

RESOLUTION NO. 27-21

A RESOLUTION TO INCREASE THE STORMWATER  
SERVICE FEES EFFECTIVE JULY 1, 2021

WHEREAS, the citizens of Colorado Springs voted to implement a stormwater service fee that went into effect on July 1, 2018. The stormwater service fee is collected from developed or improved real properties within the City of Colorado Springs (City); and

WHEREAS, City Code § 14.8.107(D) established the stormwater service fees at \$5 per residential dwelling unit per month and \$30 per acre per month on non-residential property; and

WHEREAS, City Code § 14.8.107(E) authorizes City Council to increase the stormwater service fees by duly adopted City Council resolution only to the extent required to comply with a valid court order, Federal or State permits, Federal or State laws, or any intergovernmental agreement to which the City is a party which was entered into before June 1, 2016.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF COLORADO SPRINGS:**

Section 1. City Council hereby finds that increasing the stormwater service fees as set forth in this resolution is in the best interest of the City and necessary to meet the financial obligations of the Stormwater Enterprise imposed by Federal or State permits, the intergovernmental agreement entered into on April 28, 2016 to which the City is a party, and to comply with the Federally Mandated Consent Decree dated January 11, 2021.

Section 2. City Council hereby increases the stormwater service fees to \$7.00 per residential dwelling unit per month and \$40.50 per acre per month on developed or improved non-residential property effective as of July 1, 2021.

Section 3. City Council hereby increases the stormwater service fees to \$7.50 per residential dwelling unit per month and \$43.00 per acre per month on developed or improved non-residential property effective as of July 1, 2022.

Section 4. City Council hereby increases the stormwater service fees to \$8.00 per residential dwelling unit per month and \$45.00 per acre per month on developed or improved non-residential property effective as of July 1, 2023.

Dated at Colorado Springs, Colorado this 23<sup>rd</sup> day of February, 2021.



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Council President

ATTEST:



Sarah B. Johnson, City Clerk

## Exhibit A

The following approaches provide adequate revenue for SWENT moving forward. The approaches are intended to generate the necessary revenue to meet operational and MS4 permit requirements, IGA capital project commitments, increases in IGA expenditures, and consent decree related obligations.

The following assumptions are considered for the analysis.

| <b>Assumptions:</b>                          |
|--|
| 2% annual growth of non-residential accounts |
| 1.2% annual growth of residential accounts   |
| 94% average non-residential collection rate  |
| 95% average residential collection rate      |
| 3.5% annual growth of operating expenses     |
| 2% annual growth of Capital (per IGA)        |

Three step approach options:

|                        | Current Fees | Option 1      | Option 2      |
|------------------------|--------------|---------------|---------------|
| <b>2021 Rates</b>      |              |               |               |
| Residential/Unit       | \$5          | \$6.50 30.0%  | \$7.00 40.0%  |
| Non-residential/Acre   | \$30         | \$38.00 26.7% | \$40.50 35.0% |
|                        |              |               |               |
| <b>2022 Rates</b>      |              |               |               |
| Residential/Unit       | \$5          | \$7.50 15.4%  | \$7.50 7.1%   |
| Non-residential/Acre   | \$30         | \$40.00 5.3%  | \$43.00 6.2%  |
|                        |              |               |               |
| <b>2023-2035 Rates</b> |              |               |               |
| Residential/Unit       | \$5          | \$8.50 13.3%  | \$8.00 6.7%   |
| Non-residential/Acre   | \$30         | \$42.00 5.0%  | \$45.00 4.7%  |
|                        |              |               |               |