requirements of the water utility, a determination of the annual rate revenue required must be completed. The first step in the process is the Revenue Sufficiency Analysis. The Revenue Sufficiency Analysis compares the forecasted revenues of the utility under its existing rates to its expenses associated with forecasted operations and maintenance, capital, debt and reserve costs to determine the adequacy of the existing rates to recover the utility’s projected costs.

To the extent that the existing revenue stream is projected to be insufficient to meet the annual revenue requirements of the system during the projection period, a series of recommended rate revenue increases are calculated which if enacted, would provide revenue sufficient to meet those needs.

3.3.1 Determination of the Revenue Requirements

Considerations in Setting Revenue Requirements

There are a multitude of considerations, ranging from financial to policy, political and legal that must be analyzed or discussed during the revenue requirements process of a rate study. This section provides an overview of the considerations that are reviewed during this process.



Capital Budgeting and Financing

Capital needs are identified in the Town's Water Capital Improvement Plan which is updated on an annual basis. As part of its budget and planning process, the Town identifies capital improvements that are necessary for the continued delivery of clean, safe, drinking water. The Capital Improvement Plan is funded by a variety of sources including, utility rates, capital reserves and debt. The Town does assess tap fees as well as plant investment fees as new development occurs. Those fees are outside of the scope of this rate study, but do represent a source of revenue for the Town which can be used to fund expenditures. In the event that these fees are re-evaluated and increased in the future the impact to the revenue increases recommended in this report may need to be re-evaluated as well.

Financial Planning

The Town, as is typical for a public utility, operates its water and sewer utilities on a "cash basis". Under the "cash basis" approach, revenues and expenses are recognized at the time physical cash is received or paid out. Revenue requirements are determined for a specified period of time (in the case of the Town an annual fiscal year ending December 31), by summing the total anticipated expenses to be paid out during the year. Where cash flows and balances are insufficient, the revenue requirements analysis results in recommendations to ensure the needed additional cash flows are available to meet funding goals. The two primary categories of expenses are as follows:

- Operations and Maintenance (O&M) expenses, such as salaries and benefits of utility personnel, costs associated with plant and system operations and treatment (chemicals, power, etc.), transfers out, existing and anticipated debt service, and reserves; and
- Capital expenses, such as the annual capital improvement program, including storage tanks, pump stations and connector waterlines.

3.4 Financial Management Goals of the Town

The establishment of specific financial management goals of a utility is a key step in developing financial plans which will ensure the financial health of the utility remains strong. The financial management goals of the Town are described below.

3.4.1 Reserve Targets

In order to maintain financially stable and sustainable utilities, a cash reserve target for the utility has been identified that the Town will seek to maintain. The reserve target policy is identified in Table 3-1,

while Table 3-2 illustrates the projected results for the Utility. The full ten-year projections can be found in Appendix A.

Table 3-1 Reserve Target		
Reserve	Purpose	Minimum Balance
Water Operating Reserves	Manage timing differences between revenue receipt and expense payments	180 days of annual operations and maintenance expense

Table 3-2 Operating Reserve Projections Years Ending December 31 (\$ thousands)									
	2025	2026	2027	2028	2029	2030	2031	2032	2033
Target Cash Balance	\$5,408	\$5,604	\$6,603	\$6,185	\$6,619	\$7,116	\$7,677	\$8,053	\$8,395
Actual Cash Balance	31,666	29,000	29,152	25,497	20,522	14,926	13,930	12,912	12,115

The Town is exceeding the target reserve every year; however, the margin is decreasing over time. It is not essential that the Town meet their identified operating reserve on annual basis (it is not a legal requirement), prudent financial planning suggests that the Town should strive to maintain the operating reserve and should not dip below the minimum balance on a continuous basis.

Section 4 – Rate Study Development and Results

4.1 Revenue Sufficiency Analysis

4.1.1 General Methodology

Revenue requirements were compared to the total sources of funds during each year of the forecast period to determine the adequacy of projected revenues to meet requirements. To the extent that the existing revenue streams are not sufficient to meet the annual revenue requirements of the systems, a series of rate revenue increases are calculated, which if implemented, would provide revenue sufficient to meet those needs.

4.1.2 Data Items

Key data items reviewed, discussed, and incorporated into the Revenue Sufficiency Analysis were:

- Financial management goals of the Town
- 2023 Beginning of Year Fund Balance
- 2023 Unaudited Revenues and Expenditures
- 2024 Adopted Budget
- Capital Improvement needs based on Town's plans
- Northern Integrated Supply Project (NISP)
- General assumptions related to:
 - Customer growth
 - Cost escalation factors

A discussion of each of the above data items is presented below.

4.1.3 2023 Beginning of Year Cash Balance

To better understand the available funds the Town's utility had on hand to start the forecast period, a detailed review of the cash balance as of the beginning of 2023 was conducted and discussed with Town staff. A summary of the fund balance for the beginning of 2023, as adjusted for use in this analysis, is presented in Table 4-1 below.

Table 4-1 Beginning Fund Balance 2023	
Description	Water
Cash Balance	\$35,000,000

4.1.4 2023 Unaudited Actuals and 2024 Budget

Staff provided Willdan with the 2023 unaudited actual revenues and expenditures as well as the 2024 Adopted Budgets, and associated line-item detail. The 2024 budget served as the basis for the financial projections for the forecast period. The line-item projected expenses for 2024 were used as the basis for the projection of future budgetary line-items for the remainder of the forecast period.

Cost escalation factors were reviewed by staff and were used to project increases in line-item costs beyond the 2024 budget. These factors were applied based to line-item cost classifications.

A five-year summary of the 2024 budget, and subsequent projected budgetary expenses is presented below in Table 4-2. A more detailed presentation of the line-item budgeted and projected revenues and expenses is presented in Schedules A-3 and A-4 in Appendix A.

Table 4-2 Operating Budget Years Ending December 31 (\$ thousands)									
Description	2025	2026	2027	2028	2029	2030	2031	2032	2033
O&M	\$10,815	\$11,207	\$12,127	\$12,369	\$13,237	\$14,231	\$15,353	\$16,105	\$16,789
Note: Variances due to rounding									

4.1.5 Capital Improvements Plan (CIP)

The Town provided Willdan with a forecast of capital requirements for the study period. The CIP the Town provided was in current dollars and was inflated by Willdan (using an inflationary rate of 5.8% through 2026 decreasing to 2.5% thereafter). The potable water CIP for 2025 through 2029 totals \$28.2 million (Inflated dollars). In addition to the potable water CIP, the recently completed master plan identified non-potable capital expenditures in an amount of \$4.37 million dollars which when funded over a 20-year period equates to \$218,500 per year. A summary table of the CIP for 2025 –2033 forecast period is presented below in Table 4-3. The CIP is presented in Schedules A-5 and A-6, in Appendix A.

Table 4-3
Capital Improvement Plan Potable Water
Years Ending December 31 (\$ thousands)

	2025	2026	2027	2028	2029	2030	2031	2032	2033	Total
Potable	\$3,333	\$4,086	\$803	\$4,939	\$5,979	\$6,128	\$963	\$987	\$1,011	\$28,229
Non-Potable	219	219	219	219	219	219	219	219	219	2,185

Note: Values are rounded to the nearest \$1,000

4.1.6 Northern Integrated Supply Project (NISP)

The Town is one of 15 Northern Front Range partners who are participating in the NISP project that will provide 400,000 acre feet of water to the participants annually. The Town's water allotment is 2,600-acre feet or 6.50% of the total project. NISP has developed a model that determines each participants proportionate share in the cost of the project. The Town's share of projected NISP expenses are summarized in Table 4-4. It should be noted that the NISP costs are a component of the O&M expenses summarized in Table 4-2 above.

Table 4-4
Projected NISP Assessments
Years Ending December 31 (\$ thousands)

	2025	2026	2027	2028	2029	2030	2031	2032	2033
NISP	\$2,600	\$2,600	\$3,100	\$2,900	\$3,300	\$3,800	\$4,400	\$4,600	\$4,700

Note: Values are rounded to the nearest \$1,000

4.1.7 General Assumptions

In order to develop the financial and rate projections, certain assumptions were made with regard to elements of the revenue sufficiency analysis. A summary of those assumptions is presented below.

4.1.7.1. System Growth

The Town anticipates average growth of the water system of approximately 2.45% per year. The model assumes a direct correlation between customer growth and service charge revenue growth. In other words, it is assumed that service charge revenues will also grow by an average of 2.45% per year.

4.1.7.2. O&M Escalation Factors

Willdan worked with Town Staff to identify reasonable cost escalation factors to be applied to operations and maintenance expenses in recognition of increasing costs over time. It was determined that a 5.0% inflationary factor for personnel and related costs and a 3.5% inflationary factor represented a reasonable

estimate of annual cost increases for all other expenses during the study period. The one exception is the Central Weld Reimbursement cost which is projected to escalate at 8.0% per year.

4.1.8 Results of the Revenue Sufficiency Analysis

After a thorough review of the above-mentioned data elements, a draft of the Revenue Sufficiency Analysis was developed and reviewed with Town Staff. This draft provided the forum in which various alternative assumptions were discussed, tested and evaluated for their reasonableness and their impact upon the ultimate financial health of the utilities, while striving to meet the identified objectives. In some cases, inputs or assumptions were modified based on these discussions.

The resulting financial plan presented herein is the embodiment of the data, assumptions and review process undertaken with Town staff through the course of several meetings. Table 4-5 provides a summary of the annual revenue requirements (O&M and CIP) for the water utility incorporating the assumptions in Section 4.1.7 of this report as compared to the revenues under existing rates and system growth.

Table 4-5 Revenue Requirements vs. Revenue Under Existing Rates Years Ending December 31 (\$ thousands)									
	2025	2026	2027	2028	2029	2030	2031	2032	2033
Beginning Cash Balance	\$33,325	\$30,899	\$27,268	\$25,898	\$20,182	\$12,347	\$3,041	(\$2,506)	(\$8,873)
Cash Inflows									
Rate Revenue Under Existing Rates	3,761	3,854	3,954	4,045	4,144	4,245	4,439	4,456	4,565
Non-Rate Revenue ⁽¹⁾	<u>8,149</u>	<u>8,026</u>	<u>7,825</u>	<u>7,766</u>	<u>7,455</u>	<u>7,027</u>	<u>6,518</u>	<u>6,487</u>	<u>6,507</u>
Total Cash Inflows	11,910	11,880	11,779	11,811	11,599	11,272	10,987	10,943	11,072
Cash Outflows									
Annual O&M Expense	10,815	11,207	12,127	12,369	13,237	14,231	15,353	16,105	16,789
CIP	<u>3,551</u>	<u>4,304</u>	<u>1,022</u>	<u>5,158</u>	<u>6,197</u>	<u>6,347</u>	<u>1,181</u>	<u>1,205</u>	<u>1,230</u>
Total Cash Outflows	<u>14,336</u>	<u>15,511</u>	<u>13,149</u>	<u>17,527</u>	<u>19,434</u>	<u>20,578</u>	<u>16,534</u>	<u>17,310</u>	<u>18,019</u>
Net Cashflow	(2,426)	(3,631)	(1,370)	(5,716)	(7,835)	(9,306)	(5,547)	(6,367)	(6,947)
Ending Cash Balance	\$30,899	\$27,268	\$25,898	\$20,182	\$12,347	\$3,041	(\$2,506)	(\$8,873)	(\$15,280)
Target Cash Balance	\$5,408	\$5,604	\$6,603	\$6,185	\$6,619	\$7,116	\$7,677	\$8,053	\$8,395
(1) Includes PIF and water share revenue									
(2) Note: Values are rounded to the nearest \$1,000									

The revenues and expenditures identified in Table 4-5 represent revenues under existing rates and system growth and operating expenditures under the identified assumptions. As noted in Table 4-5, water revenues increasing due to system growth alone will not be sufficient to meet ongoing expenses. While

there is a positive fund balance at the end of 2029, there is a steady decrease in fund balance every year as expenses outpace revenues.

4.1.8.1. Rate Revenue Increases Required

Our analysis of the water utility indicates that assuming all expenditures occur as projected, there will be a continuous decline in fund balance throughout the study period. In part this is because anticipated growth is projected to be less than the expected cost increases associated with operating expenses. Therefore, we recommend increases for the water utility in order to maintain pace with increasing operating costs (including NISP), and fund capital needs.

As noted in Section 1.4, a revenue increase may differ from a rate increase, where a revenue increase represents the additional revenue needed to meet costs whereas a rate increase is the impact to an individual customer class. Table 4-6 below reflects our projections of *revenue increases* in addition to system growth required during the forecast period in order for the Town to meet its ongoing operational costs.

Table 4-6 Projected Revenue Increases Years Ending December 31	
Description	Water Revenue Increases ⁽¹⁾
2025	9.0%
2026	9.0%
2027	9.0%
2028	9.0%
2029	8.5%
2030	8.5%
2031	8.5%
2032	8.5%
2033	8.0%
(1) The increases for all years are proposed to be effective January 1	

The increases identified in Table 4-6 represent the overall increase in revenue required to operate the water system, while the impact on individual customers will vary based on their respective usage. The revenues identified in Table 4-7 represent the revenues generated by the rate revenue increases

identified in Table 4-6 based on the assumptions contained within this report. Should actual revenues or expenses differ from what is projected, the rate revenue adjustments identified in Table 4-6 may need to be modified (increased or decreased) in order to achieve the revenues identified in Table 4-7.

Table 4-7 Revenue Requirements vs. Revenue Under Proposed Rates Years Ending December 31 (\$ thousands)									
	2025	2026	2027	2028	2029	2030	2031	2032	2033
Beginning Cash Balance	\$33,325	\$32,023	\$29,357	\$29,508	\$25,854	\$20,880	\$15,284	\$14,288	\$13,271
Cash Inflows									
Rate Revenue Under Existing Rates	4,100	4,578	5,113	5,709	6,347	7,055	7,842	8,717	9,645
Non-Rate Revenue ⁽¹⁾	<u>8,934</u>	<u>8,267</u>	<u>8,187</u>	<u>8,164</u>	<u>8,113</u>	<u>7,927</u>	<u>7,696</u>	<u>7,576</u>	<u>7,578</u>
Total Cash Inflows	13,034	12,845	13,300	13,873	14,460	14,982	15,538	16,293	17,223
Cash Outflows									
Annual O&M Expense	10,815	11,207	12,127	12,369	13,237	14,231	15,353	16,105	16,789
CIP	<u>3,551</u>	<u>4,304</u>	<u>1,022</u>	<u>5,158</u>	<u>6,197</u>	<u>6,347</u>	<u>1,181</u>	<u>1,205</u>	<u>1,230</u>
Total Cash Outflows	<u>14,336</u>	<u>15,511</u>	<u>13,149</u>	<u>17,527</u>	<u>19,434</u>	<u>20,578</u>	<u>16,534</u>	<u>17,310</u>	<u>18,019</u>
Net Cashflow	(1,302)	(2,666)	151	(3,654)	(4,974)	(5,596)	(996)	(1,017)	(796)
Ending Cash Balance	\$32,023	\$29,357	\$29,508	\$25,854	\$20,880	\$15,284	\$14,288	\$13,271	\$12,475
Target Cash Balance	\$5,408	\$5,604	\$6,603	\$6,185	\$6,619	\$7,116	\$7,677	\$8,053	\$8,395
(1) Includes PIF and water share revenue									
(2) Note: Values are rounded to the nearest \$1,000									

4.1.8.2. Summary of Revenue Sufficiency Analysis

The resulting financial plans, including recommended revenue adjustments are presented in Tables 4-6 and 4-7 and provide for funding of projected revenue requirements during the forecast period.

A more detailed presentation of the financial plan, including fund balance reconciliation, is presented in Schedule A-1 of Appendix A.

4.1.8.3. Revenue Sufficiency Analysis Conclusions

Based on the revenue requirements identified in our analysis, it is our opinion that:

- Revenue projections for the water utility based on existing rates are insufficient to meet the revenue requirements for 2025 through 2033 (the cashflow is negative as is the fund balance in 2031);
- Rate revenue adjustments are needed for both utilities in order to keep pace with increasing O&M and capital costs; and

-
- The proposed rate revenue increases identified in Table 4-6, are needed to reduce the draw down of reserve targets based upon the assumptions contained in this report.

4.2 Cost-of-Service Analysis

4.2.1 General Methodology

Rate design goals of the Town were reviewed to identify areas the Town wanted to address over the forecast period were included in this Rate Study. Next, an assessment of the existing rate design was completed to identify areas which have worked well for the Town with regard to their specific goals and objectives, and the general goals and objectives of utility rate-making. In addition to the Town's goals, rate design should seek to achieve the following industry standard objectives:

- Generate a stable rate revenue stream which, when combined with other sources of funds, is sufficient to meet the financial requirements and goals of the utility;
- Be fair and equitable – that is, they should generate revenue from customer classes which is reasonably in proportion to the cost to provide service to that customer class;
- Be easy to understand by customers; and
- Be easy to administer by the utility;
- Adhere to cost-of-service principles, whereby the rates must be based upon the proportionate cost of providing water service.

4.2.2 Cost-of-Service Analysis

The Town's current water rates are comprised of two components, first a monthly base charge which varies by meter size; and second, a volume rate per 1,000 gallons (kgals) of water use. While the monthly base charge increases as the size of the meter increases, there are some exceptions. A single specific monthly base charge applies to the following classes:

- Elementary School
- Middle/Senior High School
- Softball Facility (CVRD)
- Prairie Greens Subdivision
- Bulk Potable (no base charge assessed)

The volume component of the rate structure is a tiered rate structure, with the exception of the following customer classes which are assessed a uniform rate:

- Elementary School
- Middle/Senior High School
- Softball Facility (CVRD)
- Prairie Greens Subdivision
- Bulk Potable

In addition to providing potable water service to customers, the town also provides non-potable service. Non-potable customers are assessed a monthly base charge and a tiered volume rate with an additional charge if the customer has not provided water shares to the Town.

In order to provide guidance for the water utility as to how to adequately recover the rate revenue requirements identified in the Revenue Sufficiency Analysis, in a manner consistent with generally accepted rate-making principles using Town specific system, cost and customer billing data, a cost-of-service analysis was conducted.

The cost-of-service analysis resulted in the identification of the cost to provide service to Town customers based on functional cost categories. This provided the rationale for the allocation of costs to expense categories related to water service. These water cost allocations were then used as the basis for the assignment of revenue requirements to customer classes upon which the development of rates and charges presented herein is based.

For the purposes of this analysis, the cost-of-service analysis for water was based on the Base-Extra Capacity methodology, as detailed in the American Water Works Association (AWWA) M1 Manual – Principles of Water Rates, Fees and Charges while incorporating Town specific system performance and production data and cost and customer billing data.

The general approach to the development of cost-of-service allocations under the Base-Extra Capacity Cost Allocation methodology was to:

- 1) Identify the Town's costs by functional cost category,
- 2) Allocate the functionalized costs further to base-extra capacity categories and then to:
- 3) Allocate the Town's costs and rate revenue requirements to the Town's customer classes based on the distribution of costs and customer characteristics. The Cost-of-Service Analysis and Results is presented below.

4.2.2.1. Allocation to Functional Cost Categories

Water costs are allocated to functional cost categories based on their need to meet base demand, peak demand (max day and max hour water needs), as well as customer service costs such as billing and collection.

The Town's functionalized costs were then further allocated based on the Base-extra Capacity Method, as presented in the AWWA M1 Manual of Practice. The Base-Extra Capacity method results in the allocation of functionalized costs in a manner consistent with the functional reality behind each type of cost. For instance, transmission costs are related to not only a base, (or average), level of water flow, but are also related to the fact that transmission assets are typically sized to meet maximum day and maximum hour demands. Therefore, some portion of transmission costs should be allocated to the base component, and further to the extra capacity component (max day and max hour). Tables 4-8 through 4-10 below present the results of the Base-extra Capacity method.

Table 4-8 Potable Water System - Summary of Functional Allocations to Cost Categories 2025						
Functional Cost	Base	Max Day	Max Hour	Meters & Services	Billing & Collection	Total
Treatment	\$3,934,804	\$10,468	\$18,100	\$0	\$0	\$3,963,372
Transmission & Distribution	206,483	103,241	103,241	0	0	412,965
Admin	0	0	0	705,905	705,905	1,411,810
Source of Supply	5,218,031	0	0	0	0	5,218,031
CIP	1,666,350	0	0	1,666,350	0	3,332,700
Non-Operating Revenue/Changes in Reserves ⁽¹⁾	<u>(7,873,047)</u>	<u>(81,196)</u>	<u>(86,646)</u>	<u>(1,693,945)</u>	<u>(540,062)</u>	<u>(10,238,896)</u>
Total	\$8,876,742	\$626,653	\$108,059	\$2,116,280	\$14,188	\$11,741,922
Units (kgals/Equiv. Meters/Bills)	<u>544,997</u>	<u>1,449</u>	<u>2,506</u>	<u>5,075</u>	<u>57,231</u>	
Cost per Unit	\$5.78	\$22.44	\$13.84	\$133.65	\$3.53	
(1) A positive value results in an increase of reserves through rates, while a negative value indicates use of non-operating revenue and existing reserves to meet annual expenses in addition to rates.						

Table 4-9
Bulk/Hydrant Water - Summary of Functional Allocations to Cost Categories
2025

Functional Cost	Base	Max Day	Max Hour	Meters & Services	Billing & Collection	Total
Bulk/Hydrant Costs	\$16,673	\$173	\$184	\$3,067	\$1,073	\$21,800
Units (kgals/Equiv. Meters/Bills)	<u>1,385</u>	<u>5</u>	<u>7</u>	<u>27</u>	<u>216</u>	
Cost per Unit	\$12.10	\$37.64	\$25.82	\$133.58	\$4.97	

Table 4-10
Non-Potable Water System - Summary of Functional Allocations to Cost Categories
2025

Functional Cost	Base	Max Day	Max Hour	Meters & Services	Billing & Collection	Total
Non-Potable Costs	\$149,328	\$2,174	\$2,174	\$49,958	\$14,866	\$218,500
Units (kgals/Equiv. Meters/Bills)	<u>99,989</u>	<u>1,491</u>	<u>1,504</u>	<u>144</u>	<u>150</u>	
Cost per Unit	\$1.49	\$1.46	\$1.45	\$348.14	\$99.11	

Tables 4-8 through 4-10 illustrate the allocation of costs to functional components necessary to provide water service to customers. Total costs are allocated to functional categories such as treatment or transmission and distribution and then to cost categories such as base or max day.

4.2.2.1. Summary of Cost-of-Service Analysis

The Cost-of-Service Analysis presented herein sets forth how to appropriately recover the rate revenue requirements for FY 2025 and subsequent years. The allocations presented herein were used, along with the other goals and objectives of the utilities, in the development of the water rates and charges presented in the next section.

Section 5 – Rate Design Analysis

5.1 Proposed Water Rate Structure Changes

Willdan requested input from the Town Board and Staff with respect to attributes and goals to be achieved through the rate structure. The top goals and objectives to be achieved were:

- Revenue Stability
- Conservation
- Affordability
- Cost-of-Service Equity

Three rate structures to meet the aforementioned objectives were developed and discussed with the Town Board and Staff. Only the rates for the recommended rate structure is presented in this report, but a general discussion of the other options are provided.

