

**Non-Potable Water Supply
Pilot Program Policies
March 5, 2020**

Policies for Pilot Projects:

- Non-Potable Supply Required
 - Developments of 20 acres or more shall have non-potable irrigation unless it is shown that it is not economically feasible. The evaluation and calculations must be provided to the City of Greeley for approval in order to waive the requirement.

- Cash-In-Lieu (CIL)
 - There are different CIL rates for potable and non-potable supplies.
 - Non-potable CIL rate is based on the current and planned cost of non-potable water rights and supply infrastructure.
 - Non-potable CIL is \$23,800 per acre-foot, which is 70% of the potable CIL rate.
 - New single-family residential non-potable requirements are calculated on the pervious area of the lot and the lot size minus the footprint of the house and driveway. The development HOA or Metro District will be served by master meters as determined by the City of Greeley.

- Credit for Irrigation Company Shares
 - Credit for non-potable sources were determined by using the ratio of potable to non-potable CIL. Non-potable credits are:
 - Greeley Loveland Irrigation Company: 11.3 AF/share
 - Loveland and Greeley Reservoir Company: 28.2 AF/share
 - Seven Lakes Reservoir Company: 11.3 AF/share
 - Greeley Irrigation Company: 10.3 AF/share (With Dry up Covenant/Agreement)
 - Greeley Irrigation Company shares can be used to meet full non-potable dedication requirements (code currently caps this at 2 AF/ac).

- Dedication Limitations
 - Allow dedication of shares for non-potable service on lands not historically irrigated.

- Cost of Connection
 - Cost of developing non-potable infrastructure shall be borne by the developer. However, the City, at the discretion of the Water and Sewer Board and/or Water and Sewer Director, may cost-share non-potable system development. This would apply in cases when the financial benefits to the City achieved by replacing potable demand with non-potable demands outweigh the cost share of constructing new non-potable systems.
 - Furthermore, the City, at the discretion of the Water and Sewer Board and/or Water and Sewer Director shall pay to upsize non-potable facilities in cases when the non-potable system can be used to serve more areas than a single development.

- Drought Restrictions
 - During times of drought declaration, non-potable developments will be subject to the same watering restrictions and surcharges as potable, Water Budget accounts.
- Plant Investment Fees (PIFs)
 - The non-potable PIF calculation is consistent with the potable water PIF methodology. The replacement value of the City’s non-potable asset base is divided by the ¾” equivalent non-potable taps to generate the non-potable PIF.
 - The non-potable PIF shall be \$6,550 for non-potable water use consistent with the design gpm (gallons per minute) of a ¾” tap. PIFs for non-potable taps that require higher gpm than the design gpm for the ¾” tap will increase consistent with the American Water Works Association meter capacity ratios.

Meter Size	Design GPM	Ratio	PIF Fee
¾”	10	1	\$6,550.00
1”	25	2.5	\$16,375.00
1½”	50	5	\$32,750.00
2”	80	8	\$55,040.00
3”	175	17.5	\$114,625.00
4”	300	30	\$196,500.00
6”	625	62.5	\$409,375.00

- For residential single- family units with both potable and non-potable taps, only the potable PIF will be charged. For multi-family developments, separate PIFs will be charged albeit at a lower rate for outdoor non-potable taps.
- Shoulder Season Taps
 - The City shall furnish, without raw water fees or PIFs, potable water taps to supply the non-potable irrigation system during times when the non-potable supply is unavailable (i.e., early spring and late fall shoulder seasons). Shoulder taps will be removed or retired from service if the non-potable system is expanded to serve shoulder seasons. Shoulder season taps are generally provided for parks, large HOAs, and large commercial customers. It is not intended for residential use.
 - If potable water is used during periods when non-potable supplies are available, the potable supplies will be subject to the potable raw water surcharge.
- Water Rates
 - Each non-potable system is provided a tiered annual water budget.
 - Water tier volumes for non-potable systems will be the same as the potable water budget program.
 - Water Budget tier = up to 100% of water budget
 - Inefficient Use tier = 101%-130% of water budget
 - Excessive Use tier = 131%-150% of water budget
 - Unsustainable Use tier = >150% of water budget
 - Tiered rates for use of non-potable water supplies will be 70% of the residential water budget rates, which are determined annually by the Water & Sewer Board.

- Rates for potable water supplies used for non-potable systems during shoulder months will be set in accordance with the City's existing water budget program determined annually by the Water & Sewer Board.