### ORDINANCE NO. 2022-025

## AN ORDINANCE AMENDING CHAPTERS 4.04, 13.12, AND 15.48 OF THE CASTLE ROCK MUNICIPAL CODE AND ADOPTING BY REFERENCE AS A PRIMARY CODE THE 2022 TOWN OF CASTLE ROCK LANDSCAPE AND IRRIGATION CRITERIA MANUAL

**WHEREAS**, the Town of Castle Rock, Colorado (the "Town") is a home rule municipal corporation and the Town Council is empowered to adopt such ordinances as are necessary and convenient to protect the health, safety and welfare of the community; and

**WHEREAS**, the Town Council has determined the necessity of adopting regulations and standards pertaining to landscape and irrigation installation and construction in the Town; and

**WHEREAS**, additionally, Town staff recommends certain changes to the Town Municipal Code (the "Code") related to water dedication and public services to assist Castle Rock Water in achieving its long-term strategic goals; and

**WHEREAS**, the Castle Rock Water Commission has reviewed the 2022 Town of Castle Rock Landscape and Irrigation Criteria Manual ("Landscape Manual") and the proposed Code changes and has recommended that both be adopted by the Town Council; and

**WHEREAS**, water scarcity in the arid west and Colorado is an important issue for the future development of the Town; and

**WHEREAS**, water used in outdoor turf grass irrigation severely limits the amount of water that can be recaptured by the Town's indirect potable water reuse system; and

**WHEREAS**, low water-use landscapes are attractive, require less maintenance, save water, and can better withstand drought; and

**WHEREAS**, the elimination of high water use in nonfunctional and aesthetic landscapes maximizes the amount of available reusable water which is a primary goal of the Town; and

**WHEREAS**, the changes to the Landscape Manual are being made in order to promote water conservation by reducing: (i) the peak demand on infrastructure; (ii) the total renewable water supply needed for future use; and (iii) the long-term cost of water for the community; and

**WHEREAS**, the changes to the Landscape Manual are applicable only to new homes and new non-residential development permitted by the Town on or after January 1, 2023; and

**WHEREAS**, a copy of the Landscape Manual has been filed with the Town Clerk and a public hearing has been held regarding its adoption before the Town Council as required by Town regulations and Section 31-16-203, C.R.S.

# NOW, THEREFORE, IT IS ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF CASTLE ROCK, COLORADO:

Section 1. <u>Amendment.</u> Section 4.04.050.A of the Castle Rock Municipal Code is amended to read as follows:

4.04.050 - Required dedication of groundwater rights with land use approval.

A. Annexation. All groundwater rights to the Denver Basin groundwater underlying the annexed property shall be conveyed to the Town concurrently with and as a condition to the annexation. The severance of ownership or control of the groundwater rights from the annexed property shall preclude its annexation as the Town Council may determine in its sole discretion. The total development entitlements granted annexed property through concurrent zoning approval shall be limited to the development credit (as calculated pursuant to Section 4.04.080) realized from the required groundwater rights conveyance, absent a finding of the Town Council that the exceptional nature of the development proposed warrants special dispensation, such as preservation of open space, landforms or vistas of community-wide significance or interest, significant primary employment generation, or enhanced urban design and community amenities and aesthetics. Regardless of any other conditions, implementation of a water efficiency plan in accordance with Section 4.04.120 is a requirement of annexation. In the event that the Town Council finds that the development proposal merits special dispensation, the development agreement shall prescribe the supplemental water resource dedication and/or cash-in-lieu payment required to support full development of the annexed property.

Section 2. <u>Amendment.</u> Section 4.04.080.B of the Castle Rock Municipal Code is amended to read as follows:

4.04.080 - Manner of compliance.

B. Water demand. The gross water production required to support the Town's service commitment to annexed property shall be calculated at 0.55 AF per single-family equivalent (SFE) assignment made under Subsection 13.12.080.A of the Municipal THIS Code; provided, however, that for purposes of calculating water rights dedication requirements within an area governed by a water efficiency plan, the SFE assignment for calculated water demand under Section 13.12.080 shall not be limited to the .67 SFE minimum assignment prescribed in Section 13.12.080. Consequently, an SFE assignment of less than .67 0.60 SFE may be utilized under this section, if otherwise qualifying under the applicable water efficiency plan and the engineering criteria adopted administratively by the Director.

Section 3. <u>Amendment.</u> Section 4.04.120 of the Castle Rock Municipal Code is hereby repealed in its entirety.

**Section 4.** <u>Amendment.</u> Sections 4.04.150.A and B of the Castle Rock Municipal Code are amended to read as follows:

4.04.150 - Renewable water resource fee.