It should be noted that achieving the different objectives is a balancing act as some of the objectives are in conflict with each other. For example, the goal of revenue stability would dictate that a higher percentage of the revenue should be recovered from the monthly base charge. In other words, the base charge should be increased from the current level. However, a higher base charge disproportionately affects lower volume water users (often viewed as customers with a lower ability to pay), making the rate structure less affordable. The goal of conservation is often achieved through a “price signal” of a higher rate for more water use. The intent is the price signal will encourage customers to use less water. The resulting reduced water use is a benefit from a water resource perspective but selling less water results in less revenue and relatively lower revenue stability.

Option 1: Current Rate Structure COS Update

The first rate option that was developed was a cost-of-service based update to the Town’s current rate structure. Under this option the base care increases by meter size, the existing tier thresholds (amount of water use by block) was maintained as was the rate differential (rate increase) between the blocks. Whereas the current rate structure assesses the same rate by tier for residential (single family, multifamily and mobile homes) and non-residential customers (commercial, industrial and irrigation) the proposed rate structure varies the volume rate between residential and non-residential customers based on the respective cost to serve each class.

Option 2: Simplified Structure – Recommended Option

The second rate alternative that was developed is similar to the current structure, however, it is simplified in the following aspects:

Residential

While the current residential rate structure has different block thresholds (water use by block) depending upon the size of the meter, the Option 2 rate structure has a 3-tier structure that applies to all residential customers regardless of meter size. As an example, the current tiers for a ¾-inch meter are: 0 – 60,000 gallons, 60,001 – 300,000 gallons and over 300,000 gallons. By contrast the current tiers for a 1-inch meter are: 0 – 100,000 gallons, 100,001 – 400,000 gallons and over 400,000 gallons.

Under the Option 2 rate structure, tier 1 represents average indoor (discretionary) water use for the residential class. Tier 2 represents average outdoor (discretionary) water use for the residential class. Tier 3 is all water use above average summer water use for the class. Whereas the current rate structure provides 5/8-inch meter customers 3,000 gallons as a component of the monthly base charge, the Option 2 rate structure assesses a volume rate for all water use. To offset the cost of charging for all water use the monthly base charge is proposed to decrease. The lower monthly base charge and a rate for all water use allows customers greater control over their monthly bill which can be advantageous from an affordability goal.

Non-Residential

Similar to the residential class, the non-residential class is proposed to have three tiers. The tier thresholds are proposed to be the same for all meter sizes. The tiers were designed such that the same percentage of non-residential water use falls in each tier as for residential customers. As an example, 50.94% of residential water use falls in tier 1. For non-residential customers the tier 1 thresholds was designed to capture 50.84% of water use.

Miscellaneous

The current rate structure assesses a different monthly base charge for the elementary school and the middle/senior high school classes, but the same volume rate. Under Option 2 the base charge and the volume rate are assessed at a combined “School” rate. The non-potable rates identified in Table 5-3 and 5-4 reflect the rates required to generate \$218,500, an increase from the current \$40,000 in annual revenue. The rates are only being provided for informational purposes at this time, the rate increase is

not being recommended. Non-potable rates have been adjusted to reflect the cost-of-service and additional revenue requirements. Table 5-1 through 5-4 summarize the Option 2 rates.

Table 5-1 Option 2: Simplified Rate Structure Potable Water Rates – Base Charge Current Through 2029						
Monthly Base Charge						
All Customers						
Meter Size	Current	2025	2026	2027	2028	2029
5/8-inch	\$31.57	\$16.28	\$17.75	\$19.34	\$21.08	\$22.98
5/8-inch Evanston	56.41	29.09	31.71	34.56	37.67	41.00
3/4-inch	35.61	24.42	26.62	29.01	31.62	34.47
3/4-inch Evanston	62.89	43.63	47.56	51.84	56.51	61.59
1-inch	61.18	40.70	44.36	48.36	52.71	57.45
1-inch Evanston	96.12	72.72	79.27	86.40	94.18	102.66
1 1/2-inch	116.74	81.40	88.73	96.71	105.42	114.90
1 1/2-inch Evanston	168.37	145.45	158.54	172.81	188.36	205.31
2-inch	185.50	130.24	141.96	154.74	168.66	183.84
2-inch Evanston	257.76	232.72	253.66	276.49	301.37	328.50
3-inch	347.03	260.48	283.92	309.48	337.33	367.69
3-inch Evanston	367.09	465.43	507.32	552.98	602.75	656.99
4-inch	597.40	407.00	443.63	483.56	527.08	574.51
Prairie Greens	463.50	296.49	323.17	352.26	383.96	418.52
Elementary	695.25	552.64	602.38	565.60	715.69	780.10
Senior/High	625.73	552.64	602.38	565.60	715.69	780.10
Softball	40.63	109.60	119.47	130.22	141.94	154.71

As noted in Table 5-1, the monthly base charge is assessed to all customers regardless of class or volume of water used and acts to ensure safe and reliable water systems such that customers can be assured of ongoing system maintenance and available water when the service is needed.

The proposed fixed charges increase by meter size based on the ratio of flow capacities by meter size as identified by AWWA. As an example, a 1-inch meter has the ability to provide more water per minute (greater capacity) than a ¾-inch meter. Thus, the cost-of-service analysis calculates a higher rate for a 1-inch meter than a ¾-inch meter.

Table 5-2
Option 2: Simplified Rate Structure Potable Water Rates - Volume
Current Through 2029

Current		Proposed					
Tiers	Rate	Tiers	2025	2026	2027	2028	2029
Single Family – Volume Rate (\$/1,000 Gals)							
	\$0.00	0 – 5,000	\$4.13	\$4.50	\$4.90	\$5.34	\$5.83
Current Structure	2.72	5,001 – 20,000	6.19	6.75	7.36	8.02	8.74
Varies By Meter Size	3.62	Over 20,000	10.83	11.81	12.87	14.03	15.29
	5.63						
Multifamily – Volume Rate (\$/1,000Gals)							
	\$0.00	0 – 5,000	\$4.13	\$4.50	\$4.90	\$5.34	\$5.83
Current Structure	2.72	5,001 – 20,000	6.19	6.75	7.36	8.02	8.74
Varies By Meter Size	3.62	Over 20,000	10.83	11.81	12.87	14.03	15.29
	5.63						
Non-Residential – Volume Rate (\$/1,000 Gals)							
	\$0.00	0 – 90,000	\$4.50	\$4.91	\$5.35	\$5.83	\$6.35
Current Structure	2.72	90,001 – 550,000	6.75	7.36	8.02	8.74	9.53
Varies By Meter Size	3.62	Over 550,000	11.81	12.88	14.04	15.30	16.68
	5.63						
Prairie Greens – Volume Rate (\$/1,000 Gals)							
All Use	\$2.72	All Use	\$4.13	\$4.50	\$4.90	\$5.34	\$5.83
School – Volume Rate (\$/1,000 Gals)							
All Use	\$2.72	All Use	\$4.51	\$4.92	\$5.36	\$5.85	\$6.37
Softball – Volume Rate (\$/1,000 Gals)							
All Use	\$2.72	All Use	\$5.62	\$6.13	\$6.68	\$7.28	\$7.94
Bulk – Volume Rate (\$/1,000 Gals)							
All Use	\$16.12	All Use	\$15.74	\$17.16	\$18.70	\$20.38	\$22.22

Table 5-3
Option 2: Simplified Rate Structure Non-Potable Water Rates – Base Charge
Current Through 2029

Monthly Base Charge						
All Customers						
Meter Size	Current	2025	2026	2027	2028	2029
5/8-inch	\$5.94	\$38.80	\$42.29	\$46.10	\$50.25	\$54.77
3/4-inch	11.88	58.20	63.44	69.15	75.37	82.15
1-inch	23.76	97.00	105.37	115.25	125.62	136.92
2-inch	78.41	310.40	338.34	368.79	401.98	438.15
3-inch	78.41	620.80	676.67	737.57	803.95	876.31
4-inch	78.41	970.00	1,057.30	1,152.46	1,256.18	1,369.23

Table 5-4
Option 2: Simplified Rate Structure Non-Potable Water Rates - Volume
Current Through 2029

Current		Proposed					
Tiers	Rate	Tiers	2025	2026	2027	2028	2029
With Dedication – Volume Rate (\$/1,000 Gals)							
Varies By Meter Size	\$0.52	Varies By Meter Size	\$1.41	\$1.54	\$1.68	\$1.83	\$1.99
	0.78		4.23	4.61	5.03	5.48	5.97
Without Water Share Dedication – Volume Rate (\$/1,000Gals)							
Varies By Meter Size	\$1.22	Varies By Meter Size	\$2.11	\$2.30	\$2.51	\$2.73	\$2.98
	1.48		4.93	5.37	5.86	6.38	6.96

Option 3: Seasonal Rates

The third rate option builds upon the prior option, Option 2. The tiers from Option 2 are maintained in Option 3, however, the rates by tier differ between a winter (October through April) and summer (May through September). The intent was to encourage conservation through a price signal (higher rates) during the peak water usage summertime months. The seasonal rates apply to residential, non-residential and school customer classes.

The full water cost-of-service analysis can be found in Appendix B.

Section 6 – Conclusions and Recommendations

6.1 Conclusions

- Projected operating revenues and operating expenses for the forecast period were developed by, and/or in consultation with, Town staff and are based upon reasonable projections;
- The projected capital project expenses have been developed by Town staff, to address anticipated water system needs;
- Based on the prior two conclusions, we are of the opinion that the financial projections presented herein address the water utility's goals to meet its ongoing obligations with regard to:
 - Operating and maintenance expenses, including repair and replacement of aging system components;
 - Non-operating expenses;
 - Capital project expenses, and
 - Provision for key financial policies, including:
 - Maintenance of at least 180 days of annual operations and maintenance expense;
- The proposed rates presented herein are in conformance with industry standard rate-making practices using Town specific performance and financial data, cost-of-service principles and the Town's rate policies with respect to:
 - The fair and equitable recovery of costs through water rates;
 - Water rates based upon the proportionate cost of providing services, and
 - Generation of sufficient revenue to recover system revenue requirements and reserve requirements.

6.2 Recommendations

- It is recommended that the Town implement the recommended Option 2: Simplified Rate Structure 2025 rates and charges presented in January 1, 2025, followed by annual adjustments each subsequent January 1.
- It is recommended that the Town update the revenue sufficiency analysis portion of this study each year to ensure projected revenue continues to be sufficient to fund projected expenses going forward as assumptions made during this analysis may change and have a material impact upon the analysis.

-
- It is recommended that the Town update the cost-of-service analysis portion of this study every three to five years to ensure costs are recovered consistent with cost-of-service principles and customer characteristics.

APPENDIX A

Water Financial Plan

Town of Frederick - Water
Pro Forma with Debt Service Coverage and Fund Balance Reconciliation

Line No		2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
1	Operations											
	Water Rate Revenue Increases											
	% of Year Rate Increase Effective	0.00%	0.00%	9.00%	9.00%	9.00%	9.00%	8.50%	8.50%	8.50%	8.50%	8.00%
		0.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
2	Beginning Unrestricted Fund Balance	\$ 35,000,000	\$ 35,696,093	\$ 33,538,897	\$ 31,665,969	\$ 28,999,815	\$ 29,151,579	\$ 25,497,431	\$ 20,522,465	\$ 14,926,411	\$ 13,929,638	\$ 12,911,814
3	Rate Revenue 1	\$ 3,411,329	\$ 3,671,500	\$ 4,099,982	\$ 4,578,470	\$ 5,112,800	\$ 5,709,489	\$ 6,346,568	\$ 7,054,734	\$ 7,841,919	\$ 8,716,940	\$ 9,644,945
4	Total Rate Revenue	\$ 3,411,329	\$ 3,671,500	\$ 4,099,982	\$ 4,578,470	\$ 5,112,800	\$ 5,709,489	\$ 6,346,568	\$ 7,054,734	\$ 7,841,919	\$ 8,716,940	\$ 9,644,945
5	Other Operating Revenue	6,822,588	5,797,000	5,991,865	5,991,865	6,016,965	6,044,184	6,072,179	6,102,442	6,135,163	6,170,550	6,206,672
6	Interest Income - Operating Fund	-	-	1,868,545	1,695,057	1,576,552	1,511,489	1,418,298	1,187,436	907,850	736,981	686,778
7	Total Operating Revenue	\$ 10,233,897	\$ 9,468,500	\$ 11,927,297	\$ 12,265,412	\$ 12,706,316	\$ 13,265,162	\$ 13,837,046	\$ 14,344,612	\$ 14,884,932	\$ 15,624,471	\$ 16,538,395
8	Operating Expenses	(4,675,661)	(9,075,696)	(10,815,444)	(11,207,317)	(12,126,679)	(12,369,427)	(13,237,043)	(14,231,107)	(15,353,306)	(16,105,454)	(16,789,490)
9	Net Revenue	\$ 5,558,237	\$ 392,804	\$ 1,111,853	\$ 1,058,095	\$ 579,637	\$ 895,735	\$ 600,003	\$ 113,505	\$ (468,374)	\$ (480,983)	\$ (251,095)
10	Plus:											
	Other Sources of Funds											
	Transfers In	-	-	-	-	-	-	-	-	-	-	-
11	Less:											
	Other Uses of Funds											
	Minor Capital											
	Major Capital Funded with Existing Reserves/Current Cash	\$ (5,123,250)	\$ (2,950,000)	\$ (3,551,200)	\$ (4,304,179)	\$ (1,021,644)	\$ (5,157,834)	\$ (6,197,446)	\$ (6,346,919)	\$ (1,181,008)	\$ (1,205,070)	\$ (1,229,735)
13	Transfers Out	-	-	-	-	-	-	-	-	-	-	-
14	Non Operating Expenses	-	-	-	-	-	-	-	-	-	-	-
15	Plant Investment Fees	-	-	-	-	-	-	-	-	-	-	-
16	Existing SRF Bond Debt Service	261,106	400,000	586,420	579,929	593,770	607,950	622,477	637,361	652,608	668,230	684,234
17	Existing Revenue Bond Debt Service	-	-	-	-	-	-	-	-	-	-	-
18	New Revenue Bond Debt Service	-	-	-	-	-	-	-	-	-	-	-
19	NISP Bond Debt Service	-	-	-	-	-	-	-	-	-	-	-
20	Net Cash Flow	\$ 696,093	\$ (2,157,196)	\$ (1,872,928)	\$ (2,666,154)	\$ 151,764	\$ (3,554,148)	\$ (4,974,966)	\$ (5,596,054)	\$ (996,774)	\$ (1,017,824)	\$ (796,695)
21	Ending Unrestricted Fund Balance	\$ 35,696,093	\$ 33,538,897	\$ 31,665,969	\$ 28,999,815	\$ 29,151,579	\$ 25,497,431	\$ 20,522,465	\$ 14,926,411	\$ 13,929,638	\$ 12,911,814	\$ 12,115,218
22	<i>Days of O&M</i>	2,787	1,349	1,069	944	877	752	566	383	331	293	263
23	Target Unrestricted Fund Balance	2,337,830	4,537,848	5,407,722	5,603,659	6,063,340	6,184,714	6,618,522	7,115,554	7,676,653	8,052,727	8,394,745
24	Debt Service Coverage Calculations:											
	Revenue Bond Debt Service Coverage											
	Rate Covenant Debt Service Coverage Test:											
	Net Revenue Available for Debt Service Coverage Test	\$ 5,558,237	\$ 392,804	\$ 1,111,853	\$ 1,058,095	\$ 579,637	\$ 895,735	\$ 600,003	\$ 113,505	\$ (468,374)	\$ (480,983)	\$ (251,095)
25	Revenue Bond Debt Service:											
26	New Revenue Bond Debt Service	-	-	-	-	-	-	-	-	-	-	-
27	NISP Bond Debt Service	-	-	-	-	-	-	-	-	-	-	-
28	Total Revenue Bond Debt Service	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
29	Debt Service Coverage - Operations											
	Debt Service Coverage Requirement	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20

Town of Frederick - Water
Beginning Fund Balance Reconciliation

BEGINNING BALANCES		
Line No:		Operations
1	Current assets:	
2	Pooled cash equity	\$ 35,000,000
3	Receivables (net of allowance for uncollectibles):	
4	Restricted Assets	-
5	Unbilled accounts	-
6	Accrued interest	-
7	Due from other funds	-
8	Due from other governments	-
9	Inventories	-
10	Prepaid insurance	-
11	Other assets	-
12	Total Current Assets	\$ 35,000,000
	Current Liabilities:	
13	Accounts and contracts payable	\$ -
14	Net pension liability	-
15	Sales tax payable	-
16	Accrued vacation - current	-
17	Accrued principal payable	-
18	Accrued interest payable	-
19	Accrued payroll	-
20	Total Current Liabilities	\$ -
	Adjustments:	
21	Removal of Inventories (Not Liquid)	-
22	Other Assets (Unknown Cash)	-
23	Net Adjustments	\$ -
24	Net Beginning Balances (Curr Assets less Current Liabilities - with Adjustments)	\$ 35,000,000

Town of Frederick - Water Revenue

Line No.	Description	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Summary												
1	Rate Revenue 1	\$ 3,411,329	\$ 3,671,500	\$ 4,099,982	\$ 4,578,470	\$ 5,112,800	\$ 5,709,489	\$ 6,346,568	\$ 7,054,734	\$ 7,841,919	\$ 8,716,940	\$ 9,644,945
2	Other Operating Revenue	6,822,568	5,797,000	5,968,770	5,991,885	6,016,965	6,044,184	6,072,179	6,102,442	6,135,163	6,170,550	6,206,672
3	Transfers In - Operations	-	-	-	-	-	-	-	-	-	-	-
4	Plant Investment Fees	261,106	400,000	566,420	579,929	593,770	607,950	622,477	637,361	652,608	668,230	684,234
5	Debt Proceeds	-	-	-	-	-	-	-	-	-	-	-
6	Interest Earnings - Operations	-	-	1,858,545	1,695,057	1,576,552	1,511,489	1,418,298	1,187,436	907,850	736,981	686,778
7												
Detail												
8	Operations											
9												
10	Rate Revenue 1	\$ 3,411,329	\$ 3,671,500	\$ 4,099,982	\$ 4,578,470	\$ 5,112,800	\$ 5,709,489	\$ 6,346,568	\$ 7,054,734	\$ 7,841,919	\$ 8,716,940	
11	Growth	0.00%	0.00%	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%	2.45%
12	Revenue Increase	0.00%	0.00%	9.00%	9.00%	9.00%	9.00%	8.50%	8.50%	8.50%	8.50%	8.00%
13	Pct of Year Revenue Increase Effective	0.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%	100.00%
14	Total Rate Revenue 1 - After Revenue Increase	\$ 3,411,329	\$ 3,671,500	\$ 4,099,982	\$ 4,578,470	\$ 5,112,800	\$ 5,709,489	\$ 6,346,568	\$ 7,054,734	\$ 7,841,919	\$ 8,716,940	\$ 9,644,945
15	Raw Water Capital Fee	-	-	-	-	-	-	-	-	-	-	-
16	Connection Charges	181,990	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000	4,000
17	Hydrant Rental/Bulk Water Sales	21,062	20,000	21,800	23,762	25,901	28,232	30,631	33,235	36,060	39,125	42,255
18	Non-Potable Water Sales	(59,979)	40,000	218,500	238,165	259,600	282,964	307,016	333,112	361,427	392,148	423,520
19	Sale of Nonpotable - Evanston	-	-	-	-	-	-	-	-	-	-	-
20	Sales of Potable - Evanston	-	-	-	-	-	-	-	-	-	-	-
21	Water Share Fee	6,544,682	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000	5,500,000
22	Water Tap Fee	81,372	120,000	121,470	122,958	124,464	125,989	127,532	129,095	130,676	132,277	133,897
23	Raw Water Invest Fee - Nonpot	-	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000	8,000
24	Water Storage Fee - Nonresidential	-	10,000	-	-	-	-	-	-	-	-	-
25	Insurance Proceeds	1,818	-	-	-	-	-	-	-	-	-	-
26	Capital/Incentive Contributions	-	-	-	-	-	-	-	-	-	-	-
27	Miscellaneous	50,373	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000	45,000
28	Reimbursed Expenses	1,250	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000	50,000
29	Rental Income	-	-	-	-	-	-	-	-	-	-	-
30	Gain/Loss on Sale of Assets	-	-	-	-	-	-	-	-	-	-	-
31	NISP Fee	-	-	-	-	-	-	-	-	-	-	-
32	Plant Investment Fee	261,106	385,000	551,420	564,929	578,770	592,950	607,477	622,361	637,608	653,230	669,234
33	High Pressure System Impact Fee	-	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000	15,000
34	Transfer In	-	-	-	-	-	-	-	-	-	-	-
35	Interest Earning Calculation											
36	Average Balance	\$ 23,565,000	\$ 23,078,000	\$ 21,735,000	\$ 20,222,000	\$ 19,384,000	\$ 18,216,000	\$ 15,340,000	\$ 11,816,000	\$ 9,619,000	\$ 8,947,000	\$ 8,342,000
37	Assumed Interest Earnings Rate	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%	5.4%
38	Projected Interest Earnings	\$ -	\$ -	\$ 1,858,545	\$ 1,695,057	\$ 1,576,552	\$ 1,511,489	\$ 1,418,298	\$ 1,187,436	\$ 907,850	\$ 736,981	\$ 686,778

