TOWN OF PALISADE, COLORADO ORDINANCE NO. 2023-08

AN ORDINANCE OF THE TOWN OF PALISADE, COLORADO, AMENDING CHAPTER 13, ARTICLE IV OF THE PALISADE MUNICIPAL CODE REGARDING THE ASSESSMENT OF SEWER SERVICE CHARGES.

WHEREAS, the Town of Palisade ("Palisade" or the "Town") is a Colorado municipality organized pursuant to Title 31 of the Colorado Revised Statutes and with the authority set forth therein; and

WHEREAS, the Town has adopted regulations related to its sewer service in Article IV of Chapter 13 of the Palisade Municipal Code (the "Code"); and

WHEREAS, the Town and Clifton Sanitation District ("CSD") entered into the certain Intergovernmental Agreement dated May 5, 2021 regarding the Town's connection to CSD's wastewater collection system and CSD's treatment of the Town's wastewater; and

WHEREAS, by Resolution No. 2023-15, the Town accepted a Wastewater Rate Study dated April 3, 2023 prepared by Rural Community Assistance Corporation ("Rate Study") and opted to proceed with Scenario 3 in the Rate Study to adequately meet its legal, fiduciary and financial responsibilities; and

WHEREAS, Section 13-88 of the Code sets forth how service charges are assessed by calculating the impact on the sewer system using EQUs which assessment has not been fully implemented by the Town as required by the Code; and

WHEREAS, Sections 13-101 and 102 of the Code sets forth how tap fees and service charges are determined which need to be amended to comport with Section 13-88; and

WHEREAS, the Board of Trustees finds that the sewer rates need to be amended to comport with the Rate Study to remain fiscally responsible and meet the needs of the Town's residents; and

WHEREAS, the Board of Trustees finds and determines that it is in the interest of the Town to amend the Palisade Municipal Code accordingly.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE TOWN OF PALISADE, COLORADO THAT:

<u>Section 1</u>. The foregoing recitals are incorporated herein as if set forth in full.

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Section 2. Section 13-81 of the Palisade Municipal Code is hereby amended with the addition of the following definition:

Equivalent Residential Unit (EQU) shall mean a use which is estimated to have an impact upon the sewer system equal to that of the average dwelling unit.

<u>Section 3.</u> Section 13-88 of the Palisade Municipal Code is hereby amended as follows, with <u>underlined text added</u> and <u>strike through language deleted</u>:

Sec. 13-88. - Service charges assessed.

(a) There shall be levied and assessed upon each lot, parcel of land, building or premises having any connection with the sewer system of the Town, monthly sewer service charges computed by multiplying the EQU by the following factors to wit:

(1)Single-family dwelling:

Single-family homes individually billed mobile homes, mobile homes on single lots, and mobile homes established as permanent residences (no more than one (1) kitchen) up to 3,000 sq. ft. 1.00 EQU.

Each additional 300 sq. ft. 0.10 EQU

(2) Multiple-family dwellings, 0.72 times number of single-family units.

<u>Duplexes</u>, apartments, condominiums, townhouses, and similar facilities in the same complex 1.0 EQU/unit.

(13) Laundry, coin-operated, 1.34 0.90 times number of washing machines.

- (b) No commercial tap fee shall be less than 1.00 EQU.
- (c) For purposes of computing and recomputing the number of EQU units attributable to a particular use and the assessment and collection of water and wastewater system improvement fees and service charges in connection therewith, the Town shall have the following authority:
 - (1) At any time, the Town may review actual water usage to determine if such actual usage is greater than that implied by the number of EQUs assessed to the user at the time application for sewer services was accepted. For this purpose, 130 gallons per day equals one (1) EQU. Winter water use records may be utilized to review actual sewer usage, and water use records from any time of the year, at the Town's sole discretion, may be utilized to review actual water usage. If the Town finds greater actual water and/or sewer usage than that implied by the applicable EQU value, the user shall be assessed a greater number of EQUs to reflect the actual sewer usage. Any time the Town determines to evaluate or reevaluate the appropriate EQU value assessed to a particular user, it shall provide written notice to the user at the user's last known address.

