



STUDY SESSION

TOWN BOARD

Tuesday, August 14, 2012

4:00 p.m.

**Rooms 202/203
170 MacGregor Ave.**

AGENDA

4:00 p.m. Stall Barn Discussion.

5:00 p.m. Policy Discussion

- **Utility Transfer**
- **Community Grant**
- **Catastrophic Loss Fund**

Future Agenda Items.

6:30 p.m. Meeting Adjourn – Prepare for Board Meeting.

NOTE: The Town Board reserves the right to consider other appropriate items not available at the time the agenda was prepared.



CONCEPT C

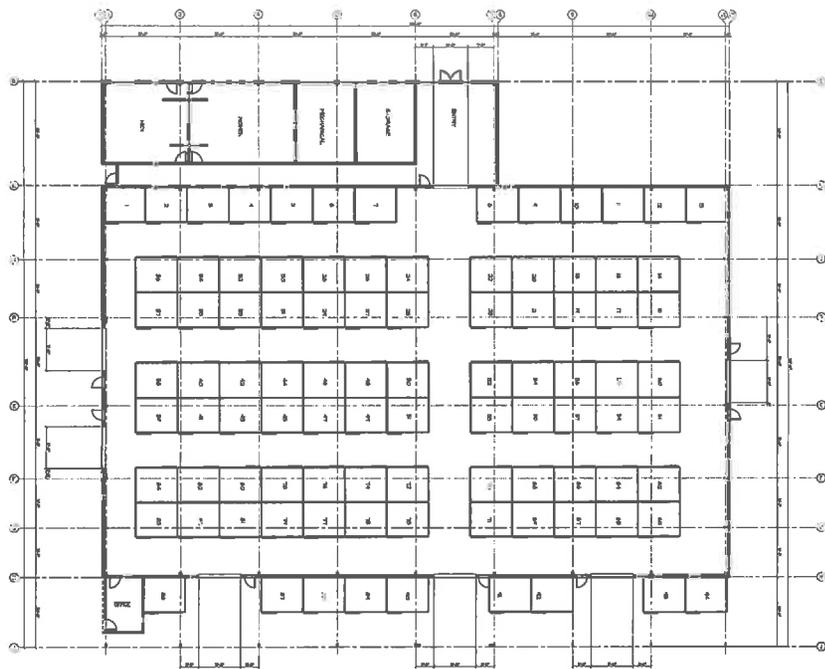
STANLEY PARK FAIRGROUND
 FACILITY MASTER PLAN - AUGUST 2012

PHASE 1 - ENLARGEMENT

O'BRYAN PARTNERSHIP, INC.
 ARCHITECTS PLLC

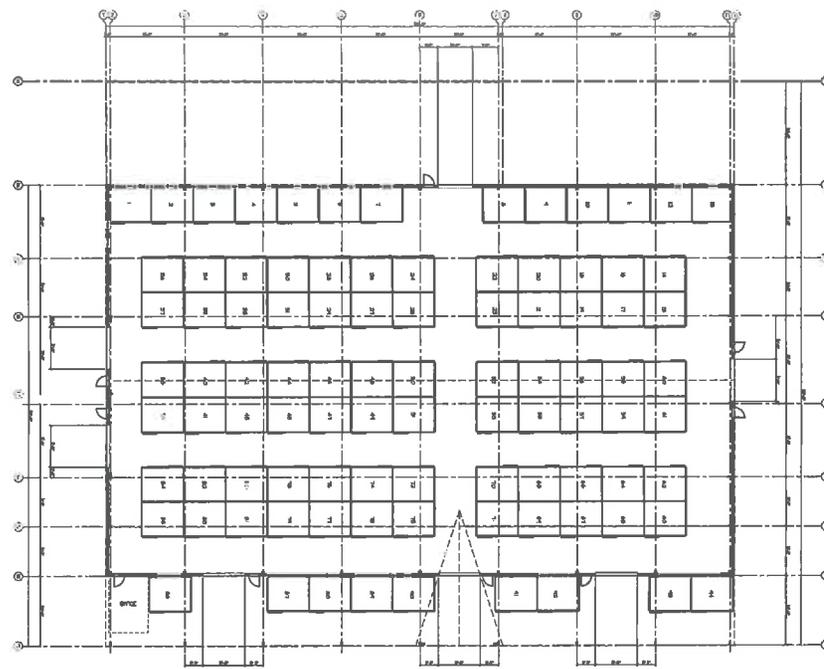
Priefert
 COMPLEX DESIGNS
 PROFESSIONAL ENGINEERING, ARCHITECTURAL,
 CONSTRUCTION & MANAGEMENT SERVICES

NORRIS DESIGN
 www.norris-design.com



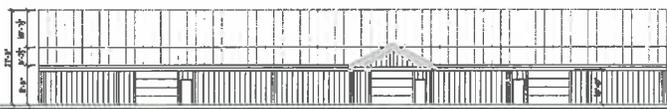
PLAN - A

27,120 SFT



PLAN - U

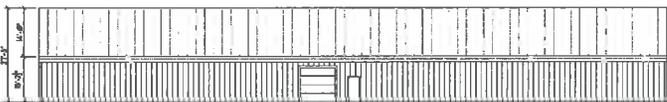
23,760 SFT



EAST ELEVATION



NORTH ELEVATION



WEST ELEVATION



SOUTH ELEVATION

NOTE:
FINAL OVERALL DESIGN TO BE DETERMINED BY
BUDGET AND PROGRAM REQUIREMENTS.



Opinion of Probable Costs

Summary - Cost Differences

8.14.12

Probable Cost of Basic Stall Barn	<u>\$1,976,000</u>
Options	
Contractor cost	\$34,000
Masonry accents	\$54,000
Cupalas	\$20,000
Office	\$16,000
Restrooms	\$247,000
Electrical upgrades	\$75,000
Landscaping / irrigation	\$41,000
PA System	<u>\$15,000</u>
Subtotal of upgrades	<u>\$502,000</u>
Additional contingency	\$51,000
Additional overhead and profit	\$76,000
Probable Cost of Upgraded Stall Barn	<u><u>\$2,605,000</u></u>



Opinion of Probable Costs - Basic Stall Barn

8.14.12

Project Name	Quantity		Labor		Material		PO Material		Subcontractor		Equipment		Other		Totals	
Date	Unit	Waste %	Unit	Total	Unit	Total	Unit	Total	Unit	Total	Unit	Total	Unit	Total		
Drainage	1.00	ls			ls	0	ls	0	each	0.00	\$50,000.00	ls	50,000.00	ls	0	50,000
		ton			ton	0	ton	0	each	0.00		ton	0.00	ton	0	0
					0.00	0	0.00	0	each	0.00		0	0.00	0.00	0	0
Div. 32 Exterior improvements				c		c		0.60		0	0.60		0.00		0	0
Landscaping	0.00	sf			sf	0	sf	0	each	0.00	\$2.00	sf	0.00	sf	0	0
Walkway connector to Senior	0.00	sf			sf	0	sf	0	each	0.00	\$4.50	sf	0.00	sf	0	0
	0.00			0.00	0	0.00	0	each	0.00	0	0.00	0	0.00	0.00	0	0
Div. 55 UN/RS				c		c		0.60		0	75,000.00		0.00		0	75,600
Electrical Service	1.00	ls			ls	0	ls	0	each	0.00	\$20,000.00	ls	20,000.00	ls	0	20,000
Water Service	1.00	ls			ls	0	ls	0	each	0.00	\$5,000.00	ls	5,000.00	ls	0	5,000
San Sewer Service	1.00	ls			ls	0	ls	0	each	0.00	\$25,000.00	ls	25,000.00	ls	0	25,000
Gas Service	1.00	ls			ls	0	ls	0	each	0.00	\$25,000.00	ls	25,000.00	ls	0	25,000

Subtotal 1,581,820

Check: Subtotal Must Match → 1,581,820

All shaded boxes are to be entered manually.

General Information	
Project Duration	5 months
Size	23,760 sq.
Bld Date	
Bld Time	
Estimator	SJ

Cost	\$1,581,820.00	
Contingency	\$156,182.00	10.00%
Sales Tax	\$0.00	0.00%
Fee	\$257,702.30	16.30%
Subtotal	\$1,975,702.30	
AGC Volume Fee	\$0.00	Percent of Subtotal
Builder's Risk Ins.	\$0.00	Per thousand
Surety Bond		Calculate Manually
Permit		Calculate Manually
Business Licenses	\$0.00	Per thousand
Total	\$1,975,702.30	
Price Per SF.	\$83.15	

Rates are to be entered manually.