Town of Frederick - Water Expenses Other than Major Capital Expenses

Line No.	Summary - Operations												
	Description	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
1	Operating	\$ 4,675,661	\$ 9,075,696	\$ 10,815,444	\$ 11,207,317	\$ 12,126,679	\$ 12,389,427	\$ 13,237,043	\$ 14,231,107	\$ 15,353,306	\$ 16,105,454	\$ 16,789,480	
2	Non Operating	-	-	-	-	-	-	-	-	-	-	-	
3	Minor Capital	-	-	-	-	-	-	-	-	-	-	-	
4	Transfers	-	-	-	-	-	-	-	-	-	-	-	
5	Existing Bond Debt Service	-	-	-	-	-	-	-	-	-	-	-	
6	New Bond Debt Service	-	-	-	-	-	-	-	-	-	-	-	
	Existing SRF Debt Service	-	-	-	-	-	-	-	-	-	-	-	
	New SRF Debt Service	-	-	-	-	-	-	-	-	-	-	-	
7	TOTAL	4,675,661	9,075,696	10,815,444	11,207,317	12,126,679	12,389,427	13,237,043	14,231,107	15,353,306	16,105,454	16,789,480	
Annual Expense Escalation Factor													
Detail													
Operations													
Financial Services													
8	Salaries	841,770	862,500	905,625	950,906	998,451	1,048,374	1,100,793	1,156,833	1,213,625	1,274,306	1,338,021	
9	Overtime	1,157	1,000	1,050	1,103	1,158	1,216	1,277	1,341	1,408	1,478	1,552	
10	Payroll Taxes	61,745	66,000	69,300	72,605	76,403	80,223	84,234	88,446	92,888	97,511	102,387	
11	Retirement Contribution	68,891	86,000	90,300	94,815	99,556	104,534	109,761	115,249	121,011	127,062	133,415	
13	Cell Phone Allowance	-	-	-	-	-	-	-	-	-	-	-	
14	Professional Services	-	50,000	51,750	53,561	55,436	57,376	59,384	61,462	63,613	65,839	68,143	
15	Postage	19,855	19,000	19,665	20,353	21,065	21,802	22,565	23,355	24,172	25,018	25,894	
16	Printing & Advertising	7,434	10,000	10,350	10,712	11,087	11,475	11,877	12,293	12,723	13,168	13,629	
17	Travel & Training	-	-	-	-	-	-	-	-	-	-	-	
18	Memberships & Subscriptions	-	-	-	-	-	-	-	-	-	-	-	
19	Miscellaneous	-	5,000	5,175	5,356	5,543	5,737	5,938	6,146	6,361	6,584	6,814	
20	Compensated Absences	-	-	-	-	-	-	-	-	-	-	-	
21	Bad Debt	3,041	-	-	-	-	-	-	-	-	-	-	
22	Billing & Administrative	29,678	60,000	62,100	64,274	66,524	68,852	71,262	73,756	76,337	79,009	81,774	
Public Works													
Administration													
23	Salaries	328,934	392,500	412,125	432,731	454,368	477,086	500,940	525,987	552,286	579,900	608,895	
24	Overtime	12,725	11,000	11,550	12,128	12,734	13,371	14,040	14,742	15,479	16,253	17,066	
25	Payroll Taxes	25,467	30,000	31,500	33,075	34,729	36,465	38,288	40,202	42,212	44,323	46,539	
26	Retirement Contribution	24,503	39,000	40,950	42,998	45,148	47,405	49,775	52,264	54,877	57,621	60,502	
27	Cell Phone Allowance	-	-	-	-	-	-	-	-	-	-	-	
28	Maintenance - Equipment	3,556	-	-	-	-	-	-	-	-	-	-	
29	Maintenance - Infrastructure	24,919	45,000	46,575	48,205	49,892	51,638	53,445	55,316	57,252	59,256	61,330	
30	Professional Services	70,254	63,000	65,205	67,487	69,849	72,294	74,824	77,443	80,154	82,959	85,863	
31	Travel & Training	7,232	10,000	10,350	10,712	11,087	11,475	11,877	12,293	12,723	13,168	13,629	
32	Utilities	18,632	19,000	19,665	20,353	21,065	21,802	22,565	23,355	24,172	25,018	25,894	
33	Supplies - General	29,607	20,000	20,700	21,425								

Town of Frederick - Water
CJP

Description	Current Day Dollars											
	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	
Capital Projects												
Town Public Improvement Obligations - Prosperity	\$62,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Northern Integrated Supply Project	1,575,000											
CBT Unit Purchase(s)	2,100,000	2,100,000	2,100,000	2,100,000								
Booster Pump-Raw Water System	120,000											
Third Pump-West Pump Station	100,000											
Windy Gap Storage	900,000											
Master Plans-FRA, Bella Rosa, Centennial	50,000											
Irrigation Central Control	50,000											
Vactor Truck	110,000											
Front End Wheel Loader (replacement)	31,250											
Mini Excavator	25,000											
Emergency Water Connection		125,000										
Milavec Delivery Improvement		75,000										
Lower Boulder Ditch Diversion		200,000										
Raw Water Booster Station		250,000										
2nd Street Loop		200,000	200,000									
Firestone Emergency Interconnect			850,000	850,000	700,000							
Bear Industrial Park Connector				700,000								
Water Storage Tank, Pump Station & Connector Waterlines						4,200,000	4,200,000	4,200,000				
LHWD Emergency Interconnect - Phase 1 (east side of I-25)						760,000	760,000	760,000	760,000	760,000	760,000	
Non-Potable Expenditures as Identified in Master Plan						218,500	218,500	218,500	218,500	218,500	218,500	
	\$5,123,250	\$2,950,000	\$3,368,500	\$3,868,500	\$918,500	\$4,418,500	\$5,178,500	\$5,178,500	\$978,500	\$978,500	\$978,500	

Town of Frederick - Water
CIP

Inflated Dollars

Line No:	Description	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Capital Projects												
1	Town Public Improvement Obligations - Prosperity	\$62,000	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
1	Northern Integrated Supply Project	1,575,000	0	0	0	0	0	0	0	0	0	0
2	CBT Unit Purchase(s)	2,100,000	2,100,000	2,221,800	2,350,664	0	0	0	0	0	0	0
3	Booster Pump-Raw Water System	120,000	0	0	0	0	0	0	0	0	0	0
4	Third Pump-West Pump Station	100,000	0	0	0	0	0	0	0	0	0	0
5	Windy Gap Storage	900,000	0	0	0	0	0	0	0	0	0	0
6	Master Plans-FRA, Bella Rosa, Centennial	50,000	0	0	0	0	0	0	0	0	0	0
7	Irrigation Central Control	50,000	0	0	0	0	0	0	0	0	0	0
8	Vactor Truck	110,000	0	0	0	0	0	0	0	0	0	0
9	Front End Wheel Loader (replacement)	31,250	0	0	0	0	0	0	0	0	0	0
10	Mini Excavator	25,000	0	0	0	0	0	0	0	0	0	0
11	Emergency Water Connection	0	125,000	0	0	0	0	0	0	0	0	0
12	Milavec Delivery Improvement	0	75,000	0	0	0	0	0	0	0	0	0
13	Lower Boulder Ditch Diversion	0	200,000	0	0	0	0	0	0	0	0	0
14	Raw Water Booster Station	0	250,000	0	0	0	0	0	0	0	0	0
15	2nd Street Loop	0	200,000	211,600	0	0	0	0	0	0	0	0
16	Firestone Emergency Interconnect	0	0	899,300	951,459	0	0	0	0	0	0	0
17	Bear Industrial Park Connector	0	0	0	783,555	803,144	0	0	0	0	0	0
18	Water Storage Tank, Pump Station & Connector Waterlines	0	0	0	0	0	4,939,334	0	5,189,387	962,508	0	0
19	LHWD Emergency Interconnect - Phase 1 (east side of I-25)	0	0	0	0	0	0	916,129	939,032	218,500	986,570	1,011,235
20	Non-Potable Expenditures as Identified in Master Plan	0	0	218,500	218,500	218,500	218,500	218,500	218,500	218,500	218,500	218,500
Total		\$5,123,250	\$2,950,000	\$3,551,200	\$4,304,179	\$1,021,644	\$5,157,834	\$6,197,446	\$6,346,819	\$1,181,008	\$1,205,070	\$1,229,735

APPENDIX B

Cost-of-Service & Rate Design

Town of Frederick - Water
Development of Rate Revenue Requirement

Line No:	Test Year for Rate Revenue Requirement	
		2025
1	Total Operating Revenue Requirement from Rates	\$ 4,099,982
	Less:	
	Other Operating Revenues	
2	Connection Charges	4,000
3	Hydrant Rental/Bulk Water Sales	21,800
4	Non-Potable Water Sales	218,500
5	Water Share Fee	5,500,000
6	Water Tap Fee	121,470
7	Raw Water Invest Fee - Nonpot	8,000
8	Miscellaneous	45,000
9	Reimbursed Expenses	50,000
10	Less: Non Rate Revenue Requirement	(5,968,770)
11	Total Other Operating Revenues	-
12	Total Rate Revenue Requirement	\$ 4,099,982
13	Portion to Fixed Charge	
14	Portion to Flow Charge	
15	Total Rate Revenue Requirement	\$ 4,099,982

Town of Frederick - Water

Allocation of Test Year Costs to Water

Line No:	Expense Group	Water
1	Water - SOS	\$ 5,218,031
2	Water - Treat	3,963,372
3	Water - T&D	412,965
4	Water - Admin	1,411,810
5	Water - CIP	3,332,700
6	Total	\$ 14,338,878

Town of Frederick - Water
Water Max Day/Hour Allocation Factors - Test Year FY 2025

Line No:	Description	[A] Flow	[B] Peak Month (kgals)	[C] Average Month (kgals)	[D] Max Day/Avg Day Factor	[E] Max Day Total Capacity (kgals/Day)	[F] Max Day Extra Capacity (kgals/Day)	[G] Max Hour Capacity Factor
Operating Statistics:								
1	Avg Day Flow (MGD)	0.002	1.00					
2	Max Day Flow (MGD)	0.007	2.70					
3	Max Hour Flow (MGD)	0.012	5.00					
Cost Allocation Factors:								
4	Base/Max Day	37.04%	62.96%	0.00%				
5	Base/Max Day/Max Hour	20.00%	34.00%	46.00%				
Peaking Factors:								
Residential		415,545			[B] / [C]			[D] * [B3 / B2]
6	Tier 1		12,888	12,218	1.05			1.95
7	Tier 2		7,941	5,501	1.44			2.67
8	Tier 3		27,269	12,150	2.24			4.16
9	Tier 4		8,892	3,245	2.74			5.07
10	Tier 5		4,534	1,515	2.99			5.54
Multifamily								
11	Tier 1	2,090	130	122	1.07			1.98
12	Tier 2		29	22	1.32			2.45
13	Tier 3		20	9	2.26			4.19
14	Tier 4		10	2	4.29			7.94
15	Tier 5		1	0	3.00			5.56
Prairie Greens								
16	Tier 1	14,744	1,400	799	1.75			3.25
17	Tier 2		1,090	329	3.31			6.13
18	Tier 3		640	101	6.35			11.75
Commercial								
19	Tier 1	23,570	1,617	921	1.76			3.25
20	Tier 2		904	308	2.93			5.43
21	Tier 3		255	193	1.32			2.45
22	Tier 4		166	103	1.61			2.97
23	Tier 5		564	439	1.29			2.38

Town of Frederick - Water
Water Max Day/Hour Allocation Factors - Test Year FY 2025

Line No:	Description	[A] Flow	[B] Peak Month (kgals)	[C] Average Month (kgals)	[D] Max Day/Avg Day Factor	[E] Max Day Total Capacity (kgals/Day)	[F] Max Day Extra Capacity (kgals/Day)	[G] Max Hour Capacity Factor
Industrial								
24	Tier 1	54,563	4,404	2,269	1.94			3.59
25	Tier 2		4,868	1,121	4.34			8.04
26	Tier 3		1,293	465	2.78			5.15
27	Tier 4		246	124	1.99			3.68
28	Tier 5		984	568	1.73			3.21
Irrigation								
29	Tier 1	30,266	2,832	1,119	2.53			4.69
30	Tier 2		2,323	567	4.10			7.59
31	Tier 3		985	139	7.07			13.10
32	Tier 4		50	20	2.49			4.61
33	Tier 5		290	119	2.44			4.52
Elementary								
34	Tier 1	6,328	6	6	1.00			1.85
35	Tier 2		4	4	1.00			1.85
36	Tier 3		20	20	1.00			1.85
37	Tier 4		20	19	1.06			1.97
38	Tier 5		1,579	479	3.30			6.11
Middle								
39	Tier 1	2,486	6	6	1.00			1.85
40	Tier 2		4	4	1.00			1.85
41	Tier 3		20	20	1.00			1.85
42	Tier 4		20	20	1.03			1.90
43	Tier 5		399	158	2.53			4.69
Softball								
44	Tier 1	2,105	3	2	2.00			3.70
45	Tier 2		2	1	2.00			3.70
46	Tier 3		10	5	2.00			3.70
47	Tier 4		10	5	2.00			3.70
48	Tier 5		741	163	4.55			8.42
Bulk								
49	Tier 1	1,385	11	11	1.01			1.87
50	Tier 2		6	5	1.16			2.15
51	Tier 3		29	20	1.49			2.76
52	Tier 4		20	14	1.48			2.73
53	Tier 5		188	65	2.88			5.33

Town of Frederick - Water
Water Max Day/Hour Allocation Factors - Test Year FY 2025

Line No:	Description	[A] Flow	[B] Peak Month (kgals)	[C] Average Month (kgals)	[D] Max Day/Avg Day Factor	[E] Max Day Total Capacity (kgals/Day)	[F] Max Day Extra Capacity (kgals/Day)	[G] Max Hour Capacity Factor
Non-Potable								
54	Tier 1	24,831	468	196	2.39			4.42
55	Tier 2		235	83	2.83			5.24
56	Tier 3		13,303	1,790	7.43			13.76
Non-Potable Non Dedicated								
57	Tier 1	2,995	223	70	3.19			5.90
58	Tier 2		111	23	4.83			8.94
59	Tier 3		604	157	3.85			7.12

Town of Frederick - Water
Water Max Day/Hour Allocation Factors - Test Year FY 2025

Comprehensive Water Flow and Capacity Analysis Report														
Line No:	Description	Flow	[A]	[B]	[C]	[D]	[E]		[F]		[I]			
							Average Month (kgals)	Max Day/Avg Day Factor	Max Day Total Capacity (kgals/Day)	Max Day Extra Capacity (kgals/Day)		Max Hour Capacity Factor	Max Hour Total Capacity (kgals/Day)	Max Hour Extra Capacity (kgals/Day)
Estimated Max Day/Hour Flows:														
Residential		Total Annual Flow (kgals)	Average Daily Flow (kgals)	[D] x [B]		[E] - [B] Extra		[G] x [B]		[H] - [E] Extra				
				Peaking Factor	Total Capacity	Capacity	Peaking Factor	Total Capacity	Capacity					
60	Tier 1	146,622	402	1.05	424	22	1.95	785	361					
61	Tier 2	66,006	181	1.44	261	80	2.67	483	222					
62	Tier 3	145,799	399	2.24	897	497	4.16	1,660	764					
63	Tier 4	38,940	107	2.74	292	186	5.07	541	249					
64	Tier 5	18,178	50	2.99	149	99	5.54	276	127					
Multifamily														
65	Tier 1	1,689	5	1.07	5	0	1.98	9	4					
66	Tier 2	263	1	1.32	1	0	2.45	2	1					
67	Tier 3	106	0	2.26	1	0	4.19	1	1					
68	Tier 4	28	0	4.29	0	0	7.94	1	0					
69	Tier 5	4	0	3.00	0	0	5.56	0	0					
Prairie Greens														
70	Tier 1	9,582	26	1.75	46	20	3.25	85	39					
71	Tier 2	3,952	11	3.31	36	25	6.13	66	31					
72	Tier 3	1,210	3	6.35	21	18	11.75	39	18					
Commercial														
73	Tier 1	11,054	30	1.76	53	23	3.25	98	45					
74	Tier 2	3,699	10	2.93	30	20	5.43	55	25					
75	Tier 3	2,314	6	1.32	8	2	2.45	16	7					
76	Tier 4	1,241	3	1.61	5	2	2.97	10	5					
77	Tier 5	5,262	14	1.29	19	4	2.38	34	16					
Industrial														
78	Tier 1	27,224	75	1.94	145	70	3.59	268	123					
79	Tier 2	13,456	37	4.34	160	123	8.04	296	136					
80	Tier 3	5,574	15	2.78	43	27	5.15	79	36					
81	Tier 4	1,487	4	1.99	8	4	3.68	15	7					
82	Tier 5	6,821	19	1.73	32	14	3.21	60	28					
Irrigation														
83	Tier 1	13,429	37	2.53	93	56	4.69	172	79					
84	Tier 2	6,799	19	4.10	76	58	7.59	141	65					
85	Tier 3	1,671	5	7.07	32	28	13.10	60	28					
86	Tier 4	241	1	2.49	2	1	4.61	3	1					
87	Tier 5	1,426	4	2.44	10	6	4.52	18	8					

Town of Frederick - Water
Water Max Day/Hour Allocation Factors - Test Year FY 2025

Line No:	Description	[A] Flow	[B] Peak Month (kgals)	[C] Average Month (kgals)	[D] Max Day/Avg Day Factor	[E] Max Day Total Capacity (kgals/Day)	[F] Max Day Extra Capacity (kgals/Day)	[G] Max Hour Capacity Factor	[H] Max Hour Total Capacity (kgals/Day)	[I] Max Hour Extra Capacity (kgals/Day)
Elementary										
88	Tier 1	72	0		1.00	0	-	1.85	0	0
89	Tier 2	48	0		1.00	0	-	1.85	0	0
90	Tier 3	240	1		1.00	1	-	1.85	1	1
91	Tier 4	226	1		1.06	1	0	1.97	1	1
92	Tier 5	5,742	16		3.30	52	36	6.11	96	44
Middle										
93	Tier 1	72	0		1.00	0	-	1.85	0	0
94	Tier 2	48	0		1.00	0	-	1.85	0	0
95	Tier 3	240	1		1.00	1	-	1.85	1	1
96	Tier 4	234	1		1.03	1	0	1.90	1	1
97	Tier 5	1,892	5		2.53	13	8	4.69	24	11
Softball										
98	Tier 1	18	0		2.00	0	0	3.70	0	0
99	Tier 2	12	0		2.00	0	0	3.70	0	0
100	Tier 3	60	0		2.00	0	0	3.70	1	0
101	Tier 4	60	0		2.00	0	0	3.70	1	0
102	Tier 5	1,955	5		4.55	24	19	8.42	45	21
Bulk										
103	Tier 1	141	0		1.01	0	0	1.87	1	0
104	Tier 2	62	0		1.16	0	0	2.15	0	0
105	Tier 3	236	1		1.49	1	0	2.76	2	1
106	Tier 4	163	0		1.48	1	0	2.73	1	1
107	Tier 5	784	2		2.88	6	4	5.33	11	5
Non-Potable										
108	Tier 1	8,467	23		2.39	55	32	4.42	103	47
109	Tier 2	3,579	10		2.83	28	18	5.24	51	24
110	Tier 3	77,179	211		7.43	1,571	1,360	13.76	2,910	1,339
Non-Potable Non Dedicated										
111	Tier 1	3,002	8		3.19	26	18	5.90	49	22
112	Tier 2	1,000	3		4.83	13	10	8.94	24	11
113	Tier 3	6,762	19		3.85	71	53	7.12	132	61
99	Total	646,371	1,771			4,716	2,945		8,733	4,017

Town of Frederick - Water
Allocation of Water Costs

Allocation to Base Extra Capacity - Water (potable)

Line No:	Water Costs		Base	Extra Capacity			Meters & Services	Billing & Collection	Total
				Max Day	Max Hour				
1	Water - SOS	\$ 5,218,031	\$ 5,218,031	\$ -	\$ -	\$ -	\$ -	\$ -	5,218,031
2	Water - Pump	-	-	-	-	-	-	-	-
3	Water - Treat	3,963,372	3,934,804	10,468	18,100	-	-	-	3,963,372
4	Water - T&D	412,965	206,483	103,241	103,241	-	-	-	412,965
5	Water - CS	-	-	-	-	-	-	-	-
6	Water - Admin	1,411,810	-	-	-	705,905	705,905	705,905	1,411,810
7	Water - Existing Bond DS	-	-	-	-	-	-	-	-
8	Water - CIP	3,332,700	1,666,350	-	-	1,666,350	-	-	3,332,700
9	Addition/(Reduction) in Reserves	(10,238,896)	(7,873,047)	(81,196)	(86,646)	(1,693,945)	(504,062)	(504,062)	(10,238,896)
10	Total	\$ 4,099,982	\$ 3,152,620	\$ 32,513	\$ 34,696	\$ 678,310	\$ 201,843	\$ 201,843	\$ 4,099,982
11	Units of Service		544,997	1,449	2,506	5,075	57,231		
			kgals	kgals/Day	kgals/Day	Equiv Meters/Year	Bills/Year		

12	Cost Per Unit		\$ 5.78	\$ 22.44	\$ 13.84	\$ 133.65	\$ 3.53		
			kgals	kgals/Day	kgals/Day	Equiv Meter	Bill		

Allocation to Base Extra Capacity - Water (nonpotable)

Line No:	Water Costs		Base	Extra Capacity			Meters & Services	Billing & Collection	Total
				Max Day	Max Hour				
13	Non-Potable	\$ 218,500	\$ 149,328	\$ 2,174	\$ 2,174	\$ 49,958	\$ 14,866	\$ 14,866	\$ 218,500
14	Units of Service		99,989	1,491	1,504	144	150		
			kgals	kgals/Day	kgals/Day	Equiv Meters/Year	Bills/Year		
	Cost Per Unit - Non-Potable		\$ 1.49	\$ 1.46	\$ 1.45	\$ 348.14	\$ 99.11		

Allocation to Base Extra Capacity - Water (bulk/hydrant)

Line No:	Water Costs		Base	Extra Capacity			Meters & Services	Billing & Collection	Total
				Max Day	Max Hour				
15	Bulk/Hydrant	\$ 21,800	\$ 16,763	\$ 173	\$ 184	\$ 3,607	\$ 1,073	\$ 1,073	\$ 21,800
16	Units of Service		1,385	5	7	27	216		
			kgals	kgals/Day	kgals/Day	Equiv Meters/Year	Bills/Year		
	Cost Per Unit - Water (bulk/hydrant)		\$ 12.10	\$ 37.64	\$ 25.82	\$ 133.58	\$ 4.97		

Rate Design - Option 2 Simplified Approach

Development of Proposed 2025 Residential Rates

Residential - Cost of Service Component

\$3,268,318

Service Charge, \$ per Bill	Rate	Meters	Revenue
0.63	\$16.28	4,575	\$893,853
0.63 Evanston	29.09	106	37,002
0.75	24.42	6	1,801
0.75 Evanston	43.63	0	0
1.00	40.70	2	1,001
1.00 Evanston	72.72	0	0
1.50	81.40	0	0
1.50 Evanston	145.45	0	0
2.00	130.24	0	0
2.00 Evanston	232.72	0	0
3.00	260.48	0	0
3.00 Evanston	465.43	0	0
4.00	407.00	0	0
4.00 Evanston	727.24	0	0
Total		4,690	
Total Service Charge Revenue			\$933,657

Block	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue
0 - 5,000	50.94%	217,955	1.00	\$4.13	\$899,524
5,001 - 20,000	41.33%	176,837	1.50	6.19	1,094,739
Over 20,000	7.73%	33,074	1.75	10.83	340,397
Total	100%	427,867			\$2,334,661

Rate Design - Option 2 Simplified Approach

Development of Proposed 2025 Prairie Greens Rates

Prairie Greens Cost of Service **\$89,313**

Service Charge, \$ per Bill	Rate	Bills	Revenue
All Accounts	\$296.49	8	\$28,463
Total		8	
Total Service Charge Revenue			\$28,463

Block	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Revenue
All Use	100.00%	14,744	1.00	\$4.13	\$60,850
Total	100%	14,744			\$60,850

Rate Design - Option 2 Simplified Approach

Development of Proposed 2025 Nonresidential Rates

Nonresidential - Cost of Service Component

\$662,882

Service Charge, \$ per Bill	Rate	Meters	Revenue
0.63	\$16.28	78	\$15,211
0.75	24.42	9	2,577
1.00	40.70	73	35,693
1.50	81.40	11	10,341
2.00	130.24	4	6,938
3.00	260.48	0	1,067
4.00	407.00	0	1,668
	Total	175	

Total Service Charge Revenue

\$73,495

Block	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue
0 - 90,000	50.84%	49,110	1.00	\$4.50	\$221,042
90,001 - 550,000	39.40%	38,060	1.50	6.75	256,954
Over 550,000	9.76%	9,428	1.75	11.81	111,390
Total	100%	96,598			\$589,386

Rate Design - Option 2 Simplified Approach

Development of Proposed 2025 School Rates

School Cost of Service

\$66,317

Service Charge, \$ per Bill		Rate		Meters		Revenue	
All Accounts		\$552.64		4		\$26,527	
Total				4			
Total Service Charge Revenue							\$26,527
Block		% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Revenue	Rate
All Use		100.00%	8,814	1.00	\$4.51	\$39,790	
Total		100%	8,814			\$39,790	