A. In order to defray the cost incurred by the Town in the acquisition and development of renewable water resources consistent with the water plan and this Chapter, there is imposed a renewable water resource fee as a condition to the right to connect to the municipal water system. The renewable water resource fee is established at the following schedule of fees in effect as of the date of a complete building permit application, provided however, in order to qualify for the 0.67 SFE, the applicant must meet additional engineering criteria beyond meter capacity as established by Castle Rock Water:

Meter Size	SFE	Meter Capacity (GPM*)	2022 2023 and thereafter
7/16" x 3/4"**	.60	18	\$18,230
5/8" × 3/4"**	.67	20	<del>\$17,683</del> \$20,306
3/4" × 3/4"	1.00	30	<del>\$26,458</del> \$30,383
1"	1.67	50	<del>\$44,076</del> -\$50,615
1.5"	3.33	100	<del>\$87,888</del> -\$100,926
2" C2	6.67	200	<del>\$176,042</del> -\$202,157
2" T2	8.33	250	<del>\$219,853</del> -\$252,467
3" C2	16.67	500	<del>\$439,972</del> -\$505,241
3" T2	21.67	650	<del>\$571,936</del> \$656,782
4" C2	33.33	1,000	<del>\$879,679</del> \$1,010,177
4" T2	41.67	1,250	<del>\$1,099,796</del> -\$1,262,949
6" C2	66.67	2,000	<del>\$1,759,621</del> -\$2,020,658

#### Renewable Water Resource Fee

6" T7	82.22	2,500	<del>\$2,199,328</del> \$2,525,594	
0 12	03.55	2,500	$\frac{\varphi_{2,1}}{\varphi_{2,1}},\frac{\varphi_{2,1}}{\varphi_{2,2}},\frac{\varphi_{2,2}}{\varphi_{2,2}},\varphi_$	

\* Potential flow capacity in gallons per minute.

 $\ast\ast$  ONLY AVAILABLE TO BUILDERS THAT INSTALL THE FRONT AND BACKYARD LANDSCAPING

B. Irrespective of the SFE assignment under subsection A, connections within an area governed by a water efficiency plan shall be assigned an SFE by applying FOR SINGLE-FAMILY CUSTOMERS WHERE FRONT AND BACKYARD LANDSCAPING IS INSTALLED BY THE BUILDER, RENEWABLE WATER RESOURCE FEES WILL BE PRORATED, WITH THE SFE ASSIGNMENT TO BE APPLIED BASED ON the ACTUAL engineering criteria adopted by Castle Rock Water to the specific TO THE water savings measures mandated by the water efficiency plan with 0.67 SFE being the lowest available assignment under this section IN PLACE FOR THOSE SINGLE-FAMILY RESIDENCES WITH A CALCULATED DEMAND BETWEEN 0.60 SFE AND 1.00 SFE.

Section 5. <u>Amendment.</u> Section 13.12.020 of the Castle Rock Municipal Code is amended to read as follows:

13.12.020 Utilization of municipal services required.

No individual or separate water systems shall be permitted. Except when authorized by the Town Council with approval of a final subdivision plat and upon finding that connection to the municipal wastewater system will create an extraordinary hardship, no individual residence, business or other property development shall be permitted to create a separate septic system. Such separate wastewater system shall require the approval of the Tri-County DOUGLAS COUNTY Health Department and any other permitting jurisdiction and shall be abandoned and connection made to municipal services in accordance with the terms and conditions of the resolution of the Town Council authorizing the system(s).

Section 6. <u>Amendment.</u> Section 13.12.040 of the Castle Rock Municipal Code is amended to read as follows:

13.12.040 - Extension of services outside municipal boundaries.

Pursuant to contract, the Town may make available municipal water and sewer services to properties outside the Town's corporate boundaries; provided, however, that such service shall not impair services to resident users. The contract for extraterritorial service shall specify the terms and conditions for service extension, including the system development, tap and connection charges to be imposed, the charges for service, and the requirements for annexation, if any. As a condition to such service extension, the property owner shall be subject to all ordinances and regulations of the Town governing water and wastewater use and service. Extraterritorial service shall be charged at-UP TO AND INCLUDING one hundred twenty-five percent (125%) of the rate established under Section 13.12.110.

