

CITY OF EDGEWATER
ORDINANCE NO. 2023-01
SERIES OF 2023

AN ORDINANCE AMENDING CHAPTER 13 OF THE EDGEWATER MUNICIPAL CODE, CONCERNING MUNICIPAL UTILITIES, BY AMENDING SECTIONS 13-2-410, CONCERNING WATER SYSTEM RATES AND CHARGES; AND 13-3-610, CONCERNING SEWER SYSTEM RATES AND CHARGES, TO SET RATES AND CHARGES SUFFICIENT TO MEET ANNUAL SYSTEM OPERATING AND MAINTENANCE EXPENSES, DEBT SERVICE, CURRENT AND ANTICIPATED CAPITAL NEEDS, AND THE MAINTENANCE OF CAPITAL RESERVES AS REQUIRED BY LAW OR ADVISED BY INDUSTRY BEST PRACTICES.

WHEREAS, the City of Edgewater operates and maintains public water and sewer systems as a water activity enterprise that depends upon usage fees and charges for its operations, maintenance, debt service, capital expenditures and reserves; and

WHEREAS, the City has commissioned a study of the City's water and sewer system and enterprise, including but not limited to its current revenues, current and anticipated operation and maintenance expenses and debt service requirements, its current and anticipated capital needs, as well as its contingency reserve requirements; and

WHEREAS, a detailed summary of the study and its conclusions and recommendations was presented to the City Council on January 17, 2023; and

WHEREAS, based upon the findings and recommendations of that study, the City Council finds that it is necessary to adjust water and sewer system rates and charges as set forth herein in order to more equitably apportion the costs of the systems between the heaviest and lightest users of the systems, and to adjust for inflationary cost pressures on a more regular basis.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EDGEWATER THAT:

Section 1. Section 13-2-410 of the Edgewater Municipal Code, concerning the establishment of water rates, is hereby amended to read as follows:

Sec. 13-2-410. Water rates established.

In order to encourage water conservation, equitably distribute the costs of water service and provide for the current and future operation, maintenance, repair and replacement of the water system, the water rate schedule and charge to consumers of water from the established system of the City in and outside the corporate limits of the City shall be as set forth in this Section:

(1) Commencing on March 1, 2023, and for each month in each year thereafter through February 28, 2027, for and in accordance with the calendar months and years indicated in the following table, the monthly service charge portion of the water charge shall be assessed and charged based upon the water meter size of the water line or lines servicing the property in accordance with the following table. Commencing March 1, 2027, the monthly service charge portion of the water charge shall be established from time to time by the City Council by ordinance; provided, however, that if a charge is not set, the monthly service charge shall remain at the then last established amount.

<u>Meter Line Size</u>	<u>March 1, 2023</u>	<u>March 1, 2024</u>	<u>March 1, 2025</u>	<u>March 1, 2026</u>
<u>3/4"</u>	<u>\$ 9.27</u>	<u>\$ 9.55</u>	<u>\$ 9.84</u>	<u>\$ 10.14</u>
<u>1"</u>	<u>\$ 18.54</u>	<u>\$ 19.10</u>	<u>\$ 19.67</u>	<u>\$ 20.26</u>
<u>1 1/2"</u>	<u>\$ 37.08</u>	<u>\$ 38.19</u>	<u>\$ 39.34</u>	<u>\$ 40.52</u>
<u>2"</u>	<u>\$ 74.16</u>	<u>\$ 76.38</u>	<u>\$ 78.67</u>	<u>\$ 81.03</u>
<u>3"</u>	<u>\$148.32</u>	<u>\$ 152.77</u>	<u>\$157.35</u>	<u>\$162.07</u>
<u>4"</u>	<u>\$296.65</u>	<u>\$ 305.54</u>	<u>\$314.71</u>	<u>\$324.15</u>

(2) Commencing on March 1, 2023, and for each month in each year thereafter through February 28, 2027, for and in accordance with the calendar months and years indicated in the following table, the monthly volume charge portion of the water charge shall be assessed and charged based upon an escalating block-rate basis in accordance with the following table. Commencing March 1, 2027, the monthly volume charge portion of the water charge shall be established from time to time by the City Council by ordinance; provided, however, that if a charge is not set, the monthly volume charge shall remain at the then last established amount.