Opinion of Probable Costs - Upgraded Stall Barn

8.14.12

Project Name	Quantity		Labor		Material		PO Material		Subcontractor		Equipment		Other		Totals	
	Unit	Waste %	Unit	Total	Unit	Total	Unit	Total	Unit	Total	Unit	Total	Unit	Total		
Div. 1 General Conditions															184,950	184,950
Div. 2 Existing Conditions															184,950	184,950
Div. 3 Concrete																197,636
6" Slab on Grade	23,520.00	sf		sf		sf		each		\$5.50	sf	129,360.00		sf		129,360
3'x3' Footings	21.00	Ea		Ea		Ea		each		\$875.00	Ea	14,175.00		Ea		14,175
7'x7' Footings	18.00	EA		EA		EA		each		\$3,000.00	EA	54,000.00		EA		54,000
Div. 4 Masonry																53,940
Columns (Allowance)	900.00	sf		sf		sf		each		\$16.00	sf	13,600.00		sf		13,600
OH Door Accounts (Allowance)	240.00	sf		sf		sf		each		\$18.00	sf	3,600.00		sf		3,600
Wainscot	2,458.00	sf		sf		sf		each		\$15.00	sf	36,840.00		sf		36,840
Div. 5 Metals						294,760										624,390
PEMB Package	27,120.00	sf		sf	10.50	sf	284,760		each		sf			sf		284,760
PEMB Erection	27,120.00	sf		sf				each		\$11.50	sf	311,880.00		sf		311,880
Cupolas	2.00	ls		ls		ls		each		\$10,000.00	ls	20,000.00		ls		20,000
Entrances	625.00	sf		sf	15.00	sf	9,375		each		\$16.00	sf	9,375.00		sf	18,750
Div. 6 Wood & Plastics																79,500
Office area	600.00	sf		sf		sf		each		\$20.00	sf	12,000.00		sf		12,000
Restrooms, Mech	3,375.00	sf		sf		sf		each		\$20.00	sf	67,500.00		sf		67,500
Div. 7 Thermal-Moisture Prtk.																
Div. 8 Openings																88,050
Overhead Doors Insulated	8.00	ea		ea		ea		each		\$6,000.00	ea	48,000.00		ea		48,000
Personel Doors	10.00	ea		ea		ea		each		\$700.00	ea	7,000.00		ea		7,000
Div. 9 Finishes																23,850
Office area	600.00	sf		sf		sf		each		\$8.00	sf	3,600.00		sf		3,600
Restrooms, Mech	3,375.00	sf		sf		sf		each		\$8.00	sf	20,250.00		sf		20,250
Div. 10 Specialties						4,800										30,630.60
24" Big Ass Fans	3.00	ea	1,800.00	ea	4,800	ea	7,200.00	21,600			ea	ea	ea	ea	ea	28,400
Rest Room Compartment & Fixtures	1.00	ls		ls		ls		each		\$30,000.00	ls	30,000.00		ls		30,000
Div. 11 Equipment																184,670
Priefert Expo Stalls (12x10)	85.00	ea		ea		ea	1,750.00	ea	148,750		ea	ea	ea	ea	ea	148,750
Priefert Expo Stalls (12x10) @ LT	9.00	ea		ea		ea	1,750.00	ea	15,750		ea	ea	ea	ea	ea	15,750
Div. 12 Furnishings																
Div. 13 Special Construction																9,000
Wash Bays	2.00	ea		ea		ea		each		\$4,500.00	ea	9,000.00		ea		9,000
Div. 14 Conveying Systems																
Div. 21 Fire Suppression																63,360
Dry System Sprinkler	27,120.00	sf		sf		sf		each		\$3.00	sf	81,360.00		sf		81,360
Pump/eccess.	1.00	ls		ls		ls		each		\$7,000.00	ls	7,000.00		ls		7,000
Div. 22 Plumbing																54,000
Plumbing	1.00	ls		ls		ls		each		\$50,000.00	ls	50,000.00		ls		50,000
Freeze Proof Hydrant	8.00	ea		ea		ea		each		\$500.00	ea	4,000.00		ea		4,000
Div. 23 HVAC							15,000									25,000
ULR Heating tubes	1.00	ls		ls		ls	15,000.00	15,000			ls	10,000.00		ls		25,000
Div. 26 Electrical																216,960
Allowance	27,120.00	sf		sf		sf		each		\$8.00	sf	216,960.00		sf		216,960
Div. 27 Communications																15,060
PA System	1.00	ls		ls		ls	15,000.00	15,000			ls	15,000.00		ls		15,000
Div. 28 Electronic Safety and Security																33,600
Fire Alarm	27,120.00	sf		sf		sf		each		\$1.25	sf	33,900.00		sf		33,900
Div. 31 Earthwork																50,000
Drainage	1.00	ls		ls		ls		each		\$50,000.00	ls	50,000.00		ls		50,000



Opinion of Probable Costs - Upgraded Stall Barn

8.14.12

Project Name	Quantity		Labor		Material		FO Material		Subcontractor		Equipment		Other		Totals
	Unit	Waste %	Unit	Total	Unit	Total	Unit	Total	Unit	Total	Unit	Total	Unit	Total	
Date	ton		ton		ton		each		each	ton		ton		ton	
Div. 32 Exterior Improvements															40,500
Landscaping	18,000.00	sf					each			\$2.00	sf		sf		36,000
Walkway connector to Senior	1,000.00	sf					each			\$4.60	sf		sf		4,500
							each								
Div. 33 Utilities															75,000
Electrical Service	1.00	ls					each			\$20,000.00	ls		ls		20,000
Water Service	1.00	ls					each			\$5,000.00	ls		ls		5,000
San Sewer Service	1.00	ls					each			\$25,000.00	ls		ls		25,000
Gas Service	1.00	ls					each			\$25,000.00	ls		ls		25,000

Subtotal **2,058,785**

Check: Subtotal Must Match → **2,058,785**

All shaded boxes are to be entered manually.

General Information	
Project Duration	6 months
Size	27,120 sq. ft.
Bid Date	
Bid Time	
Estimator	SJ

Cost	\$2,058,785.00	
Contingency	\$205,878.50	10.00%
Sales Tax		
Fee	\$339,699.53	16.00%
Subtotal	\$2,604,363.03	
AGC Volume Fee		Percent of Subtotal
Builder's Risk Ins.		Per thousand
Surety Bond		Calculate Manually
Permit		Calculate Manually
Business License		Per thousand
Total	\$2,604,363.03	
Price Per Sft.	\$96.03	

Rates are to be altered manually.



Memo

To: Honorable Mayor Pinkham
Board of Trustees
Town Administrator Lancaster

From: Steve McFarland – Finance Officer

Date: *August 14, 2012*

RE: *Utility Transfer/Community Grant/Catastrophic Loss Fund Policies*

Background:

The following information serves as follow-up to several discussion topics from the June 29, 2012 Town Board Study Session. Those items include the Utility Funds transfer of monies to the General Fund, the Community Grants in the General Fund, and the Catastrophic Loss Fund monies that reside in the General Fund.

Utility Transfers

Deputy Town Administrator Richardson previously provided a report regarding Utility Fund transfers. As a result of the information provided in that report, a suggested transfer policy was created (see attachment). The report outlines the major financial transactions that occur between the Utilities and General Fund, including allocation of staff, payments in lieu of taxes, franchise fees, building rentals and transfers. Information recently discovered in Town archives, from the time the Utilities were created, refers to a transfer from the Utilities to the General Fund, which it was hoped would assist the Town in keeping future property tax increases to a minimum.

The present rates of transfer are 8.5% for Electric, and 4.0% for Water, and are based on gross revenue provided by residential and urban sales. For 2012, the transfers are an estimated \$1,112,829 for Electric and \$120,493 for Water.

In section 7.3 of the draft transfer policy, reference is made to a proposed transfer level, not to exceed 10% of *net revenue*. “Net revenue” typically refers to an organization’s revenues, net of discounts and returns. This is not the same as “net income”, which is revenue net of all expenses. This is an important distinction because in the “net revenue” scenario, the transfer occurs *before* any expenses are calculated, whereas in the “net income” scenario, the transfer occurs *after* all other financial obligations would be met.

Reference is made in Section 7.3 to all expenses being met prior to a transfer being made. To be more accurate, the transfers are made concurrently with the meeting of other obligations, in accordance with the approved budget. When the budget forecasts

negative net income for the year (2012 forecasts a \$386,901 loss), the assumption is that fund balance will be tapped in order to meet obligations, so long as debt and operating ratios are not jeopardized.

Staff suggests determinations need to be reached in the following areas:

1. Is there sufficient industry and historical evidence (as evidenced primarily from Deputy Town Administrator Richardson's report) to justify transfers from the Utility Funds to the General Fund?
2. If so, are the transfer rates from the Utilities to the General Fund of 8.5% (Electric) and 4.0% (Water), based on net revenue before expenses, reasonable?

Community Grants

Attached is a synopsis of the recent history (2005, 2007-12) of the Community Grants section of the General Fund budget. The ratio of expenditures-to-sales tax is a concept introduced informally by Town Administrator Repola and Finance Officer McFarland ca. 2006-07. The attempt was to tether community grants expenditures to approximately 5% of sales tax. The sentiment at the time was to address/create a ceiling for grants. No thought was given to a perspective floor (minimum %). As can be seen (middle section of document), this "rule of thumb" has been fairly successful, with the ratio hovering between 4.5%-5.3% over the past 6 years. This ratio has been heavily influenced by two line items: the Housing Authority (EPHA), and the Local Marketing District. EPHA funding has significantly reduced (per the EPHA) in the past 6 years, decreasing from \$283,045 in 2007 to \$128,310 in 2012. Some of the savings have been redirected to assisting the Local Marketing District (LMD) in 2011-12. If LMD assistance ceases in 2013, then the grant-sales tax ratio will probably be more like 3.5-3.7%.

This is an opportunity to formalize a guideline that community service grants not exceed a certain percentage of sales tax. Staff is not requesting such a defined guideline, but did want to communicate the history of the community grants for the Board's consideration.

Catastrophic Loss Fund

Attached is a brief history of the Catastrophic Loss Fund (CLF). The CLF was created as the Self-Insurance Fund in 1977. Funding (from the General and Utility Funds) ceased in 1988 when the fund reached a \$1,000,000 balance, and the Fund itself was discontinued in 2010, having been transferred to the General Fund fund balance.

Administrative Services Director Williamson is including a report that discusses current insurance coverages.

Staff is seeking direction in the following areas:

1. Can any or all of the \$1,277,658 transferred from CLF to General Fund in 2010 be used for future operations/capital needs (shall the amount be considered part of usable fund balance)?
2. CLF amassed funds resulting from transfers from the General, L&P and Water Funds in approximately a 40%-40%-20% (respectively) ratio. When determining appropriate disposal/allocation of the \$1,277,658, should any monies be returned to the Utility accounts?

