1	BY AUTHORITY	<u>/</u> _
2ORDII	INANCE NO	COUNCIL BILL NO. CB16-XXXX
3SERIE	IES OF 2016	COMMITTEE OF REFERENCE:
4		Infrastructure & Culture
5	A BILL	
6 7 8 9	For an ordinance amending Article III of Cha Municipal Code regarding sanitary sewage service charges.	•

- 10 **WHEREAS**, as a matter of public health and safety, the City prevents water and stream 11pollution by control of sewage and storm wastes,
- WHEREAS, in order to control sewage and storm waste, the City pays the costs of 13planning, engineering, construction, replacement, operation, maintenance and other costs related 14to sewage and storm system facilities,
- WHEREAS, the City has fully reviewed and considered necessary revisions to matters 16governing sanitary sewage and storm drainage service charges in order to continue to control 17sewage and storm wastes due to a growing population in the City of Denver,
- NOW, THEREFORE, BE IT ENACTED BY THE COUNCIL OF THE CITY AND COUNTY 190F DENVER:
- **Section 1.** That Section 56-93, Article III, Division 3, of Chapter 56 of the Denver Revised 21Municipal Code shall be amended by deleting the language stricken and adding the language 22underlined as follows:

23Sec. 56-93. - Sanitary sewage service charges within the city.

- Rates. The sanitary sewage service charge for each monthly period which shall be made to and against, and collected from each and every lot, parcel of land, building or premises within the legal boundaries and political jurisdiction of the city, and the owners thereof, which are connected to and discharging or to which, by virtue of such connection, there is available the opportunity to discharge sewage, industrial waste, water, liquid or wastewater into the sanitary sewerage system of the city shall be the greatest of the amounts computed as set forth and described in subsections (1) through (4) or in accordance with subsection (5) as follows:
- (1) For each residential unit: Monthly charge of \$7.7410.85 effective July 1, 20112016; monthly charge of \$8.9011.39 effective July January 1, 2012 2017; monthly charge of \$9.7911.85 effective July January 1, 20132018; monthly charge of \$12.32 effective January 1, 2019; monthly charge of \$12.81 effective January 1, 2020.
- 36 (2) For other than residential units, the charge shall be computed in relation to the rated size of the water meter as follows:

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Size (inches)

	July 1, 2011	July 1, 2012	July 1, 2013	July 2016	<u>January</u> <u>2017</u>	<u>January</u> <u>2018</u>	<u>January</u> <u>2019</u>	<u>January</u> <u>2020</u>
5/8	\$7.74	\$8.90	\$9.79	<u>\$10.85</u>	<u>\$11.39</u>	<u>\$11.85</u>	\$12.32	<u>\$12.81</u>
3/4	11.61	13.35	14.69	16.29	<u>17.10</u>	<u>17.78</u>	<u>18.49</u>	<u>19.23</u>
1	19.34	22.24	24.46	27.11	28.47	29.61	30.79	32.02
11/4	29.06	33.42	36.76	40.75	42.79	44.50	46.28	<u>48.13</u>
1½	38.73	44.54	48.99	<u>54.31</u>	<u>57.03</u>	<u>59.31</u>	61.68	<u>64.15</u>
2	61.93	71.22	78.34	86.84	91.18	94.83	98.62	102.56
3	116.10	133.52	146.87	<u>162.81</u>	<u>170.95</u>	<u>177.79</u>	<u>184.90</u>	<u>192.30</u>
4	193.55	222.58	244.84	271.43	285.00	296.40	308.26	320.59
6	387.09	445.15	489.67	542.82	<u>569.96</u>	<u>592.76</u>	616.47	<u>641.13</u>
8	619.60	712.54	783.79	868.86	912.30	948.79	986.74	1,026.21
10	890.29	1,023.83	1,126.21	1,248.45	1,310.87	1,363.30	1,417.83	1,474.54
12	1,664.44	1,914.11	2,105.52	2,334.06	2,450.76	2,548.79	2,650.74	2,756.77

