

**FIRST READING OF
AN ORDINANCE AMENDING CHAPTERS 3.16, 13.12 AND
13.30 OF THE CASTLE ROCK MUNICIPAL CODE BY
CHANGING STORMWATER DEVELOPMENT IMPACT
FEES, WATER RESOURCES, STORMWATER AND
WASTEWATER RATES, AND METER SET FEES**

SEPTEMBER 20, 2022



CRW RATE HISTORY

RESIDENTIAL ¾" METER

Enterprise	2018	2019	2020	2021	2022
Water Rate Increases	0%	3%	0%	0%	0%
Water Resources Rate Increases	0%	0%	0%	0%	3%
Wastewater Rate Increases	0%	0%	-3%	0%	-5%
Stormwater Rate Increases	0%	0%	0%	0%	3%

The 3% increase in Water in 2019 is revenue captured in the Water Fund in blocks 2 & 3 and reclassified to Water Resources.

CRW SYSTEM DEVELOPMENT FEE HISTORY

RESIDENTIAL ¾" METER

Enterprise	2018	2019	2020	2021	2022
Water Fee Increases	6%	1%	3%	10%	41%
Water Resource Fee Increases	0%	12%	3%	5%	43%
Wastewater Fee Increases	15%	2%	0%	0%	22%
Stormwater Fee Increases	0%	0%	3%	5%	49% - 23%

SECURE OUR WATER FUTURE

Continue projects, programs and policies to advance the goal of securing 75% renewable water by 2050; reducing per-capita consumption to 100 gallons per day; and maintaining affordable rates and fees, including:

- Continue advancing long-term renewable water efforts including the WISE imported water project, Castle Rock Reservoirs, Chatfield Reservoir, Plum Creek Water Purification Facility, etc.
- New groundwater well facility
- Continue implementing advanced metering infrastructure
- Continue water and sewer line rehabilitation projects and upgrades to security, controls and network
- Add five new positions: a stormwater inspector, a water conservation technician, a SCADA instrumentation technician, a collections operator and an office assistant

FACTORS IMPACTING PROPOSED WATER RATES

- Construction costs
 - +5.8% FY 2021; +7.8% July 2022 YTD
- Labor costs
 - Job market challenges (competition – Parker Water)
 - Hired a Recruiter
 - Multiple Changes to Pay (double time/emergency response, job progression, equity adjustments, grade changes)
- Energy costs
 - Roughly 10% of operating expense; CORE rates +6% beginning August 2022
- Growth estimates
- Supply chain
 - Ally meters, pipe, vehicles, parts, chemicals

PROPOSED RATES/FEES 2023-2027

WATER FUND

Water	2022	2023	2024	2025	2026	2027
Rate Increase		4.5%	4.5%	4.5%	4.5%	4.5%
Monthly Charge	\$9.54	\$9.97	\$10.42	\$10.89	\$11.38	\$11.89
Block 1	2.82	2.95	3.08	3.22	3.36	3.51
Block 2	5.74	6.00	6.27	6.55	6.85	7.15
Block 3	8.56	8.95	9.35	9.77	10.21	10.67
Typical Res Bill*	\$38.04	\$39.77	\$41.56	\$43.43	\$45.38	\$47.43
Difference		\$1.73	\$1.79	\$1.87	\$1.95	\$2.04

Water	2022	2023	2024	2025	2026	2027
SDF Increase		10%	10%	10%	10%	10%
SDF	\$5,700	\$6,270	\$6,897	\$7,587	\$8,345	\$9,180

* Residential ¾" meter, 4,000 gallons per month of average winter median consumption (AWMC), 7,000 gallons monthly average consumption.