Budget:

Staff will determine budget ramifications pending direction of the Town Board on the above items.

Staff Recommendation:

See above.

Sample Motion:

N/A

TOWN OF ESTES PARK UTILITY FUND TRANSFERS POLICY

Purpose

The purpose of this policy is to provide Interfund transfer controls from the Town's Enterprise Funds to the Town's General Fund specifying all fees and charges associated with the Water Utility and Light and Power Utility revenues committed to the Town's General Fund each year.

Policy

The policy established will insure transfers to the Town's General Fund are legally acceptable methods that maintain service interests of the utility customers and the overall operations of the Town utilities while supporting the standard of providing reliable high quality utility services. Utility Transfer payments are a common standard practice for municipally owned utilities these payments typically come in the form of payments in lieu of taxes (property and sales) a return on investment and or other fees charged to the utilities by the municipality. It is these transfers that allow the Town of Estes Park to provide high level quality services to its residents otherwise funded through increased taxes.

7.1 Budget Definitions of Transfers, Fees and Service Expenses

Since their inception the utility departments have paid fees or charges to the Town's General Fund for land use, building rentals, administrative services, franchise fees, payments in lieu of taxes and transfers. Historically, information does not exist that specifies why these fees, charges and transfers were established only that they have occurred for more than 70 years, water first and electric second. Current General Fund transfers and fees are comprised of the following categories:

Administrative Fees

The Town owned utility departments receive services from specific general fund departments. The utility departments pay for the services provided by those general fund departments, those services are; Town Administration (Town Administrator, Deputy Town Administrator, P.I.O. and Executive Assistant), Administrative Services (HR Manager and Payroll/HR Technician, Town Clerk, and Deputy Town Clerk), Finance Department (Finance Officer, Assistant Finance Officer, Accountant I, Accounts payable/Utility Billing Specialist and Administrative Clerk) and I.T. Services (I.T. Manager, I.T. Specialist and GIS Specialist). Those calculations specific to the general fund payments can be located within the Town's annual budget within each of the utility department budgets.

Authorization to impose fees is by Town ordinance it is located within the Town of Estes Park Municipal code. For Light and Power see Estes Park Municipal Code 13.06.050 Enterprise obligations and Town obligations. For Water see Estes Park Municipal Code 13.22.050 Enterprise obligations ad Town obligations.

Franchise Fees (3% Urban)

The amount charged by the Town of Estes Park to the Enterprise Utility Departments for operating and providing exclusive utility services within the established area of the Town limits and allowing the utility access to public land for the purpose of operating said utility business.

General Fund Transfers

A transfer of revenue funds serving as a return on investment from each utility department to the Town's general fund occurring each budget year and approved by the Town Board. These funds are not earmarked for specific use but used to support the general fund and special revenue fund departments.

Payment in Lieu of Taxes (2.5% Urban)

A PILOT is a payment that a Public Utility, not subject to municipal taxation, makes to their municipal government in compensation for lost general fund tax revenue that otherwise would be collected if the utility was privately owned.

Rental Fees

Because the Town of Estes Park owns the buildings and the land the utility departments occupy and operate from, a rental fee is charged to each utility department for those uses.

7.2 Utility Fees

The Town Board shall fix, establish, maintain, and provide for the collection of rates, fees, and charges for water and electric service and other utility services furnished by the Town.

All rates, fees, and charges shall be sufficient, in the Town Board's judgment, to provide reliable service to the customers, pay all bonded indebtedness, pay legally required refunds, cover the cost of operation, maintenance, additions, extensions, betterments, and improvements, provide a reasonable return on the Town's investment in utility properties and capital investments, and reimburse the general fund for administrative services and overhead provided and incurred by the Town on behalf of each utility, together with a sum which, in the Town Board's judgment, is equivalent to that which would have been obtained from a franchise fee or utility occupation tax on the utility.

The provisions of this section shall be subject at all times to the performance by the Town of Estes Park for all covenants and agreements made by it in connection with the issuance, sale or delivery of any bonds of the Town, payable out of the revenues derived from the operation of its water and electric utilities, whether such revenue bonds be heretofore or hereafter issued.

The fees charged to each utility department are presented to the Town Board for approval during the annual budget process, each year they include the following and are located within the Town's budget:

7.2.1 *Administrative Fees* are for services rendered to each utility department by the Town's Finance Department, Administrative Services Department (Town Clerk's Office/Human Resources Division) and Town Administration (Town Administrator, Assistant Town Administrator, Public Information Officer and Executive Secretary). The fees are calculated based on a percentage of the wages for services rendered by each of the department positions identified. The percentages are broken down as follows:

Admin Fee Percentages	L&P Percentage	Water Percentage
Town Administrator	48%	14%
Assistant Town Administrator	48%	14%
Town Clerk	48%	14%
Deputy Town Clerk	48%	14%
Executive Secretary	48%	14%
PIO	48%	14%
Finance Officer	26%	14%
Assistant Finance Officer	26%	14%
Accountant I	26%	14%
Accts. Payable/Utility Billing	94%	46%
Administrative Clerk II	124%	61%

7.2.2 *Franchise Fees* are fees the Town of Estes Park would otherwise charge to privately owned/investor owned utilities for operating within the Town of Estes Park. This fee practice is consistent with fee assessments charged to privately owned/investor owned utility companies.

7.2.3 *Rental Fees* are charged to each utility for use of the Town owned land and buildings currently used by each utility for conducting their operations.

7.2.4 *Payment in Lieu of Taxes* represents lost revenue the Town of Estes Park would otherwise receive from a tax charged to a privately owned/investor owned utility. Currently the Town of Estes Park does charge a 3% fee to those utility businesses operating within the Town.

7.3 General Fund Transfers

7.3.1 Return on Investment

As the owner of the water and electric utilities the Town of Estes Park realizes a return on investment in the form of a transfer to the Town of Estes Park's general fund. This transfer occurs once obligations for rates, fees, charges, bonded indebtedness, operation expenses, maintenance expenses, refunds, betterments and improvements are met. Each budget year the Town Board shall in their judgment approve a reasonable return on investment from the net

revenue of each enterprise fund in an amount not to exceed 10%. Such transfers are used to offset General Fund operational expenses through the annual budget appropriation process.

DRAFT

(Attachment)

Title 13

Public Utilities

I. LIGHT AND POWER

Chapter 13.04 Light and Power Administration

- 13.04.010 Creation of Light and Power Department
- 13.04.020 Director; powers

Chapter 13.06 Light and Power Enterprise

- 13.06.010 Establishment of the Enterprise
- 13.06.020 Enterprise excluded from the provisions of TABOR
- 13.06.030 Governing body
- 13.06.040 Powers of the Enterprise
- 13.06.050 Enterprise obligations and Town obligations
- 13.06.060 Transactions in the name of the Town

Chapter 13.08 Light and Power Rules and Regulations

- 13.08.010 General
- 13.08.030 Permanent and temporary service
- 13.08.040 Discontinuance of service
- 13.08.050 Service deposit
- 13.08.060 Metering and billing
- 13.08.070 Town's facilities
- 13.08.080 Customer's use and facilities

Chapter 13.10 Light and Power Discontinuance Regulations

- 13.10.010 Adoption of Public Utilities Commission discontinuance regulations

Chapter 13.16 Light and Power Extension Policies

- 13.16.050 Line extensions

II. WATER

Chapter 13.20 Water Administration

- 13.20.010 Creation of Water Department

Chapter 13.22 Water Activity Enterprise

- 13.22.010 Establishment of the Enterprise
- 13.22.020 Enterprise excluded from the provisions of TABOR
- 13.22.030 Governing body
- 13.22.040 Powers of the Enterprise
- 13.22.050 Enterprise obligations and Town obligations
- 13.22.060 Transactions in the name of the Town

Chapter 13.24 Water Rules and Regulations

- 13.24.010 Inspections
- 13.24.050 Separate connections required
- 13.24.080 Water service and usage
- 13.24.120 Extraterritorial water service
- 13.24.150 Regulations; part of contract
- 13.24.230 Contract line extension policy

Chapter 13.26 Cross-Connections

- 13.26.010 General policy
- 13.26.020 Definitions
- 13.26.030 Requirements
- 13.26.040 Requirements of consumer

Chapter 13.28 Metered Service

- 13.28.050 Customer liable for meter damage
- 13.28.080 Interfering with or bypassing meters unlawful
- 13.28.090 Charges when meter fails to register

Chapter 13.32 Water Rates and Charges

- 13.32.010 Water rate schedule
- 13.32.040 Discontinuance, termination and abandonment of service
- 13.32.080 Unpaid water and connection charges a lien

Chapter 13.38 Bulk Rate Water Customers

- 13.38.010 Bulk rate water users
- 13.38.110 Distribution system

13-11

DRAFT

I. LIGHT AND POWER

Chapter 13.04

Light and Power Administration

13.04.010 Creation of Light and Power Department.

There is created and established a Light and Power Department of the Town, which shall have control of the operation and maintenance of the electric plant and works for the manufacture, generation, transmission and distribution of electricity, and also the distribution and sale of electrical energy whether the same be generated by the Town or purchased by the Town for distribution and resale to others. (Prior code §7.1)

13.04.020 Director; powers.

The Light and Power Director shall have the immediate control and management of all things pertaining to the Light and Power Department, and shall perform all acts that may be necessary for the prudent, efficient and economical management and protection of the light and power works, subject to the approval and confirmation of the Board of Trustees. (Prior code §7.2; Ord. 6-90 §15, 1990)

