



**Council Meeting Date:** April 8, 2014

**To:** President and Members of City Council

**From:** Jerry Forte, P.E., Chief Executive Officer

*For Jerry Forte  
Carl Coy*

**Subject Title:** Decision on Water Shortage Tariff

**Summary:**

City Council will vote on the proposed changes to the Water Shortage Tariff

**Previous Council Action:** NA

**Background:**

A Public Hearing was held on March 25, 2014. Draft Decision and Order was reviewed at April 7, 2014 Informal Work Session. Utilities staff is compiling revised tariff sheets to implement the Finance Committee's alternative proposal. Those tariff sheets, along with the previously filed proposed Water Shortage Tariff sheets, will be provided to the City Council by the afternoon of Friday, April 4<sup>th</sup>. A hard copy will be placed in each Council Member's mailbox and the City Attorney's Office – Utilities Division will provide an electronic copy.

**Financial Implications:** NA

**Board/Commission Recommendation:** NA

**Stakeholder Process:** NA

**Alternatives:** To be provided as explained in Background above.

**Recommendation:** NA

**Attachments:**

- A Resolution Approving Changes to the Water Rate Schedules to Modify the Water Shortage Tariff

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING CHANGES TO THE WATER RATE SCHEDULES  
TO MODIFY THE WATER SHORTAGE TARIFF**

**WHEREAS**, abnormally high demand, together with drought conditions and/or system constraints, may reduce the water available to Colorado Springs Utilities (Utilities) water system to the point of creating a water shortage; and

**WHEREAS**, Utilities has proactively developed a drought response plan that is a layered contingency plan to provide for a systematic response restricting customer water use and moderating water waste to meet the essential needs of the community; and

**WHEREAS**, Utilities desires to encourage water customers to conserve water; and

**WHEREAS**, the City Council approved the initial Water Shortage Tariff on March 26, 2013 and subsequent revisions on July 23, 2013; and

**WHEREAS**, Utilities proposes changes to the tariff based upon experience and data gathered from the first year of the Water Shortage Tariff; and

**WHEREAS**, the City Council has reviewed all filings and the testimony and evidence provided at the public hearing; and

**WHEREAS**, the City Council finds the attached water rate schedules modifying the Water Shortage Tariff reasonable, appropriate, and not unduly discriminatory; and

**WHEREAS**, these rates will become effective when a Stage II Water Shortage is declared by the City Council and on the date stated in the declaration; and

**WHEREAS**, Utilities will return to the City Council with revised/additional rate proposals should a Stage III or Stage IV Water Shortage be declared; and

**WHEREAS**, Utilities has provided public notice of the proposed changes and has complied with requirements of the City Code for changing its water rate schedules; and

**WHEREAS**, Utilities filed a formal request for a public hearing with the Colorado Springs City Clerk on February 11, 2014; and

**WHEREAS**, Utilities published legal notice of the hearing on February 14, 2014; and

**WHEREAS**, Utilities has proposed to make the water rate schedule changes effective May 1, 2014; and

**WHEREAS**, the specific rates, policy changes, and changes to any terms and conditions of service are set out in the attached tariff sheets for adoption.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:**

Section 1: That the attached Water Rate Schedules Tariff sheets should be revised as follows:

Effective May 1, 2014

| City Council Vol. No. 5<br>Sheet No. | Sheet Title           | Cancels Sheet No.       |
|--------------------------------------|-----------------------|-------------------------|
| First Revised Sheet No. 13           | Water Shortage Tariff | Original Sheet No. 13   |
| First Revised Sheet No. 13.1         | Water Shortage Tariff | Original Sheet No. 13.1 |
| First Revised Sheet No. 13.2         | Water Shortage Tariff | Original Sheet No. 13.2 |
| First Revised Sheet No. 13.3         | Water Shortage Tariff | Original Sheet No. 13.3 |
| First Revised Sheet No. 13.4         | Water Shortage Tariff | Original Sheet No. 13.4 |
| First Revised Sheet No. 13.5         | Water Shortage Tariff | Original Sheet No. 13.5 |

Section 2: The attached Tariff Sheets are hereby approved and adopted.

Dated at Colorado Springs, Colorado, this eighth day of April, 2014.

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Keith King, City Council President

ATTEST:

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Sarah B. Johnson, City Clerk