Development of Proposed 2025 Softball Rates

Softball Cost of Service

\$13,152

Service Charge, \$ per Bill		Rate		Meters		Revenue	
All Accounts		\$109.60		1		\$1,315	
Total				1			\$1,315
Total Service Charge Revenue							
Block		% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Revenue	Rate
All Use		100.00%	2,105	1.00	\$5.62	\$11,837	
Total		100%	2,105			\$11,837	

Rate Design - Option 2 Simplified Approach

Development of Proposed 2025 Bulk Rates

Bulk Cost of Service	\$21,800
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Service Charge, \$ per Bill	Rate	Meters	Revenue
All Accounts	\$0.00	18	\$0
Total		18	\$0

Total Service Charge Revenue

Block	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Revenue
All Use	100.00%	1,385	1.00	\$15.74	\$21,800
Total	100%	1,385			\$21,800

Rate Design - Option 2 Simplified Approach

Development of Proposed 2025 Non-Potable Rates

Non-Potable Cost of Service

\$187,593

Service Charge, \$ per Bill	Rate	Meters	Revenue
0.63	\$38.80	0	\$0
0.75	58.20	0	0
1.00	97.00	4	4,656
1.50	194.00	0	0
2.00	310.40	0	0
3.00	620.80	2	14,899
4.00	970.00	1	11,640
6.00	1,940.00	1	23,280
Total			7
Total Service Charge Revenue			\$54,475

5/8-inch	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue
0 to 15,000	100.00%	-	1.00	\$1.41	\$0
Over 15,000	0.00%	-	3.00	4.23	0
Total	100%	0			\$0

3/4-inch	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue
0 to 30,000	100.00%	-	1.00	\$1.41	\$0
Over 30,000	0.00%	-	3.00	4.23	0
Total	100%	0			\$0

1-inch	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue
0 to 60,000	40.50%	290	1.00	\$1.41	\$409
Over 60,000	59.50%	426	3.00	4.23	1,802
Total	100%	716			\$2,211

Rate Design - Option 2 Simplified Approach						
	% Volume in Block		Billed Volume (kgals)		Cumulative Factor	
1 1/2-inch						
0 to 60,000	100.00%		-		1.00	Rate (\$/kgals)
Over 60,000	0.00%		-		3.00	Volume
						Rate
						Revenue
Total	100%	0				\$0
2-inch						
0 to 200,000	100.00%		-		1.00	Rate (\$/kgals)
Over 200,000	0.00%		-		3.00	Volume
						Rate
						Revenue
Total	100%	0				\$0
3-inch						
0 to 300,000	11.31%		639		1.00	Rate (\$/kgals)
Over 300,000	88.69%		5,013		3.00	Volume
						Rate
						Revenue
Total	100%	5,652				\$22,105
4-inch						
0 to 400,000	19.99%		881		1.00	Rate (\$/kgals)
Over 400,000	80.01%		3,524		3.00	Volume
						Rate
						Revenue
Total	100%	4,405				\$16,150
6-inch						
0 to 400,000	4.31%		609		1.00	Rate (\$/kgals)
Over 400,000	95.69%		13,511		3.00	Volume
						Rate
						Revenue
Total	100%	14,120				\$58,011

Rate Design - Option 2 Simplified Approach

Development of Proposed 2025 Non-Potable (No Dedication) Rates

Non-Potable (No Dedication) Cost of Service

\$30,907

Service Charge, \$ per Bill	Rate	Meters	Revenue
0.63	\$38.80	0	\$0
0.75	58.20	0	0
1.00	97.00	4	4,656
1.50	194.00	0	0
2.00	310.40	0	0
3.00	620.80	2	14,899
4.00	970.00	1	11,640
6.00	1,940.00	1	23,280
Total			7

Total Service Charge Revenue

\$54,475

5/8-inch	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue
0 to 15,000	100.00%	-	1.00	\$2.11	\$0
Over 15,000	0.00%	-	2.34	4.93	0
Total	100%	0			\$0

3/4-inch	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue
0 to 15,000	100.00%	-	1.00	\$2.11	\$0
Over 15,000	0.00%	-	2.34	4.93	0
Total	100%	0			\$0

1-inch	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue
0 to 60,000	100.00%	-	1.00	\$2.11	\$0
Over 60,000	0.00%	-	2.34	4.93	0
Total	100%	0			\$0

Rate Design - Option 2 Simplified Approach						
	11/2-inch					
	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue	
0 to 60,000	100.00%	-	1.00	\$2.11	\$0	
Over 60,000	0.00%	-	2.34	4.93	0	
Total	100%	0			\$0	
	2-inch					
	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue	
0 to 200,000	66.45%	114	1.00	\$2.11	\$240	
Over 200,000	33.55%	57	2.34	4.93	283	
Total	100%	171			\$523	
	3-inch					
	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue	
0 to 300,000	25.56%	722	1.00	\$2.11	\$1,524	
Over 300,000	74.44%	2,103	2.34	4.93	10,367	
Total	100%	2,825			\$11,891	
	4-inch					
	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue	
0 to 400,000	100.00%	-	1.00	\$2.11	\$0	
Over 400,000	0.00%	-	2.34	4.93	0	
Total	100%	0			\$0	
	6-inch					
	% Volume in Block	Billed Volume (kgals)	Cumulative Factor	Volume Rate (\$/kgals)	Rate Revenue	
0 to 400,000	100.00%	-	1.00	\$2.11	\$0	
Over 400,000	0.00%	-	2.34	4.93	0	
Total	100%	0			\$0	

**TOWN OF FREDERICK, COLORADO
RESOLUTION NO. 25-R-08**

**A RESOLUTION OF THE TOWN OF FREDERICK, COLORADO,
ADOPTING THE TOWN OF FREDERICK WATER RATE STUDY**

WHEREAS, the Town retained the consultant team from Willdan Financial Services (Willdan), to assist with the creation of the Water Rate Study for the Town of Frederick; and

WHEREAS, Willdan used a process that delivered financial expertise and involvement from staff; and

WHEREAS, the Town and Willdan engaged in an iterative process to develop the Water Rate Study, which sets out the revenue increases needed to meet the needs of the Town's Water Enterprise Fund and the proposed rates to generate the necessary revenue; and

WHEREAS, the Board of Trustees of the Town of Frederick, Colorado, held a public work session on November 12, 2024 and considered the results of the Water Rate Study as an official document and policy of the Town of Frederick.

**BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF
FREDERICK, COLORADO, AS FOLLOWS:**

- Section 1. Adoption of Plan.** The Board of Trustees finds adoption of the Water Rate Study to be in the best interest of the Town of Frederick, and hereby approves the plan, which is attached as **Exhibit A** to this Resolution.
- Section 2. Effective Date.** This resolution shall become effective immediately upon adoption.
- Section 3. Repealer.** All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such resolution nor revive any resolution thereby.
- Section 4. Certification.** The Town Clerk shall certify to the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

**INTRODUCED, READ, PASSED AND ADOPTED THIS 14TH DAY OF
JANUARY, 2025.**

ATTEST:

TOWN OF FREDERICK:

By: _____
Tricia David, Town Clerk

By: _____
Tracie Crites, Mayor

EXHIBIT A
(Water Rate Study)

**TOWN OF FREDERICK, COLORADO
RESOLUTION NO. 25-R-10**

**A RESOLUTION OF THE TOWN OF FREDERICK, COLORADO, AMENDING
FEES FOR MUNICIPAL SERVICES**

WHEREAS, The Town of Frederick has adopted Ordinance No. 1161 which established a process for establishing certain municipal fees; and

WHEREAS, Ordinance No. 1161 directed the Town Clerk to prepare and publish by posting a listing of all such fees; and

WHEREAS, pursuant to the Ordinance No. 1161, the fee schedule is reviewed and updated periodically by resolution; and

**NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE
TOWN OF FREDERICK, COLORADO, AS FOLLOWS:**

Section 1. **The Board of Trustees hereby amends the Fee Schedule with the changes noted on the attached Exhibit A.**

Section 2. **Effective Date.** This Resolution and attached Exhibit A shall become effective starting during the February Billing Cycle.

Section3. **Repealer.** All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such resolution no revive any resolution thereby.

Section 4. **Certification.** The Town Clerk shall certify to the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

INTRODUCED, READ, PASSED, AND SIGNED THIS 14TH DAY OF JANUARY, 2025.

ATTEST:

TOWN OF FREDERICK

By _____
Tricia David, Town Clerk

By _____
Tracie Crites, Mayor

Exhibit A

Chapter 2 - Administration

Section 2-78 Administrative Fees Schedule

Copies:

Black & White (per page) (up to 11x17 on paper copied on Town's machine)	\$0.25
Color (per page) (up to 11x17 on paper copied on Town's machine)	\$1.00
Fax (per page)	\$1.00
Lawn Watering Permit	\$20.00
Code Books (Municipal, Land Use, Master Plans, Comp Plan)	\$150.00
Non-Sufficient Funds Check (per incident)	\$35.00

Open Records Request:

Certified copies (additional per document)	\$1.00
Black & White (per page) (up to 11x17 on paper copied on Town's machine)	\$0.25
Color (per page) (up to 11x17 on paper copied on Town's machine)	\$1.00
Large Format Copies	Actual Cost
Electronic Large Format Copies	Actual Cost
Black and White Maps	Actual Cost
Mylars	Actual Cost
Photographic Reproductions	Actual Cost
Audio Tapes	Actual Cost
Diskettes	Actual Cost
Research/Retrieval Services	First Hour Free, \$41.37/hour thereafter, prorated in 15 minute increments

Technology Fee:

Scaled Flat Fee (based on valuation)	< \$25,000	\$10.00
	> \$25,000	\$50.00

Park Fees:

Shelter Rental - One Day - Up to 99 people	\$75.00
Liquor Permits for Shelter Rentals	\$100.00

Block Party Fees:

Block Party Permit	\$25.00
Barricade Rental	\$25.00
Barricade Deposit (Refundable)	\$100.00

Town Event Fees:

Contest Entry Fee	\$10.00
Market Vendor:	
12x12 space	\$25.00
No Show	\$50.00
Food Vendor:	
12x12 space	\$75.00
Electricity for booth	\$20.00
Clearance Letters/Contact History (per document)	\$10.00

Copy of Video/Audio Tape:

Diskettes	Actual Cost
Research/Retrieval/Redaction	\$30.00/hour

Dog Impound Fee	\$50.00
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Fingerprints (per set)

School District Employees per CBI	\$25.00
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NSF Check (each incident)	\$35.00
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Report Request (for reports less than 2 years old)

Research/Retrieval/Redaction	\$30.00/hour
Cost per page - Black & White	\$0.25

Sex Offender - New Registration:

New Registration	\$30.00
Re-Registration	\$10.00

Restorative Justice	\$80.00
Sign Retrieval (per sign)	\$2.00
VIN Verification (per inspection)	\$10.00
Warrant Processing Fee	\$25.00
Wayfinding Sign Sponsorship Fee	\$250.00 (Minimum)

Chapter 4 - Revenues and Finance**Section 4-57 Public Safety Fund**

Residential, per lot	\$500.00
Non-Residential, per square foot	\$0.55

Section 4-60 Golf Course FundGolf Daily Fees (Not To Exceed)

	<u>9 holes</u>	<u>18 holes</u>
Daily Greens Fees	\$24	\$36
Cart Rental	\$15	\$20
Pull Cart Rental	\$5	\$8
Golf Club Rental	\$20	\$30
Driving Range Balls		\$12

Annual Passes

<u>Pass Type</u>	<u>No Cart</u>	<u>With Cart</u>
Adult (7 days)	\$550	\$840
Adult (M-F - no holidays)	\$400	\$610
Senior (7 days)	\$475	\$715
Senior (M-F - no holidays)	\$340	\$515
Junior (7 days)	\$235	N/A
Junior (M-F - no holidays)	\$160	N/A
<u>Pass Type</u>	<u>10</u>	<u>25</u>
Range Pass	\$100	\$200

Tournament Fees:

Varies depending on event

Chapter 5 - Franchises & Communication Systems**Section 5-3 Franchise Fee - Cable Television System**

Franchise Fee (percent of gross sales)	5.00%
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Section 5-40 Franchise Fee - Electric Franchise

Franchise Fee (percent of gross revenue)	3.00%
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Section 5-70 Franchise Fee - Gas Franchise

Franchise Fee (to be multiplied by the volume of gas delivered)	\$0.0022
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Chapter 6 - Licenses Generally**Section 6-6 Transfer**

License Transfer Fee	\$1.00
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Section 6-31 Business, General

Less than 1,000 Sq. Ft (annual fee)	\$25.00
More than 1,000 Sq ft (annual fee)	\$50.00
Storage/Warehouse (annual fee)	\$100.00
Industrial (annual fee)	\$150.00

Section 6-32 Ambulances

Annual fee	\$50.00
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Section 6-33 Amusement Arcades

Annual fee	\$250.00
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Section 6-34 Amusements

Circus (per day)	\$50.00
Carnival (per day)	\$50.00
Parades (per day)	\$50.00
Movie Theaters (per year)	\$500.00
Entertainments with permanent location (per year)	\$250.00
Entertainments with non- permanent location (per day)	\$25.00

Section 6-35 Auctions and AuctioneersAuctioneers:

One year	\$60.00
Six months	\$35.00
Three months	\$20.00
One day	\$5.00

Auction:

One year	\$150.00
One day	\$25.00

Section 6-37 Contractor Licensing

Class A - General Contractor (annual fee)	\$80.00
Class B(1) - Limited Contractor - Master Plumber (annual fee)	\$30.00
Class B(2) - Limited Contractor - Heating & Ventilation (annual fee)	\$60.00
Class C - Special Contractor (annual fee)	\$30.00
Class D - Signs/Glaziers (annual fee)	\$25.00

Section 6-39 Home Occupation

Annual Fee	\$25.00
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Section 6-40 Kennel/Pet Shop

Annual Fee	\$250.00
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Section 6-41 Pawn Shops; Pawn Brokers

Annual Fee	\$500.00
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Section 6-42 Peddlers & Solicitors

Per day	\$15.00
Per month	\$150.00

Section 6-44 Refuse Hauler, Commercial

Annual Fee	\$350.00
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Section 6-45 Secondhand, Antique Dealers, Flea Markets

Annual Fee	\$250.00
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Section 6-46 Mobile Home Park

Annual Fee	\$25.00
Additional Fee Per Space	\$5.00

Section 6-67 Liquor Licensing - Fee Schedule

Application Fee	\$1,000.00
Application Fee with Concurrent Review	\$1,000.00
Application Fee Additional Liquor - Licensed Drugstore	\$1,000.00
Application Fee Additional Liquor - Licensed Drugstore with Concurrent Review	\$1,000.00

Section 6-76 Entertainment Districts

Application Fee - New Certification	\$500.00
Application Fee - Re-certification	\$250.00
Application Fee - Expanded certification	\$150.00

Section 6-77 Alcohol Beverage Tastings

Application Fee - New Permit	\$100.00
Annual Renewal Fee	\$50.00

Chapter 7 - Health, Sanitation & Animals

Section 7-35 Property Abatement by Town

Abatement Administration Fee	10% of Actual Cost
Abatement of Property	Actual Cost
Collection Cost	10% of Actual Cost

Section 7-101 Pet License

Pet License (must have copy of shot/vet records):

Altered	\$5.00
Unaltered	\$15.00

Chapter 8 - Vehicles and Traffic

Section 8-140 Permits for Oversize and Overweight Vehicles

Vehicles that are oversize but not overweight

Annual Permit	\$250.00
Daily Permit	\$100.00
Single Trip	\$15.00

Vehicles that are overweight- up to 200K pounds:

Daily Permit	\$200.00
Single Trip Permit - must also pay per axle fee	\$15.00
Per axle fee	\$5.00

Vehicles exceeding 200K pounds:

Single Trip Permit - must pay greater of	Actual Cost or \$125.00
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Section 8-140 Permits for Oversize and Overweight Vehicles - Restricted Truck Routes

Vehicles exceeding 26K Gross Vehicle Weight Rating:

Annual Permit	\$250.00
Daily Permit	\$100.00
Single Trip Permit	\$15.00
Annual Fleet Permit (must also pay per vehicle fee below)	\$1,500.00
Per Fleet Vehicle	\$15.00

Section 8-144 Oil and Gas Rig Transportation Permit

Single Trip Permit	\$1,000.00
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Chapter 11 - Streets, Sidewalks and Public Property

Section 11-22 Fee for Permits

Right-of-way	\$150.00
Street Cuts:	
Minimum (up to 25-sq.feet)	\$200.00
Paved - additional per sq. foot (Over 25- sq. feet)	\$5.00
Non-paved - additional per sq. foot (Over 25- sq. feet)	\$1.50
Potholing/Vacuum Excavation:	
Paved streets - each	\$15.00
Non-paved streets - each	\$5.00
Horizontal Boring / Tunneling - per linear foot	\$0.25
Temporary Entrance Permit	\$75.00

Section 11-24 Annual permit for public utilities

Annual permit	\$100.00
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Section 11-25 Annual fee for public utilities

Annual fee	\$900.00
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Section 11-43 Obstruction Permit

Materials Permit Fee	\$10.00
Cone Rental Deposit	\$50.00

Chapter 13 - Municipal Utilities

Section 13.55.4 Procedures

Storage Cash-in-Lieu Fee for potable water dedications shall be paid per acre-foot of water dedicated to the Town without storage rights associated with the water share	\$2,500.00
Cash-in-Lieu Fee for Non-Potable Raw Water (per acre-foot; offered at the Board's discretion)	\$34,000.00
Cash-in-Lieu Fee for Colorado-Big Thompson (1 unit CBT; offered at the Board's discretion)	\$70,000.00
Water Dedication Analysis	\$250.00

Table B For sites located in Evanston and Wolff Gardens Subdivision of Weld County and platted in the County before July 1, 1994 (out of Town) :					
Meter Size		Service Fees:			
Meter Size	CBT Water Dedication Requirement Calculated per Municipal Code Sec. 13-2-205	CWCWD Capital Improv. Fee	Frederick Capital Improv. Fee	Meter Installation Fee*	Total
5/8"		\$12,000	\$4,817	\$800	\$17,617
3/4"		\$18,000	\$7,225	\$1,000	\$26,225

Table C For sites located in Evanston and Wolff Gardens Subdivision of Weld County and platted in the County after July 1, 1994 (out of Town) :					
Meter Size		Service Fees:			
Meter Size	CBT Water Dedication Requirement Calculated per Municipal Code Sec. 13-2-205	CWCWD Capital Improv. Fee	Frederick Capital Improv. Fee	Meter Installation Fee*	Total
5/8"		\$12,000	\$6,338	\$800	\$19,138
3/4"		\$18,000	\$9,507	\$1,000	\$28,507

Table D For sites in Frederick who are not subject to the Native Water Dedication Requirement or who select Alternative 1E described in Section 13-55.3 of the Municipal Code					
Meter Size		Service Fees:			
Meter Size	CBT Water Dedication Requirement Calculated per Municipal Code Sec. 13-2-205	CWCWD Capital Improv. Fee	Frederick Capital Improv. Fee	Meter Installation Fee*	Total
5/8"		\$12,000	\$2,535	\$800	\$15,335
3/4"		\$18,000	\$3,803	\$1,000	\$22,803
1"		\$30,000	\$7,605	\$1,300	\$38,905
1 1/2"		\$60,000	\$15,210	\$3,025	\$78,235
2"		\$96,000	\$25,350	\$3,440	\$124,790
3"		\$180,000	\$72,000	\$4,600	\$256,600
4"		\$300,000	\$178,000	\$5,800	\$483,800

*Meter yokes, meter pits, meter domes, including lid and inner lid are the responsibility of the contractor. All items must be listed on the approved material list

The CBT Water Share Fee is subject to change. Per Section 13-55.4. (o) of the Frederick Municipal Code, and per Resolution No. 09R016, the Board of Trustees may adjust the CBT Water Share Fee by resolution at any meeting of the Board.