- (3) For users whose potable water is metered or measured, whether by the board of water commissioners or by other methods approved by the manager of public works or both (metered customers), the charge shall be computed by multiplying the volume of potable water into the premises during the billing period by \$2.833.97/thousand gallons effective July 1, 20112016; \$3.254.17/thousand gallons effective JulyJanuary 1, 2012017; \$3.584.34/thousand gallons effective JulyJanuary 1, 2013; \$4.51/thousand gallons effective January 1, 2019; \$4.69/thousand gallons effective January 1, 2020.
 - (4) For users whose potable water is not metered or measured (flat rate customers), the charge shall be one-twelfth of the annual charge which shall be computed by multiplying the annual equivalent sewage contribution by \$3.97/thousand gallons effective July 1, 2016; \$4.17/thousand gallons effective January 1, 2017; \$4.34/thousand gallons effective January 1, 2018; \$4.51/thousand gallons effective January 1, 2019; \$4.69/thousand gallons effective January 1, 2020\$2.83/thousand gallons effective July 1, 2011; \$3.25/thousand gallons effective July 1, 2012; \$3.58/thousand gallons effective July 1, 2013. The annual equivalent sewage contribution shall be the total of the annual unit equivalent sewage contributions in relation to the number of rooms and water-using devices in the premises of the users as follows:

Equivalency Factors	Annual Unit Equivalent Sewage Contribution (in thousands of gallons)		
Room (1—4, each)	8.030		
Room (all rooms over 4, each)	1.736		
First bath facility	16.425		
Each additional bath facility	10.950		

First water closet	21.000
Each additional water closet	14.600
Each water-using device	5.475

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- (5) For users whose sewage is measured by a meter or method approved by the manager of public works, the charge shall be computed by multiplying the volume of sewage during the billing period by \$3.97/thousand gallons effective July 1, 2016; \$4.17/thousand gallons effective January 1, 2017; \$4.34/thousand gallons effective January 1, 2018; \$4.51/thousand gallons effective January 1, 2019; \$4.69/thousand gallons effective January 1, 2020\$2.83/thousand gallons effective July 1, 2011; \$3.25/thousand gallons effective July 1, 2013.
- Billing periods. Whenever the manager of public works shall determine that it is necessary or 65(b) appropriate, he may designate a sanitary sewer account to be billed other than monthly. Such 66 a designation may be used for the convenience of the city or for accounts such as those 67 68 including an industrial waste surcharge, water gain factor (well), water loss factor (e.g., 69 evaporation or product usage) or high-volume water usage. For users who are designated for 70 sanitary sewer billing on a different periodicity, those who qualify for charges under subsection 71 (a)(1) or (2) of this section shall be charged at prorated amounts based on the rates shown in 72 those subsections for each billing period. Otherwise, the charges will be computed as shown in 73 subsections (a)(3), (4) or (5), as appropriate.
- 74(c) Billing system surcharge. Beginning July 1, 2011, and ending December 31, 2011, in addition to the sanitary sewage charge specified in subsection (a) of this section, a billing system surcharge in the amount of \$2.25 per month shall be billed to all sanitary sewer users in the same frequency as the service charge.
- 78 (dc) CPI-U adjustment. On JulyJanuary 1, 20142021, and annually thereafter, the current rates named above in subsection (a) of this section shall be adjusted, in an amount equal to the percentage change from the previous year in the CPI-U. The percentage change to be applied to the rates shall be calculated as follows:
- 82 CPI for current period, Less CPI for previous period:
- 83 Equals index point change
- 84 Divided by previous period CPI
- 85 Equals result multiplied by 100
- 86 Equals percent change
- 87(e) Report to council. The manager shall provide a report to city council concerning the fiscal status of the wastewater management enterprise fund, including both the sanitary and storm sewer sub-funds, by May 31, 2012.
- 90(Code 1950, § 167.2; Ord. No. 49-80, § 3, 1-28-80; Ord. No. 681-81, § 2, 12-14-81; Ord. No. 738-9183, § 2, 12-19-83; Ord. No. 696-84, § 3, 12-17-84; Ord. No. 78-87, §§ 30, 31, 2-9-87; Ord. No. 92728-87, § 3, 12-14-87; Ord. No. 560-88, §§ 3, 4, 9-6-88; Ord. No. 755-88, § 1, 12-5-88; Ord. No. 93459-89, § 1, 8-21-89; Ord. No. 505-90, § 1, 8-27-90; Ord. No. 727-91, § 1, 10-15-91; Ord. No. 688-9492, § 2, 9-28-92; Ord. No. 671-93, § 1, 8-30-93; Ord. No. 801-94, § 1, 10-11-94; Ord. No. 834-95, §

953, 10-10-95; Ord. No. 1057-00, § 1, 12-26-00; Ord. No. 200-02, § 2, 3-11-02; Ord. No. 267-11, § 5, 965-16-11; Ord. No. 340-11, § 2, 6-20-11)

97 **Section 2.** That Section 56-94, Article III, Division 3 of Chapter 56 of the Denver Revised 98Municipal Code shall be amended by deleting the language stricken and adding the language 99underlined as follows:

100Sec. 56-94. - Industrial waste surcharge within the city.