PROPOSED RATES/FEES 2023-2027

WATER RESOURCES FUND

Water Resources	2022	2023	2024	2025	2026	2027
Rate Increase		7.5%	3.0% - 7.5%	3.0%-7.5%	3.0%-7.5%	3.0%-7.5%
Monthly Charge *	\$26.93	\$28.95	\$29.82 - \$31.12	\$30.71 - \$33.46	\$31.63 - \$35.96	\$32.58 - \$38.66
<i>Difference</i>		\$2.02	\$0.87 - \$2.17	\$0.89 - \$2.33	\$0.92 - \$2.51	\$0.95 - \$2.70

Water Resources	2022	2023	2024	2025	2026	2027
SDF Increase		15%	3%	3%	3%	3%
SDF	\$26,458	\$30,427	\$31,340	\$32,280	\$33,248	\$34,246

* Residential ¾" meter, 4,000 gallons per month of average winter median consumption (AWMC), 7,000 gallons monthly average consumption.

PROPOSED RATES/FEES 2023-2027

WASTEWATER FUND

Wastewater	2022	2023	2024	2025	2026	2027
Rate Increase		0%	0%	0%	0%	0%
Monthly Charge	\$8.57	\$8.57	\$8.57	\$8.57	\$8.57	\$8.57
Volumetric Rate	6.07	6.07	6.07	6.07	6.07	6.07
Typical Res Bill*	\$32.85	\$32.85	\$32.85	\$32.85	\$32.85	\$32.85
Difference		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00

Wastewater	2022	2023	2024	2025	2026	2027
SDF Increase		10%	3%	3%	3%	3%
SDF	\$4,909	\$5,400	\$5,562	\$5,729	\$5,901	\$6,078

* Residential ¾" meter, 4,000 gallons per month of average winter median consumption (AWMC), 7,000 gallons monthly average consumption.

PROPOSED RATES/FEES 2023-2027

STORMWATER FUND

Stormwater	2022	2023	2024	2025	2026	2027
Rate Increase		4.5%	4.5%	4.5%	4.5%	4.5%
Monthly Charge *	\$7.30	\$7.63	\$7.97	\$8.33	\$8.71	\$9.10
Difference		\$0.33	\$0.34	\$0.36	\$0.38	\$0.39

Stormwater	2022	2023	2024	2025	2026	2027
CC SDF Increase		10%	3%	3%	3%	3%
Cherry Creek	\$1,116	\$1,228	\$1,264	\$1,302	\$1,341	\$1,382
PC SDF Increase		10%	10%	10%	3%	3%
Plum Creek	\$2,128	\$2,341	\$2,575	\$2,832	\$2,917	\$3,005

* Residential ¾" meter, 4,000 gallons per month of average winter median consumption (AWMC), 7,000 gallons monthly average consumption.