Chapter 13.06

Light and Power Enterprise

13.06.010 Establishment of the Enterprise.

The Town hereby formally establishes the Enterprise as an agency of the Town and designates it as the "Town of Estes Park, Light and Power Enterprise." It shall be the purpose of the Enterprise to pursue or continue all of the Town's light and power activities, including the purchase of electrical energy and the distribution of electrical energy to the Town's customers. In connection with the purchase and distribution of electrical energy, the Enterprise shall be responsible for, among other things, the construction, operation, repair and replacement of electric power distribution facilities, and administration using revenues and income generated by and earned or acquired in connection with its light and power activities and held and managed in the Town's light and power enterprise fund. As between the Town and the Enterprise, all light and power activities will be deemed done and furnished by the Enterprise. (Ord. 7-99 §1, 1999)

13.06.020 Enterprise excluded from the provisions of TABOR.

Pursuant to and in accordance with Article X, Section 20 of the Colorado Constitution ("TABOR"), the Enterprise shall be excluded from the provisions of TABOR and shall be entitled to impose rates, fees, tolls and charges; collect and spend revenues; issue its own revenue bonds; and construct, operate and maintain facilities and provide light and power services; all without reference or regard to the limitations contained in TABOR. (Ord. 7-99 §2, 1999)

13.06.030 Governing body.

The members of the Board of Trustees shall serve as the governing body of the Enterprise and shall be known collectively as the Board of Directors of the Enterprise (the "Enterprise Board"). Acting as the Enterprise Board, the Board of Trustees may exercise the Town's legal authority relating to light and power activities. The Enterprise Board hereby is directed to take all actions necessary to cause the Enterprise to comply with all applicable laws. (Ord. 7-99 §3, 1999)

13.06.040 Powers of the Enterprise.

The Enterprise shall have all powers and authority granted to municipalities in connection with light and power activities by the provisions of Title 31, Article 15, C.R.S.; the power to contract with any person or entity, including other districts and other enterprises qualified under TABOR; and the power to issue and reissue revenue bonds through its governing body. (Ord. 7-99 §4, 1999)

13.06.050 Enterprise obligations and Town obligations.

In consideration of the Enterprise's commitment to provide light and power services for which the Town actually is obligated and to collect and spend revenues from rates, fees, tolls and charges imposed by the Town, the Town hereby agrees to continue to provide administrative services for the Enterprise and its activities, to continue to hold title to and own all of the assets currently owned by the Town and necessary to the operation of the Enterprise (including but not limited to the electrical energy distribution system) and to impose all rates, fees, tolls and charges for light and power activities. The relationship between the Town and the Enterprise with respect to the administration of the Enterprise, the operation of the light and power activities and the duties and responsibilities of each party shall be as herein set forth and as may be delineated and clarified from time to time in a joint resolution of the Board of Trustees and the Enterprise Board which may be adopted at any time when the Enterprise Ordinance codified herein is in full force and effect ("Joint Resolution"). (Ord. 7-99 §5, 1999)

13.06.060 Transactions in the name of the Town.

Any and all transactions of the Enterprise may be done in the name of the Town or in the name of the Enterprise and neither this Section nor any transaction entered into pursuant to it shall alter or abrogate the relationship of the Town and the Enterprise as established in Section 13.04.050 and as may be further clarified from time to time in a Joint Resolution. (Ord. 7-99 §6, 1999)

Chapter 13.08

Light and Power Rules and Regulations

13.08.010 General.

(a) These rules and regulations set forth terms and conditions under which electric service is supplied by the Light and Power Department of the Town, called the Department, and are intended to govern all classes of service supplied by the Department to customers, both within and outside the Town limits.

(b) In addition to the provisions and conditions herein, service supplied under the electric rate schedules is subject to the service regulations specified in the rates and to such amendments or additions as may be made by the Town.

(c) Electric service furnished by the Department is subject also to the requirements set forth in Town ordinances relating to electrical installations, inspections, licensing, permits and regulations, and in the Rules and Regulations of the Electrical Inspector under the National Electrical Code and state revisions.

(d) Any waiver at any time of the Department's requirements under these rules and regulations will not be deemed as a waiver as to any violation or other matter subsequently occurring. (Prior code §7.3-1; Ord. 366 §1(part), 1969; Ord. 15-97, 1997)

13.08.030 Permanent and temporary service.

(a) Permanent: Unless specific arrangements are made to the contrary, electric service will be considered rendered on a continuous, permanent basis subject to termination as provided later in these rules and regulations.

(b) Temporary service: Temporary service is considered as that service required by such consumers as circuses, construction contractors, carnivals, tent shows and other similar enterprises. Prior to the start of any construction required to provide temporary service, the applicant will pay the Department an amount equal to the Department's estimate of the total cost of constructing and removing all facilities necessary to supply the desired service less the salvage value of the materials used. The amount thus paid will not be refundable nor can it be applied to service bills. The cost of electric service will be in accordance with the provisions of the application for such service and shall be as stated in the applicable schedules of rates. (Prior code §7.3-3; Ord. 366 §1(part), 1969)

13.08.040 Discontinuance of service.

(a) Discontinuance by customer: Any customer desiring to discontinue electric service should give the Department at least three (3) days' notice prior to the time disconnection is desired to permit meter reading, disconnection and final billing for service rendered. The customer shall be liable in any event for electric service rendered until the final meter reading is obtained. Further, such notice by the customer does not relieve him or her in any way from any minimums or payments guaranteed under his or her service contract.

(b) Discontinuance by Town: The Department may discontinue service under any of the following conditions, subject, however, to the requirements and procedures set forth and adopted in subparagraph (4) of this Subsection and Chapter 13.10 of this Code:

(1) If the customer's wiring or equipment is considered unsafe, service may be discontinued after due notice and will not be reconnected until the unsafe condition has been corrected. Notwithstanding the foregoing, the Department may discontinue service without notice to the customer if a hazardous condition is discovered on a customer's premises, or if the unsafe condition or manner of utilizing service could be considered dangerous to the life, health or safety of any person, thus making an immediate discontinuance of service to the premises imperative.

(2) The customer shall not connect any energy-consuming appliance or device on the Department's side of a meter nor tamper or otherwise interfere with the proper operation or registration of Department's meter or permit others to perform such connection, interference or tampering. For violation of this regulation, service shall be disconnected without notice and will not be reconnected until the customer has paid an estimated service bill for the period during which such violation existed and shall have installed standard service entrance wiring in accordance with the prevailing requirements of Chapter 14.20.

(3) Service may be discontinued for nonpayment of past due service accounts, for nonpayment of any required deposit, or if service to the customer's equipment is detrimental, in the opinion of the Department, to service to other customers served by the Department. If a customer is receiving service at more than one (1) location, service at any or all locations may be discontinued for nonpayment of any past due service account if, after transfer of the past due account pursuant to Section 13.08.050, the customer fails to pay an account in full within the period prescribed in Section 13.08.060.

(4) Any discontinuance of service pursuant to this Subsection shall be in accordance with and pursuant to the discontinuance regulations set forth in Chapter 13.10 of this Code. (Prior code §7.3-4; Ord. 366 §1(part), 1969; Ord. 18-80 §1, 1980; Ord. 13-83 §1, 1983; Ord. 15-97, 1997)

13.08.050 Service deposit.

(a) The Department may, at any time, require that the customer maintain a deposit with the Department of a sum not exceeding an estimated ninety (90) days' bill or a satisfactory guarantee of the payment to be made for service for a like period. Such deposits will not be considered as advance payment for service bills and will be applied as credits to customers' accounts only after service has been discontinued. The deposit may be in addition to any advance, contribution or guarantee in connection with construction of any lines or facilities as provided for in the Department's line extension policies. In the event any person is in arrears to the Department for electric service, satisfactory arrangements must be made for paying for the old accounts in full before any application for new service will be approved.

(b) The Department may return deposits at any time and will return such deposits upon discontinuance of the service after withholding therefrom payment for unpaid charges or bills for service. Deposits will be refunded only after the Department has determined that sufficient evidence exists that the customer is entitled to the return of the deposit.

(c) The interest rate applied to deposits, the calculation of interest and the distribution of interest on deposits shall be made in accordance with the applicable rule governing customer deposits as promulgated by the Public Utilities Commission of the State.

(d) Customers who have previously received service from the Department shall be required to make a new or additional deposit only if previous payment records include recent or substantial delinquencies. (Prior code §7.3-5; Ord. 366 §1(part), 1969; Ord. 383 §1(part); Ord. 6-70 §1, 1970; Ord. 27-79 §1, 1979; Ord. 18-80 §2, 1980; Ord. 13-83 §2, 1983; Ord. 15-97, 1997)

13.08.060 Metering and billing.

(a) Metering of service. The customer will provide at his or her expense, and in connection with his or her wiring, suitable mounting space or enclosure for the installation of metering equipment in accordance with Town ordinances relating to electrical installations, inspections, licensing, permits and regulations. The Department will own and maintain metering equipment suitable and necessary for measuring the electric energy supplied. Service supplied under each electric rate schedule shall be separately measured and billed for, except that any bills transferred to the customer's account pursuant to Section 13.08.050 because of nonpayment for services at other locations may be included in any of the customer's accounts for purposes of billing and collection.

(b) Errors.

(1) The Department will use all reasonable means to avoid billing errors and will, as soon as any error is discovered, rebill for the correct amounts, whether this involves additional payment by the customer or credit to his or her account by the Department, regardless of the time periods involved. Payments due the Department for such errors shall be collected in the same manner as payments for regular bills for service.

(2) Incorrect billing due to faulty meter measurement beyond the accuracy limits hereinbefore stated shall be corrected by revised billing based upon corrected readings for a period during which the meter inaccuracy existed, but in no event for a period longer than one (1) year. Bills for corrected usage shall be due and payable in the same manner as regular bills for service.

(c) Diversion of electric energy.

