

ORDINANCE NO. 2019-

AN ORDINANCE AMENDING TITLES 3, 4 AND 13 OF THE CASTLE ROCK MUNICIPAL CODE BY CHANGING STORMWATER DEVELOPMENT IMPACT FEES, RENEWABLE WATER RESOURCE FEES, WATER SYSTEM DEVELOPMENT FEES, METER SET FEES, AND RATES FOR BULK WATER AND WASTEWATER; AND MAKING CERTAIN EDITORIAL UPDATES TO SUCH TITLES

WHEREAS, in 2010 Town Council directed staff to prepare and present annual updates to Castle Rock Water rates and fees; and

WHEREAS, the Town Council has considered and accepted staff's analyses and recommendations and the following supporting reports and analyses prepared by a nationally-recognized independent rates and fees consulting firm, Stantec Consulting Services, Inc. for the 2019 update:

- 2019 Castle Rock Water Rates and Fees Study Update – Vol. 1 of 2: 2020–2024 Rates Final Report dated September 2019
- 2019 Castle Rock Water Rates and Fees Study Update – Vol. 2 of 2: System Development Fees Final Report dated September 2019; and

WHEREAS, changes to the monthly billing rates for wastewater are needed, based on the actual costs of service and updated financial plans for wastewater for all customer classes for 2020; and

WHEREAS, increases in the actual rate of growth for the last five years over projected growth rates, changes to estimates on long term build out of the Town, and updates to long term capital plans to support growth substantiate changes to the Water System Development Fee, Water Resources Fee and the Stormwater Development Impact Fees.

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

Section 1. Legislative Findings. The recitals to this ordinance are adopted as findings of the Town Council in support of enactment of this Ordinance, and in addition, the Town Council finds that:

- A. The fee structure established by this Ordinance is supported by:
 1. 2019 Castle Rock Water Rates and Fees Study Update – Vol. 1 of 2: 2020-2024 Rates Final Report dated September 2019;
 2. 2019 Castle Rock Water Rates and Fees Study Update – Vol. 2 of 2: System Development Fees Final Report dated September 2019

3. The Agenda Memorandum dated September 3, 2019 prepared by the Director of Castle Rock Water and the accompanying PowerPoint presentation offered at first and second reading of this Ordinance; and
4. Public comment and testimony.

B. The fees and charges imposed by this Ordinance comply with the legislative restrictions on impact fees adopted by local governments in §29-20-104.5, C.R.S.

Section 2. Effective Date. Unless otherwise stated to the contrary, the rates, fees and charges established under this Ordinance shall take effect January 1, 2020.

Section 3. Amendment. Subparagraphs A and B of Section 3.16.030 of the Castle Rock Municipal Code are amended in its entirety to read as follows:

3.16.030 - Assessment and collection.

Fees shall be assessed and collected according to the following provisions, except as modified by the Town pursuant to this Section 3.16.030:

A. Residential uses. No building permit shall be issued for any dwelling unit prior to the payment of the following applicable fees:

Development Impact Fees for Residential Uses

<i>Parks and Recreation</i>					
<i>Unit Type</i>	<i>Square Footage</i>	<i>2019</i>	<i>2020</i>	<i>2021</i>	<i>2022 and thereafter</i>
Single-Family	<2,000	\$2,757	\$3,550	\$4,473	\$4,986
	2,000—2,499	\$3,406	\$4,385	\$5,524	\$6,159
	2,500—2,999	\$3,720	\$4,789	\$6,033	\$6,726
	3,000—3,499	\$3,936	\$5,067	\$6,384	\$7,117
	3,500—3,999	\$4,384	\$5,644	\$7,110	\$7,927
	4,000—4,499	\$4,772	\$6,144	\$7,740	\$8,629
	4,500—4,999	\$5,114	\$6,584	\$8,295	\$9,247
	>5,000	\$5,420	\$6,978	\$8,792	\$9,801