AVERAGE BILL COMPARISONS

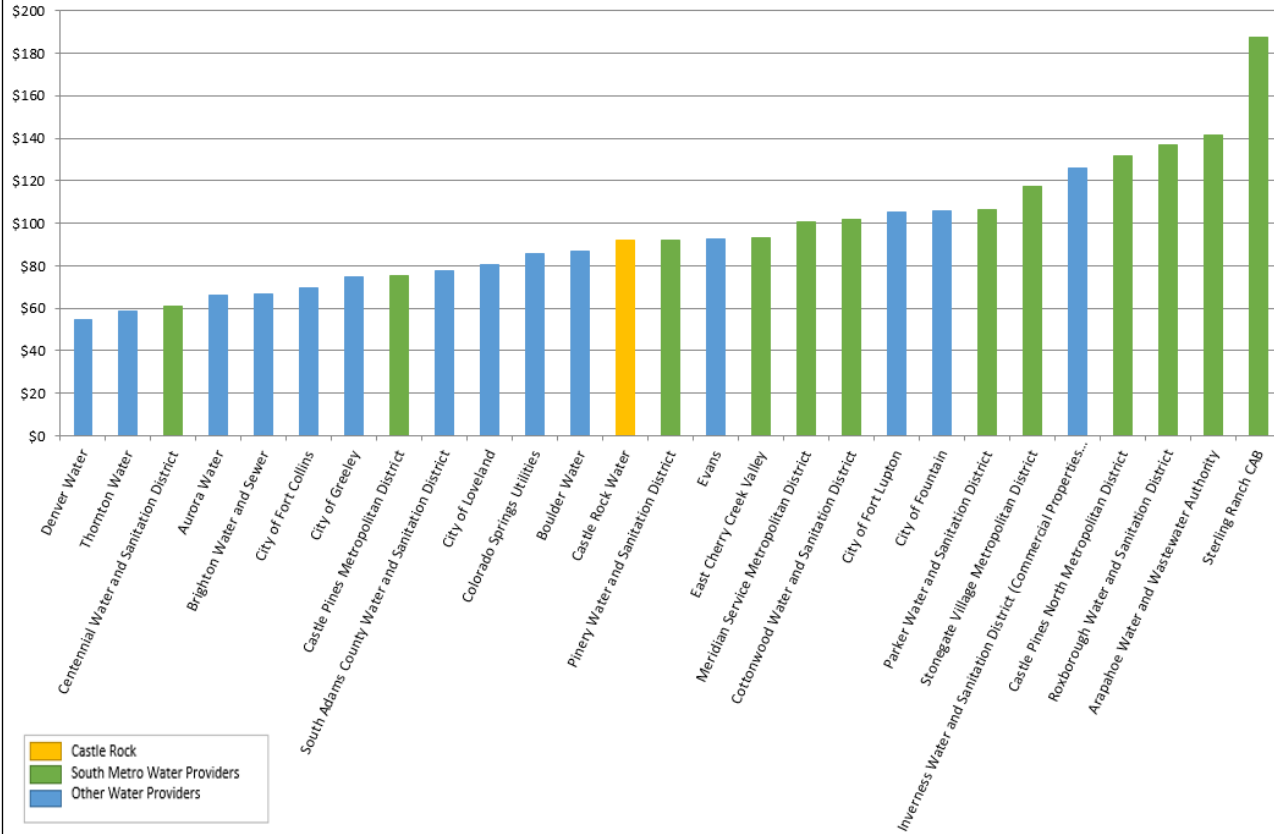
WATER +4.5%, WATER RESOURCES +7.5%, STORMWATER +4.5%

Customer	2022	2023	\$ Increase	% Increase	SW Increase	% increase – No SW
3/4" Residential *	\$105.12	\$109.20	\$4.08	3.88%	\$0.29	3.57%
3/4" Commercial (With IRR)	\$162.70	\$168.55	\$5.85	3.60%	\$1.83	2.47%
3/4" Commercial (No IRR)	\$199.48	\$206.71	\$7.24	3.63%	\$3.04	2.10%
1.5" Multi-Family (No IRR)	\$735.49	\$760.78	\$25.29	3.44%	\$3.71	2.94%
1.5" Multi-Family (With IRR)	\$805.52	\$835.33	\$29.81	3.70%	\$3.32	3.29%
3/4" Irrigation Only	\$264.41	\$277.12	\$12.71	4.81%	-	4.81%
2" Irrigation Only	\$2,282.51	\$2,394.91	\$112.40	4.92%	-	4.92%