Section 13.55 Procedures - Non-Potable Water Service

Residential meters 3/4" or less tap size (per SFE)	\$300.00
Non-Residential Capital Improvement (per acre-foot of projected demand)	\$500.00
Non-Residential Storage (per acre-foot of projected demand)	\$600.00

Non-Potable Meter Fees:

Meter Size	Meter Installation Fee
5/8"	\$1,018
3/4"	\$1,175
1"	\$1,724
1 1/2"	\$3,248
2"	\$4,782
3"	\$5,750
4"	\$7,200

Section 13.57 Meter Testing

Accurate Meter Reading (at the discretion of the Town Manager)	up to \$100.00
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Section 13.59 Interfering with or bypass of meters

Obstructed meter charge	\$100.00
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Section 13.74 Water Service Charges

Duplicate Utility Bill	\$2.00
Hydrant Meter Deposit	\$4,500.00
Fire Flow Test	\$200.00

Potable Water Rate Tables:

Monthly Base Charges	
Meter Size	Cost
5/8-inch	\$16.28
5/8-inch Evanston	\$29.09
3/4-inch	\$24.42
3/4-inch Evanston	\$43.63
1-inch	\$40.70
1-inch Evanston	\$72.72
1 1/2-inch	\$81.40
1 1/2-inch Evanston	\$145.45
2-inch	\$130.24
2-inch Evanston	\$232.72
3-inch	\$260.48
3-inch Evanston	\$465.43
4-inch	\$407.00
Prairie Greens	\$296.49
Frederick School	\$552.64
Softball	\$109.60

Residential Potable Water Rates - In Town and Evanston		
Use (Gallons)	Cost	
0-5,000	\$4.13	per 1000 gallons
5,001-20,000	\$6.19	per 1000 gallons
Over 20,000	\$10.83	per 1000 gallons

Non-Residential Potable Water Rates - In Town and Evanston - Larger Taps		
Use (Gallons)	Cost	
0 to 90,000	\$4.50	per 1000 gallons
90,000 to 550,000	\$6.75	per 1000 gallons
Over 550,000	\$11.81	per 1000 gallons

Potable Water Rates - Misc.		
	Cost	
Frederick School	\$4.51	Per 1,000 gallons
Frederick Softball Facility (CVRD)	\$5.62	Per 1,000 gallons
Prairie Greens Subdivision	\$4.13	Per 1,000 gallons
Bulk Potable for construction	\$15.74	Per 1,000 gallons

Potable Water Rates - In Town - 5/8" Taps		
Use (Gallons)	Cost	
Base rate	\$31.57	
3,001 to 5,000 gallons	\$3.20	per 1000 gallons
5,001 to 15,000 gallons	\$4.43	per 1000 gallons
15,000 to 25,000 gallons	\$5.79	per 1000 gallons
25,000 and over	\$8.05	per 1000 gallons

Potable Water Rates - In Town - Larger Taps						
Use (Gallons)	3/4"	1"	1 & 1/2"	2"	3"	4"
Base Cost	\$35.61	\$61.18	\$116.74	\$185.50	\$347.03	\$597.40
0 to 30K	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72
30K to 60K	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72
60K to 100K	\$3.62	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72
100K to 200K	\$3.62	\$3.62	\$2.72	\$2.72	\$2.72	\$2.72
200K to 300K	\$3.62	\$3.62	\$3.62	\$2.72	\$2.72	\$2.72
300K to 400K	\$5.63	\$3.62	\$3.62	\$3.62	\$2.72	\$2.72
400K to 500K	\$5.63	\$5.63	\$3.62	\$3.62	\$3.62	\$2.72
500K to 600K	\$5.63	\$5.63	\$5.63	\$3.62	\$3.62	\$3.62
600K and over	\$5.63	\$5.63	\$5.63	\$5.63	\$3.62	\$3.62

Potable Water Rates - Evanston - 5/8" Taps		
Use (Gallons)	Cost	
Base rate	\$56.41	
3,001 to 5,000 gallons	\$3.20	per 1000 gallons
5,001 to 15,000 gallons	\$4.43	per 1000 gallons
15,000 to 25,000 gallons	\$5.79	per 1000 gallons
25,000 and over	\$8.05	per 1000 gallons

Potable Water Rates – Evanston – Larger Taps					
Use (Gallons)	3/4"	1"	1 & 1/2"	2"	3"
Base Cost	\$62.89	\$96.12	\$168.37	\$257.76	\$367.09
0 to 30K	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72
30K to 60K	\$2.72	\$2.72	\$2.72	\$2.72	\$2.72
60K to 100K	\$3.62	\$2.72	\$2.72	\$2.72	\$2.72
100K to 200K	\$3.62	\$3.62	\$2.72	\$2.72	\$2.72
200K to 300K	\$3.62	\$3.62	\$3.62	\$2.72	\$2.72
300K to 400K	\$5.63	\$3.62	\$3.62	\$3.62	\$2.72
400K to 500K	\$5.63	\$5.63	\$3.62	\$3.62	\$3.62
500K to 600K	\$5.63	\$5.63	\$5.63	\$3.62	\$3.62
600K and over	\$5.63	\$5.63	\$5.63	\$5.63	\$5.63

Potable Water Rates – Misc.		
	Base Rate	Per 1,000 gallons
Frederick Elementary School	\$695.25	\$2.72
Frederick Middle/Senior High School	\$625.73	\$2.72
Frederick Softball Facility (CVRD)	\$40.63	\$2.72
Prairie Greens Subdivision	\$463.50	\$2.72
Bulk Potable for construction	\$0.00	\$16.12

Non-Potable Water Rate Tables:**Section 13.74 (c).(1)**

Non-Potable Water (with water shares provided to Town) - In Town		
Residential 3/4" tap or less with on site water storage and/or pump provided by resident as required		
Use (Gallons)	5/8"	3/4"
Base Cost	\$5.94	\$5.94
0 to 15K	\$0.26	\$0.26
15K to 30K	\$0.78	\$0.78

Section 13.74 (c).(2)

Non-Potable Rate Structure (with water shares provided to Town) - In Town						
Large and Non-Residential Services with onsite storage and/or pump provided by user as required						
Use (Gallons)	5/8"	3/4"	1"	2"	3"	4"
Base Cost	\$5.94	\$11.88	\$23.76	\$78.41	\$78.41	\$78.41
0 to 15K	\$0.52	\$0.52	\$0.52	\$0.52	\$0.52	\$0.52
15K to 30K	\$0.78	\$0.52	\$0.52	\$0.52	\$0.52	\$0.52
30K to 60K	\$0.78	\$0.78	\$0.52	\$0.52	\$0.52	\$0.52
60K to 200K	\$0.78	\$0.78	\$0.78	\$0.52	\$0.52	\$0.52
200K to 300K	\$0.78	\$0.78	\$0.78	\$0.78	\$0.52	\$0.52
300K to 400K	\$0.78	\$0.78	\$0.78	\$0.78	\$0.78	\$0.52
400K and over					\$0.78	\$0.78

Section 13-74.(c).(3)

The above rates assume that raw water will be delivered to a storage reservoir on the user's property and the user will have their own pump station for their irrigation system. If direct pressurized flow is delivered to the user's irrigation system from the Town's delivery infrastructure then there would be added twenty cents (\$0.20) per one thousand (1,000) gallons of monthly usage in addition to the costs above. In addition, there will be an additional rate of seventy cents (\$0.70) per one thousand (1,000) gallons used added for areas that have not provided water shares to the Town to cover the projected raw water needs based on a calculation of two and one-half (2.5) acre-feet per acre of irrigated area or a detailed engineering study accepted by the Town.

Section 13-74.(c).(4)

The monthly service charge per tap for services located outside of the Town limits is the same as the rates in Subsections (c)(1), (2), and (3) of this Section except that the monthly base rate for the tap size would be double the rate shown for the same size tap within the Town limits. Service extended outside of Town limits must be approved by the Board of Trustees per Section 13.67 of this Code.

Section 13.75 On and Off Charges

Voluntary Connect-Disconnect Permit Fee	\$25.00
Service Restoration Fee	\$40.00

Section 13-81 Watering Restrictions Under Water Shortage Contingency Plan

Special Permit for New Lawn Irrigation

Section 13-133 Application for Connections; Permits

Residential Subdivision Design	Actual cost - requires an \$1,800 deposit
Commercial Development Design	Actual cost - requires an \$1,800 deposit
Individual Building Design	Actual cost - requires a \$500.00 deposit

Section 13-144 Service Charges for Administrative and Maintenance Services

Reinstate shut-off services - after normal business hours	\$60.00
Trip fee	\$25.00
Service work during normal hours, per hour (\$20 minimum)	\$48.00
Service work after normal hours, per hour (\$116 minimum)	\$58.00
Returned check fee	\$35.00
Late payment fee - the greater of:	\$5.00 or 1.5% of past due amount
Opt-Out fee (Electric Meter)	\$7.50
Equipment access - 1st occurrence	\$25.00
Equipment access - 2nd occurrence	\$50.00

Section 13-205 Storm Water Utility Fee (monthly rate)

Residential	\$7.25
Industrial land, per acre	\$39.58
Commercial land, per acre	\$52.38
Public land, per acre	\$21.00
Town land, per acre	Exempt

Section 13-209 Storm Water Capital Expansion Fee

Residential, single family unit (attached and detached) per lot	\$977.00
Multi-family, per square foot of building footprint, concrete, gravel, etc	\$0.488
Commercial, per square foot of building footprint, concrete, gravel, etc	\$0.488
Industrial, per square foot of building footprint, concrete, gravel, etc	\$0.488

Section 13-302 Single-Source Waste Service Utility Fee (monthly)

Residential	\$13.24
Reinstate service	\$30.00

Chapter 18 - Building Regulations**Section 18-1-70 Building Code Permit Fees**

Building Permit Fees:

Value of Project	Fee
\$1.00 to \$500	\$23.50
\$501 to \$2,000	\$23.50 for the first \$500 plus \$3.05 for each additional \$100 or fraction thereof, up to and including \$2,000
\$2,001 to \$25,000	\$69.25 for the first \$2,000 plus \$14.00 for each additional \$1,000 or fraction thereof, up to and including \$25,000
\$25,001 to \$50,000	\$391.75 for the first \$25,000 plus \$10.10 for each additional \$1,000 or fraction thereof, up to and including \$50,000
\$50,001 to \$100,000	\$643.75 for the first \$50,000 plus \$7.00 for each additional \$1,000 or fraction thereof, up to and including \$100,000
\$101,001 to \$500,000	\$993.75 for the first \$100,000 plus \$5.60 for each additional \$1,000 or fraction thereof, up to and including \$500,000
\$500,001 to \$1,000,000	\$3,233.75 for the first \$500,000 plus \$4.75 for each additional \$1,000 or fraction thereof, up to and including \$1,000,000
\$1,000,001 and up	\$5,608.75 for the first \$1,000,000 plus \$3.65 for each additional \$1,000 or fraction thereof

Town of Frederick - Fee Schedule

January 2025

Plan Review Fee

65% of Building Permit Fee

Building Permit Flat Fee:

Demolition (Residential & Commercial)	\$100.00
Temporary Structure	\$100.00

Electrical Permit Fee:

Residential:

Not more than 1000 square feet	\$46.00
1,001 - 1,500 square feet	\$51.75
1,501 - 2,000 square feet	\$63.25
Per 100 square feet in excess of 2,000 square feet	\$3.45

Valuation of Work:

Not more than \$300	\$46.00
\$301 - \$2,000	\$51.75
\$2,001 - \$50,000	\$19.55/thousand
\$50,001 - \$500,000	\$18.40/thousand + \$57.50
More than \$500,000	\$17.25/thousand + \$632.50
Mobile Home or Travel Trailer Park (per space)	\$46.00
Reinspection Fee	\$100.00
Solar Permit	\$500.00 max residential / \$1000.00 max commercial
Construction Meters	\$37.00

Grading Permit Fees:

Overlot Grading Plan Review Fees:

AMOUNT	FEE
50 Cubic Yards or Less	No Fee
51 to 100 Cubic Yards	\$23.50
101 to 1,000 Cubic Yards	\$37.00
1,001 to 10,000 Cubic Yards	\$49.25
10,001 to 100,000 Cubic Yards	\$49.25 for the first 10,000 Plus \$24.50 for each additional 10,000 of fraction thereof
100,001 to 200,000 Cubic Yards	\$269.75 for the first 100,000 Plus \$13.25 for each additional 10,000 of fraction thereof
200,001 Cubic Yards or More	\$402.25 for the first 200,000 Plus \$7.25 for each additional 10,000 of fraction thereof

Additional Plan Review, required to approve plans

\$50.50/hour*

Overlot Grading Permit Fees:

AMOUNT	FEE
50 Cubic Yards or Less	\$23.50
51 to 100 Cubic Yards	\$37.00
101 to 1,000 Cubic Yards	\$37.00 for the first 100 Plus \$17.50 for each additional 100 of fraction thereof
1,001 to 10,000 Cubic Yards	\$194.50 for the first 1,000 Plus \$14.50 for each additional 1,000 of fraction thereof
10,001 to 100,000 Cubic Yards	\$325.00 for the first 10,000 Plus \$66.00 for each additional 10,000 of fraction thereof
100,001 Cubic Yards or More	\$919.00 for the first 100,000 Plus \$36.50 for each additional 10,000 of fraction thereof

Inspections outside of normal business hours

\$50.50/hour*

Re-Inspection Fees, assessed under provisions Section 108.8 (International Building Code

\$50.50/hour*

Inspections, for which no fee is specifically indicated

\$50.50/hour*

*Or the total cost to the jurisdiction, whichever is greater. Shall include supervision, overhead, equipment, hourly wages, and fringe benefits of the employees involved (minimum charge, one-half hour).

Road Impact Fee:

Residential, Single Family Detached	\$4,000
Multi-Family, per dwelling	\$2,775
Mobile Home Park/Mfg. Housing Project, per site	\$4,000
Hotel/Motel, per room	\$894

Town of Frederick - Fee Schedule

January 2025

Retail/Commercial (per 1,000 square feet) :

Auto Sales	\$1,925.00
Auto Service/Repair/Tire Store	\$1,375.00
Bank	\$3,713.00
Building Materials/Hardware/Nursery	\$2,544.00
Convenience Store	\$5,775.00
Discount Store	\$2,475.00
Furniture Store	\$482.00
Movie Theater	\$3,713.00
Restaurant, Fast Food	\$5,500.00
Restaurant, Sit-Down	\$3,575.00
Shopping Center/ General Retail <1,000,000 square feet	\$2,544.00
Shopping Center/ General Retail <100,000 square feet	\$4,345.00
Shopping Center/ General Retail <500,000 square feet	\$3,025.00
Shopping Center/ General Retail 1,000,000+ square feet	\$2,228.00

Office/Institutional (per 1,000 square feet):

Church/Synagogue	\$963.00
Day Care Center	\$990.00
Hospital	\$1,793.00
Nursing Home	\$550.00
Office, General < 100,000 square feet	\$1,719.00
Office, General 100,000-200,000 square feet	\$1,265.00
Office, General > 200,000 square feet	\$1,032.00
Office, Medical	\$3,782.00
School	\$275.00

Industrial (per 1,000 square feet):

General Light Industrial	\$729.00
Mini-warehouse	\$509.00
Warehouse	\$509.00

Park Improvement Fee	\$2,400.00
General Capital Improvement Fee	\$1,500.00
Open Space Fee	\$500.00

Land Use Code - Article 1

1.11 Fees

Fee

Annexation:	\$1,000.00
	plus \$10.00 per acre

Annexation Agreement Amendment:

1 section of the agreement	\$500.00
Each additional section of the agreement	\$100.00
Appeal of Administrative Decision	\$500.00
Code Text Amendment	\$1,500.00
Concept Plan	\$1,000.00 plus \$10.00 per acre
Comprehensive Plan/Planning Area Amendment	\$3,000.00

Conditional Use	\$1000.00 (change in use in an existing building with no outdoor activity or storage, where no site improvements are proposed or required)
	\$1000.00 plus site plan fee for all other conditional uses

Conditional Use Oil and Gas Drilling & Production per well	\$5,000.00
Construction Plan Review only	\$1,000.00
Final Development Plan (including amendments):	\$2500.00 plus \$5.00 per lot
Final Plat (including replats):	\$2500.00 plus \$5.00 per lot

Maps:

Small Map - 11 x 17	\$2.50
Large Map - 24 x 36	\$7.00
Street Map - 42 x 55	\$10.00

Town of Frederick - Fee Schedule

January 2025

Memorandum of Agreement for Public Improvements Amendment:

1 section of the agreement	\$500.00
Each additional section of the agreement	\$100.00
Metropolitan District	\$5,500.00
Minor Modification	\$350.00
Minor Subdivision	\$1,500.00
Oil and Gas Well Inspection	\$400.00 per well, per year
Planned Unit Development Zoning Document	\$2,500 plus \$10.00 per acre
Preliminary Plat (including amendments):	\$2500.00 plus \$10.00 per lot
Preliminary Development Plan (including amendments):	\$2500.00 plus \$10.00 per lot
Sketch Plan	\$2,000.00

Vacation of Right-of-Way or Easement:

One easement or right-of-way request	\$500.00
Each additional request	\$100.00

Variance:

Residential	\$750.00
Non-residential	\$1,500.00

Waiver:

Residential	\$1,000.00
Non-residential	\$1,500.00

Zoning:

One zoning district change	\$2,500.00
Special Use Oil and Gas Drilling and Production per well	\$5,000.00

Site Plan/Limited Use:

Up to 25,000 sq. ft.	\$2,000.00
More than 25,000 sq. ft.	\$2,500.00

Site Plan/Limited Use Amendments:

Up to 1,000 sq. ft.	\$500.00
More than 1,000 sq. ft.	\$750.00
Sign Design Program Alternative	\$500.00
Street Name Change	\$750.00
Subdivision Amendment	\$1,000.00

1.11 Fees

	<u>Fee</u>	<u>Deposit</u>
Temporary Use Application	\$100.00	
<u>Special Event Application</u>		
***Non-Refundable Application Fee	\$300.00	
Additional Application Late Fee	\$150.00	
(App is submitted less than 30 days prior to the event)		
***Damage Deposit		\$500.00
Town Park Use Fee		\$150.00
Barricade & Cone Rental Deposit		\$200.00
Barricade Rental (each pair)	\$100.00	
Cone Rental for 10 Cones	\$25.00	
Cones (Each cone after 10)	\$3.00	
Trash Can Rental (per can)	\$10.00	
Commercial use of Town property where attendance is limited to under 50 persons	\$175.00	
***Required for All Special Event Applications on Town Properties		
Vesting Property Rights	\$1,000.00	
Written Interpretation	\$100.00	
Zoning Compliance Letter	\$75.00	



Built On What Matters

TOWN OF FREDERICK

Board of Trustees

Staff Report

Tracie Crites, Mayor

Kevin Brown, Mayor Pro Tem
Dan March, Trustee
Mark Lamach, Trustee

Adam Mahan, Trustee
Windi Padia, Trustee
Chad teVelde, Trustee

Resolution 25-R-04 Annual Update to Water Reservation & Allocation Policy and Water Allowance

Agenda Date: Board of Trustees January 14 , 2025

Attachments:

1. a. Water Reservation Allocation Policy and Water Allowance Resolution
2. b. Municipal Code Section 13-2-230

Reviewed By: Tricia David, Town Clerk

Action Type

1) Legislative: Actions that relate to subjects of a long term and general applicability; such as the passing of ordinances/resolutions/policies/etc.

Strategic Plan Alignment:

Strategic, Reliable & Sustainable Infrastructure – The Town’s Water Reservation and Allocation Policy will facilitate the strategic use of the Town’s water portfolio.

Community and Economic Vitality – The Town’s Water Reservation and Allocation Policy will allow the Town to dedicate its water resources in accordance with the strategic goal of Community and Economic Vitality.

Summary Statement:

The Board adopted the Town’s first Water Reservation & Allocation Policy in May 2024. The adopted policy states that the Board intends to review the goals, standards, and procedures contained in the Policy in January of each year, and at other times as the Board determines appropriate (e.g., upon acquisition of additional water supply). In

addition to the Water Reservation and Allocation Policy, staff are recommending a water allowance that will be associated with the policy for 2025.

Detail of Issue/Request:

There are two items included in Resolution 25-R-04:

1. Water Reservation and Allocation Policy
2. Annual water allowance associated with the Water Reservation and Allocation Policy

This Water Reservation and Allocation Policy adopted in May 2024 offers the Town of Frederick a decision-making structure to dedicate its water resources in accordance with the community's needs and vision. The policy states that annual updates will be proposed as needed, to ensure that the policy continues to best serve the strategic goals of the community. The following amendments are being recommended for 2025:

1. The Board has expressed in the past that they do not want water allocations being made for infill to be brought to them for approval and that these small allocations are best done administratively. To more accurately reflect this, the policy has been amended to state the following:
 - a. For infill projects, Water Allocations may be made at the time of building permit without prior Water Reservation or establishment of a Water Reservation and Allocation Agreement, as approved by the Town Manager or designee, provided that they find that water is of sufficient quality, quantity, and reliability is legally and physically available for the Town's municipal use.
2. Staff has updated the infill definition included in the policy. This definition will be added to the Land Use Code: Infill means the development or redevelopment of one undeveloped or underutilized lot that has been platted for a period of at least 5 years that is within a subdivision within which at least 80 percent of the lots are developed, that is not already subject to an agreement with the Town that addresses the dedication of water to the Town or the payment of fee-in-lieu for same (e.g., a Water Reservation and Allocation Agreement, MOAPI, or other comparable agreement), and where water, sewer, electric, gas, and phone utilities and street access are adjacent to the subject lot and other public services and facilities are available nearby. New designated private landscaped amenities are also considered infill as they are permanent uses for vacant lots.
3. Staff has also updated the parameters for what kind of commercial or industrial infill will be considered eligible for the purchase of water credits through the policy by adding the language in bold to the following sentence: Establishment of a commercial or industrial use **that meets the vision of the Town of Frederick Comprehensive Plan** on an infill nonresidential lot, provided that the Water Reservation (or Water Allocation, if a Water Reservation is not made) does not exceed 1.8 acre-feet per year.

The Water Reservation and Allocation Policy fits within the Town's new water

dedication requirements, which became effective in August 2023. Specifically, a Water Reservation and Allocation Policy is tied to Section 13-2-230 of the Municipal Code (attached). This section gives the Board the opportunity to set a water allowance for the purpose of offering water credits for purchase. To set the 2024 water allowance of 132 CBT units, staff used water supply planning analysis. The resolution approving the 2024 water allowance became effective on August 14, 2024 and following that effective date 9.21 of the 132 available CBT units were used. Staff is recommending a 2025 water allowance using the same water supply planning analysis. The proposed water allowance for 2025 is 154 C-BT units.

Legal Comments:

Updates to the policy were reviewed by the Town Attorney's Office. The Town Attorney's Office has drafted the resolution.

Alternatives/Options

Approval: I move that Resolution 25-R-04, amending the Town's Water Reservation and Allocation Policy and setting a Water Allowance for 2025 be approved.

Approval with changes: I move that Resolution 25-R-04, amending the Town's Water Reservation and Allocation Policy and setting a Water Allowance for 2025 be approved with the following changes

No Action: I move to take no action on Resolution 25-R-04.

Financial Considerations

Not Applicable

Staff Recommendation

Staff recommends that the Board approve Resolution 25-R-04.

Community Impact

The Town's Water Reservation and Allocation Policy will allow the Town to dedicate its water resources in accordance with the community's need and vision, prioritizing projects in alignment with the Town's Comprehensive Plan and Target Industry Cluster Study.

TOWN OF FREDERICK, COLORADO
RESOLUTION NO. 25-R-04

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF FREDERICK,
COLORADO, APPROVING UPDATES TO THE TOWN OF FREDERICK WATER
RESERVATION AND ALLOCATION POLICY & WATER ALLOWANCE**

WHEREAS, the Town of Frederick is a community that fosters economic, recreational, cultural, and environmental vitality and builds upon and enhances a variety of economic opportunities; and,

WHEREAS, the Town of Frederick plans for, identifies, leverages, and utilizes water resources in a way that reflects exemplary stewardship; and,

WHEREAS, Section 13-2-230 of the Town's Municipal Code supports establishment of a water reservation and allocation policy, which will assist the Town in implementing a decision-making structure to dedicate its water resources in accordance with the community's needs and vision; and,

WHEREAS, on the 14th day of May, 2024 the Board of Trustees approved a Water Reservation and Allocation Policy and Water Allowance; and

WHEREAS, the Water Reservation and Allocation Policy states that the Board intends to review the goals, standards, and procedures contained in the Policy in January of each year and, upon review, may amend the Policy by resolution as it determines appropriate; and

WHEREAS, the Board of Trustees further wishes to identify the Town's water allowance for 2025.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF
THE TOWN OF FREDERICK, COLORADO, AS FOLLOWS:**

- Section 1. Approval of Water Reservation and Allocation Policy & Water Allowance.** The update to the Water Reservation and Allocation Policy is approved, as found in attached Exhibit A.
- Section 2. Identification of Town's Water Allowance for 2025.** The Water Allowance for the Town of Frederick for 2025 of XXX C-BT units is approved.
- Section 3. Conformance of Code References in Policy.** The Water Reservation and Allocation Policy contains references to Town Municipal Code, to which the Town is in the process of making updates and improvements. Town staff may administratively update Code references in the Policy to reflect approval of amendments.

Section 4. Effective Date. This resolution shall become effective 30 days from the date of adoption.

Section 5. Repealer. All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such resolution nor revive any resolution thereby.

Section 6. Certification. The Town Clerk shall certify the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

RESOLUTION APPROVED AND ADOPTED this _____ day of _____, 2025.