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- 102(a) In addition to the sanitary sewage service charge set forth in section 56-93, a sewer service surcharge calculated in accordance with the following formula shall be billed to and paid by industrial waste customers in the same frequency as the service charge:
- $\frac{SC = (V \times 8.34) \times [\$(0.2035)(BOD 255 \text{ mg/l}) + (\$0.1694)(SS 260 \text{ mg/l}) + (\$0.1074)(TKN-40-106) \times \frac{SC = (V \times 8.34) \times [\$(0.2035)(BOD 255 \text{ mg/l}) + (\$0.1694)(SS 260 \text{ mg/l}) + (\$0.1074)(TKN-40-106) \times \frac{SC = (V \times 8.34) \times [\$(0.2035)(BOD 255 \text{ mg/l}) + (\$0.1694)(SS 260 \text{ mg/l}) + (\$0.1074)(TKN-40-106) \times \frac{SC = (V \times 8.34) \times [\$(0.2035)(BOD 255 \text{ mg/l}) + (\$0.1694)(SS 260 \text{ mg/l}) + (\$0.1074)(TKN-40-106) \times \frac{SC = (V \times 8.34) \times [\$(0.2035)(BOD 255 \text{ mg/l}) + (\$0.1694)(SS 260 \text{ mg/l}) + (\$0.1074)(TKN-40-106) \times \frac{SC = (V \times 8.34) \times [\$(0.2035)(BOD 255 \text{ mg/l}) + (\$0.1694)(SS 260 \text{ mg/l}) + (\$0.1074)(TKN-40-106) \times \frac{SC = (V \times 8.34) \times [\$(0.2035)(BOD 255 \text{ mg/l}) + (\$0.1694)(SS 260 \text{ mg/l}) + (\$0.1074)(TKN-40-106) \times \frac{SC = (V \times 8.34) \times [\$(0.2035)(BOD 255 \text{ mg/l}) + (\$0.1694)(SS 260 \text{ mg/l}) + (\$0.1074)(TKN-40-106) \times \frac{SC = (V \times 8.34) \times [\$(0.2035)(BOD 255 \text{ mg/l}) + (\$0.1694)(SS 260 \text{ mg/l}) + (\$0.1694)($

107Beginning July 1, 2016:

 $\frac{SC = (V \times 8.34) \times [\$(0.2317)(BOD - 255 \text{ mg/l}) + (\$0.2308)(SS - 260 \text{ mg/l}) + (\$0.2830)(TKN-40 \text{ mg/l})] }{\text{mg/l}}$

110Beginning January 1, 2017:

- 111 $SC = (V \times 8.34) \times [\$(0.2600)(BOD 255 \text{ mg/l}) + (\$0.2922)(SS 260 \text{ mg/l}) + (\$0.4587)(TKN-40 \text{ mg/l})]$
- 113Beginning January 1, 2018:
- 114 $SC = (V \times 8.34) \times [\$(0.2882)(BOD 255 \text{ mg/l}) + (\$0.3536)(SS 260 \text{ mg/l}) + (\$0.6343)(TKN-40 \text{ mg/l})]$

116Where:

SC	=	Surcharge in dollars and cents.
V	=	Volume of sewage in millions of gallons contributed to the city's sewerage system by the user during the billing period.
8.34		Conversion factor; one (1) gallon of water to pounds.
mg/l	=	Milligrams/liter

117 (b) The surcharges for BOD, SS and TKN are applied separately. If the strength of either BOD, 118SS or TKN is less than or equal to the upper limit of normal strength sewage, there shall be no 119surcharge for that particular category, nor shall there by any credit towards the total surcharge.