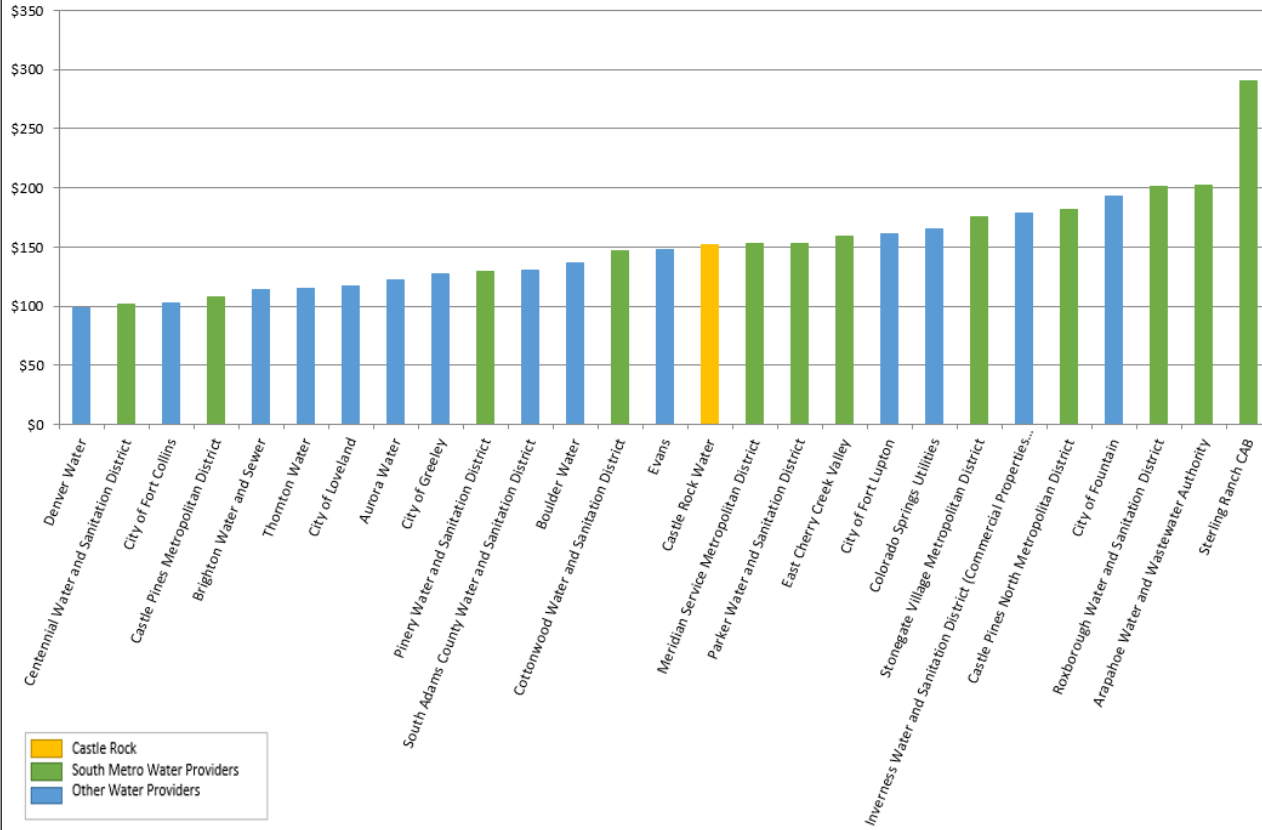
* Residential ¾" meter, 4,000 gallons per month of average winter median consumption (AWMC), 7,000 gallons monthly average consumption.