(1) In any case where energy-consuming devices or equipment are connected ahead of the meter or there has been any tampering with or connections to the Department's distribution system or any tampering with the Department's meter, including breaking of meter seals which would make possible or result in the consumption of electricity not registered on the Department's meter, the customer shall be liable to immediate discontinuance of service and to prosecution under applicable laws.

(2) In the event of such diversion of electricity, the Department shall be entitled to collect from the customer at the appropriate rate for all additional power and energy estimated by the Department which was not registered on the meter because of such diversion of electricity and also for all expenses incurred by the Department on account of such unauthorized act or acts. Further, service will not be reconnected until the customer shall have installed such entrance and service equipment as is necessary to prevent further diversion of electricity. (Prior code §7.3-6; Ord. 366 §1(part), 1969; Ord. 14-78 §1, 1978; Ord. 2-83 §1, 1983; Ord. 13-83 §3, 1983; Ord. 15-97, 1997)

13.08.070 Town's facilities.

(a) Continuity of service. The Department will endeavor to furnish and supply, but does not guarantee, uninterrupted electric service. The Department will not be liable for interruptions due to maintenance functions considered necessary or to causes or contingencies beyond the control of the Department, including but not limited to accidents, breakdown of equipment, acts of God, floods,

storms, fires, strikes, riots, war or authority and orders of government, or for disconnection because of unsafe wiring, operation of equipment detrimental to other customers, nonpayment of bills for service or diversion of electricity. The Department shall also be not liable for any injury, loss or damage occasioned by any interruptions arising from the foregoing causes. Such interruptions shall not relieve the customer of payments for service under applicable rate schedules.

(b) Shortage of electricity. The Department will make every reasonable effort to furnish a continuous supply of electricity to meet demands. However, should shortages occur by reason of acts of God or causes beyond the immediate control of the Department, the Department shall have the right to grant preference to those services which in its opinion are the most essential to the public welfare. The Department shall not be held liable for monetary loss of business from shortages in supply of electric energy.

(c) Liability. All installations of wire, meters, transformers or other materials or equipment made by the Department at its expense shall remain the property of the Department and shall not be tampered or interfered with directly or indirectly by the customer or any other unauthorized persons. The customer shall be liable for any damage or loss to the Department's property or injury to the Department's employees through such unauthorized tampering or interference. (Prior code §7.3-7; Ord. 366 §1(part), 1969; Ord. 15-97, 1997)

13.08.080 Customer's use and facilities.

(a) Easements.

(1) By making application for electric service, the customer agrees to grant or arrange for an easement on the customer's property for the installation, operation and maintenance of electric lines, wires and other equipment of the Department necessary to render service to the customer. When requested by the Department, the customer shall without expense to the Department make or procure conveyance to the Department of satisfactory right-of-way easements across the property owned or controlled by the customer for the Department's lines or extensions necessary or incidental to the furnishing of service to the customer. If such installation must be made on or over the property of a third party, it shall be necessary for the customer to obtain an easement for the Department from the third party before the installation can be made and service rendered.

(2) If, after service is originally rendered, the customer should divide his or her property in such a manner that part of it no longer has access to the rights-of-way of the Department's distribution system, the customer shall reserve an easement for the benefit of the Department so that the Department may render electric service to such isolated part when desired.

(b) Right of access. Authorized employees of the Department shall have the right of access to the customer's premises at all reasonable times for the purpose of inspecting, repairing, replacing or removing Department-owned equipment. The customer shall provide a means of ingress and egress through locked gates by providing suitable means for a Department lock to be installed on the gate.

(c) Foreign power. The customer shall make exclusive use of service provided by the Department, and no other source of electric energy shall be connected to any installation which in turn is connected to the Department's electric distribution system. This does not preclude the use of emergency generating systems owned by the customer, provided that switching arrangements are

installed to prevent the possibility of the emergency generator and the Department service being connected to the load simultaneously. The manner of connection of any emergency generating system must be approved by the Department prior to use.

(d) Resale of electricity. Electric service will be furnished for the sole use of the customer at the premises designated in the service application and contract, and the customer shall not directly or indirectly sell or otherwise dispose of such service to any other person or persons. The Department reserves the right to refuse to furnish electric service to any customer where such service is to be resold to others. In the event that such resale comes to the attention of the Department, the Department shall have the right to either discontinue service to the customer or to furnish service directly to the subcustomer.

(e) Indemnity to Town. The Town shall not be held responsible for any injury to persons or damage to property occasioned or caused by the acts, omissions or negligence of the customer or of any of his or her agents, employees or licensees in installing, maintaining, operating or using any of the customer's lines, wire, equipment, machinery or apparatus and for injury and damage caused by defect in the same. The customer shall hold the Department harmless and indemnify it against any and all claims and liability for injury to persons or damage to property when such damage or injury results from or is occasioned by the facilities located on the customer's side of the point of delivery unless caused by the negligence or wrongful acts of the Department's agents or employees. (Prior code §7.3-8; Ord. 366 §1(part), 1969; Ord. 22-91 §§1-3, 1991; Ord. 15-97, 1997)

Chapter 13.10

Light and Power Discontinuance Regulations

13.10.010 Adoption of Public Utilities Commission discontinuance regulations.

The rules and regulations for discontinuance of electrical service promulgated by the Public Utilities Commission of the State, and as set forth in the Town's tariff sheets implementing the rule and regulation of the Public Utilities Commission, as are on file with the Commission, referred to in this Title as the *discontinuance regulations*, are enacted, adopted by this reference and incorporated in this Chapter as if set out at length. Three (3) copies of such regulation are now filed in the office of the Town Clerk and one (1) copy is now filed in the office of the Director of the Light and Power Department, and may be inspected during regular business hours. (Ord. 22-80 §1, 1980; Ord. 15-97, 1997)

Chapter 13.16

Light and Power Extension Policies

13.16.050 Line extensions.

(a) In all cases the facilities so provided shall be constructed in accordance with the Town's standard specifications and shall be the Town's property up to the point of delivery specified in the applicable Town's rules and regulations.

(b) In unusual circumstances where, because of the application of the terms of this policy, either the applicant or the Town would be unduly burdened; or where the extensions are deemed necessary or desirable for the development or protection of its territory; or where resale or wholesale customers are involved, the Town reserves the right to deal with such unusual situations independently on their own merits and without reference to the provisions of this policy.

(c) The Town may establish special rates for service from an extension providing for the payment of either a fixed charge per customer in addition to the general rates applicable, or a special minimum in case a fair return on the Town's investment is not anticipated.

(d) All electric line extension construction shall conform to prevailing standards, based on present-day construction methods and practices, and shall conform to all safety requirements, the work being done in a safe and workmanlike manner. The estimated cost, which shall include all material, labor, engineering, rights-of-way, tree trimming, incidental and overhead expenses necessary to protect the Town's existing system so as to adequately supply the required electrical service, shall be based on the standards but in addition shall include special allowance for items which may be required to meet local construction conditions. Discretion as to character of construction, the capacity required and the route selected for an extension shall rest with the Town.

(e) The applicant shall execute the Town's standard right-of-way agreement granting free of charge to the Town such rights-of-way across the applicant's premises as may be required for poles, anchors and other construction work necessary for rendering the service requested by the applicant.

(f) The date of service shall be declared as the date the applicant first receives service under the classification requested by the applicant.

(g) Where there is more than one (1) customer on an extension, the guarantee of each individual customer may be determined by any method satisfactory to the customers, or may be determined by the Town in general proportion to the cost of construction necessary to serve each customer.

(h) In all cases where additional customers desire service from an extension already built on an open contract, the amount of guarantee necessary and its apportionment among customers shall be adjusted on the basis of existing and proposed new customers. If the addition of new customers reduces the guarantee required of existing customers, advanced construction deposits made by new customers will be credited to existing customers' accounts in direct proportion to the amount originally advanced. If the inclusion of new customers increases the amount of guarantee required of existing customers, the extension necessary for the new customers will be calculated separately as a new extension and according to provisions in preceding paragraphs. (Prior code §7.5(d); Ord. 366 §1(part), 1969; Ord. 15-97, 1997)

II. WATER

Chapter 13.20

Water Administration

13.20.010 Creation of Water Department.

There is created and established a Water Department of the Town for the purpose of the management, maintenance, care and operation of the Town waterworks. (Prior code §6.1)

Chapter 13.22

Water Activity Enterprise

13.22.010 Establishment of the Enterprise.

The Town hereby establishes the Enterprise as an agency of the Town and formally designates it as the "Town of Estes Park, Water Activity Enterprise." It shall be the purpose of the Enterprise to pursue or continue all of the Town's water activities, including those defined in Title 37, Article 45.1, Part 1, C.R.S. (the "Act"), such as water acquisition or water project or facility activities, including the construction, operation, repair and replacement of water facilities, and administration, using revenues and income generated by and earned or acquired in connection with such water activities and held and managed in the Town's water enterprise fund. As between the Town and the Enterprise, all water activities will be deemed done and furnished by the Enterprise. (Ord. 8-99 §1, 1999)

13.22.020 Enterprise excluded from the provisions of TABOR.

Pursuant to and in accordance with the Act, the Enterprise shall be excluded from the provisions of TABOR and shall be entitled to impose rates, fees, tolls and charges; collect and spend revenues; issue revenue bonds; and construct, operate and maintain facilities and provide water services; all without reference or regard to the limitations contained in TABOR. (Ord. 8-99 §2, 1999)

13.22.030 Governing body.

The members of the Board of Trustees shall serve as the governing body of the Enterprise and shall be known collectively as the Board of Directors of the Enterprise (the "Enterprise Board"). Acting as the Enterprise Board, the Board may exercise the Town's legal authority relating to water activities as defined in the Act. The Enterprise Board hereby is directed to take all actions necessary to cause the Enterprise to comply with all applicable laws. (Ord. 8-99 §3, 1999)