120(Code 1950, § 167.3; Ord. No. 49-80, § 4, 1-28-80; Ord. No. 82-89, § 2, 2-21-89; Ord. No. 290-90, 121§§ 1, 2, 5-21-90; Ord. No. 160-94, § 1, 2-28-94; Ord. No. 834-95, § 4, 10-10-95; Ord. No. 932-96, 122§ 3, 10-28-96; Ord. No. 53-15, § 1, 3-2-15)

Section 3. That Section 56-112, Article III, Division 4 of Chapter 56 of the Denver Revised 124Municipal Code shall be amended by deleting the language stricken and adding the language 125underlined as follows:

127Sec. 56-112. Storm drainage service charge.

- 128(a) There is hereby imposed on each and every lot or parcel of land within the city, and the owners 129 thereof, a storm drainage service charge. This charge is deemed reasonable and is necessary 130 to pay for (1) the operation, maintenance, improvement and replacement of the existing city storm drainage facilities, and (2) the operation, maintenance, and replacement of future 131 132 facilities. All of the proceeds of these service charges are deemed to be in payment for use of 133 the city storm drainage system by the real property on, and with respect to, which the charge is 134 imposed, and the owners thereof. Real property owned by the city pursuant to the Charter 135 authority of the department of aviation shall not be subject to payment of such service charge 136 for so long as the department of aviation performs all necessary and appropriate maintenance. 137 repair, replacement and future construction relating to storm drainage facilities located on such 138 real property.
- 139(b) (1) The storm drainage service charge shall be payable in advance, annually or at some other 140 billing frequency that the manager shall determine is necessary and appropriate and shall 141 be paid to the city, as billed by the city, by the owner or owners of each and every lot or 142 parcel of real property located within the political jurisdiction of the city and shall be computed by first determining the ratio of impervious surface, as defined herein, for the lot 143 144 or parcel of real property; second, based on the aforesaid ratio determination assigning the 145 lot or parcel of real property to a ratio group as defined and set forth herein; and third, multiplying the drainage service charge per one hundred (100) square feet for the 146 147 assigned ratio group by the number of one hundred (100) square feet of impervious 148 surface in or on the lot or parcel; provided, however, that the annual storm drainage service charge for each lot or parcel of real property in or on which there is impervious 149 150 surface shall not be less than twelve fifteen dollars and thirty-one two cents (\$12.3115.02) 151 effective July 1, 2011 2016; twelve sixteen dollars and fifty-six sixty-seven cents (\$12.5616.67) effective July 1, 2012 January 1, 2017; twelve eighteen dollars and eighty-152 153 one fifty cents (\$12.8118.50) effective after July 1, 2013 January 1, 2018; twenty dollars and thirty-five cents (\$20.35) effective January 1, 2019; and twenty-two dollars and thirty-154 nine cents (\$22.39) effective January 1, 2020. On July 1, 2014 January 1, 2021 and 155 thereafter, the minimum storm drainage service charge shall be adjusted annually, based 156 157 on the percentage change from the previous year in CPI-U as that term is defined in 158 subsection 56-92(13.5). The percentage change to be applied to the minimum charge shall 159 be calculated as set forth in subsection 56-93(d).
- 160 (2) For users who are not billed on an annual basis, charges under subsection (b)(1) of this section shall be prorated for each billing period.
- 162(c) The manager of public works shall determine the number of square feet of impervious surface in or on the real property of each owner or owners thereof using the definition of impervious surface set forth in this division by any of the following methods:
- 165 (1) On-site measurements of the impervious surface in or on such real property made by the city or in its behalf;
- (2) Computation of the impervious surface using the dimensions of the impervious surfaces in or on the real property which are set forth and contained in the records of the office of the assessor of the city;
- 170 (3) Estimation, calculation and computation of the impervious surfaces using aerial photography, photogrammetry, or equivalent technology, or using the information and data from on-site measurements of like or similar property or features or as contained in the records of the city which set forth certain characteristics of the improvements on such real

174 property such as the sum of the living space above the basement level in all buildings on 175 the real property, the number of garages, the area of the real property, the year of 176 construction of the buildings, the number of garage spaces, the assessor's use code, the 177 number of levels in the primary building, and the assessor's class code, hereinafter 178 referred to as "assessor's characteristics" of the improvements of such real property and 179 actual measurements made by the city, or in its behalf, if any, of impervious surfaces in or on real properties whose assessor's characteristics are similar to those assessor's 180 181 characteristics of the real property for which the estimation, calculation and computation is 182 made.