TOWN OF FREDERICK, COLORADO

Tracie Crites, Mayor

ATTEST:

BY: _____

Tricia David, Town Clerk

Exhibit A

Town of Frederick, Colorado Water Reservation and Allocation Policy

1. Definitions.

- a. “Attainable” means rental or for-sale housing affordable to a household with an annual income of at or below one hundred twenty percent of area median income. Attainable includes “affordable” as defined by C.R.S. § 29-32-101(2).
- b. “Board” means the Board of Trustees of the Town of Frederick.
- c. “Initiation of Water Use” means the commencement of the use of the Town’s Water System after installation of a water tap and water meter.
- d. “LUC” means the Town of Frederick Land Use Code.
- e. “Policy” means this Town of Frederick, Colorado, Water Reservation and Allocation Policy.
- f. “Qualified Project” means a new development, changes in use, expansion of use, or redevelopment that qualifies for water reservations and allocations pursuant to this Policy.
- g. “Reservation Term” means the time period in which a Water Reservation is effective.
- h. “Standard Project” means a new development, changes in use, expansion of use, or redevelopment that is not a Qualified Project.
- i. “Town Code” means the Town of Frederick Municipal Code.
- j. “Water Allocation” means an allocation of water credits that occurs at the time a building permit is issued (and paid for in full, including all related water fees and other financial obligations due at the time of building permit issuance) for work that involves installation of a water meter or replacement of an existing water meter to accommodate a larger tap.
- k. “Water Bank” has the same definition as is set out in Town Code § 13-41.
- l. “Water Reservation” means a reservation of water credits from the Town’s Water Bank towards the demand anticipated for a particular Qualified Project for a stated time period, which credits may be applied towards a Water Allocation prior to the expiration of their Reservation Term.

- m. “Water Reservation and Allocation Agreement” means an agreement setting out the terms of Water Reservations and Water Allocations for a Qualified Project.

2. Overview.

- a. *Authority.* This Policy is authorized by Town Code § 13-2-230, and is in alignment with the Town of Frederick Strategic Plan.
- b. *Intent.*
 - i. This Policy is intended to support the Town’s Strategic Plan by providing the opportunity for Qualified Projects (defined herein) to enter into a Water Reservation and Allocation Agreement to reserve otherwise unreserved and unallocated water credits from the Water Bank, in lieu of conveying some or all of the water rights to the Town that would otherwise be required by applicable Town ordinances, resolutions, and regulations.
 - ii. Water Reservation and Allocation Agreements under this Policy implement Town Code § 13-2-230 with respect to water dedication requirements. However, they do not constitute and are not intended as a waiver of any requirements of the Town Code, the LUC, or applicable Colorado law.
- c. *Qualified Projects.* The Board may authorize Water Reservations for Qualified Projects. The Board has established criteria for identifying Qualified Projects based on their contributions to economic opportunity, housing diversity, housing affordability, and quality of life. These criteria are set out in Section 5.
- d. *Standard Projects.* This Policy does not apply to Standard Projects. Standard Projects must provide water to the Town that is of adequate quantity, quality, and reliability for the type of development proposed, in accordance with Chapter 13, Article II, Town Code, the LUC, and applicable Colorado law.
- e. *Existing Agreements.* This Policy does not modify or abrogate rights and obligations under valid, enforceable agreements to which the Town is a party, unless provided for therein.

3. General Requirements.

- a. *Wastewater Connection Required.* No Water Reservation or Water Allocation shall be made pursuant to this Policy unless the sewer service requirement of Town Code § 13-54 is satisfied, whether or not the project is otherwise a Qualified Project, unless the Board finds that an extraordinary public benefit would result from authorizing the Water Reservation or Water Allocation.
- b. *Reservations under Required Water Reservation and Allocation Agreement.* Water Reservations under this Policy will be set aside for the Qualified Project and will not be available for other use during the Reservation Term. All Water Reservations

under this Policy shall be documented by a Water Reservation and Allocation Agreement that is approved by the Board, which shall set forth the terms and conditions of the allocation, including (at a minimum) all of the following:

- i. The proposed new development, change in use, expansion of use, or redevelopment will be designed, and / or operated, as a Qualified Project for a period established by the Board, and will demonstrate either:
 - 1) Exemplary water efficiency techniques, as determined by professional judgment of the Town Engineer or designee; or
 - 2) Meet a critical land use need, as determined by the Board according to this Policy.
 - ii. A specified Reservation Term. At the end of the Reservation Term, the Water Reservation shall be converted to a Water Allocation or expire (see Section 6., below) and the subject water made available for other use within the Town's water portfolio or for future reservation or allocation. In general, the Reservation Term shall expire one year from the date of the Water Reservation and Allocation Agreement. However, in the discretion of the Board, for larger developments with an anticipated build-out period of more than one year, the Reservation Term may be for a period not to exceed five years, in which case the Board may also impose annual reductions in the number of available credits (without penalty for credits already applied), in a proportion established by the Board with due regard to the proposed schedule and phasing of the development.¹
 - iii. If the proposed development is also the subject of a development agreement, Reservation Terms should correspond to the development schedules that are set out in the development agreement to the extent consistent with Section 3.b.ii., above. A development agreement may contemplate the potential for the Developer and the Town to enter into multiple sequential Water Reservation and Allocation Agreements. However, a development agreement shall not commit to specific terms for future agreements (including fees for Water Reservations), and shall not establish any priority or right for the Developer with respect to future Water Reservations.
- c. *Water Reservation Fees.* Fees for Water Reservations shall be due and payable upon mutual execution of a Water Reservation and Allocation Agreement, unless

¹ For example, if 100 credits were reserved, then 100 credits would be available in years 1 and 2. Starting in year 3, the number of credits could be reduced by 25 percent per year, such that 75 credits would be available in year 3, 50 credits in year 4, 25 credits in year 5, and 0 credits at the start of year 6. No penalties would be assessed for the timely (or early) application of reserved water credits, such that if the applicant used 50 of its 100 credits in year 1 (leaving 50 credits for future use), then no further reduction in available credits would occur until year 5, when the number of available credits is reduced from 50 to 25.

otherwise provided in the agreement. Fees for Water Reservations are nonrefundable.

d. *Defaults and Remedies.*

i. In the event the Town determines that the applicant has defaulted as to its obligations under a Water Reservation and Allocation Agreement or development agreement for a Qualifying Project, then the Town shall provide written notice to the applicant pursuant to the notices provisions of the Water Reservation and Allocation Agreement, and thereafter, until the default is corrected (and in the event of water waste, as defined in Town Code, such water waste mitigated to the satisfaction of the Town), the Town Manager or designee may order any one or more of the following:

- 1) Withholding of pending or new building permits;
- 2) Prohibition on new connections to the water system, even if a Water Allocation has been made for the connection; or
- 3) Withholding of certificates of occupancy.

ii. If a default described by subsection 3.d.i., above, is not corrected within nine months after the date of written notice to the applicant, or such other time period as provided by Town Code or agreed to between the Board and the applicant, unused Water Reservations, or portions thereof, and Water Allocations, or portions thereof, will expire, and shall thereafter be returned to the Water Bank.

iii. In the event the Town determines that the applicant has committed a flagrant or repeated waste of water in violation of Town Code § 13-80, failed to comply with a watering restriction under a water shortage contingency plan in violation of Town Code § 13-81, or made material misrepresentations as to whether the applicant's project is a Qualified Development, then the Board, after notice and a hearing, may order, in rough proportion to the violation:

- 1) Before Initiation of Water Use, the termination of Water Reservations or Water Allocations; or
- 2) After Initiation of Water Use, the installation of flow restrictors.

4. Timing of Policy Application.

a. *Initial Determination of Qualified Project Status.* An applicant may seek a written initial determination from the Town as to whether a particular proposal likely constitutes a Qualified Project under this Policy. Such determinations do not constitute assurance that a Water Reservation or Water Allocation will be available

to the applicant, or that the Town and the applicant will reach agreement as to a Water Reservation and Allocation Agreement. Initial determinations shall be made by the Town Manager or designee, or by the Board, and shall expire after one year or upon changes to this Policy that affect the guidelines under which the determination was made, whichever comes first.

- b. *Initiation of Review.* An applicant who submits a complete application for an approval under the LUC for which a water demand analysis is required in accordance with Town Code § 13-2-205 (including but not limited to a subdivision, site plan, or conditional use permit, or a building permit for new construction, or an expansion, remodel, or tenant finish that involves a tap or meter size change) may apply for Qualified Project status and negotiate a Water Reservation and Allocation Agreement with the Town.
 - c. *Formal Determination of Qualified Project Status.* The Board or Town Manager (or designee) shall determine whether the application referred to in Section 4.b., above, demonstrates that the request constitutes a Qualified Project pursuant to the guidelines set out in Section 5., below. The Town shall thereafter notify the applicant in writing as to the decision. Town Manager decisions may be appealed to the Board in accordance with LUC § 4.7.7.
 - d. *Reservation of Water.* If it is determined that a proposal constitutes a Qualified Project, then, provided that the Town and the applicant are able to reach terms with regard to a Water Reservation and Allocation Agreement, and provided that water of sufficient quality, quantity, and reliability is legally and physically available for the Town's municipal use, water credits shall be made available for reservation pursuant to a fully-executed Water Reservation and Allocation Agreement. The quantity of water to be made available for Water Reservation shall be at the discretion of the Town Manager or Board, as applicable (see Section 5, below).
 - e. *Allocation of Water.* Within the Reservation Term, Water Reservations shall constitute a contractual right to a Water Allocation, provided that the applicant is not in default of the Water Reservation and Allocation Agreement. For *de minimis* projects (as defined in Section 5.c., below), Water Allocations may be made at the time of building permit without prior Water Reservation or establishment of a Water Reservation and Allocation Agreement, as approved by the Town Manager or designee, provided that they find that water is of sufficient quality, quantity, and reliability is legally and physically available for the Town's municipal use.
5. Qualified Projects. The Town may consider the categories of projects that are listed in this Section to be Qualified Projects. The Board shall determine whether a proposed project meets the criteria set out in subsection 5.a. (Key Economic Development Projects) or 5.b. (Critical Land Use Needs). The Town Manager or designee shall determine whether a proposed project meets the criteria set out in subsection 5.c. (*De minimis* Impacts).

a. *Key Economic Development Projects.*

i. Key economic development projects include the following:

- 1) Research and industrial facilities that are directly involved in biosciences / biotechnology product manufacturing; control, electromechanical, measuring, and navigational instruments; clean technology; medical equipment and supplies manufacturing; and recreational vehicle and equipment manufacturing.
- 2) Research, industrial, wholesale, or warehousing and distribution facilities that principally provide components, supplies, or professional or technical support for the industries listed above.
- 3) Hospitals that include inpatient facilities.
- 4) Child care centers.
- 5) Projects of Economic Significance as defined by the Board of Trustees, including, but not limited to, strategic types of retail, mixed-use, entertainment, or corporate headquarters development, or projects that the Board determines implement adopted special area plans.

ii. Key economic development projects shall demonstrate exemplary water efficiency, with design and operational standards specified in (or as an attachment to) the Water Reservation and Allocation Agreement. Such design and operational standards shall result in the development and / or land use materially outperforming (in the aggregate, and from an efficiency standpoint) comparable development that adheres to the minimum standards of the Town Code, LUC, and Colorado Plumbing Code.

b. *Critical Land Use Needs.*

i. Critical land use needs are:

- 1) Attainable housing, which may be subject to a deed restriction to ensures that resales or rentals continue to qualify as attainable, for example, for not less than 50 years.
- 2) Housing for older persons, as defined in the Federal Fair Housing Act.

ii. Projects that address a critical land use need shall provide one or more of the critical land uses listed above, and Water Reservations and Water Allocations under this Policy shall be made only for such uses. Application materials shall also demonstrate that the project will outperform (in the aggregate, and from a water efficiency standpoint) comparable

development that adheres to the minimum standards of the Town Code, LUC, and Colorado Plumbing Code.

- c. *De minimis Impact.* Projects with *de minimis* impacts are:
 - i. New construction of a single-family detached dwelling unit on an infill residential lot, provided that the Water Reservation (or Water Allocation, if a Water Reservation is not made) does not exceed 0.6 acre-feet per year.²
 - ii. Establishment of a commercial or industrial use that meets the vision of the Town of Frederick Comprehensive Plan on an infill nonresidential lot, provided that the Water Reservation (or Water Allocation, if a Water Reservation is not made) does not exceed 1.8 acre-feet per year.

6. Expiration of Water Reservations and Water Allocations.

- a. *Expiration of Water Reservations.* Water Reservations, or portions thereof, that are not converted to Water Allocations during the Reservation Term set out in the Water Reservation and Allocation Agreement will expire, and shall thereafter be returned to the Water Bank.
- b. *Expiration of Water Allocations.* Water Allocations, or portions thereof, that are not timely applied by way of Initiation of Water Use as provided in the Water Reservation and Allocation Agreement (or if silent, the Town Code) will expire, and shall thereafter be returned to the Water Bank.

7. Review and Amendment.

- a. *Annual and Periodic Review.* The Board intends to review the goals, standards, and procedures contained in the Policy in January of each year, and at other times as the Board determines appropriate (e.g., upon acquisition of additional water supply).

² For the purposes of this subsection 4.c., Infill means the development or redevelopment of one undeveloped or underutilized lot that has been platted for a period of at least 5 years that is within a subdivision within which at least 80 percent of the lots are developed, that is not already subject to an agreement with the Town that addresses the dedication of water to the Town or the payment of fee-in-lieu for same (e.g., a Water Reservation and Allocation Agreement, MOAPI, or other comparable agreement), and where water, sewer, electric, gas, and phone utilities and street access are adjacent to the subject lot and other public services and facilities are available nearby. New designated private landscaped amenities are also considered infill as they are permanent uses for vacant lots.

- b. *Amendment.* Upon review, the Board may amend this Policy by resolution as it determines appropriate.

Sec. 13-2-230. Dedications for infill or special circumstances.

An annual cash-in-lieu allowance may be set by resolution by the Board of Trustees. The Board of Trustees by resolution may delegate the authority to accept cash-in-lieu water rights or shares for the following limited purposes:

- (a) Water dedication requirement per one (1) single-family residential infill lot;
- (b) Water dedication requirement per one (1) commercial/industrial lot, not to exceed 1.8 AF.
- (c) Or as a project aligns with the goals of the strategic plan adopted by the Board of Trustees.

Such authority may be limited to a total number of dedications per year, total number of acre-feet per year, or other restrictions as determined by the Board of Trustees to ensure an adequate and stable supply of water to all Town water users, to ensure the financial stability of the Town water utility and to promote the general welfare of the public. (Ord. 1387 §1, 2023)

The Frederick Municipal Code is current through Ordinance 1391, passed December 12, 2023.

Disclaimer: The Town Clerk's Office has the official version of the Frederick Municipal Code. Users should contact the Town Clerk's Office for ordinances passed subsequent to the ordinance cited above.

[Town Website: www.frederickco.gov](http://www.frederickco.gov)

[Town Telephone: \(720\) 382-5500](tel:(720)382-5500)

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Built On What Matters

TOWN OF FREDERICK

Board of Trustees

Staff Report

Tracie Crites, Mayor

Kevin Brown, Mayor Pro Tem
Dan March, Trustee
Mark Lamach, Trustee

Adam Mahan, Trustee
Windi Padia, Trustee
Chad teVelde, Trustee

Ordinance No. 1402 Update to Municipal Code Chapter 18, Article IV, Design Standards and Construction Specifications

Agenda Date: Board of Trustees January 14 , 2025

Attachments: 1. a. Ordinance 1402

Reviewed By: Tricia David, Town Clerk

Action Type

1) Legislative: Actions that relate to subjects of a long term and general applicability; such as the passing of ordinances/resolutions/policies/etc.

Strategic Plan Alignment:

Strategic, Reliable & Sustainable Infrastructure: Keeping the Town's Design Standards and Constructions Specifications in line with current industry best practices supports the strategic goal of Strategic, Reliable, and Sustainable Infrastructure.

Summary Statement:

The proposed change to Municipal Code Chapter 18, Article IV will permit administrative updates to the Design Standards and Construction Specifications. This update will allow for more flexibility to keep up with industry standard and best practices.

Detail of Issue/Request:

The purpose of the Town's Design Standards and Construction Specifications is to establish a comprehensive framework of guidelines that ensure the consistency, quality and integrity of construction, materials, usage and maintenance for public improvements. These include, but are not limited to, concrete, streets, utility installation, stormwater management and landscaping. All improvements must comply with the established requirements outlined in the Design Standards and Construction Specifications. Historically, the Town has codified amendments to these standards, a practice that differs from the approach taken by many municipalities, which typically update their standards administratively. This proposed change to the Municipal Code will allow staff to administratively approve updates to the Design Standards and Construction Specifications as required.

Legal Comments:

Draft code language and the Ordinance were prepared by the Town Attorney's Office.

Alternatives/Options

Approval: I move that Ordinance Number 1402, amending Municipal Code Chapter 18, Article IV be approved.

Approval with changes: I move that Ordinance Number 1402, amending Municipal Code Chapter 18, Article IV be approved with the following changes

No Action: I move to take no action on Ordinance Number 1402.

Financial Considerations

Not Applicable

Staff Recommendation

Staff recommends that the Board approve Ordinance 1402, adopting the code amendment.

Community Impact

Approval of this code amendment allowing for administrative updates to the Town's Design Standards and Construction Specifications will allow staff to ensure that the Town continues to provide standards that are in line with industry best practices, which support the creation of safe and reliable infrastructure.

TOWN OF FREDERICK, COLORADO
ORDINANCE NO. 1402

AN ORDINANCE OF THE TOWN OF FREDERICK, COLORADO TO AMEND THE
FREDERICK LAND USE CODE TO UPDATE LANDSCAPING PROVISIONS AND
PROVIDE RELATED DEFINITIONS BY AMENDING SECTION 1.15, DEFINITIONS, AND
SECTION 2.14, LANDSCAPE DESIGN, AND PROVIDING FOR REPEALER,
SEVERABILITY, AND EFFECTIVE DATE.

WHEREAS, the Town of Frederick is a statutory municipality created and organized pursuant to Title 31, Colorado Revised Statutes; and,

WHEREAS, the Town of Frederick has authority, pursuant to Colorado Revised Statutes § 31-15-401, *et seq.*, and C.R.S. § 31-15-601, *et seq.*, to exercise its police powers to promote and protect the health, safety, and welfare of the community and its inhabitants; and,

WHEREAS, the Town of Frederick is in the process of revising its Municipal Code; and

WHEREAS, the Town of Frederick has researched and studied current best practices for Design Standards and Construction Specifications; and,

WHEREAS, as a result of these efforts, the Town of Frederick has determined that it must adjust its standards addressing its Design Standards and Construction Specifications.

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE
TOWN OF FREDERICK, WELD COUNTY, COLORADO, AS FOLLOWS

Section 1. Chapter 18, Article IV, is hereby repealed in its entirety and reenacted to read as follows:

Sec. 18-91. Standards and specifications adopted.

There is adopted, by reference, a code entitled the Frederick Design Standards and Construction Specifications to have the same force and effect as though set forth in this chapter in every particular. Said code may be updated and amended from time to time by the Town Engineer for clarification, industry updates, or easier interpretation. Any changes made by the Town Engineer shall be automatically incorporated into the current edition of the Frederick Design Standards and Construction Specifications and are hereby adopted.

Sec. 18-92. Violations; penalties.

Any person, firm or corporation who shall alter or change these Design Standards, except in the manner prescribed in this Article, or who shall alter or tamper with the Code in any manner so as to cause the ordinances of the Town to be misrepresented thereby, shall, upon conviction thereof,

be punishable as provided in Enforcement section of Frederick Design Standards and Construction Specifications Section 102.03, as amended. (Ord. 939 § 1, 2007)

Sec. 18-93. Interpretation.

(a) In their interpretation and application, the provisions of the Town's Design Standards shall be held to be minimum requirements adopted for the promotion of the public health, safety and welfare.

(b) Whenever the requirements of these Design Standards are in conflict with the requirements of any other ordinance, rule, regulation, private covenant or deed restriction, the more restrictive or that imposing the higher standards shall govern. (Ord. 939 § 1, 2007)

(c) These STANDARDS AND SPECIFICATIONS are composed of written engineering standards, materials specifications and Detail Drawings. The interpretation of any Section, or of any difference between Sections, when appropriate, shall be made by the Town Engineer, and his/her interpretation shall be binding and controlling in its applications.

Sec. 18-94. Titles and headings not part of legislation.

Section titles and headings and other divisions in the Design Standards or in supplements made to the Design Standards are inserted in the Design Standards and may be inserted in supplements to the Design Standards for the convenience of persons using the Design Standards and are not part of the Design Standards. (Ord. 939 § 1, 2007)

Sec. 18-95. Severability.

If any section, subsection or provision of the Design Standards or the application thereof to any person or circumstances is declared unconstitutional or otherwise invalid by any competent court, the remainder of the Design Standards shall continue in full force and effect, it being the intent of the Board of Trustees that the Design Standards would have been adopted even if such unconstitutional or invalid matter had not been included herein. It is further declared that if any section, provision or part of the Design Standards or the application thereof to any person or circumstances is held invalid, the remainder of the Design Standards and the application thereof to other persons or circumstances shall not be affected thereby. (Ord. 939 § 1, 2007)

Sec. 18-96. Copy on file.

At least one copy of the current edition of the Frederick Design Standards and Construction Specifications, as adopted, is on file in the office of the Town Clerk and may be inspected during regular working business hours. In addition, an electronic copy is available to the public and may be downloaded free of charge on the Frederick website.

Sec. 18-97—18-120. Reserved.

Section 3. Codification Amendments. The codifier of the Frederick Land Use Code is hereby authorized to make such numerical and formatting changes as may be necessary to incorporate the provisions of this ordinance into the Frederick Land Use Code.

Section 4. Repealer. All ordinances or resolutions, or parts thereof, in conflict with this Ordinance are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such ordinance nor revive any ordinance thereby.

Section 5. Severability. If any part, section, subsection, sentence, clause, or phrase of this Ordinance is for any reason held to be invalid, such invalidity shall not affect the validity of the remaining sections of the Ordinance. The Board of Trustees hereby declares that it would have passed the Ordinance including each part, section, subsection, sentence, clause, or phrase thereof, irrespective of the fact that one or more parts, sections, subsections, sentence, clauses, or phrases be declared invalid.

Section 6. Effective Date. This Ordinance shall be published and become effective as provided by law.

Section 7. Necessity. The Board of Trustees of the Town of Frederick finds that this Ordinance is necessary for the immediate preservation and protection of the health, safety, welfare, and property of the inhabitants and owners of property in the Town of Frederick.

Section 8. Certification. The Town Clerk shall certify the passage of this Ordinance and make not less than one copy of the adopted Code available for inspection by the public during regular business hours.

INTRODUCED, READ, PASSED, ADOPTED AND ORDERED PUBLISHED THIS ____
DAY OF _____, 2025.

ATTEST:

TOWN OF FREDERICK

By:

By:

Town Clerk

Tracie Crites, Mayor



Built On What Matters

TOWN OF FREDERICK

Board of Trustees

Staff Report

Tracie Crites, Mayor

Kevin Brown, Mayor Pro Tem
Dan March, Trustee
Mark Lamach, Trustee

Adam Mahan, Trustee
Windi Padia, Trustee
Chad teVelde, Trustee

Resolution 25-R-07 2025-2026 Strategic Plan Adoption

Agenda Date: Board of Trustees January 14 , 2025

Attachments:

1. 25-R-07 2025-2026 Strategic Plan Adoption Resolution
2. Strategic Plan - 8.5 x 11 resized

Reviewed By: Tricia David, Town Clerk

Action Type

1) Legislative: Actions that relate to subjects of a long term and general applicability; such as the passing of ordinances/resolutions/policies/etc.

Strategic Plan Alignment:



EFFECTIVE, EFFICIENT & STRATEGIC GOVERNMENT OPERATIONS - As an employer of choice, the Town of Frederick will lead the region in a culture of efficiency, innovation, and strategic partnerships in all municipal services to far exceed the community's expectations and exemplify the fact that Frederick is Built on What Matters, its people.