Multi-Family (per unit)	All sizes	\$2,732	\$3,011	\$3,320	\$3,669
<i>Municipal Facilities</i>					
Single-Family	<2000	\$263	\$263	\$263	\$263
	2,000—2,499	\$325	\$325	\$325	\$325
	2,500—2,999	\$355	\$355	\$355	\$355
	3,000—3,499	\$375	\$375	\$375	\$375
	3,500—3,999	\$418	\$418	\$418	\$418
	4,000—4,499	\$455	\$455	\$455	\$455
	4,500—4,999	\$488	\$488	\$488	\$488
	>5,000	\$517	\$517	\$517	\$517
Multi-Family (per unit)	All sizes	\$233	\$233	\$233	\$233
<i>Fire</i>					
Single-Family	<2000	\$814	\$814	\$814	\$814
	2,000—2,499	\$1,005	\$1,005	\$1,005	\$1,005
	2,500—2,999	\$1,098	\$1,098	\$1,098	\$1,098
	3,000—3,499	\$1,161	\$1,161	\$1,161	\$1,161
	3,500—3,999	\$1,293	\$1,293	\$1,293	\$1,293
	4,000—4,499	\$1,408	\$1,408	\$1,408	\$1,408
	4,500—4,999	\$1,509	\$1,509	\$1,509	\$1,509
	>5,000	\$1,599	\$1,599	\$1,599	\$1,599

Multi-Family (per unit)	All sizes	\$721	\$721	\$721	\$721
<i>Police</i>					
Single-Family	<2000	\$402	\$402	\$402	\$402
	2,000—2,499	\$497	\$497	\$497	\$497
	2,500—2,999	\$542	\$542	\$542	\$542
	3,000—3,499	\$574	\$574	\$574	\$574
	3,500—3,999	\$639	\$639	\$639	\$639
	4,000—4,499	\$696	\$696	\$696	\$696
	4,500—4,999	\$746	\$746	\$746	\$746
	>5,000	\$790	\$790	\$790	\$790
Multi-Family (per unit)	All sizes	\$356	\$356	\$356	\$356
<i>Transportation</i>					
Single-Family	<2000	\$7,004	\$7,416	\$7,826	\$8,237
	2,000—2,499	\$7,004	\$7,416	\$7,826	\$8,237
	2,500—2,999	\$7,004	\$7,416	\$7,826	\$8,237
	3,000—3,499	\$7,004	\$7,416	\$7,826	\$8,237
	3,500—3,999	\$7,004	\$7,416	\$7,826	\$8,237
	4,000—4,499	\$7,004	\$7,416	\$7,826	\$8,237
	4,500—4,999	\$7,004	\$7,416	\$7,826	\$8,237
	>5,000	\$7,004	\$7,416	\$7,826	\$8,237

Multi-Family (per unit)	All sizes	\$3,445	\$4,039	\$4,703	\$5,441
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<i>Unit Type</i>	<i><u>2020</u>2019 and thereafter</i>
<i>Stormwater - Cherry Creek Basin (per dwelling unit)</i>	
Single-Family Detached	\$ 868 843
Single-Family Attached	\$ 580 563
Multi-Family	\$ 526 511
<i>Stormwater - Plum Creek Basin (per dwelling unit)</i>	
Single-Family Detached	\$ 1,357 1,317
Single-Family Attached	\$ 906 880
Multi-Family	\$ 822 798

For purposes of this Subsection A., any remodeling activity which results in the creation of an additional dwelling unit shall be subject to the payment of the fee as specified in this Subsection. For purposes of this Subsection, *single-family detached* shall include duplexes and mobile homes.

B. Nonresidential uses. No building permit shall be issued for the occupancy of any structure to be used primarily for nonresidential use prior to the payment of the following applicable fees (per 1,000 square feet of gross floor areas):

Development Impact Fees for Nonresidential Uses

<i>Municipal Facilities</i>					
<i>Unit Type</i>	<i>Square Footage</i>	<i>2019 (per 1,000 sq. ft.)</i>	<i>2020 (per 1,000 sq. ft.)</i>	<i>2021 (per 1,000 sq. ft.)</i>	<i>2022 (per 1,000 sq. ft.)</i>
Commercial/ Shopping	50,000 or less	\$47	\$49	\$50	\$52

Center					
	50,001— 100,000	\$41	\$43	\$44	\$45
	100,001— 200,000	\$36	\$37	\$38	\$40
	Over 200,000	\$31	\$32	\$33	\$34
Office	25,000 or less	\$66	\$69	\$69	\$69
	25,001— 50,000	\$46	\$47	\$47	\$47
	50,001— 100,000	\$35	\$36	\$36	\$36
	Over 100,000	\$29	\$30	\$30	\$30
Industrial	All sizes	\$52	\$52	\$52	\$52
Warehousing	All sizes	\$5	\$5	\$5	\$5
Hotel (per room)	All sizes	\$17 (per room)	\$17 (per room)	\$17 (per room)	\$17 (per room)
<i>Fire</i>					
Commercial/ Shopping Center	50,000 or less	\$206	\$206	\$206	\$206
	50,001— 100,000	\$180	\$180	\$180	\$180
	100,001— 200,000	\$158	\$158	\$158	\$158