Section 7. <u>Amendment.</u> Section 13.12.080 of the Castle Rock Municipal Code is amended to read as follows:

13.12.080 System development fees.

A. In order to defray the capital costs of utilizing, expanding and developing municipal facilities for the provision of water, system development fees shall be assessed in accordance with the following schedule of rates in effect as of the date of submission of a complete building permit application, provided however, in order to qualify for the 0.67 SFE system development fee, the applicant must meet additional engineering criteria beyond meter capacity as established by Castle Rock Water:

Meter Size	SFE	Meter Capacity (GPM*)	2022 2023 and thereafter
7/16" x 3/4"**	0.60	18	\$3,762
5/8" x 3/4"**	0.67	20	<del>\$3,809-</del> \$4,190
3/4" x 3/4"	1.00	30	<del>\$5,700-</del> \$6,270
1"	1.67	50	<del>\$9,476-</del> \$10,423
1.5"	3.33	100	<del>\$18,894</del> -\$20,784
2" C2	6.67	200	<del>\$37,846-</del> \$41,630
2" T2	8.33	250	<del>\$47,624-</del> \$51,991
3" C2	16.67	500	<del>\$94,586-</del> \$104,044
3" T2	21.67	650	<del>\$122,956-</del> \$135,251
4" C2	33.33	1,000	<del>\$189,114</del> -\$208,026
4" T2	41.67	1,250	<del>\$236,436</del> -\$260,080

Water System Development Fee

6" C2	66.67	2,000	<del>\$378,286</del> \$416,115
6" T2	83.33	2,500	<del>\$472,815</del> \$520,096

\* Potential flow capacity in gallons per minute.

\*\* ONLY AVAILABLE TO BUILDERS THAT INSTALL THE FRONT AND BACKYARD LANDSCAPING

- B. Irrespective of the SFE assignment under subsection A, connections within an area governed by a water efficiency plan shall be assigned an SFE by applying FOR SINGLE-FAMILY CUSTOMERS WHERE FRONT AND BACKYARD LANDSCAPING IS INSTALLED BY THE BUILDER, WATER SYSTEM DEVELOPMENT FEES WILL BE PRORATED, WITH THE SFE ASSIGNMENT TO BE APPLIED BASED ON the ACTUAL engineering criteria adopted by Castle Rock Water to the specific TO THE water savings measures mandated by the water efficiency plan with 0.67 SFE being the lowest available assignment under this section IN PLACE FOR THOSE SINGLE-FAMILY RESIDENCES WITH A CALCULATED DEMAND BETWEEN 0.60 SFE AND 1.00 SFE.
- C. In order to defray the capital costs of utilizing, expanding and developing municipal facilities for the provision of wastewater, system development fees shall be assessed in accordance with the following schedule of rates in effect as of the date of submission of a complete building permit application:

Meter Size	SFE	Meter Capacity (GPM*)	2022 2023 and thereafter
7/16" x 3/4"**	.60	18	\$3,240
5/8" x 3/4"**	.67	20	<del>\$3,279</del> \$3,607
3/4" x 3/4"	1.00	30	<del>\$4,909</del> \$5,400
1"	1.67	50	<del>\$8,173</del> -\$8,991
1.5"	3.33	100	<del>\$16,299</del> -\$17,929
2" C2	6.67	200	<del>\$32,646</del> -\$35,911

Wastewater System Development Fee\*

2" T2	8.33	250	<del>\$40,772</del> \$44,850
3" C2	16.67	500	<del>\$81,592</del> \$89,752
3" T2	21.67	650	<del>\$106,065</del> -\$116,672
4" C2	33.33	1,000	<del>\$163,137</del> \$179,451
4" T2	41.67	1,250	<del>\$203,957</del> -\$224,353
6" C2	66.67	2,000	<del>\$326,322</del> \$358,954
6" T2	83.33	2,500	<del>\$407,867</del> -\$448,654

\* Does not apply to SFEs served by Pinery Water and Wastewater District.

\*\* Potential flow equivalency in gallons per minute, with the exception of the 0.67 SFE the applicant must meet additional engineering criteria as established by Castle Rock Water. ONLY AVAILABLE TO BUILDERS THAT INSTALL THE FRONT AND BACKYARD LANDSCAPING.

- D. FOR SINGLE-FAMILY CUSTOMERS WHERE FRONT AND BACKYARD LANDSCAPING IS INSTALLED BY THE BUILDER, WASTEWATER SYSTEM DEVELOPMENT FEES WILL BE PRORATED, WITH THE SFE ASSIGNMENT TO BE APPLIED BASED ON THE ACTUAL ENGINEERING CRITERIA ADOPTED BY CASTLE ROCK WATER SPECIFIC TO THE WATER SAVINGS MEASURES IN PLACE FOR THOSE SINGLE-FAMILY RESIDENCES WITH A CALCULATED DEMAND BETWEEN 0.60 SFE AND 1.00 SFE.
- **D**-E. Payment of the applicable system development fees shall be a condition to the issuance of the building permit.
- E-F. The applicant for a building permit shall furnish the certification of a registered professional engineer reasonably qualified to make such certification, that the building, improvements or development can be adequately serviced to established and recognized standards. The water supply required for any building and/or irrigation shall be determined by total load at peak demand in terms of water supply fixture units and gallons per minute (gpm).
- F-G. *Nonpotable* refers to Town-produced untreated or "raw" Denver Basin groundwater delivered exclusively for the purpose of irrigation. Unless otherwise specifically provided

to the contrary, the provision of this Chapter pertaining to potable water service shall be similarly applicable to nonpotable water service.

