


UTILITIES



Brighton Non-Potable Water Rates

CITY COUNCIL STUDY SESSION – September 27, 2022

City Staff Representatives: Scott Olsen, Assistant Director of Utilities

1

UTILITIES



Presentation Contents

- ▣ Background Information
- ▣ Non-Potable Rate Study (Willdan)
- ▣ Next Steps
- ▣ Further Discussion?




STRATEGIC FOCUS AREA
Financially Responsible



STRATEGIC FOCUS AREA
Supportive, Sustainable Infrastructure

2

UTILITIES




Background

- ▣ City agreed to complete a non-potable rate study in the Comprehensive Funding Agreement between the City and Prairie Center (THF)
- ▣ The rate study needed to be completed to further explore variables that contribute to the rate charged for non-potable water consumption (i.e. existing customer, future demand and use, cost to maintain/replace the system).
- ▣ As Council previously approved, JR Engineering is currently looking at irrigation demands and the amount of future development Lutz Reservoir will support


3

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NON-POTABLE WATER RATE STUDY

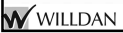
Presented by **Kevin Burnett**
Michael Cronan



4

PRESENTATION CONTENTS

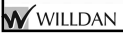
- Introduction
- Purpose of the study
- Background and assumptions
- Proposed Rates
- Questions and Discussion



5

PURPOSE OF THE STUDY

- Evaluate cost of providing non-potable water to current and future customers
 - Annual maintenance costs
 - Projected flows



6

BACKGROUND AND ASSUMPTIONS

- Non-potable will remain a component of the water utility
- Not a separate enterprise fund
 - Cost prohibitive to create a new enterprise fund without support from the water enterprise for capital costs
 - Non-potable system is intended to be a water saving incentive program to customers. A separate enterprise would render this goal unattainable
 - Debt repayment and major capital (Lutz pump station, irrigation lines) are already incorporated in water model and water rates

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7

7

BACKGROUND AND ASSUMPTIONS (CONT)

- Only direct costs are being recovered
 - Pipeline repair and maintenance \$125/LF, 50-year life
 - 10% more linear feet of pipes per year
 - Meter maintenance costs \$200 per meter
- Model is being provided to City staff
 - Costs can be updated and/or added (staff, equipment etc)
 - Linear feet of pipes can be adjusted
 - Timing and scale of development can be modified/adjusted

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8

8

BACKGROUND AND ASSUMPTIONS (CONT)

- New development is projected for:
 - Farmlore
 - Prairie Center
 - Bromley Farms
 - Case Farms
 - Other individual developments

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9

9

GROWTH PROJECTIONS

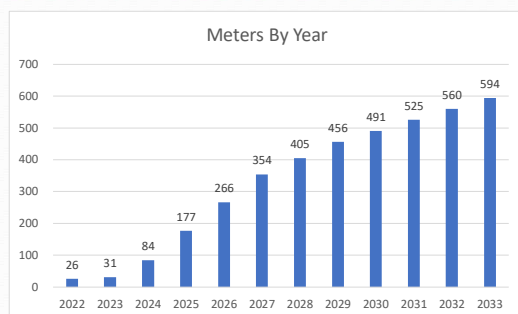
Area	Additional Meters
Farmlore	14
Prairie Center (Residential)	85
Prairie Center (Commercial)	340
Prairie Center (Irrigation)	2
Case Farms (Residential)	70
Cas Farms (Commercial)	12
LDS Church	1
27 th Avenue Median	1
Bromley Farms	43
Total	568

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10

10

GROWTH PROJECTIONS - METERS

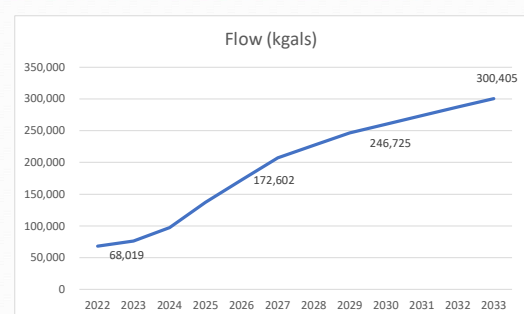


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11

11

GROWTH PROJECTIONS - FLOW



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12

12

NON-POTABLE RATE

Metric	2023
Annual Cost	\$199,882
Annual Flows	76,385,848
Rate \$/kgals	\$2.61

13

EXISTING VS PROPOSED RATES

Service	Rate
Non-Potable – Proposed 2023	\$2.61
Non-Potable – Existing	3.22
Two Meters – Indoor – Outdoor	4.90 8.42
Combined Meter	6.21

14

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QUESTIONS & DISCUSSION

15



Next Steps

- City staff will present an Ordinance for City Council's consideration in the coming weeks to have a new rate effective on January 1, 2023
- Input received from City Council tonight will be incorporate into that proposed Ordinance

16



Further Discussion?

Direction to place on future agenda?

17