	Over 200,000	\$137	\$137	\$137	\$137
Office	25,000 or less	\$213	\$213	\$213	\$213
	25,001— 50,000	\$146	\$146	\$146	\$146
	50,001— 100,000	\$111	\$111	\$111	\$111
	Over 100,000	\$92	\$92	\$92	\$92
Industrial	All sizes	\$161	\$161	\$161	\$161
Warehousing	All sizes	\$16	\$16	\$16	\$16
Hotel (per room)	All sizes	\$64 (per room)	\$64 (per room)	\$64 (per room)	\$64 (per room)
<i>Police</i>					
Commercial/ Shopping Center	50,000 or less	\$102	\$102	\$102	\$102
	50,001— 100,000	\$89	\$89	\$89	\$89
	100,001— 200,000	\$78	\$78	\$78	\$78
	Over 200,000	\$68	\$68	\$68	\$68
Office	25,000 or less	\$37	\$37	\$37	\$37
	25,001— 50,000	\$25	\$25	\$25	\$25
	50,001—	\$19	\$19	\$19	\$19

	100,000				
	Over 100,000	\$16	\$16	\$16	\$16
Industrial	All sizes	\$80	\$80	\$80	\$80
Warehousing	All sizes	\$8	\$8	\$8	\$8
Hotel (per room)	All sizes	\$11 (per room)	\$12 (per room)	\$12 (per room)	\$12 (per room)
<i>Transportation</i>					
Commercial/ Shopping Center	50,000 or less	\$1,594	\$1,662	\$1,732	\$1,805
	50,001— 100,000	\$1,394	\$1,453	\$1,514	\$1,578
	100,001— 200,000	\$1,219	\$1,271	\$1,325	\$1,381
	Over 200,000	\$1,057	\$1,102	\$1,149	\$1,198
Office	25,000 or less	\$1,456	\$1,517	\$1,581	\$1,648
	25,001— 50,000	\$999	\$1,041	\$1,085	\$1,131
	50,001— 100,000	\$762	\$793	\$827	\$862
	Over 100,000	\$631	\$657	\$685	\$714
Industrial	All sizes	\$1,418	\$1,479	\$1,542	\$1,608
Warehousing	All sizes	\$1,622	\$1,622	\$1,622	\$1,622

Hotel (per room)	All sizes	\$827 (per room)	\$859 (per room)	\$892 (per room)	\$927 (per room)
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<i>Unit Type</i>	<i>202019 and thereafter</i>
<i>Stormwater - Cherry Creek Basin (per 1,000 sq. ft.)</i>	
Commercial/Industrial	\$ 391 <u>380</u>
<i>Stormwater - Plum Creek Basin (per 1,000 sq. ft.)</i>	
Commercial/Industrial	\$ 594 <u>612</u>

Any structure located in a business zone shall be assessed at the applicable nonresidential use rate, whether or not such structure is intended for nonresidential use. Any structure located in a planned unit development where commercial/shopping center, office, industrial, warehouse or hotel uses are permitted shall be assessed based upon initial proposed use, subject to the provisions of Subsection C. below. *Industrial use* means those uses devoted to the compounding, assembling, processing, treatment or manufacturing of products, including distribution centers and food and beverage processing. *Warehousing use* means uses devoted to the storage of materials.

Section 4. Amendment. Section 4.04.150.A of the Castle Rock Municipal Code is amended in its entirety 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:

Renewable Water Resource Fee			
<i>Meter Size</i>	<i>SFE</i>	<i>Meter Capacity (GPM)</i>	<i>202019 and thereafter</i>

5/8 " x 3/4"	.67	20	\$ 11,810 11,411
3/4" x 3/4"	1.00	30	\$ 17,623 17,031
1"	1.67	50	\$ 29,437 28,442
1.5"	3.33	100	\$ 58,698 56,713
2" C2	6.67	200	\$ 117,573 113,597
2" T2	8.33	250	\$ 146,833 141,868
3" C2	16.67	500	\$ 293,844 283,907
3" T2	21.67	650	\$ 381,979 369,062
4" C2	33.33	1,000	\$ 587,511 567,643
4" T2	41.67	1,250	\$ 734,521 709,682
6" C2	66.67	2,000	\$ 1,175,198 1,135,457
6" T2	83.33	2,500	\$ 1,468,865 1,419,193

Section 5. Amendment. Section 13.12.080.A of the Castle Rock Municipal Code is amended in its entirety 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:

Water System Development Fee

<i>Meter Size</i>	<i>SFE</i>	<i>Meter Capacity (GPM *)</i>	<i>202019 and thereafter</i>
5/8 " x 3/4"	.67	20	\$ 2,455 2,383
3/4" x 3/4"	1.00	30	\$ 3,664 3,557
1"	1.67	50	\$ 6,119 5,940
1.5"	3.33	100	\$ 12,201 11,845
2" C2	6.67	200	\$ 24,439 23,725

2" T2	8.33	250	\$ 30,521 29,630
3" C2	16.67	500	\$ 61,079 59,295
3" T2	21.67	650	\$ 79,399 77,080
4" C2	33.33	1,000	\$ 122,121 118,555
4" T2	41.67	1,250	\$ 152,679 148,220
6" C2	66.67	2,000	\$ 244,279 237,145
6" T2	83.33	2,500	\$ 305,321 296,405

* Potential flow capacity in gallons per minute.

Section 6. Amendment. Section 13.12.090 of the Castle Rock Municipal Code is amended in its entirety to read as follows:

13.12.090 - SFE reservation.

A. Upon the redevelopment or change in use at a location where an authorized physical connection or "tap" to the water and/or wastewater system currently exists, the SFE previously assigned to such tap (or if none, the SFE value calculated in accordance with the above schedule or formula) shall be "credited" or set off against the SFE assigned based upon the new use or development, and system development fees shall be payable (in accordance with Section 13.12.080) only for the incremental SFE, if any. No refund of system development or meter set fees shall be allowed for a reduction of service demand made pursuant to a reassignment of an existing tap.

B. Any property which currently does not have a useable service connection to the water system shall pay the monthly fixed water, wastewater and renewable water fee per SFE and fixed stormwater fee ~~based on current adopted rates in effect at the time of implementation of the SFE reservation~~. Unless otherwise modified by written contract, the Town is required to recognize an out-of-service SFE reservation.

C. SFE assigned to a property may not be transferred or utilized at any other service location, unless the Town was contractually obligated to honor such transfer as of January 1, 1994.

Section 7. Amendment. Section 13.12.100 of the Castle Rock Municipal Code is amended in its entirety to read as follows:

13.12.100 Meter set fees.

No new potable water, wastewater or irrigation water service shall be extended to any user until payment of proper tap fees in accordance with the schedule enumerated below is made. The fee shall be assessed and payable at the time of submission of a complete building application. The payment of the tap fee is for the privilege to tap to the main and an inspection by the Town and is supplementary to the system development fees imposed under Section 13.12.080. The construction of the service line is to be completed by the user, stubbed at a properly designated point as determined by the Director of Castle Rock Water.

Meter Set Fee Schedule

	<i>Single Port</i>	
<i>Meter Size & Type</i>	<i>Indoor Installation</i>	<i>Outdoor Installation</i>
5/8 " x 3/4" iPerl	\$411.23 <u>416.47</u>	\$422.77 <u>425.92</u>
1" iPerl	\$480.42 <u>486.65</u>	\$491.96 <u>496.11</u>
1.5" OMNI C2, 1,000 gallon pulse	\$1,514.66 <u>1,529.69</u>	\$1,533.88 <u>1,546.42</u>
2" OMNI C2, 1,000 gallon pulse	\$1,715.38 <u>1,732.23</u>	\$1,737.14 <u>1,751.38</u>
3" OMNI C2, 1,000 gallon pulse	\$2,118.61 <u>2,138.56</u>	\$2,130.15 <u>2,148.01</u>
4" OMNI C2, 1,000 gallon pulse (irrigation)	\$3,479.00 <u>3,510.02</u>	\$3,490.54 <u>3,519.47</u>
6" OMNI C2, 1,000 gallon pulse	\$5,848.91 <u>5,898.86</u>	\$5,860.45 <u>5,908.31</u>
1.5" OMNI T2, 1,000 gallon pulse (irrigation)	N/A	\$1,141.77 <u>1,150.50</u>
2" OMNI T2, 1,000 gallon pulse (irrigation)	N/A	\$1,312.17 <u>1,322.29</u>
3" OMNI T2, 1,000 gallon pulse (irrigation)	N/A	\$1,571.18 <u>1,583.60</u>
4" OMNI T2, 1,000 gallon pulse (irrigation)	N/A	\$2,783.51 <u>2,805.57</u>
6" OMNI T2, 1,000 gallon pulse (irrigation)	N/A	\$4,817.94 <u>4,855.67</u>

