

RESOLUTION NO.

13-25

Series of 2013

TITLE: A RESOLUTION SETTING WASTEWATER RATES PURSUANT TO SECTION 13-59 OF THE HUDSON MUNICIPAL CODE

WHEREAS, the Town of Hudson, through its Wastewater Enterprise (the "Enterprise"), owns and operates a municipal wastewater collection and treatment utility; and

WHEREAS, it is necessary for the Enterprise to receive sufficient revenue from its customers to pay for expenses of operation, maintenance and debt service, and to fund an adequate reserve; and

WHEREAS, the United States Department of Agriculture Rural Development, holder of the bonds used to finance the Town's wastewater treatment facility, requires that the Enterprise generate sufficient revenue to cover scheduled debt service payments; and

WHEREAS, the Board of Trustees finds that it is in the public interest to increase wastewater user rates over a three year period in order to meet such revenue goals, this Resolution No. 13-25 being the first of three annual steps to bring rates and revenues in line with the needs of the Enterprise.

NOW THEREFORE BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE TOWN OF HUDSON, COLORADO, AS FOLLOWS:

Section 1. Definitions.

- (a) Average Winter Water Use (AWWU) means the average monthly water demand observed for the months of January, February and March.
- (b) Base Charge, sometimes referred to as the "availability of service" charge, means the minimum monthly charge that is billed to a customer of the Wastewater Enterprise, even if there is no wastewater generated by that customer in any billing period.
- (c) Equivalent Residential Unit Demand (EQR) means the average monthly wastewater demand of a residential dwelling unit. One EQR is hereby determined to be four thousand six hundred twenty-four (4,624) gallons per month.
- (d) Flow Charge means that component of the fee charged to a customer of the Town's wastewater system that is attributable to the wastewater demand in a monthly billing period generated by such customer.
- (e) Residential Unit means an independent, attached or detached residential structure, designed to house and provide living space, including kitchen and bathroom facilities, for an individual family, including: single-family detached dwelling; apartment; mobile home; condominium; row house.

(f) Surcharge shall mean a fee charged to certain commercial and industrial customers who are determined to generate relatively high quantities of biochemical oxygen demand (BOD) and/or total suspended solids (TSS).

(g) Water Demand means an estimate of hydraulic wastewater demand of individual customers as defined in Section 3 of this Resolution.

Section 2. Residential Rates. Effective January 1, 2014, wastewater rates for residential customers shall be comprised of two components: a Base “availability of service” Charge and a Flow Charge. These two charges for residential customers shall be calculated as follows:

- (a) Base Charge. For all classes of residential sewer taps the Base availability of service Charge shall be \$25.60 per Residential Unit.
- (b) Flow Charge. For all classes of residential sewer taps the Flow Charge shall be \$1.94 per 1,000 gallons of water demand as described herein.

Section 3. Effective January 1, 2014, wastewater rates for commercial and industrial customers shall be comprised of three components: a Base Charge; a Flow Charge; and a Surcharge. These three charges for industrial and commercial customers shall be calculated as follows:

- (a) Base Charge. For all classes of industrial and commercial sewer taps the Base availability of service Charge shall be based on the size of the water meter or meters serving the billed property, with a minimum of one (1) EQR. The monthly Base availability of service Charge for commercial and industrial customers shall be \$25.60 per EQR. The number of EQRs shall be based on the following table. For example, a business served through a 2.0 inch water meter would pay a Base availability of service Charge of ten (10.00) EQRs on each monthly wastewater bill.

Meter Size (inches)	Max. Capacity (gallons/minute)	Multiplier
0.75	30	1.00
1.00	50	1.67
1.50	100	3.33
2.00	300	10.00
3.00	450	15.00
4.00	1,000	33.33
6.00	2,500	83.33
8.00	4,000	133.33
10.00	6,500	216.67

(b) Flow Charge. The monthly Base Flow Charge for commercial and industrial customers shall be \$3.59 per one thousand (1,000) gallons of AWWU demand. Flow Charge billing purposes, for all classes of customers, shall be adjusted annually on July 1 of each year and shall be determined on the basis of the average monthly water usage shown on the previous January, February and March water bills, and not on the actual water used during the billing month. For new customers where the previous January, February and March water bill information and waste water sampling information is not available, or for existing sewer users when different sewer use patterns or extenuating circumstances require the use of different information, the Town Administrator may use data from the Utility Service Plan and consult with the Town Engineer in order to determine the basis for water usage and waste water concentration determinations.

(c) Surcharge.

(1) A surcharge at the following rates to be paid monthly by commercial and industrial customers that produce waste water with biochemical oxygen demand (BOD) and total suspended solids (TSS) in excess of the following base concentrations, customer waste water concentrations to be determined by the Town:

- a. BOD in concentrations exceeding 250 mg/l (milligrams per liter): \$.327 per pound of excess.
- b. TSS in concentrations exceeding 250 mg/l: \$.211 per pound of excess.
- c. Pounds of excess BOD and TSS shall be calculated as follows:

$$\text{Pounds of excess} = \frac{8.34 \times (\text{concentration in mg/l} - 250 \text{ mg/l}) \times \text{AWWU}}{1,000}$$

(2) Concentrations of BOD and TSS in commercial and industrial waste water shall be determined by sampling by the Town of waste water from businesses according to sampling protocols established by the Town. In the event that sampling data is unavailable for individual businesses, the Town may use the Utility Service Reports submitted for such businesses as approved by the Town to determine BOD and TSS concentrations. If no Utility Service Report is available, and sampling cannot be performed due to the configuration of the plumbing in individual businesses, the Town may use the table "*Commercial User Strength Characteristics*" as published by the State of California Water Resources Control Board, March 1998 Edition.

(3) For new customers where waste water sampling information is not available, or for existing sewer users when different sewer use patterns or extenuating circumstances require the use of different information, the Town Administrator may use data from the Utility Service Plan and consult with the Town Engineer in order to determine the basis for waste water concentration determinations.


Section 3. Appeals. Customers may appeal the Town Administrator's determination of

waste water demand or BOD and TSS concentrations, or the use of different information for new users or determinations based on extenuating circumstances to the Board of Trustees. Such an appeal must be in the form of a report, prepared by and signed by a qualified licensed professional engineer, indicating the basis for any claimed alternative demand or concentration levels, and must be received within thirty (30) days of the Town Administrator's final determination. A public hearing shall be scheduled on any such appeal within thirty (30) days of the receipt of the appeal. The determination of the Board of Trustees at the public hearing shall be final, and subject to review by the Weld County District Court pursuant to C.R.C.P. 106(a)(4).

Section 5. All components of the wastewater rates established in the previous sections of this Resolution, as adjusted annually, shall be automatically adjusted on the first day of July of each year by a percentage equal to the annual percentage change in the previous year's United States Bureau of Labor Statistics Consumer Price Index (CPI) for Denver-Boulder-Greeley.

INTRODUCED, READ and PASSED this 4th day of November, 2013.




Linnette Barker, Town Clerk

TOWN OF HUDSON, COLORADO


Neal Pontius, Mayor