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(2) Upon any recalculation and increase in the EQU value attributable to a user pursuant to the terms of this Section, the user shall pay additional tap fees for each additional EQU unit assessed to its use at the rates set forth in this Article prior to the Town's issuance of any necessary permit or within thirty (30) days of the increased assessment of EQU units, whichever occurs first. The user's monthly service fee will henceforth be based upon the revised EQU value.

<u>Section 4.</u> Section 13-101 of the Palisade Municipal Code is hereby amended as follows, with <u>underlined text added</u> and <u>strike through language deleted</u>:

Sec. 13-101. - Sewer tap fees.

A sewer tap fee (plant investment fee) shall be paid to the Town Clerk, in accordance with a fee schedule promulgated from time to time by resolution of the Board of Trustees, before any physical connection of any kind may be made to the Town's sewer system. The Equivalent Residential Units (EQU) factor is determined by using the values set forth in Section 13-88 as applied for the type of use in which the building, premise or lot is to be used, regardless of the number of days open per week and no commercial tap fee shall be less than 1.00 EQU.

<u>Section 5</u>. Section 13-102 of the Palisade Municipal Code is hereby amended as follows, with <u>underlined text added</u> and <u>strike through language deleted</u>:

Sec. 13-102. - Monthly sewer charges.

- (a) All premises connected to the Town sanitary sewer system shall be assessed and shall pay monthly sewer charges in accordance with this Section. The individual, individuals or entities in whose name the billing is listed by the Town or property owner shall pay the monthly sewer charges. The monthly sewer charges shall constitute a lien on the property.
- (b) Monthly sewer charges shall consist of three (3) components: (1) the monthly sewer service charge; and, if applicable, (2) the monthly sewer volume charge; and, if applicable, (3) the monthly high strength wastewater surcharge.
 - (1) Monthly minimum sewer service charges. The monthly minimum sewer service charge shall be assessed and paid for each residential dwelling unit, mobile home dwelling unit, mobile/manufactured home park/subdivision, business and industry listed as an active sewer account by the Town. A schedule of monthly minimum sewer service charges shall be promulgated from time to time by resolution of the Board of Trustees.
 - (2) Monthly sewer volume charge. The monthly sewer volume charge shall be assessed and paid for each residential dwelling unit, mobile/manufactured home park/ subdivision, business and industry connected to the Town sanitary sewer system in accordance with a fee schedule promulgated from time to time by resolution of the Board of Trustees. Said schedule shall include charges for properties located within the corporate limits of the

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Town, as well as for properties located beyond the corporate limits of the Town.

- (3) Monthly high strength wastewater surcharge. Individuals or entities found to have discharged or to be discharging wastewater having a strength in excess of that of domestic wastewater shall be assessed and billed and shall pay an additional twenty percent (20%) of the total monthly sewer charge A high strength wastewater surcharge shall be added to relevant accounts pursuant to the Town's Commercial and Industrial User Requirements adopted by Ordinance No. 2022-11.
- (4) For each multi-unit property, business or residential, a full monthly service fee shall be charged for the first unit. Each unit thereafter shall be assessed at seventy percent (70%) of the monthly service fee regardless of occupancy.

Section 6. The Town's Sewer Fee Schedule last amended by Resolution No. 2023-06 is hereby repealed and replaced with the following sewer rates:

Sewer Fees	
Service Fees/EQU up to 4,000 gal.	\$57.23 (increases 5% each January 1st)
Volume Charge over 4,000 gal./per 1,000 gal.	\$5.13/1,000 gal.
Sewer Tap Fees/EQU	\$5,500

<u>Section 7</u>. Staff shall perform a public outreach and education campaign informing Town residents of the implementation of this Ordinance and the EQU system of assessing service charges along with the new rates, all of which will become effective January 1, 2024.

INTRODUCED, READ, PASSED, APPROVED AND ORDERED PUBLISHED BY TITLE, at the regular meeting of the Board of Trustees of the Town of Palisade, Colorado held on November 14, 2023.

TOWN OF PALISADE, COLORADO

By:

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ATTEST:

Keli Frasier, Town Clerk