	<i>Dual Port</i>	
<i>Meter Size & Type</i>	<i>Indoor Installation</i>	<i>Outdoor Installation</i>
5/8 " x 3/4" iPerl	\$434.02 <u>438.53</u>	\$452.27 <u>449.55</u>
1" iPerl	\$503.21 <u>508.72</u>	\$521.46 <u>519.74</u>
1.5" OMNI C2, 1,000 gallon pulse	\$1,537.45 <u>1,551.75</u>	\$1,563.38 <u>1,570.05</u>
2" OMNI C2, 1,000 gallon pulse	\$1,738.17 <u>1,754.29</u>	\$1,766.64 <u>1,775.01</u>
3" OMNI C2, 1,000 gallon pulse	\$2,141.40 <u>2,160.62</u>	\$2,159.65 <u>2,171.64</u>
4" OMNI C2, 1,000 gallon pulse	\$3,501.79 <u>3,532.08</u>	\$3,520.04 <u>3,543.10</u>
6" OMNI C2, 1,000 gallon pulse	\$5,871.70 <u>5,920.92</u>	\$5,889.95 <u>5,931.94</u>
1.5" OMNI T2, 1,000 gallon pulse (irrigation)	N/A	\$1,171.27 <u>1,174.13</u>

2" OMNI T2, 1,000 gallon pulse (irrigation)	N/A	\$ 1,341.671,345.92
3" OMNI T2, 1,000 gallon pulse (irrigation)	N/A	\$ 1,600.681,607.23
4" OMNI T2, 1,000 gallon pulse (irrigation)	N/A	\$ 2,813.012,829.20
6" OMNI T2, 1,000 gallon pulse (irrigation)	N/A	\$ 4,847.444,879.30

On an annual basis, the Town Manager shall be responsible for reporting to the Town Council information on construction cost indexes for the year. The Town Council, at its discretion, may amend the fee schedule upon consideration of the construction cost index information.

Section 8. Amendment. Section 13.12.116 of the Castle Rock Municipal Code is amended in its entirety to read as follows:

13.12.116 - Service charges, bulk.

A. "Bulk hydrant customers" shall mean those Castle Rock Water customers who obtain a bulk water permit for water to be pulled directly and metered from an existing hydrant. Bulk hydrant customers shall be charged as follows:

**Base Service Charge
(\$ per monthly bill)**

2018 and thereafter
\$18.78

Plus:

**Water Volumetric Rate
(\$ per 1,000 gallons)**

202018 and thereafter
\$ 7.865.07

Plus:

**Renewable Water Fixed Rate
(\$ per monthly bill)**

2018 and thereafter
\$187.50

B. "Bulk station customers" shall mean those Castle Rock Water customers who obtain a bulk water permit for water to be pulled from the bulk water station located at 825 Justice Way, Castle Rock, Colorado. Bulk station customers shall be charged as follows:

Base Service Charge (\$ per monthly bill) 2018 and thereafter
\$ 9.54

Plus:

Water Volumetric Rate (\$ per 1,000 gallons) 202018 and thereafter
\$ 9.82 <u>9.48</u>

Plus:

Renewable Water Fixed Rate (\$ per monthly bill) 2018 and thereafter
\$26.15

C. In addition to the rate schedules set forth herein, bulk hydrant customers and bulk station customers shall be responsible for payment of any other applicable fees imposed under 13.02.020 of the Code.

Section 9. Amendment. Section 13.12.118 of the Castle Rock Municipal Code is amended in its entirety to read as follows:

13.12.118 - Service charges, wastewater.

Beginning with wastewater service provided on or after January 1, ~~2018~~2020, the Town is empowered to levy and collect the following monthly charges for wastewater services within its corporate limits during the calendar years noted:

Wastewater Service Charge (\$ meter size)

<i>Meter Size</i>	<i>202018 and thereafter</i>
5/8 " × ¾"	\$ 9.02 <u>9.30</u>
¾" × ¾"	\$ 9.02 <u>9.30</u>
1"	\$ 14.36 <u>14.80</u>

1½"	\$ 20.82 <u>21.46</u>
2"	\$ 30.03 <u>30.96</u>
3"	\$ 50.17 <u>51.72</u>
4"	\$ 116.96 <u>120.58</u>
6"	\$ 184.77 <u>190.48</u>

Plus:

**Wastewater Volume Rate
(\$ per 1,000 gallons of AWMC)**

<i>202018 and thereafter</i>
\$6.39<u>6.59</u>

APPROVED ON FIRST READING this ____ day of _____, 2019 by a vote of ____ for and ____ 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 ____ day of _____, 2019, 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

Jason Gray, Mayor

Approved as to form:

Approved as to content:

Robert J. Slentz, Town Attorney

Mark Marlowe, Director of Castle Rock Water