13.22.040 Powers of the Enterprise.

The Enterprise shall have all powers and authority granted to water activity enterprises by the provisions of the Act, including but not limited to the power to conduct and continue water activities as defined in the Act; the power to contract with any person or entity, including other districts as defined in the Act and other water activity enterprises as defined in the Act; and the power to issue

and reissue revenue bonds through its governing body in accordance with and through the provisions of Section 37-45.1-104(2), C.R.S. (Ord. 8-99 §4, 1999)

13.22.050 Enterprise obligations and Town obligations.

In consideration of the Enterprise's commitment to provide water services for which the Town actually is obligated and to collect and spend revenues from rates, fees, tolls and charges imposed by the Town, the Town hereby agrees to continue to provide administrative services for the Enterprise and its activities, to continue to hold title to and own all of the assets currently owned by the Town and necessary to the operation of the Enterprise, to levy taxes for and pay debt service on general obligations of the Town incurred in the past to finance the acquisition, construction and installation of water facilities and improvements, and to impose all rates, fees, tolls and charges for water activities. The relationship between the Town and the Enterprise with respect to the administration of the Enterprise, the operation of the water activities and the duties and responsibilities of each party shall be as herein set forth and as may be delineated and clarified from time to time in a joint resolution of the Board of Trustees and the Enterprise Board which may be adopted at any time when the Enterprise Ordinance codified herein is in full force and effect ("Joint Resolution"). (Ord. 8-99 §5, 1999)

13.22.060 Transactions in the name of the Town.

Any and all transactions of the Enterprise may be done in the name of the Town or in the name of the Enterprise and neither this Section nor any transaction entered into pursuant to it shall alter or abrogate the relationship of the Town and the Enterprise as established in Section 13.22.050 and as may be further clarified from time to time in a Joint Resolution. (Ord. 8-99 §6, 1999)

Chapter 13.24

Water Rules and Regulations

13.24.010 Inspections.

Whenever the Department deems it necessary, it may inspect the premises or buildings of any water customer for the purpose of examining the condition of all pipes, motors, meters and water fixtures, or the manner in which the water is used. The Department shall be vigilant to protect and remedy all abuses, whether from waste or other improper use of water. (Prior code §6.4; Ord. 15-97, 1997)

13.24.050 Separate connections required.

Each lot receiving water service must have a separate service line running from the corporation cock, located at the Town water main. (Prior code 6.12; Ord. 11-73 §1, 1973; Ord. 15-97, 1997)

13.24.080 Water service and usage.

(a) Continuity of service. The Department will endeavor to furnish and supply, but does not guarantee, uninterrupted water service. The Department will not be liable for interruptions due to

maintenance functions considered necessary or to causes or contingencies beyond the control of the Department, including but not limited to accidents, breakdown of equipment, acts of God, floods, storms, fires, strikes, riots, war or authority and orders of government, or for disconnection because of unsafe operation of equipment detrimental to other users, nonpayment of bills for service or diversion of water. The Department shall also be not liable for any injury, loss or damage occasioned by any interruptions arising from the foregoing causes. Such interruptions shall not relieve the customer of payments for service under applicable rate schedules.

(b) Shortage of water. The Department will make every reasonable effort to furnish a continuous supply of water to meet demands. However, should shortages occur by reason of acts of God or causes beyond the immediate control of the Department, the Department shall have the right to grant preference to those services which in its opinion are the most essential to the public welfare. The Department shall not be held liable for monetary loss of business from shortages in supply of water.

(c) No claim shall be made against the Town on account of the breaking of service pipes or apparatus or for failure in the supply of water. No reduction in the rates will be made for any time that service pipes or fixtures may be frozen.

(d) Liability. All installations of water pipes or other materials or equipment made by the Department at its expense shall remain the property of the Department and shall not be tampered or interfered with directly or indirectly by the customer or any other unauthorized tampering or interference.

(e) Sprinkling restrictions. In case of water shortage or scarcity, the Board may by resolution place any restrictions which it deems necessary upon the use of water for irrigation or sprinkling purposes. (Prior code 6.13; Ord. 15-97, 1997)

13.24.120 Extraterritorial water service.

(a) Use of water outside the Town limits shall be subject to the paramount rights of users within the Town limits, and in case there shall be insufficient water to provide for users both within and without the Town limits, the Board may reduce, curtail or shut off the users outside the Town limits during such period of water shortage or scarcity.

(b) All applicants for water service outside the boundaries of the Town, including any changes or enlargement of service, shall, if required by the Town, annex their property to the Town prior to furnishing of water service; or if their property is not eligible for annexation, execute a water tap agreement requiring annexation to the Town when said property is eligible for annexation. (Prior code §6.19; Ord. 24-98 §1, 1998)

13.24.150 Regulations; part of contract.

All regulations of the Town shall be considered a part of the contract of every person taking water from the Town waterworks, and every person taking water shall be considered as having expressly consented to be bound thereby. (Prior code §6.27)

13.24.230 Contract line extension policy.

(a) The Town has constructed certain water mains to provide water service to undeveloped portions of the Town's water service area. A listing of these water main extensions and the areas they serve is on file in the Water Department. All connections to these mains from the designed areas shall be subject to a contract line assessment.

(b) The Town reserves the right to charge the entire contract line assessment for any new subdivision at the time of the issuance of the first building permit in said subdivision. (Ord. 1-92 §1, 1992; Ord. 2-93 §7, 1993; Ord. 15-97, 1997)

Chapter 13.26

Cross-Connections

13.26.010 General policy.

The Water Department shall be responsible for the protection of the Town's potable water distribution system from contamination or pollution due to the backflow of contaminants or pollutants through the water service connection. If, in the judgment of the Water Department, an approved backflow-prevention assembly is required at the consumer's water service connection; or, within the consumer's private water system for the safety of the water system, the Water Department shall give notice in writing to said consumer to install such an approved backflow-prevention assemblies at specific locations on his or her premises. The consumer shall install such approved assemblies within the time frame set forth in the notice and at his or her own expense; and, failure, refusal or inability of the consumer to install, have tested and maintain said assemblies shall constitute grounds for discontinuing water service to the premises until such requirements have been satisfactorily met. (Ord. 3-04 §1, 2004)

13.26.020 Definitions.

Definitions of terms used in this Chapter are those contained in the Colorado Cross-Connection Control Manual, Department of Health and Environment's latest edition unless otherwise defined below:

(1) *Approved backflow device* means a backflow device or air gap meeting the standards and installation requirements of the A.S.S.E. (American Society of Sanitary Engineers), the latest edition of the Cross-Connection Control Manual and/or the requirements of the Water Department. Approval by the Department will be dependent upon the hazards assessed, but shall not be less than the Cross-Connection Control Manual requirements for potable water system protection. *Approved status* shall also be contingent on inspection, testing and passing of such test by a Certified Cross-Connection Control Technician. Any variation or exception may be by direction from the current edition of the Colorado Cross-Connection Control Manual.

(2) *Certified Cross-Connection Control Technician* means a person who has passed and possess a current certification for one of the following national certification councils: American Society of Sanitary Engineers (A.S.S.E.), the American Backflow Association (A.B.P.A.), the

American Boards of Certifications (A.B.C.) for backflow tester and repairer. Any variation or exception will be by direction from the current edition of the Cross-Connection Control Manual.

(3) *Containment* means the installation of an approved backflow device isolating the premises and all plumbing connections to the service connection therein from the Town's potable water supply. At the Department's discretion, installation of the approved backflow device shall, at a minimum, be placed at or near the property line with all necessary equipment/enclosures to ensure uninterrupted service and meet all installation safety codes at the consumer's expense.

(4) *Cross-connection* means a connection or potential connection between any part of the Town's potable water system and any other environment containing other substances in a manner that, under any circumstances, would allow such substances to enter the Town's potable water system. Other substances may be gases, liquids or solids, such as chemicals, waste products, steam, water from other sources (potable or nonpotable) or any matter that may change the color or add odor to the water.

(5) *Department* means the Town's Water Department.

(6) *Service connection* means the terminal end of the water supplier service connection from the Town's potable water distribution system to the threads on the corporation stop where the Department loses jurisdiction and sanitary control and consumer ownership begins. *Service connection* shall also include water service connection from a fire hydrant and all other temporary or emergency water service connections from the Town's potable water system. (Ord. 3-04 §1, 2004)

13.26.030 Requirements.

(a) *New connection.* All new connections to the Town's water system shall have an approved backflow device. The Department will provide on-site evaluation and/or plan review in order to determine the type of backflow device that will be required as a condition of service. All new connections requiring a backflow device shall be inspected and tested by a Certified Cross-Connection Control Technician.

(b) *Changes in service.* Any changes in service, including but not limited to reconnection, change in the number of fixture values, or changes in the type of water service, shall require installation of an approved backflow device.

(c) *Existing installations.* For connections or premises without backflow devices existing prior to September 1, 2004, the Department will perform on-site evaluations and/or plan reviews and inform the consumer by letter of any corrective action deemed necessary, the method of correction and the time allowed for correction as a condition of service. Up to sixty (60) days will be allowed but may be shortened depending upon the degree of hazard (pollutant or contaminant) involved. The Department does not waive the right to require a backflow device if future directions requires such.

(d) *Testing.* All backflow devices shall be tested at least annually by a Certified Cross-Connection Control Technician using the latest test procedures as specified by one (1) of the following councils (A.S.S.E., A.B.C., A.B.P.A.), and is not a failed device.

(e) Emergency disconnection. At the Department's discretion, severing the service connection will be performed if the degree of hazard warrants such action in order to protect the Town's potable water supply. Discontinuance of service may be summary, immediate and without written notice whenever, in the judgment of the Department, such action is necessary to protect the Town's potable water supply or the distribution system.