183(Ord. No. 160-80, § 1(167A.5), 4-14-80; Ord. No. 73-83, § 8, 1-31-83; Ord. No. 560-88, § 14, 9-6-18488; Ord. No. 676-96, § 1, 8-5-96; Ord. No. 1101-01, § 2, 12-17-01; Ord. No. 189-05, § 1, 3-21-05; 185Ord. No. 267-11, § 12, 5-16-11; Ord. No. 340-11, § 4, 6-20-11)

Section 4. That Section 56-113, Article III, Division 4 of Chapter 56 of the Denver Revised 187Municipal Code shall be amended by deleting the language stricken and adding the language 188underlined as follows:

189Sec. 56-113. Storm drainage service unit charge.

190(a) The storm drainage service unit charge per one hundred (100) square feet of impervious surface per twelve-month period for each ratio group is fixed as follows:

Ratio Group	July 2011	July 2012	July 2013	<u>July</u> 2016	<u>January</u> <u>2017</u>	<u>January</u> <u>2018</u>	<u>January</u> <u>2019</u>	<u>January</u> <u>2020</u>
.0 to .10	\$1.73	\$1.76	\$1.80	<u>\$2.11</u>	\$2.34	\$2.60	\$2.86	<u>\$3.15</u>
.11 to .20	2.17	2.21	2.25	2.63	2.92	3.24	3.56	3.92
.21 to .30	2.62	2.67	2.72	3.20	<u>3.55</u>	3.94	4.33	4.76
.31 to .40	3.10	3.16	3.22	3.77	4.18	4.64	<u>5.10</u>	<u>5.61</u>
.41 to .50	3.54	3.61	3.68	4.31	4.78	<u>5.31</u>	<u>5.84</u>	6.42
.51 to .60	3.77	3.85	3.93	<u>4.61</u>	<u>5.12</u>	<u>5.68</u>	6.25	6.88
.61 to .70	4.01	4.09	4.17	4.90	<u>5.44</u>	6.04	6.64	7.30
.71 to .80	4.46	4.55	4.64	<u>5.44</u>	6.04	<u>6.70</u>	7.37	<u>8.11</u>
.81 to .90	4.91	5.01	5.11	<u>5.98</u>	6.64	7.37	<u>8.11</u>	8.92
.91 to 1.00	5.38	5.49	5.60	<u>6.57</u>	7.29	8.09	<u>8.90</u>	<u>9.79</u>

192 (b) On July 1, 2014 January 1, 2021, and thereafter, the current rates of charge (per one 193hundred (100) square feet of impervious surface) shall be adjusted annually, based on the 194 percentage change from the previous year in the CPI-U as that term is defined in subsection 56-19592(13.5). The percentage change to be applied to the rates shall be calculated as set forth in 196 subsection 56-93(d).

197(Ord. No. 160-80, § 1(167A.6), 4-14-80; Ord. No. 629-88, § 1, 10-11-88; Ord. No. 676-96, § 2, 8-5-19896; Ord. No. 1101-01, § 3, 12-17-01; Ord. No. 200-02, § 9, 3-11-02; Ord. No. 267-11, § 13, 5-16-11; 199Ord. No. 340-11, § 5, 6-20-11)

200			
201COMMITTEE APPROVAL DA	TE:		
202MAYOR-COUNCIL DATE:			
203PASSED BY THE COUNCIL:			, 2016
204	PF	RESIDENT	
205APPROVED:	M	AYOR	, 2016
206ATTEST: 207 208	E	ERK AND RECORDER X-OFFICIO CLERK OF ITY AND COUNTY OF	THE
209NOTICE PUBLISHED IN THE	DAILY JOURNAL:	, 2016;	, 2016
210PREPARED BY: Jessica Broo	dy, Assistant City Attorney	DATE:	
211Pursuant to section 13-12, D. 212the City Attorney. We find no 213ordinance. The proposed ordi 2143.2.6 of the Charter.	irregularity as to form, and	l have no legal objecti	on to the proposed
215D. Scott Martinez, City Attorne	ey for the City and County o	f Denver	
216BY:	_, Assistant City Attorney	DATE:	, 2016