COMMUNITY AND ECONOMIC VITALITY– Frederick is a community that fosters economic, recreational, cultural, and environmental vitality and builds upon and enhances a variety of economic opportunities.



DYNAMIC, INCLUSIVE & CONNECTED COMMUNITY– Frederick is represented by diverse nonprofit, cultural, business, and geographic participation. Residents actively engage in activities and initiatives; they are encouraged and supported to address important community needs and issues.



STRATEGIC, RELIABLE & SUSTAINABLE INFRASTRUCTURE– Frederick is dedicated to investing in existing and future transportation, water, storm water, and technology while planning for sustainable growth and development.



SAFE & SECURE– Residents of Frederick experience safety and peace of mind knowing they live in the safest community in Colorado.



FISCALLY RESPONSIBLE GOVERNANCE– The Town of Frederick plans for, identifies, leverages, and utilizes resources that reflect exemplary stewardship for those who live in Frederick and those who will seek out Frederick in the future.

Summary Statement:

This is a request to consider the adoption of the 2025-2026 Strategic Plan. This document reflects the work efforts over the last year in order to ensure responsible and sustainable delivery of critical services to the community.

Detail of Issue/Request:

Starting in 2021, the Board has adopted a Strategic Plan in an effort to provide policy direction and to prioritize those items that are of greatest significance to meeting the needs of a growing community. The plan is meant to reflect the voices of the community, their needs, goals and objectives going forward.

That plan has been reviewed and modified/updated annually as a means of removing items that are completed, adjusting existing items or adding new items to the plan. This review of the plan was the basis for the recently adopted Fiscal Year 2025 Budget as the budget is set up as a program based budget, organizing funding around the six strategic planning focus areas. Over the course of the last year, the strategic plan has served as a guidepost for nearly everything the Town does and every service the Town provides to the community. Quarterly updates have been provided to the Board on the status on each item contained within the plan. In addition, in 2024, the Town developed and implemented a public facing dashboard providing transparency into the progress of each item contained within the plan. This plan, along with its regular status updates continue to be serve as discussion points in various community outreach efforts such as the Community Tour & Talk program.

This is a request to formally adopt the 2025-2026 Strategic Plan. In the summer and fall of 2024, the Board met over a series of mini-retreats to reflect on progress made and provide Staff with guidance on desired adjustments going forward. Since the premise of strategic planning is to create a long term strategy rather than start from scratch each year, the purpose of the proposed 2025-2026 Strategic Plan is to refine the work from the previous year, rather than engaging in a wholesale re-write. Some of the key highlights of the plan are listed below:

- The six focus areas are proposed to remain the same, however, the descriptions of some have been adjusted based on feedback received. If approved, subsequent Staff Reports and other formal requests referencing the Strategic Plan focus areas will be revised to reflect the adopted plan language.
- The following items have been removed because they have been completed and/or are part of our typical work plan.
 1. Completing the Comprehensive Land Use Plan.
 2. Breaking ground on the Silverstone Marketplace anchored by a large format grocery store.
 3. Completion of multiple studies related to maintaining sustainable and reliable water and storm water infrastructure.
 4. Launching the strategic plan public dashboard.
 5. Developing a better way to track/manage CIP projects.
- Some items have become more broad and strategic in nature.
- A couple of items have been combined because of how those items interrelate to each other.
- Emphasis has been added regarding celebrating and prioritizing the downtown in all ways.

Looking forward to 2025, Staff plan to continue the internal and external communications established originally in 2022 will adjust the public facing dashboard to reflect this updated plan along with all associated action plans that are currently being developed by Staff.

Legal Comments:

The resolution for this item has been reviewed by the Town Attorney's Office.

Alternatives/Options

The Board of Trustees may choose not to approve this 2025-2026 Strategic Plan. This alternative is not recommended as Staff believes this plan reflects the consensus of the group with their input over the last several months. Further, adopting a Strategic Plan will greatly aid in the budget process by aligning resources to the Strategic Plan.

Alternatively, the Board could choose to modify this plan and then adopt the plan with those modifications. Should this alternative be desired, the Board may choose to suggest those edits or changes it sees fit and adopt the Strategic Plan with those

friendly edits.

A third alternative is to delay the adoption of this plan to a later date. This alternative is not recommended as the 2025 budget has been recently adopted with this draft plan in mind. Additionally, Staff have already been working on their implementation plans based on the adoption of the 2025 budget in anticipation of commencing work as soon as possible. Delaying adoption of the Strategic Plan would necessarily put a "pause" on these work efforts until a plan is officially adopted.

Financial Considerations

The Fiscal Year 2025 Budget, adopted in December 2024, was developed with this proposed Strategic Plan in mind. Any financial considerations have been incorporated into the adopted budget.

Staff Recommendation

Staff recommends adoption of Resolution No. 25-R-07 in substantially the same form as presented. This is based on the feedback provided to Staff at multiple mini-retreats, the recently adopted budget and feedback from the Town Manager's Office.

Community Impact

The impact to the community is significant. Indeed, the very purpose of adopting a Strategic Plan is to reflect the will and needs of the community through the plan. Careful thought and attention has been placed to ensure those needs are easily identifiable throughout the plan.

TOWN OF FREDERICK, COLORADO

RESOLUTION NO. 25-R-07

**A RESOLUTION OF THE TOWN OF FREDERICK, COLORADO APPROVING AND
ADOPTING THE 2025-2026 STRATEGIC PLAN**

WHEREAS, The Board of Trustees adopted its first Strategic Plan in 2021; and

WHEREAS, the Board of Trustees has subsequently updated and re-adopted the Strategic Plan annually; and

WHEREAS, the Board of Trustees met with Staff in multiple strategic planning mini-retreats during the summer and fall of 2024; and

WHEREAS, the Town of Frederick developed and utilizes a Strategic Plan for the purpose of identifying Trustee priorities and goals, and to ensure a unified direction as a guidance to the Town Manager and Town Staff for priority projects and budget development; and

WHEREAS, the Strategic Planning mini-retreats resulted in further refining the Strategic Plan for 2025-2026, the text of which is attached hereto and incorporated herein by reference; and

WHEREAS, the Town of Frederick Strategic Plan for 2025-2026 will serve as a guide for the development of the Fiscal Year 2025 Budget, with a commitment to keeping the Strategic Plan active and updated in order to meet the needs and demands of a growing community.

NOW THEREFORE, BE IT RESOLVED by the Board of Trustees of the Town of Frederick, Colorado that:

Section 1. The Board of Trustees hereby approves the Town of Frederick Strategic Plan for 2025-2026, and hereby adopts the same as the official Strategic Plan for the Town of Frederick.

Section 2. Effective Date. This resolution shall become effective immediately upon adoption.

Section 3. Repealer. All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such resolution nor revive and resolution thereby.

Section 4. Certification. The Town Clerk shall certify to the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

INTRODUCED, READ, PASSED, AND ADOPTED THIS 14TH DAY OF JANUARY 2025.

ATTEST:

By _____
Tricia David, Town Clerk

By _____
Tracie Crites, Mayor



2025-2026 STRATEGIC PLAN

Mission Statement:

Our Mission is to foster an exceptional and inclusive community that is *Built On What Matters*.

Values:

We are FRED
(Family, Respect, Empowerment, Dedication)



Effective, Efficient & Strategic Government Operations

As an employer of choice, the Town of Frederick will lead the region in a culture of efficiency, innovation, and strategic partnerships in all municipal services to far exceed the community's expectations and exemplify the fact that Frederick is Built on What Matters, its people.

- 1.1 Develop and implement a strategy for delivering a parks, streets and downtown "win" including assessing available political capital.
- 1.2 Complete an update to the Municipal Code in connection with 2.5 below.



Community & Economic Vitality

Frederick is a community that fosters economic, recreational, cultural, and environmental vitality and builds upon and enhances a variety of economic opportunities. Frederick celebrates its downtown and regards it as a gem in the region.

- 2.1 Create a funding strategy to facilitate the implementation of the Frederick Recreation Area Master Plan.
- 2.2 Continue implementing our retail attraction strategy to target regional and destination opportunities, traditional and non-traditional retailers, hospitality, and sit-down eating establishments.
- 2.3 Begin implementation of revitalization strategies for the downtown with "gazelle like" energy to include short-term, mid-term and long-term projects.
- 2.4 Complete the Downtown Plan by mid 2025.
- 2.5 Continue work on updating the Land Use Code in connection with 1.2 above.



Dynamic, Inclusive & Connected Community

Frederick is represented by diverse nonprofit, cultural, business, and geographic participation. Residents actively engage in activities and initiatives; they are encouraged and supported to address important community needs and issues.

- 3.1 Implement new ways to increase accessibility for public engagement including both traditional and non-traditional means.
- 3.2 Foster and improve the quality of our relationships with all regional partners seeking ways to collaborate and leverage resources.



Strategic, Reliable & Sustainable Infrastructure

Frederick is dedicated to investing in existing and future transportation, water, storm water, and technology while planning for sustainable growth and development.

- 4.1 Develop a funding strategy for implementation of the Facilities Master Plan.
- 4.2 Create a rolling five-year Capital Improvement Plan that prioritizes the impacts and needs of the community inclusive of a comprehensive communication strategy for each project.



Safe & Secure

Residents of Frederick experience safety and peace of mind knowing they live in the safest community in Colorado for sustainable growth and development.

- 5.1 Continue efforts to implement commitments made resulting from the public safety sales tax initiative.



Fiscally Responsible Governance

The Town of Frederick plans for, identifies, leverages, and utilizes resources that reflect exemplary stewardship for those who live in Frederick and those who will seek out Frederick in the future.

- 6.1 Create and implement a long-term financial model for the Town taking into account exist needs as well as planning for the future needs of the community.
- 6.2 Demonstrate excellence in public stewardship through updating critical policies (i.e. personnel, procurement and financial policies) including developing a schedule for providing routine, timely updates to keep current with changing laws, trends and practices.



Built On What Matters

TOWN OF FREDERICK

Board of Trustees

Staff Report

Tracie Crites, Mayor

Kevin Brown, Mayor Pro Tem
Dan March, Trustee
Mark Lamach, Trustee

Adam Mahan, Trustee
Windi Padia, Trustee
Chad teVelde, Trustee

Resolution 25-R-09 Consideration of a Request for QuikTrip's Monument Sign Variance

Agenda Date: Board of Trustees January 14 , 2025

Attachments:

1. Applicant Letter of Intent and Exhibits
2. Resolution 25R09 Granting QuikTrip Variance
3. Resolution 25R09 Granting QuikTrip Variance WITH CONDITIONS
4. Resolution 25R09 Denying QuikTrip Variance

Reviewed By: Jason Leslie, Deputy Town Manager

Action Type

3) Quasi-Judicial: Actions of a specific nature or impact to a property interest that require an evidentiary hearing; such as land use applications; may be approved by ordinance or resolution as applicable.

Strategic Plan Alignment:



COMMUNITY AND ECONOMIC VITALITY– Frederick is a community that fosters economic, recreational, cultural, and environmental vitality and builds upon and enhances a variety of economic opportunities.

Summary Statement:

For properties fronting Highway 52, our Land Use Code Section 7, Table 7.12(1) Detached Permanent Signs allows monument signs with a maximum height of 20 feet.

The proposed location of QuikTrip's monument sign is approximately 16 feet below the existing grade of the adjacent roadway (Highway 52). With that, the applicant is requesting a monument sign with a height of 64 feet, measured at the grade of Highway 52.

Additionally, the applicant is requesting an increased sign area. Land Use Code Section 7, Table 7.12(1) Detached Permanent Signs measure maximum sign area for the Mixed-Use Highway 52 zone district by 1 square foot per 2 linear feet of frontage for the first 100 feet, then 1 square foot per 4 linear feet of frontage. Lot 5 of the Ashton Commons Minor Subdivision has 508.64 linear feet of frontage along Highway 52. The code strictly permits a sign area of 152.16 square feet. The applicant is requesting a sign area of 925 square feet. This includes a 147 square foot 'Town of Frederick' sign, 4 separate future tenant signs that are approximately 70 square feet each, as well as the QuikTrip sign measured at 362.59 square feet, and LED gas pricer measured at 135 square feet. The sign is proposed to be entirely privately funded and constructed.

Detail of Issue/Request:

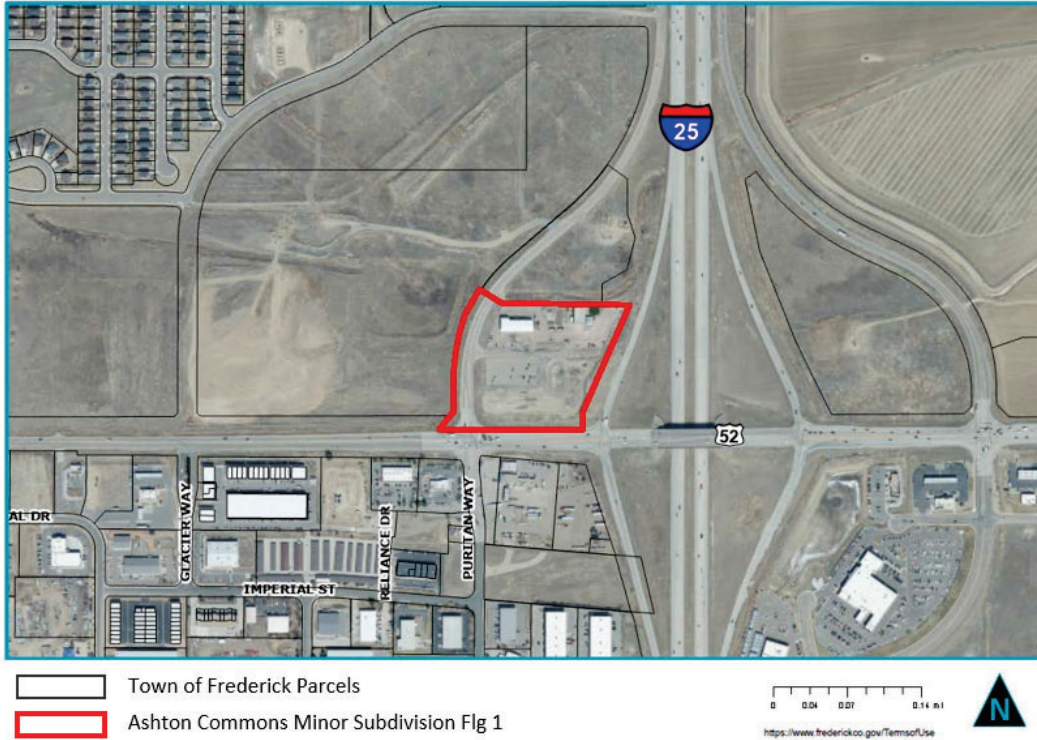
Applicant: Brittany Sikorski, Real Estate Project Manager for QuikTrip Corporation

Owner: Colorado Department of Transportation (CDOT)

Location and Zoning: This property is located within the approved Ashton Commons Minor Subdivision at the northwest corner of Highway 52 and I-25. The property is zoned Mixed-Use Highway 52 (C-H52) and is ~2.91 acres in size. *See Vicinity Map below.*



Ashton Commons Minor Subdivision Vicinity Map



Surrounding Land Uses and Zoning:

North:

- Land Use: Vacant- Unplatted, part of Wyndham Hill Annexation
- Zoning: Mixed Use Highway 52 (C-H52) w/ Planned Unit Development (PUD) Overlay

South:

- Land Use: Exxon Mobile and Rumbo 52 Cocina & Cantina
- Zoning: Mixed Use Highway 52 (C-H52)

West:

- Land Use: Vacant- Wyndham Hill Filing 4
- Zoning: Mixed Use Highway 52 (C-H52) w/ Planned Unit Development (PUD) Overlay

East:

- Land Use: Vacant- Nelson Farm Subdivision
- Zoning: Employment District (C-E)

Historic Background Information:

The subject property, currently owned by CDOT, was annexed into the Town of Frederick in 2021 as part of the Park N Ride Annexation. The CDOT property is in the process of being platted into 5 lots under the name Ashton Commons Minor Subdivision Filing No. 1. The Minor Subdivision was approved in 2021, and the Memorandum of Agreement for Public Improvements (MOAPI) is currently being drafted between the applicant and staff and will be scheduled before the Board of Trustees for consideration. Pending the approval of the Ashton Commons Minor Subdivision Filing No. 1 MOAPI, QuikTrip has proposed a new single-story convenience store and gas station with detached pumps. The QuikTrip is slated to be located on Lot 5 of the Ashton Commons Minor Subdivision, leaving 4 additional commercial lots open for future development.

Request:

The applicant is requesting relief from Land Use Code section 7.12, Table 7.12(1) Detached Permanent Signs, which defines the number of monument signs permitted, maximum sign area, setbacks and maximum sign height per zone district. QuikTrip is proposing a detached monument sign that is 80 feet in height in total. Per Land Use Code Section 7.6.2.b, where the abutting street is significantly higher than the property upon which the sign is located, the height of the sign shall be measured from the average elevation of the portion of the street that abuts the property upon which the sign is to be installed to the top of the sign structure. QuikTrip's property sits 16 feet below grade, with that, the height of the proposed detached monument sign is 64 feet, measured from the grade of Highway 52, whereas the Land Use Code strictly permits a maximum sign height of 20 feet for signs located along Highway 52.

The applicant is asking for a 64-foot-tall monument sign so that it may be visible from I-25 to allow potential customers to see the monument sign and have enough decision time to make a safe maneuver to exit the highway and visit their future store.

The applicant is also requesting the total sign area be 925 square feet and will incorporate the Town of Frederick logo as well as create advertising sign space for the future 4 commercial lots within Ashton Commons Minor Subdivision. This will limit the number of monument signs at this specific corner to create more organized and cohesive messaging.

Pending Board of Adjustment's approval, the applicant will be required to apply for a sign permit at which time the height, square footage, design, and location will be reviewed by Town Staff.

Review Criteria:

Section 4.7.7.f of the Town of Frederick Land Use Code sets forth the following review criteria for the proposed Variance request;

(1) That there are unique physical circumstances or conditions such as irregularity, narrowness or shallowness of the lot, or exceptional topographical or other physical condition particular to the affected property;

Staff Response: The QuikTrip lot, pending approval of the MOAPI and Final Plat, shall sit 16 feet below the average grade of Highway 52 which does create a visual constraint of potential signage.

(2) That, because of these unique physical circumstances or conditions, the property cannot be reasonably developed or used in compliance with the provisions of this Code;

Staff Response: If the monument sign height strictly met the Code, it's possible the sign would not be visible or very hard to detect from Highway 52 and I-25, which could hinder customer visits to QuikTrip and the other 4 platted commercial lots.

(3) That, due to such unique physical circumstances or conditions, the strict application of this Code would create a demonstrated hardship;

Staff Response: If the monument sign height strictly met the Code, it's possible the sign would not be visible or very hard to detect from Highway 52 and I-25, which could hinder customer visits to QuikTrip and the other 4 platted commercial lots.

(4) That the demonstrable hardship is not self-imposed;

Staff Response: The low grade of the five commercial platted lots was not created by the applicant.

(5) That the variance, if granted, will not adversely affect the proposed development or use of adjacent property or neighborhood;

Staff Response: The variance, if granted, would promote QuikTrip's business as well as future tenants of the four adjacent commercial lots. The height and potential location of the sign will not hinder adjacent businesses along the northern mile stretch from the Highway 52/I-25 intersection to Aggregate Boulevard as these will, currently, be the only platted commercial lots north of Highway 52. This sign will be highly visible from Wyndham Hill subdivision. However, Staff does not foresee the sign blocking any western views for adjacent property owners.

(6) That the variance, if granted, will not change the character of the zoning district in which the property is located;

Staff Response: Staff believes that the sign will not change the character of the zoning district as Glacier Business Park is zoned both Industrial (I) and Business Light Industrial (BLI) and also allows commercial monument signs along Highway 52.

(7) That the variance, if granted, is in keeping with the intent of this Code; and

Staff Response: The variance request goes above what the Land Use Code allows as the monument sign, if permitted, would be 44 feet higher than what Code strictly allows. However, given the grade of the site(s), the variance request allows more opportunity for visibility for this area's future businesses.

(8) That the variance, if granted, will not adversely affect the health, safety or welfare of the citizens of the Town.

Staff Response: Staff believes that, if granted, the 64' tall monument sign will not adversely affect the health, safety or welfare of Frederick's citizens.

Public Notice:

This project was properly noticed according to the requirements found in C.R.S. §24-6-402(2)(c). A properly noticed neighborhood meeting was held on November 20, 2023. A local gas station owner and his associate attended the meeting. The gentlemen had comments regarding already existing gas stations, unnecessary competition between QuikTrip and the existing gas stations as well as congestion of traffic along Highway 52. Staff had informed the attendees that the plat and zoning for Ashton Commons were approved in 2021 and therefore a fueling station is a use by right at this location. There was no initial comment regarding the sign height variance request.

At the time of writing this staff report, no written or verbal public comment had been submitted to staff regarding the variance request.

Legal Comments:

The application has been reviewed by the Deputy Town Attorney and no outstanding comments or concerns have been identified.

Alternatives/Options

Approval: I move to approve Resolution No. 25-R-09, which approves the QuikTrip Monument Sign Variance Request.

Approval with Conditions: I move to approve Resolution No. 25-R-09, which approves the QuikTrip Monument Sign Variance Request with the following conditions: (list conditions)

Denial: I move to deny Resolution No. 25-R-09, which denies the QuikTrip Monument Sign Variance Request.

Financial Considerations

Not Applicable.

Staff Recommendation

Staff recommends approval of the variance request.

The Town's Sign Code does not require monument signs to have a stone base or other elevated design features. Staff would suggest the Board of Adjustments add conditions

of approval to ensure an elevated sign design be submitted come time for the sign permit application. Specifically, staff recommends conditions of approval to include a stone monument sign base matching the approved QuikTrip store's stone as well as wrapping the monument sign's columns in the same stone.

Community Impact

This proposal will not have a significant impact on the community given that the location of the proposed monument sign is adjacent to mixed-use commercial, industrial, and business light industrial zoned properties. A benefit of this proposal is the monument sign will have the Town of Frederick logo to provide wayfinding for travelers utilizing Highway 52 and I-25.

SIGN HEIGHT VARIANCE REVIEW CRITERION

To: Maureen Welsh, AICP
Planner II | Town of Frederick

From: Coy Williams
Kimley-Horn and Associates, Inc

Date: November 18, 2024

Subject: Sign Height Variance Request for QuikTrip #4218
Northeast Corner of Highway 52 and I-25 Frontage Road

REQUIREMENTS BY CODE

Per Section 7.12 of the Frederick Land Use Code, primary monument signs are allowed a maximum sign height of 5% of frontage plus 5 feet for signs located along Hwy-52 Frontage and height not to exceed 20 feet. For the QuikTrip #4218 Project Section 7.12 results in a maximum sign height of 20 feet. The applicant is requesting a multi-tenant monument sign height variance to allow a sign of up to approximately 80 feet in height measured from finished grade at the base of the sign.

