

**TOWN OF NEW CASTLE, COLORADO  
WATER & SEWER ENTERPRISE  
ORDINANCE NO. E 2022-2**

**AN ORDINANCE OF THE TOWN OF NEW CASTLE WATER & SEWER ENTERPRISE  
AMENDING CHAPTER 13.20 OF THE NEW CASTLE MUNICIPAL CODE CONCERNING  
TAP FEES**

WHEREAS, the Town of New Castle ("Town") is a home rule municipality duly organized and existing under Article XX of the Colorado Constitution and the Town of New Castle Home Rule Charter; and

WHEREAS, pursuant to Chapter 13.04 of the Town Municipal Code ("Code"), the Town has established the Town of New Castle Water and Sewer Enterprise ("Enterprise") as an enterprise of the Town within the meaning of Article X, Section 20 of the Colorado Constitution, with Town Council serving as the governing body ("Governing Body") of the Enterprise; and

WHEREAS, in accordance with Code Section 13.04.060, the Enterprise has the power and authority to set rates, fees, and charges for services provided by the Enterprise and to adopt ordinances in the manner in which Town ordinances may be adopted; and

WHEREAS, Chapter 13.20 of the Code outlines requirements for connection to the Town water and sewer utility systems, including payment of tap fees; and

WHEREAS, the Town imposes tap fees on all newly developed properties to offset the impacts of the new development and related demand on the Town's infrastructure; and

WHEREAS, the Town has not increased tap fees since 2007, and it is important to regularly update such fees to ensure they are rational, fair, and equitable to meet current conditions and needs of the Town's water and sewer system; and

WHEREAS, to evaluate current tap fees, Town staff conducted an extensive review of the Town's utility infrastructure and used the "Rational Nexus" methodology to determine whether current tap fee values adequately mitigate the impact of new development on the system; and

WHEREAS, pursuant to the New Castle Public Works Memo dated January 26, 2022, Town staff determined that the financial impact of new development on the Town's water and sewer infrastructure greatly exceeds the tap fees imposed by Code Section 13.20.060; and

WHEREAS, based on the development impact cost analysis and recommendations provided by Town staff, the Governing Body desires to amend the Code to increase tap fees in accordance with said recommendations and analysis.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN OF NEW CASTLE WATER & SEWER ENTERPRISE AS FOLLOWS:

1. Recitals. The foregoing recitals are incorporated herein as findings and determinations of the Governing Body.

2. Amendment. Chapter 13.20 of the Code is hereby amended as follows. Text in ALL CAPS indicates text that has been added, and text in ~~strike through~~ indicates text that has been deleted.

## **Chapter 13.20 – Water and Sewer Taps**

### **13.20.060 – Tap fees.**

C. The following tap fees shall be assessed, except as otherwise set by the town council:

1. Residential Water Service.

a. Fee for each ~~EQR unit~~<sup>EQR</sup> ~~residential water user~~, where both the tap and all points of consumption are within the corporate limits of the town: ~~six~~ NINE thousand SEVEN HUNDRED dollars (\$~~6,000.00~~ 9,700.00).

b. Fee for each ~~EQR unit~~<sup>EQR</sup> ~~residential water user~~, where the tap or any point of consumption is outside the corporate limits of the town: ~~ten~~ SIXTEEN thousand TWO HUNDRED dollars (\$~~10,000.00~~ 16,200.00).

2. Commercial Water Service.

a. Fee for each EQR unit, where both the tap and all points of water consumption are within the corporate limits of the town: ~~six~~ NINE thousand SEVEN HUNDRED dollars (\$~~6,000.00~~ 9,700.00).

b. Fee for each EQR unit, where the tap or any point of water consumption is outside the corporate limits of the town: ~~ten~~ SIXTEEN thousand TWO HUNDRED dollars (\$~~10,000.00~~ 16,200.00).

3. Residential Sewer Service.

a. Fee for each ~~EQR unit~~<sup>EQR</sup> ~~residential sewer user~~, where both the water tap and all points of water consumption are within the corporate limits of the town: ~~six~~ NINE thousand SEVEN HUNDRED dollars (\$~~6,000.00~~ 9,700.00).

b. Fee for each ~~EQR unit~~<sup>EQR</sup> ~~residential sewer user~~, where the water tap or any point of water consumption is outside the corporate limits of the town: ~~ten~~ SIXTEEN thousand TWO HUNDRED dollars (\$~~10,000.00~~ 16,200.00).

4. Commercial Sewer Service.

a. Fee for each EQR unit, where both the water tap and all points of water consumption are within the corporate limits of the town: ~~six~~ NINE thousand SEVEN HUNDRED dollars (\$~~6,000.00~~ 9,700.00).

b. Fee for each EQR unit, where the water tap or any point of water consumption is outside the corporate limits of the town: ~~ten~~ SIXTEEN thousand TWO HUNDRED dollars (\$~~10,000.00~~ 16,200.00).

~~c. Fractional EQR units shall be prorated from the above fees.~~

G. EXCEPT FOR THE TAP FEE SURCHARGE PROVIDED FOR IN SECTION 13.20.060(F), EACH TAP FEE CHARGED UNDER THIS SECTION 13.20.060 SHALL BE SUBJECT TO AN AUTOMATIC ANNUAL ESCALATOR, WHICH ESCALATOR SHALL TAKE EFFECT AS OF JANUARY 1ST OF EACH CALENDAR YEAR AND EQUAL THE CONSUMER PRICE INDEX FOR ALL URBAN CONSUMERS (CPI-U) FOR THE DENVER-AURORA-LAKEWOOD AREA.

H. THE FEES SET FORTH IN SUBSECTION (C) APPLY TO 1.0 EQR AND SHALL BE ADJUSTED FOR FRACTIONAL EQRS BASED ON THE TABLE OF EQUIVALENT UNITS SET FORTH ABOVE.

INTRODUCED on March 1, 2022, at which time copies were available to the Enterprise Governing Body and to those persons in attendance at the meeting, read by title, passed on first reading, and ordered published in full and posted in at least two public places within the Town as required by the Charter.

INTRODUCED a second time at a public meeting of the Enterprise Governing Body held on March 15, 2022, read by title and number, passed without amendments as set forth herein, approved, and ordered published as required by the Charter.

TOWN OF NEW CASTLE, COLORADO  
WATER & SEWER ENTERPRISE

By:

Art Riddile, Mayor

ATTEST:

  
Melody Harrison, Town Clerk