- G-H. If the required system development fees are not paid for whatever reason, upon discovery of such nonpayment, the Town may revoke any and all outstanding development approvals, including building permits, or certificates of occupancy, and/or terminate municipal services, subject to the due process requirements of Chapter 13.14.
- **H**I. With payment of the required system development fee and the renewable water resource fee imposed under Section 4.04.150 of this Code and issuance of a building permit, the permittee is granted a reservation of water and wastewater service in the amount of the specified SFE for a period coinciding with the term that a building permit is valid under Section 15.04.030 of this Code. Reservation of water, renewable water and wastewater service by prepurchase of SFE through contract with the Town shall be subject to specific service commitment and reservation terms contained therein, irrespective of the foregoing provision.
- HJ. A fee credit may be approved by the Town Manager. A fee credit may be considered in the event that the applicant commits, pursuant to a development agreement, subdivision improvement agreement or other legally binding instrument approved by the Town, to provide public capital facilities for which an applicable system development fee would otherwise be utilized. The eligibility and amount of the fee credit shall be determined by the Town Manager, taking into consideration the intent and purpose of the applicable system development fee and the monetary value of the public capital facilities to be provided by the applicant which otherwise would be paid for from system development fee proceeds. No fee credit shall be granted for public capital facilities otherwise required by any applicable Town Code or ordinance. An application for a fee credit shall be submitted to the Town Manager utilizing a form and information as may be required by the Town Manager. The Town Manager's decision on a fee credit application may be appealed to the Town Council.
- J-K. A qualifying attainable housing project shall be eligible to receive up to a one-hundredpercent reduction, per qualifying attainable housing unit, in the amount of the otherwise applicable system development fees. A qualifying attainable housing project and unit shall be defined as a housing project or unit participating in an attainable or affordable housing program through the Douglas County Housing Partnership, Colorado Housing Finance Authority or other certified local, state or federal attainable housing program. An application for this attainable housing fee reduction must be approved by the Town Council.
- K-L. The Town Manager may approve reductions or waivers in otherwise applicable system development fees up to a maximum of one hundred thousand dollars (\$100,000.00) for qualifying economic development priority projects, subject to the project incentive cap as defined in Section 2.25.020 of this Code. Economic development priority project fee reduction in an amount greater than one hundred thousand dollars (\$100,000.00) shall

require the approval of the Town Council. The Town Manager may also approve deferrals of system development fees pursuant to Subsection 2.25.030.D.

**Section 8.** <u>Adoption</u>. The Town Council hereby adopts the 2022 Town of Castle Rock Landscape and Irrigation Criteria Manual in the form on file with Town Clerk and as presented to the Town Council at the public hearing.

Section 9. <u>Amendment.</u> Section 15.48.010 of the Castle Rock Municipal Code is amended to read as follow:

15.48.010 - Adoption.

The Town adopts by reference the 2022 Town of Castle Rock Landscape and Irrigation Criteria Manual and all secondary codes referenced therein ("Landscape Manual"). One copy of the Landscape Manual shall be maintained on file in the office of the Town Clerk and may be inspected during normal business hours.

**Section 10.** <u>Severability.</u> If any clause, sentence, paragraph, or part of this Ordinance or the application thereof to any person or circumstances shall for any reason be adjudged by a court of competent jurisdiction invalid, such judgment shall not affect the remaining provisions of this Ordinance.

**Section 11.** <u>Safety Clause.</u> The Town Council finds and declares that this ordinance is promulgated and adopted for the public health, safety and welfare and this ordinance bears a rational relation to the legislative object sought to be obtained.

Section 12. Effective Date. This Ordinance shall take effect on January 1, 2023.

**APPROVED ON FIRST READING** this 20<sup>th</sup> day of September, 2022, by a vote of 7 for and 0 against, after publication in compliance with Section 2.02.100.C of the Castle Rock Municipal Code; and

**PASSED, APPROVED AND ADOPTED ON SECOND AND FINAL READING** this 18<sup>th</sup> day of October, 2022, by the Town Council of the Town of Castle Rock by a vote of \_\_\_\_\_ for and \_\_\_\_ against.

## ATTEST:

## TOWN OF CASTLE ROCK

Lisa Anderson, Town Clerk

Approved as to form:

Michael J. Hyman Town Attorney

Jason Gray, Mayor

Approved as to content:

Mark Marlowe, Director Castle Rock Water