Per Section 7.12 of the Frederick Land Use Code, primary monument signs are allowed a maximum sign area of 1 square foot per 2 linear feet of frontage for the first 100 feet of frontage, then 1 square foot per 4 linear feet of frontage. As the proposed sign will face Highway 52, the allowed sign area has been based upon the Highway 52 frontage length of the entire property, 508.64 feet. Based on the code, the maximum allowable sign area is approximately 152 square feet. The applicant is requesting a multi-tenant monument sign total area of approximately 925 square feet. Included in this total area, a Proposed "Welcome to Frederick" sign consists of approximately 147 square feet and 4 separate future tenant signs consist of approximately 70 square feet each (280 square feet). All signage will be privately funded and constructed.

VARIANCE REVIEW CRITERION

1. That there are unique physical circumstances or conditions such as irregularity, narrowness or shallowness of the lot, or exceptional topographical or other physical condition particular to the affected property;

Response: The proposed grade at the location of the sign is approximately 16 feet lower than the existing grade of the adjacent roadway, Highway 52, and approximately 15 feet lower than Interstate 25. This severe topographical condition presents a challenge for visibility and warrants the need for a taller sign that can be easily seen by drivers approaching the area in time to make a safe maneuver towards the site. As the site is located adjacent to the Hwy 52 exit from I-25, it is important to maintain safe stopping sight distances for the pass-by traffic to have enough time to see the sign, make a decision, and switch lanes to exit. The distance required for the decision to take the exit and slow from a design speed of 85 to 45 would require approximately 425 feet. The distance from the start of the exit to the proposed monument sign is approximately 1,600 feet. This makes the total distance from the time one must slow down to the proposed sign approximately 2,025 feet. Based on the experience of QuikTrip, an operator of over 1,000 stores, the proposed signage area is appropriate for the distance at which customers must recognize the sign in order to make the safe maneuver per the MUTCD Table 2C-4.

2. That, because of these unique physical circumstances or conditions, the property cannot be reasonably developed or used in compliance with the provisions of this Code;

Response: Fuel stations/convenience stores are, by nature, heavily weighted towards attracting pass-by traffic (i.e. traffic and cars that are already on the roadway network and are attracted to the store due to a need). Due to the nature of the use, a prominent monument sign is necessary for visibility in order to provide customers and community members with knowledge of the store. A taller and larger sign than allowed per the Code is necessary for safety as demonstrated in response to Criteria #1. Signage allowed under the Code provisions is likely to create a less safe development for community members and would likely hinder the ability to be used in compliance with the provisions of the Code.

3. That, due to such unique physical circumstances or conditions, the strict application of this Code would create a demonstrated hardship;

Response: The strict application of this Code states a maximum sign height of 20 feet and a maximum sign area of 152 feet. Based on the grades of the site and the speed at which vehicles are traveling on I-25, there would be a severe lack of visibility of the proposed sign that could create confusion for drivers leading to unsafe conditions. Please refer to responses under Criteria #1 and #2 for additional clarity.

4. That the demonstrable hardship is not self-imposed;

Response: Grading of the property is required to match the existing grade at the existing property line. The grades at the existing property line are not proposed to be changed. The extreme grade is an existing condition, the hardship is not self-imposed.

5. That the variance, if granted, will not adversely affect the proposed development or use of adjacent property or neighborhood;

Response: The location of the sign has been carefully chosen to ensure visibility without causing any known issues for nearby developable areas. Future tenant signs will be included on the same monument sign as well as a new "Welcome to Frederick" sign. As all future tenant signs are included on one monument sign it will increase the use of adjacent property and the new Town monument sign is hopeful to increase the ability for future neighborhood development. The proposed sign location has also been placed to avoid conflict with other neighboring signs high rise signs (south side of Hwy 52). The multi-tenant sign provided reduces the number of future high-rise signs in the area for the overall development as future high rise signs will not be permitted as part of this Variance approval. The granting of this variance is not anticipated to negatively impact the surrounding property or neighborhood.

6. That the variance, if granted, will not change the character of the zoning district in which the property is located;

Response: The proposed monument sign does not deviate from the established aesthetic, design elements, and character present in the surrounding properties and zoning district, which include multiple large pole mounted signs. Therefore, if granted, the variance will not alter the overall character of the zoning district in which the property is located.

7. That the variance, if granted, is in keeping with the intent of this Code; and

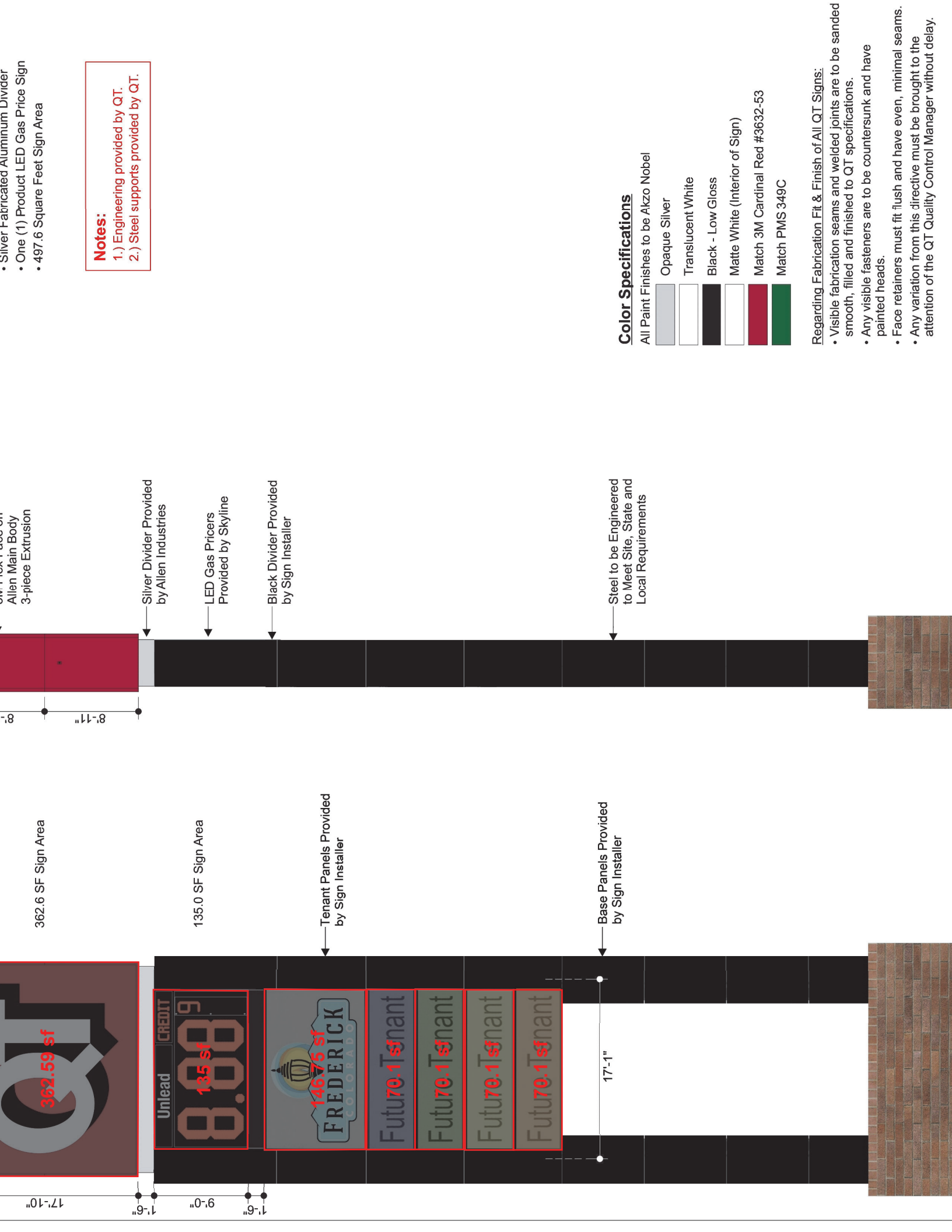
Response: The intent of this Code will be met with the proposed monument sign. The proposed sign will support safe maneuvers from the highway and interstate, provide adequate visibility for adjacent developments, and signage for the Town and adjacent developments. This variance will also aid in reducing the number of high-rise signs in the area by stacking on the proposed multi-tenant sign. Due to the high speeds and distance required to make a safe maneuver from the road that is being signed (I-25), the proposed sign height and square footage variance allows for the same effective visibility as the Code permits for typical roadway monument signage.

8. That the variance, if granted, will not adversely affect the health, safety or welfare of the citizens of the Town.

Response: The proposed sign is not anticipated to have adverse impacts on the health, safety, or welfare of the citizens of the Town. The Variance is expected to enhance safety by providing potential customers with increased reaction time to make appropriate maneuvers when exiting the highway or interstate, as well as increasing business, revenue, and jobs in the Town of Frederick.

We hope this memorandum assists in your review of the Sign Height and Square Footage Variance and supporting documentation. If you have any questions or comments during your review, please do not hesitate to contact me at 303-228-2332.

Sincerely,
Coy Williams



- Silver Fabricated Aluminum Divider
 - One (1) Product LED Gas Price Sign
 - 497.6 Square Feet Sign Area
- Notes:**
1.) Engineering provided by QT.
2.) Steel supports provided by QT.

Color Specifications

All Paint Finishes to be Akzo Nobel

	Opaque Silver
	Translucent White
	Black - Low Gloss
	Matte White (Interior of Sign)
	Match 3M Cardinal Red #3632-53
	Match PMS 349C

Regarding Fabrication Fit & Finish of All QT Signs:

- Visible fabrication seams and welded joints are to be sanded smooth, filled and finished to QT specifications.
- Any visible fasteners are to be countersunk and have painted heads.
- Face retainers must fit flush and have even, minimal seams.
- Any variation from this directive must be brought to the attention of the QT Quality Control Manager without delay.

Exhibit B*





Exhibit B*

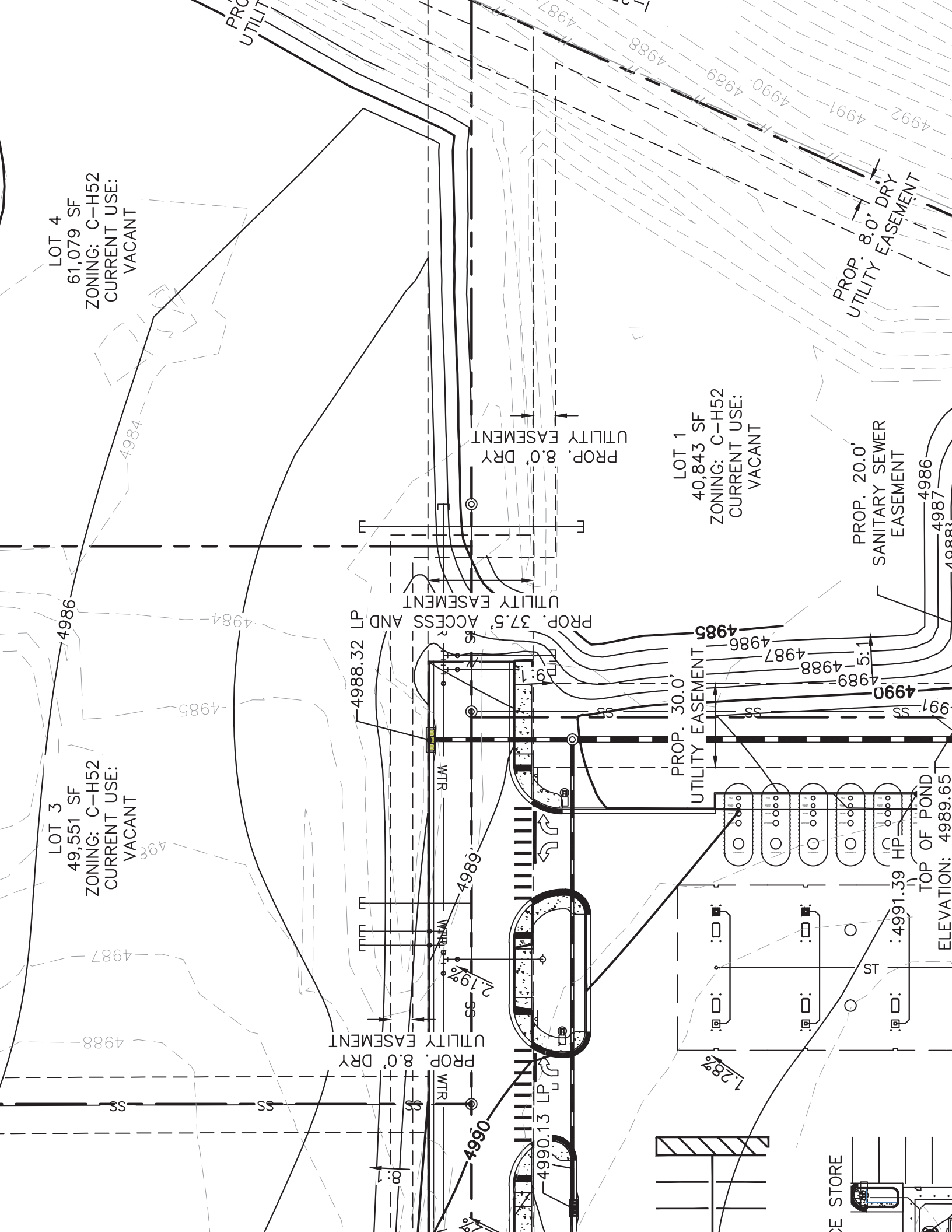


LOOKING SOUTH APPROACHING EXIT 235

Exhibit B*



LOOKING NORTH APPROACHING EXIT 235



**TOWN OF FREDERICK BOARD OF ADJUSTMENT
RESOLUTION NO. 25-R-09**

**A RESOLUTION OF THE TOWN OF FREDERICK BOARD OF ADJUSTMENT
APPROVING QUIKTRIP SIGN HEIGHT VARIANCE REQUEST**

WHEREAS, Town Land Use Code (“Code”) § 7.12 limits the height of primary monument signs for properties fronting Highway 52 within the Town to 20 feet high as well as limits the size of the primary monument sign for this specific property (Lot 5 Ashton Commons Minor Subdivision Filing No. 1) to 152.16 square feet; and

WHEREAS, the applicant, QuikTrip (“Applicant”), has submitted a request for a variance in sign height to the Board of Adjustment pursuant to Code § 4.7.7.c.(1), for a 64 foot tall monument sign, measured at grade of Highway 52, allowing sign space for a total of five (5) commercial lots within the Ashton Commons Minor Subdivision Filing No. 1 as well as requests a total primary monument sign square footage of 925 square feet to account for the proposed QuikTrip sign, LED Gas Pricer, Town of Frederick logo sign, and 4 future tenant sign spaces; and

WHEREAS, Applicant’s request is based upon the location of the sign site, 16 feet below the existing grade of the adjacent roadway (Highway 52), and visibility from I-25; and

WHEREAS, Applicant’s request addresses how the proposed sign will not be detrimental to the public good or impair the intent and purpose of the Code, pursuant to Code § 4.7.7.c.(1)(c), and will be consistent with the character of the neighboring area.

**BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF
FREDERICK, COLORADO, AS FOLLOWS:**

Section 1. Approval of QuikTrip Sign Height Variance.

a. **Approval of Variance.** The requested variance is approved.
Applicant’s primary monument sign may be up to 64 feet in height measured at grade of Highway 52 and the total size of the primary monument sign may be up to 925 square feet.

b. **Findings.** The Board of Adjustment makes the following findings in approving the variance, pursuant to Code § 4.7.7.f.(1) – (8):

- (1) That there are unique physical circumstances or conditions such as irregularity, narrowness or shallowness of the lot, or exceptional topographical or other physical condition particular to the affected property;
- (2) That, because of these unique physical circumstances or conditions, the property cannot be reasonably developed or used in compliance with the provisions of this Code;

- (3) That, due to such unique physical circumstances or conditions, the strict application of this Code would create a demonstrated hardship;
- (4) That the demonstrable hardship is not self-imposed;
- (5) That the variance, if granted, will not adversely affect the proposed development or use of adjacent property or neighborhood;
- (6) That the variance, if granted, will not change the character of the zoning district in which the property is located;
- (7) That the variance, if granted, is in keeping with the intent of this Code; and
- (8) That the variance, if granted, will not adversely affect the health, safety or welfare of the citizens of the Town.

Section 2. Effective Date. This resolution shall become effective immediately upon adoption.

Section 3. Repealer. All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such resolution nor revive any resolution thereby.

Section 4. Certification. The Town Clerk shall certify the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

INTRODUCED, READ, PASSED, AND ADOPTED THIS ____ DAY OF _____, 2025.

ATTEST:

TOWN OF FREDERICK

By _____
Tricia David, Town Clerk

By _____
Tracie Crites, Mayor

**TOWN OF FREDERICK BOARD OF ADJUSTMENT
RESOLUTION NO. 25-R-09**

**A RESOLUTION OF THE TOWN OF FREDERICK BOARD OF ADJUSTMENT
APPROVING QUIKTRIP SIGN HEIGHT VARIANCE REQUEST WITH
CONDITIONS**

WHEREAS, Town Land Use Code (“Code”) § 7.12 limits the height of primary monument signs for properties fronting Highway 52 within the Town to 20 feet high as well as limits the size of the primary monument sign for this specific property (Lot 5 Ashton Commons Minor Subdivision Filing No. 1) to 152.16 square feet; and

WHEREAS, the applicant, QuikTrip (“Applicant”), has submitted a request for a variance in sign height to the Board of Adjustment pursuant to Code § 4.7.7.c.(1), for a 64 foot tall monument sign, measured at grade of Highway 52, allowing sign space for a total of five (5) commercial lots within the Ashton Commons Minor Subdivision Filing No. 1 as well as requests a total primary monument sign square footage of 925 square feet to account for the proposed QuikTrip sign, LED Gas Pricer, Town of Frederick logo sign, and 4 future tenant sign spaces; and

WHEREAS, Applicant’s request is based upon the location of the sign site, 16 feet below the existing grade of the adjacent roadway (Highway 52), and visibility from I-25; and

WHEREAS, Applicant’s request addresses how the proposed sign will not be detrimental to the public good or impair the intent and purpose of the Code, pursuant to Code § 4.7.7.c.(1)(c), and will be consistent with the character of the neighboring area.

**BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF
FREDERICK, COLORADO, AS FOLLOWS:**

Section 1. Approval of QuikTrip Sign Height Variance with Conditions.

- a. **Approval of Variance.** The requested variance is approved with conditions. Applicant’s primary monument sign may be up to 64 feet in height measured at grade of Highway 52 and the total size of the primary monument sign may be up to 925 square feet.
- b. **Findings.** The Board of Adjustment makes the following findings in approving the variance, pursuant to Code § 4.7.7.f.(1) – (8):
 - (1) That there are unique physical circumstances or conditions such as irregularity, narrowness or shallowness of the lot, or exceptional topographical or other physical condition particular to the affected property;
 - (2) That, because of these unique physical circumstances or conditions, the property cannot be reasonably developed or used in

compliance with the provisions of this Code;

(3) That, due to such unique physical circumstances or conditions, the strict application of this Code would create a demonstrated hardship;

(4) That the demonstrable hardship is not self-imposed;

(5) That the variance, if granted, will not adversely affect the proposed development or use of adjacent property or neighborhood;

(6) That the variance, if granted, will not change the character of the zoning district in which the property is located;

(7) That the variance, if granted, is in keeping with the intent of this Code; and

(8) That the variance, if granted, will not adversely affect the health, safety or welfare of the citizens of the Town.

c. **Conditions.** The sign height variance must meet the following conditions:

Section 2. Effective Date. This resolution shall become effective immediately upon adoption.

Section 3. Repealer. All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such resolution nor revive any resolution thereby.

Section 4. Certification. The Town Clerk shall certify the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

INTRODUCED, READ, PASSED, AND ADOPTED THIS ____ DAY OF _____, 2025.

ATTEST:

TOWN OF FREDERICK

By _____
Tricia David, Town Clerk

By _____
Tracie Crites, Mayor

**TOWN OF FREDERICK BOARD OF ADJUSTMENT
RESOLUTION NO. 25-R-09**

**A RESOLUTION OF THE TOWN OF FREDERICK BOARD OF ADJUSTMENT
DENPINV GUIKTRIQSIVN HEIVHT , ARIANCE REGUEST**

WHEREAS, Town Land Use Code (“Code”) § 7.12 limits the height of primary monument signs for properties fronting Highway 52 within the Town to 20 feet high as well as limits the size of the primary monument sign for this specific property (Lot 5 Ashton Commons Minor Subdivision Filing No. 1) to 152.16 square feet; and

WHEREAS, the applicant, QuikTrip (“Applicant”), has submitted a request for a variance in sign height to the Board of Adjustment pursuant to Code § 4.7.7.c.(1), for a 64 foot tall monument sign, measured at grade of Highway 52, allowing sign space for a total of five (5) commercial lots within the Ashton Commons Minor Subdivision Filing No. 1 as well as requests a total primary monument sign square footage of 925 square feet to account for the proposed QuikTrip sign, LED Gas Pricer, Town of Frederick logo sign, and 4 future tenant sign spaces; and

WHEREAS Applicant’s request is based upon the location of the sign site, 16 feet below the existing grade of the adjacent roadway (Highway 52), and visibility from I-25; and

WHEREAS Applicant’s request addresses how the proposed sign will not be detrimental to the public good or impair the intent and purpose of the Code, pursuant to Code § 4.7.7.c.(1)(c), and will be consistent with the character of the neighboring area.

**BE IT RESOL, ED BP THE BOARD OF TRUSTEES OF THE TOWN OF
FREDERICKYCOLORADOYAS FOLLOWS:**

Section 1. Deniprovgail Tfiu Sikn Heikgt , pfipnce.

- a. **Deniprovg , pfipnce.** The requested variance is denied. Applicant’s primary monument sign height is limited to 20 feet measured at the average grade of the adjacent roadway and the size of the primary monument sign is limited to 152.16 square feet in total as set forth in Code.
- b. **Finhinkd** The Board of Adjustment makes the following findings in denying the variance, pursuant to Code § 4.7.7.f.(1) – (8):
 - (1) That there are not unique physical circumstances or conditions such as irregularity, narrowness or shallowness of the lot, or exceptional topographical or other physical condition particular to the affected property;
 - (2) That the property can be reasonably developed or used in compliance with the provisions of this Code without granting of the

variance request;

(3) That the strict application of this Code does not create a demonstrated hardship;

(4) That there is not demonstrable hardship, or the demonstrable hardship is self-imposed;

(5) That the variance, if granted, will adversely affect the proposed development or use of adjacent property or neighborhood;

(6) That the variance, if granted, will change the character of the zoning district in which the property is located;

(7) That the variance, if granted, is in not keeping with the intent of this Code; and

(8) That the variance, if granted, will adversely affect the health, safety or welfare of the citizens of the Town.

Section 2. Ewectise Dpte. This resolution shall become effective immediately upon adoption.

Section 3. Reuepref. All resolutions, or parts thereof, in conflict with this resolution are hereby repealed, provided that such repealer shall not repeal the repealer clauses of such resolution nor revive any resolution thereby.

Section 4. Cef tiviction. The Town Clerk shall certify the passage of this resolution and make not less than one copy of the adopted resolution available for inspection by the public during regular business hours.

**INTRODUCEDYREADYQASSEDYAND ADOQTED THIS ____ DAP OF
____ Y2025.**

ATTEST:

TOWN OF FREDERICK

By _____
Tricia David, Town Clerk

By _____
Tracie Crites, Mayor