(f) Failure to comply. If, after a first notice by letter or direct delivery of notice, the consumer fails to comply with the Department's directive or fails to allow access to premises for inspection, immediate termination of service will occur, or at the Department's discretion, no more than an additional ten (10) days shall be granted to comply with said directive. Failure to allow access by the consumer, or those designated by him or her, to premises for inspection by the Department will automatically classify the premises as a high hazard risk to the Town's potable water supply. Appeal of any notice shall be directed to the Public Works Director. An appeal shall not stay the execution of the failure to comply order by the Department in order to protect the Town's potable water supply. The failure to comply order may be reversed if the appeal is upheld.

(g) Record keeping. The Department shall maintain records of all backflow device inspections and test results for a minimum of three (3) years.

(h) Variance. Upon written application by the consumer, the Department may vary any of the requirements of this Section upon the finding by the Department that an approved backflow device is not necessary to protect the Town's potable water supply. The Department may approve the variance with or without conditions. (Ord. 3-04 §1, 2004)

13.26.040 Requirements of consumer.

(a) Cross-connections. The consumer shall be responsible for the elimination or protection of all cross-connections (known or unknown by the Department) on his or her premises by an approved backflow device at his or her expense. Such backflow device expenses shall include installation, maintenance, protection, testing, repair, removal or replacement of said devices as required by the Department as a condition of service.

(b) Backflow device. The consumer or those occupying any premises shall not bypass, disable, remove or modify any backflow device without written consent by the Department. Any such modifications shall result in termination of service.

(c) Fire suppression system design and installation. The consumer or those designated by him or her will comply with current National Fire Protection Association (N.F.P.A.) standards and/or the current Water Department Policy Manual as amended when designing, installing and maintaining any fire suppression system as a condition of service. (Ord. 3-04 §1, 2004)

Chapter 13.28

Metered Service

13.28.050 Customer liable for meter damage.

All customers shall be liable for any damage to a water meter caused by freezing or the willful or negligent acts of the customer. All such damages shall be charged to and paid for by the customer. In the event the damages shall not be paid when due, the provisions and procedures of Chapter 13.32 pertaining to delinquent water rent shall apply to all unpaid charges for such damages. (Prior code §6.21-5; Ord. 16-72 §1(part), 1972)

13.28.080 Interfering with or bypassing meters unlawful.

It is unlawful for any meter user under meter rates as set forth in this Code, or for any other person, to tamper or interfere with any meter, remote reader or meter seal, or to so arrange his or her water service or piping so that the use of water will not actuate the meter. The Town shall discontinue water service immediately to any user who violates the provisions of this Section until satisfactory payment has been made for all water used and all repairs to the meter. (Ord. 13-77 §5, 1977)

13.28.090 Charges when meter fails to register.

If any meter fails to register in any billing period, the water user shall be charged according to the average quantity of water used in a similar period as shown by the meter when in order, and the Water Department may prorate any water bill for any such period of time water service is received while not being metered. (Ord. 13-77 §6, 1977)

Chapter 13.32

Water Rates and Charges

13.32.010 Water rate schedule.

(a) Applicability. The water rate schedule is applicable to water service for all customers receiving water service from the Town's water system.

(b) Rates. The rates for water service to all customers on the Town's water system are as more fully set forth on the Town's water rate schedule on file in the office of the Director of Public Works. (Prior code §6.28-2; Ord. 293 §3; Ord. 328 §2; Ord. 371 §2; Ord. 10-71 §9, 1971; Ord. 5-74 §2, 1974; Ord. 4-75 §1(part), 1975; Ord. 12-77 §2, 1977; Ord. 6-78 §7, 1978; Ord. 34-78 §4, 1978; Ord. 7-79 §2, 1979; Ord. 28-79 §2, 1979; Ord. 13-80 §2, 1980; Ord. 24-80 §3, 1980; Ord. 12-85 §3, 1985; Ord. 21-86 §3, 1986; Ord. 29-87 §2, 1987; Ord. 2-93 §2, 1993; Ord. 1-94 §3, 1994; Ord. 15-97, 1997)

13.32.040 Discontinuance, termination and abandonment of service.

Any person who desires to discontinue the use of water shall file written notice with the Finance Officer and pay all current and back charges for water used. Any customer who fails to pay the applicable minimum rate set forth in this Chapter for a period of one (1) year, or whose service is terminated as elsewhere provided in this Chapter and whose service has not been restored within one (1) year from such termination, shall lose any right to have any water service, including the forfeiture of the connection charge. Any reconnection to the Town's water system after disconnection of service, pursuant to this Section, shall require a new application for service including payment of all tap fees and connection charges. Any tap connection that is terminated shall be physically disconnected from the Town's water system at the owner's expense. (Prior code §6.11; Ord. 6-78 §4, 1978; Ord. 7-79 §1, 1979; Ord. 2-93 §1(part), 1993; Ord. 15-97, 1997)

13.32.080 Unpaid water and connection charges a lien.

All water and connection charges shall be charged against the owner of the property served, shall be a lien upon the respective lots or parcels of land where the water is used from the time when due and shall be a perpetual charge against the lots or parcels of land until paid. In the event said charges shall not be paid when due for property within Town limits, the Town Clerk shall certify such delinquent charges to the County Treasurer and the charges shall be collected in the same manner as though they were part of the taxes. On all delinquent water and connection charges for property outside the Town limits, there shall be a charge of one and one-half percent (1.5%) per month on the amount due, which shall be added to the amount due until paid. In the case of condominiums to which water is furnished, the consumption of every condominium unit, the lien for the unpaid water, interest and costs, if any, imposed by this Code shall attach upon such condominium unit in an amount which is computed by dividing the total amount of the lien by the number of condominium units. (Prior code §6.25; Ord. 316 §2; Ord. 10-71 §6, 1971; Ord. 19-73 §1(part), 1973; Ord. 13-77 §7, 1977; Ord. 6-78 §5, 1978)

Chapter 13.38

Bulk Rate Water Customers

13.38.010 Bulk rate water users.

A bulk rate water user is a person or an entity controlling or owning and maintaining its own water distribution system, which system is connected to the Town's water system by a single connection through a single meter. Only such systems in existence on April 1, 1987, shall be eligible for acceptance as a bulk rate water user, unless otherwise approved by the Board of Trustees. This rate structure is not intended to apply to developments served by private service lines that are master-metered in accordance with Section 13.28.030. (Ord. 4-87 §1(part), 1987)

13.38.110 Distribution system.

It is understood and agreed by the applicant and all persons receiving water through the master meter that the Town has no control of or has not approved the distribution system from the master meter to the ultimate user of the water. The Town shall not be responsible for the repair or

maintenance of the distribution system. No claim shall be made against the Town on account of the breaking of any part of the distribution system or for the failure of supply of water to same. The applicant and all others receiving water through the distribution system under the terms and conditions of this Chapter understand that the Town does not warrant at any time an adequate supply of water to the system and/or the design and workmanship of the distribution system. Any change in the quality of the water after delivery to the master meter is not the responsibility of the Town. (Ord. 4-87 §1(part), 1987)

13-11

DRAFT

General Fund
 Community Services, #101-1900
 Town of Estes Park - 2013 Budget

SCOPE OF SERVICES

The Community Services department is the source of Town assistance to various community organizations. Contingent upon funding availability, the Town will provide subsidies to organizations representing a broad spectrum of cultural and human services. The categories include arts and education, transportation, youth programs, various human services, and the food tax refund and sister city programs. Subsidies are distributed on a quarterly basis.

	2005	2007	2008	2009	2010	2011	Budget 2012
Special transit			26,000	27,500	26,000	26,000	27,300
	27,500	26,000	26,000	27,500	26,000	26,000	27,300
Housing							
Estes Park Housing Authority			175,000	170,000	161,500	129,500	123,310
Estes Housing Assistance Program*			0	0	1,900	1,500	0
Habitat for Humanity of Estes Valley			7,000	7,000	5,000	5,000	5,000
	194,381	213,000	177,000	168,400	136,400	136,000	128,310
Youth							
BACers (Bobcat Athletics)*				0	0	3,800	0
Estes Park Learning Place			2,500	2,500	2,000	1,800	2,000
Estes Valley Inv in Childhood Success			28,000	28,000	26,000	25,800	30,000
Longs Peak Rotary Club						500	0
Partners Mentoring of Larimer County			4,000	4,000	3,800	3,600	4,000
Partnership of EP Nonprofit Resource*			0	1,500	1,200	800	0
	48,925	41,000	49,891	42,000	42,000	36,300	36,000
Food Tax Refund	16,900	16,750	17,500	17,500	17,550	16,350	17,500
Human Services							
American Legion Post 119*			0	0	1,500	0	0
Audio Information Network of CO			500	500	500	500	500
Crossroads Ministry of Estes Park			20,000	20,000	19,000	18,850	18,000
Estes Park Gun & Archery Club			0	5,000	3,000	1,600	1,800
Estes Park Nonprofit Resource Center					0	0	2,500
Estes Park Salud Foundation			20,000	20,000	19,000	18,850	19,000
Estes Valley Victim Advocates			200,000	20,000	4,000	0	5,000
	43,725	240,500	45,500	47,000	47,000	39,800	46,800
Estes Park Sister Cities Association	9,405	9,000	9,000	9,000	8,500	8,350	8,390
TOTAL	\$381,737	\$578,850	\$398,991	\$311,850	\$266,200	\$266,200	\$271,800

* application for funding not submitted



Memo

To: Honorable Mayor Pinkham
Board of Trustees
Town Administrator Lancaster

From: Steve McFarland, Finance Officer

Date: August 1, 2012

RE: *Brief history of Catastrophic Loss Fund*

Background:

The following is a basic timeline for the Catastrophic Loss Fund.