2022 Adopted Rates vs. CRW 2023 Proposed Rates

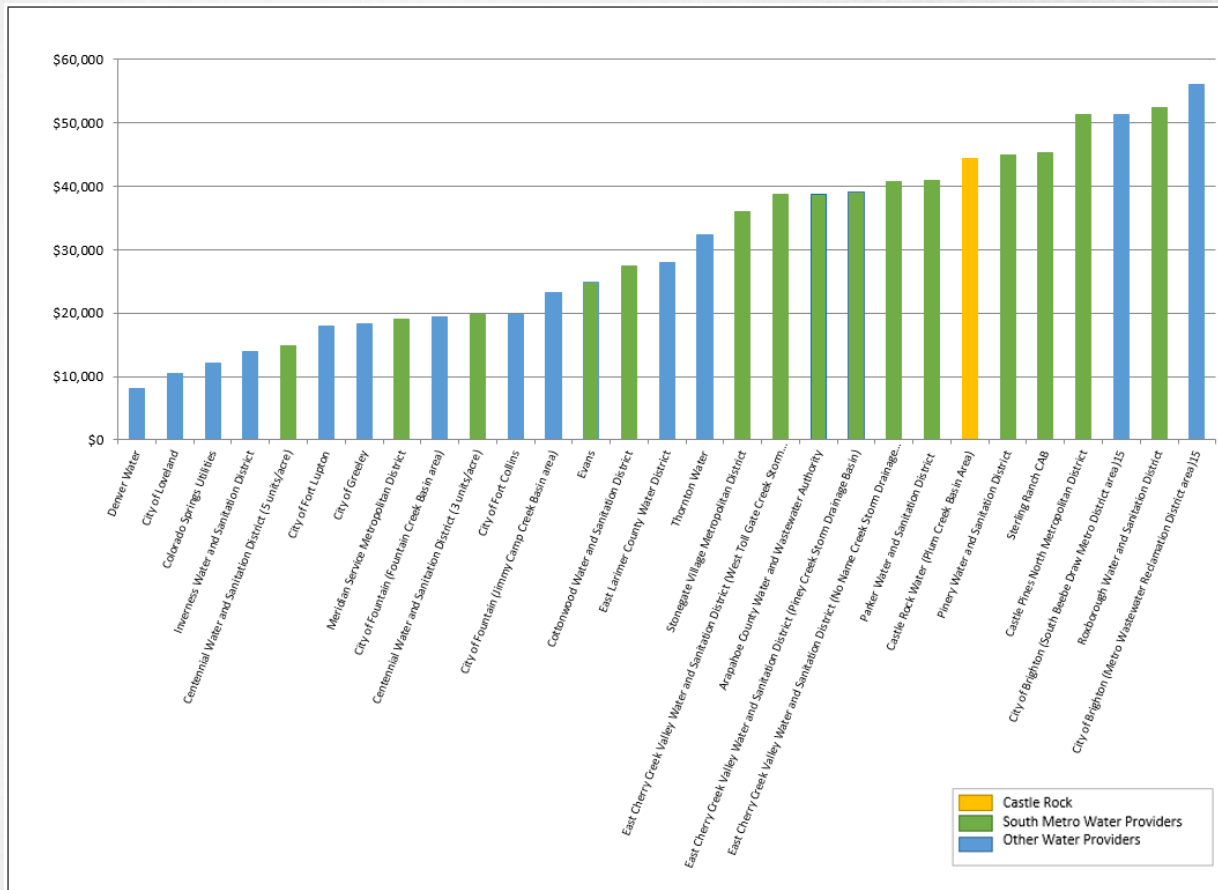
Typical Monthly Winter Bill (per 5,000 gallons)



2022 Adopted Rates vs. CRW 2023 Proposed Rates Typical Monthly Summer Bill (per 15,000 gallons)



2022 Adopted System Development Fees vs. CRW 2023 Proposed Fees



2023 RATES AND FEES

SCHEDULE AND OUTREACH

Schedule

- Castle Rock Water Commission Meeting 8/31/2022
- Castle Rock Water Commission Meeting 9/28/2022
- 1st Reading 9/20/2022
- 2nd Reading 10/4/2022
- Implementation 1/01/2023

Outreach

- Economic Development Council Water Subcommittee
- Developer's Roundtable

2023 RATES AND FEES

RECOMMENDATIONS

- Staff
- Castle Rock Water Commission

QUESTIONS?



RECOMMENDED MOTION:

"I move to approve Ordinance #2022-022 on First Reading as introduced by title."

ALTERNATIVE MOTIONS:

"I move to approve Ordinance #2022-022 on First Reading, with the following conditions or changes: (list conditions or changes)."

"I move to continue this item to the Town Council meeting on ____date to allow additional time to (list information needed)."