<u>Volume (gallons)</u>	<u>March 1, 2023</u>	<u>March 1, 2024</u>	<u>March 1, 2025</u>	<u>March 1, 2026</u>
<u>0-5,000</u>	<u>\$ 5.27</u>	<u>\$ 5.59</u>	<u>\$ 5.93</u>	<u>\$ 6.29</u>
<u>5,001 - 15,000</u>	<u>\$ 6.58</u>	<u>\$ 6.97</u>	<u>\$ 7.39</u>	<u>\$ 7.83</u>
<u>> 15,000</u>	<u>\$ 8.89</u>	<u>\$ 9.42</u>	<u>\$ 9.99</u>	<u>\$ 10.59</u>

~~(1) Water used within the City limits shall be charged and paid for at the rate as set forth in the fee schedule adopted by the City Council from time to time, plus a usage charge on an escalating block rate basis to be determined as follows:~~

~~a. For up to the first five thousand (5,000) gallons of water used each month, an amount determined by: (a) dividing the gallons used by one thousand (1,000), (b) multiplying 1.25 times the dollar amount per thousand gallons of water charged to the City by Denver Water from time to time under the then applicable water service agreement with Denver Water, and (c) multiplying the sum derived under Subpart (a) of this Subparagraph by the dollar amount derived under Subpart (b) of this Subparagraph; plus~~

~~b. For the following five thousand one (5,001) to fifteen thousand (15,000) gallons of water used each month, an amount determined by: (a) dividing the gallons used by one thousand (1,000), (b) multiplying 1.45 times the dollar amount per thousand gallons of water charged to the City by Denver Water from time to time under the then applicable water service agreement with Denver Water, and (c) multiplying the sum derived under Subpart (a) of this Subparagraph by the dollar amount derived under Subpart (b) of this Subparagraph; plus~~

~~c. For all amounts in excess of fifteen thousand (15,000) gallons of water used each month, an amount determined by: (a) dividing the gallons used by one thousand (1,000), (b) multiplying 1.65 times the dollar amount per thousand gallons of water charged to the City by Denver Water from time to time under the then applicable water service agreement with Denver Water, and (c) multiplying the sum derived under Subpart (a) of this Subparagraph by the dollar amount derived under Subpart (b) of this Subparagraph.~~

~~(2) Water used outside the City limits shall be charged and paid for at the rate as set forth in the fee schedule adopted by the City Council from time to time, plus a usage charge on an escalating block rate basis to be determined as follows:~~

~~a. For up to the first five thousand (5,000) gallons of water used each month, an amount determined by: (a) dividing the gallons used by one thousand (1,000), (b) multiplying 1.45 times the dollar amount per thousand gallons of water charged to the City by Denver Water from time to time under the then applicable water service agreement with Denver Water, and (c) multiplying the sum derived under Subpart (a) of this Subparagraph by the dollar amount derived under Subpart (b) of this Subparagraph; plus~~

~~b. For the following five thousand one (5,001) to fifteen thousand (15,000) gallons of water used each month, an amount determined by: (a) dividing the gallons used by one thousand (1,000), (b) multiplying 1.65 times the dollar amount per thousand gallons of water charged to the City by Denver Water from time to time under the then applicable water service agreement with Denver Water, and (c) multiplying the sum derived under Subpart (a) of this Subparagraph by the dollar amount derived under Subpart (b) of this Subparagraph; plus~~

~~c. For all amounts in excess of fifteen thousand (15,000) gallons of water used each month, an amount determined by: (a) dividing the gallons used by one thousand (1,000), (b) multiplying 1.85 times the dollar amount per thousand gallons of water charged to the City by Denver Water from time to time under the then applicable water service agreement with Denver Water, and (c) multiplying the sum derived under Subpart (a) of this Subparagraph by the dollar amount derived under Subpart (b) of this Subparagraph.~~

~~(3) Water used by the City, its departments and its agencies shall be charged and paid at the rate for such water usage as billed by the Denver Water Board. A resolution shall be adopted no less often than annually establishing the amount of the charge and making the appropriate transfer from the general fund.~~

(4) In addition to the rates prescribed above, the City Council may from time to time by ordinance establish a drought surcharge to be applied to consumers of water from the City water system if it finds that drought conditions have threatened or impacted the City's water supply.

Section 2. Section 13-3-610 of the Edgewater Municipal Code, concerning the establishment of sewer rates, is hereby amended to read as follows:

Sec. 13-3-610. Sewer rates established.

In order to encourage water conservation, equitably distribute the costs of sewer service and provide for the current and future operation, maintenance, repair and replacement of the sewer system, the sewer rate schedule and charge to users of the established sewer system of the City in and outside the corporate limits of the City shall be as set forth in this Section: The sewer rate schedule and charges which shall be paid by users of the sanitary sewer system of the City are as follows:

(1) Commencing on March 1, 2023, and for each month in each year thereafter through February 28, 2027, and in accordance with the calendar months and years indicated in the following table, the monthly service charge portion of the sewer charge shall be assessed and charged based upon the line size of the water line servicing the property in accordance with the following table. Commencing March 1, 2027, the monthly service charge portion of the sewer charge shall be established from time to time by the City Council by ordinance; provided, however, that if a charge is not set, the monthly service charge shall remain at the then last established amount.