The Catastrophic Loss Fund first appeared in the Town's financial statements in 1977, when it was then called the Self Insurance Fund. Interestingly, the Fund appears in the 1977 CAFR, but not in the 1977 Budget. This leads one to imagine that it was probably created sometime between December 1976 (after the 1977 Budget approval process) and December 1977. Town Clerk Williamson and Finance Officer McFarland spent a modest amount of time reviewing minutes and resolutions from 1977 and did not find any reference to the creation of the Fund.

Initially, the Fund was seeded by transfers from the General (\$5,000), L&P (\$3,000) and Water Funds (\$3,000). The first descriptor Finance Officer McFarland could locate regarding the Fund was in the 1982 CAFR, at which point the purpose of the fund was described as *"to account for the accumulation of resources to be used solely for the repair or rebuilding of damaged Town property which is not otherwise reimbursed by insurance protection."* The 1990 CAFR describes the fund in the following manner: *"this fund is used to account for payment of uninsured losses, including deductibles on insured losses as well as certain types of liabilities for which no outside insurance is available."* The 1990 Budget adds: *"The Self Insurance Fund was created to provide a reserve account in the event the Town's liability or casualty insurance would not cover a loss or claim"*.

The 1990 Budget notes that transfers from the General, L&P and Water Funds were discontinued after 1988. At that point, transfers were coming into the Self Insurance Fund in the following manner: \$60,000 General Fund, \$60,000 L&P Fund, \$30,000 Water Fund. While no documentation has yet been found, a reasonable assumption might be made that the target balance of the Fund was reached, as the Fund reported a \$1,000,000 balance at the end of 1988.

In 2010, due to changes in accounting rules/practices, the now-named Catastrophic Loss Fund no longer qualified as an internal service fund, and its fund balance of \$1,277,658 was transferred to the General Fund.

Other information

While not directly relating to the above topic, Finance Officer McFarland thought that the Town Board and Staff might find the attachments from the 1977 and 1982 CAFRs to be interesting. Information is discussed regarding the financial ramifications of the Big Thompson and Lawn Lake floods.

Budget:

N/A

Staff Recommendation:

N/A

Sample Motion:

N/A

Note – Any item requiring a change to the Municipal Code, Development Code or any other action requiring an Ordinance to be passed by the Town Board is required to have the Ordinance included.

77
CAFR

TOWN OF ESTES PARK
NOTES TO THE FINANCIAL STATEMENTS
DECEMBER 31, 1977

NOTE 5 - CHANGE IN INVENTORY COST METHOD

In prior years materials and supplies inventory of the Light and Power Fund were reported using an average last-in, first-out (LIFO) cost basis. At December 31, 1977 this inventory is reported using the last purchase cost for each inventory line item. This change in accounting method was made to facilitate the valuation of inventory and to coordinate with the accounting procedures for maintaining work order costs. The use of this method results in approximately the same cost flow and ending inventory as the prior method.

NOTE 6 - CONTRIBUTIONS FROM CUSTOMERS

In prior years the Water Fund reported water tap fees and water rights fees collected as current period operating revenues. Effective January 1, 1977 these fees are recognized as capital contributions from customers since they represent nonrefundable amounts paid for the customers' entitlement of usage of the water system.

Amounts collected for water tap fees and water rights fees were \$377,673 for prior years and \$94,835 for the current year. This total of \$472,508 is reported herein as contributions from customers.

NOTE 7 - CONTRIBUTIONS IN AID OF CONSTRUCTION

In prior years the Light and Power Fund reported nonrefundable amounts paid by customers for costs of construction as capital contributions in aid of construction. In accordance with Order #490 of the Federal Power Commission dated 8/22/73, these capital contributions of \$1,068,084 were transferred as a reduction in cost of utility plant in service as of December 31, 1977. Related depreciation of \$419,744 was also reduced as a prior period adjustment to retained earnings.

→ NOTE 8 - FLOOD DAMAGE GRANTS AND EXPENSES

The July 31, 1976 flooding of the Big Thompson Canyon and Estes Park area caused significant property damage to fixed assets of the Town. The cost of restoring/replacing such damaged property was eligible for 100% reimbursement in the form of Federal grants under the Federal Disaster Assistance Act. All such restoration and replacement was completed in 1977 and final funding was received in February 1978. The following summarizes applicable amounts received in each fund.

<u>Fund</u>	<u>Total Grant</u>	<u>Income Recognized</u>	
		<u>1976</u>	<u>1977</u>
General	\$ 42,340	\$30,604	\$11,736
Water	9,451	9,832	(381)
Light & Power	85,018	42,945	42,073
Total	<u>\$136,809</u>	<u>\$83,381</u>	<u>\$53,428</u>

82
CAFR

Due to the absence of a current actuarially-computed value of vested benefits, it is not possible to determine the adequacy of this fund to meet future pension requirements.

(9) LOSS FROM FLOOD DAMAGES

On July 15, 1982 the Town suffered flood damages caused by the failure of Lawn Lake Dam and Cascade Dam located in Rocky Mountain National Park. Among other damages incurred by the Town, the 880 KW hydroelectric plant, owned by the Light and Power Fund, became inoperable. This plant was previously operated as a seasonal, peak use facility to provide approximately 2% of the total power requirements of the Town system.

A study is in progress to determine the feasibility of repairing/rebuilding the hydroelectric plant facility. At this time no decisions have been made on the questions of repairing/rebuilding the facility, alternate site locations, size of facility, costs involved, etc.



Several Federal and State of Colorado programs are available to aid in funding the cleanup, repair, and rebuilding of property damages caused by the flood. The Federal Emergency Management Agency (FEMA) has committed a disaster grant program equal to 75% of eligible flood-related costs or an alternative funding grant program equal to 67.5% of eligible flood-related costs. The State of Colorado has provided a \$200,000 grant to Estes Park for disaster assistance. Certain other Federal and State of Colorado grant programs may be available, but at this time the amount of additional grants, if any, is not determinable.

The book value of \$24,774 for the hydroelectric plant facility was written off as a loss for 1982. The anticipated total cost of cleanup, repair, and rebuilding of other Town property was \$715,396. After applying the anticipated total FEMA grant of \$536,547 and the \$200,000 of Colorado grant, the net loss from flood damages to property other than the hydroelectric plant facility was \$3,623. This loss may be recalculated and revised based upon subsequent events, such as the decision on repairing/rebuilding the hydroelectric facility, additional grant programs for disaster assistance, and interfund allocations by the Town.

(10) CONTINGENT LIABILITIES



As a result of the July 15, 1982 failure of Cascade Dam, which was owned and operated by the Town's Light and Power Fund as a part of the hydroelectric plant facility (see Note 9), the Town has either been named as a co-defendant or been notified of claims for damages in a number of pending or possible legal matters. The total amount of such claims, the outcome of such legal matters, and the potential uninsured loss, if any, to the Town are not determinable at this time. It is anticipated that the awarded damages, if any, from these legal matters will not be in excess of the liability insurance coverage of the Town. The Town is also a defendant in several pending lawsuits alleging improper conduct or liability on the part of the Town. The outcome of these legal matters and the potential uninsured loss, if any, to the Town are not determinable at this time. It is anticipated that the awarded damages, if any, from the lawsuits will not be in excess of the liability insurance coverage of the Town.



TOWN OF ESTES PARK

Administrative Services

To: Mayor Pinkham
Board of Trustees
Town Administrator Lancaster

From: Jackie Williamson, Director

Date: August 8, 2012

RE: Property/Liability Insurance – CIRSA Coverage

Background:

The Town of Estes Park has been covered by CIRSA since 1988 for property and liability insurance. CIRSA is a not-for-profit organization owned and operated by its members since 1982, and is designed to shield public entities from the insurance market's cyclical problems of cost, capacity and uncertainty. This governmental entity, not an insurance company, provides members comprehensive, customizable coverage, while members build equity in the pool and any surplus funds are returned directly to them, not shareholders.

The Town's property coverage includes all town owned properties, buildings and their contents, automobile physical damage, mobile equipment and machinery, exterior signs, and other property such as fine arts, valuable papers, and miscellaneous outdoor properties and equipment, such as park structures, street signs, signals and transformers.

The Town liability coverage includes general, auto, law enforcement and public official errors and omissions. General liability coverage protects the Town against claims for bodily injury and property damage from a third-party. Auto coverage protects the Town against claims for bodily injury or property damage arising out of the Town's operation, maintenance, or use of an automobile. Law enforcement coverage protects against claims for bodily injury or property damage arising out of police operations. Public official coverage protects against claims for actual or alleged errors, omissions or negligent acts.

Attached is a copy of the Town's 2012 property/casualty coverage plan structure from CIRSA. The Town carries \$500.5 million in excess property insurance per claim/occurrence and \$5 million in excess liability per claim/occurrence, except auto liability at \$1.5 million. The Town's deductible is \$5,000 per claim/occurrence.



Memo

To: Honorable Mayor Pinkham
Board of Trustees
Town Administrator Lancaster

From: Jackie Williamson, Town Clerk

Date: August 13, 2012

RE: Future Town Board Study Session Items

August 28, 2012
Town Attorney/Municipal Judge
Evaluation Criteria

September 11th

September 25th

October 9th

October 23rd

Other Items Not Currently Scheduled for Town Board Study Sessions

- Friends of Stanley Hall (FOSH) Fund Distribution Strategies
- Policy Governance
- Strategic Planning Initiative
- Economic Development – Town Role
- Town Real Property Assets Policy
- Logo Policy – Town Board
- 2012 Town Board Goal Status
- Update/Revision to Comprehensive Plan
- Quasi-judicial discussion with Attorney White
- RMNP fire mitigation/beetle management
- Streaming of Town Board meetings – audio/visual
- Visit Estes Park – Branding Blueprint