



DEVELOPMENT GUIDE: RAW WATER DEDICATION

032123

Water Dedication Requirements:

Raw water dedication is required for all new development. Each new development is required to connect to the Town's water and sewer systems. Regarding water service, no individual ground water wells are allowed to be constructed in Town and all water service provided in the town must be provided by the town. Both code sections referenced are copied below.

[Hudson Municipal Code \(H.M.C.\), Sec. 13-1. - Wells prohibited.](#)

No individual ground water wells shall be drilled or constructed in the town.

[Hudson Municipal Code \(H.M.C.\), Sec. 13-2. - Water service.](#)

All water service provided in the town shall be the municipal water provided by the town.

The Town Council recently passed a code amendment to allow fees in lieu of dedicated shares. They reinforced the value of their mountain water, while also recognizing there are additional mountain water sources that are comparable to C-BT (Colorado-Big Thompson). This will allow the Town to purchase "other equal or superior water sources" such as Windy Gap or NISP (Northern Integrated Supply Project). Additionally, in 2021, Council passed an amendment that allowed the dedication of the required water shares or payment of cash in lieu to be provided/paid the final development approval, such as final plat or site plan, and prior to any construction activities beginning.

Annexing properties will need to petition for inclusion into Northern Colorado Water Conservancy District and provide consent to the withdrawal by the town of any and all nontributary and tributary ground water. Please refer to our Annexation Guide for more information on the requirements for annexations, [here](#). The Town has specific water dedication requirements as outlined in the Hudson Municipal Code and are copied below for reference.

[Hudson Municipal Code \(H.M.C.\), Sec. 13-63. Basic Dedication Requirement.](#)

- (a) *No land shall be developed within the town, and no water service shall be extended by the town to such land, until the town has received, by a good and sufficient conveyance, dedication, grant, assignment or decree, the perpetual right to use water sufficient to serve the anticipated use of the land being developed. The amount of water to be dedicated to the town may be identified in an agreement between the town and the owner of the land at the time of annexation. Dedication of such water shall be required prior to recording an approved final plat for such land, recording an approved site plan for such land, or issuance of a building permit for construction on such land, whichever first occurs. Nothing in this Section 13-63 shall preclude a property owner annexing property into the town to seek to dedicate water as part of the annexation of property into the town.*
- (b) *For single-family residential developments, the minimum dedication requirement shall be equal to one (1) share of Colorado-Big Thompson (CBT) water or one-half (½) acre-foot per single-family equivalent.*
- (c) *For multi-family and nonresidential developments, the minimum dedication requirement shall be determined by the town, and shall be sufficient to serve the anticipated use of the land being annexed. In determining the minimum dedication requirement for multi-family and nonresidential developments, the owner shall*

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submit estimates of the anticipated water demands for the development for review by the town in a Utility Service Plan, prepared by a qualified professional, estimating the demand for water services. Based on a review thereof, and considering any recommendations from the town's staff and/or consultants, the town will determine the minimum dedication requirement for the multi-family or nonresidential development.

- (d) Water currently acceptable to the town to meet the minimum dedication requirement is water from the Colorado-Big Thompson Project ("CBT water"), but other equal or superior water sources, as determined by the Town in its sole discretion, may be accepted. CBT water will be credited toward the minimum dedication requirement at a rate of one-half (½) acre-feet per CBT water unit. The rate of credit for other water sources, if accepted by the Town, shall be determined by the Town at the time of dedication based on source and demand. Cash-in-lieu payments may be accepted on a case-by-case basis and, if accepted, the required cash-in-lieu payment amount shall be calculated according to the current per-unit market rate of CBT water.*

In summary, there are two options for development to provide the raw water dedication. Either through the dedication process, of which source types include CBT or an equal or superior source, or through the payment of a fee in lieu of dedication. As of March 2023, the current per-unit market rate of CBT water is \$70,000.