<u>Line Size</u>	<u>2023</u>	<u>March 1,</u> <u>2024</u>	<u>March 1,</u> <u>2025</u>	<u>March 1,</u> <u>2026</u>
<u>3/4"</u>	<u>\$ 9.27</u>	<u>\$ 9.55</u>	<u>\$ 9.83</u>	<u>\$ 10.13</u>
<u>1"</u>	<u>\$ 18.54</u>	<u>\$ 19.10</u>	<u>\$ 19.67</u>	<u>\$ 20.26</u>
<u>1</u> <u>and 1/2"</u>	<u>\$ 37.08</u>	<u>\$ 38.19</u>	<u>\$ 39.34</u>	<u>\$ 40.52</u>
<u>2"</u>	<u>\$ 74.16</u>	<u>\$ 76.38</u>	<u>\$ 78.68</u>	<u>\$ 81.04</u>
<u>3"</u>	<u>\$148.32</u>	<u>\$ 152.77</u>	<u>\$157.35</u>	<u>\$162.07</u>

<u>4"</u>	<u>\$296.64</u>	<u>\$ 305.54</u>	<u>\$314.71</u>	<u>\$324.15</u>
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(2) Commencing on March 1, 2023, and for each month in each year thereafter through February 28, 2027, and in accordance with the calendar months and years indicated in the following table, the monthly volume charge portion of the sewer charge shall be assessed and charged based upon a usage charge per each one thousand (1,000) gallons of water used from the City water system during the most recently completed month of December, or January if a December usage reading is not possible. Regardless of water usage, there shall be a minimum monthly usage charge equal to the applicable rate per thousand (1,000) gallons of water multiplied by two (2). Commencing March 1, 2027, the monthly volume charge portion of the sewer charge shall be established from time to time by the City Council by ordinance; provided, however, that if a charge is not set, the monthly volume charge shall remain at the then last established amount.

<u>Volume</u>	<u>2023</u> <u>March 1,</u>	<u>2024</u> <u>March 1,</u>	<u>2025</u> <u>March 1,</u>	<u>2026</u> <u>March 1,</u>
<u>per</u> <u>1,000</u> <u>gallons</u>	<u>\$ 5.71</u>	<u>\$ 5.88</u>	<u>\$ 6.05</u>	<u>\$ 6.24</u>

~~1) For each user within the corporate limits, the rate per month will be, in the amount set forth in the fee schedule adopted by the City Council from time to time, a basic service charge for each sewer connection, plus a usage charge per each one thousand (1,000) gallons of water used from the City water system during the most recently completed month of December; provided, however, that the usage charge set forth in this Subsection shall automatically increase from time to time in an amount that is equal, on a percentage basis, to any increase after October 1, 2010, in the cost to the City under the wastewater treatment service agreement with Metro Wastewater Reclamation District that is in effect from time to time, and further provided that, regardless of water usage, there shall be a minimum monthly usage charge equal to the applicable rate per thousand (1,000) gallons of water multiplied by two (2).~~

~~(2) For each user outside the City limits, the rate per month shall be one hundred fifty percent (150%) of the rate set forth in Subsection (1).~~

~~(3) For each user not connected to the City water system, the rate set forth in Subsection (4) shall be based upon water usage as determined by the water provider.~~

~~(4) Sewer service for the City, its departments and its agencies shall be charged and paid at the rate for such service as is billed by the Metro Wastewater Reclamation~~

~~District Water Recovery. A resolution shall be adopted no less often than annually establishing the amount of the charge and making the appropriate transfer from the general fund.~~

(5) Any other provision of this Section notwithstanding, in the event that a commercial user of the sanitary sewer system connects to the system for the first time, re-connects to the system after a period of non-use or has a change of use of its property, the City Manager or his or her designee will estimate the rates and charges to be paid by the user on a monthly basis until the passage of the next succeeding month of December, after which time the user will be billed or refunded, as the case may be, for the prior estimated period's rates and charges and billed going forward, on the basis of such December usage and in accordance with the provisions of Subsection (42).

Section 3. Severability. If any section, paragraph, sentence, clause, or phrase of this ordinance is held to be unconstitutional or invalid for any reason, such decision shall not affect the validity or constitutionality of the remaining portions of this ordinance. The City Council hereby declares that it would have adopted this ordinance and each part or parts hereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 4. Safety Clause. The City Council hereby finds, determines, and declares that this ordinance is promulgated under the general police power of the City, that it is promulgated for the health, safety, and welfare of the public, that this ordinance is necessary for the preservation of health and safety and for the protection of public convenience and welfare, and that this ordinance bears a rational relation to the proper legislative object sought to be attained.

Section 5. Effective Date. This ordinance shall become effective in accordance with the Home Rule Charter of the City of Edgewater.

INTRODUCED, READ, PASSED ON FIRST READING AND ORDERED PUBLISHED this 17th day of January, 2023.

John Beltrone
John Beltrone, Mayor

ATTEST:

L Pedroza
Lenore Pedroza, CMC
City Clerk

PASSED AND ADOPTED ON SECOND READING AND ORDERED PUBLISHED
this 7th day of February, 2023.

John Beltrone
John Beltrone, Mayor

ATTEST:

L Pedroza
Lenore Pedroza, CMC
City Clerk

APPROVED AS TO FORM:

Thad Renaud
Thad Renaud, City Attorney