

SUBJECT: RESOLUTION NO. 16, SERIES 2025 – A RESOLUTION
SETTING THE 2025 SEWER USE REGULATION FEES &
CHARGES FOR THE CITY OF LOUISVILLE, COLORADO

DATE: MARCH 18, 2025

PRESENTED BY: KURT KOWAR, PUBLIC WORKS

SUMMARY:

Staff is recommending approval of the attached resolution for the adoption of the sewer use regulation fees and charges effective September 1, 2025.

As outlined in Municipal Code section 13.32.110, sewer use regulation fees and charges shall be designed to recover the costs of the implementation and operation of the Industrial Pretreatment Program (IPP). A 90% cost recovery is recommended.

The IPP is a requirement of the Environmental Protection Agency (EPA) for a regulatory system designed to reduce or eliminate pollutants in industrial and commercial wastewater before it enters a publicly-owned treatment works. The program is part of the Clean Water Act and ensures that industries and other significant dischargers comply with national, state, and local pretreatment standards to protect the environment, public health, and the efficiency of wastewater treatment plants.

RECOMMENDED FEES AND CHARGES:

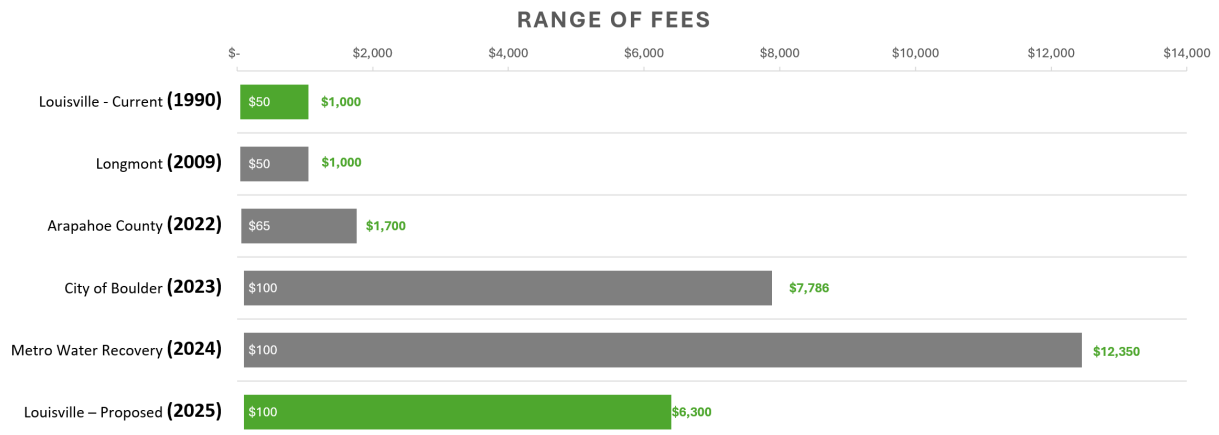
Staff compared other IPPs (shown below in **Figure 1**) and are recommending Fees and Charges centered on varied classes of users and the type of reporting or administrative load they create. Also recommended, is a new schedule to address noncompliance with a focus on reoccurrence deficiencies including late or failure to report permit limit exceedances, equipment malfunction, etc. These new Fees and Charges will provide better recovery of the administrative work for noncompliance, encourage timely reporting and potentially incentivize compliance.

Surcharges were also evaluated and found to be adequate. No changes are recommended for 2025.

The following **Table 1** summarized the recommended fees and charges with administrative fees (without shading) and compliance fee (shaded gray).

SUBJECT: RESOLUTION NO. 16, SERIES 2025**DATE: MARCH 18, 2025****PAGE 2 OF 3****Table 1: Recommended Fees and Charges**

Fee Description	2025 Fee	Additional Fee Information	
		Frequency	Basis
Significant Contributor	\$6,300	Annually	Individual Discharge Permit w/ Pollutant Limits & Monitoring
Small Significant Contributor	\$3,500	Annually	Individual Discharge Permit w/ Monitoring, w/o Pollutant Limits (i.e. BMPs in lieu of numeric limits)
Minor Significant Contributor	\$1,600	Annually	Individual Discharge Permit w/o Monitoring or Pollutant Limits (ex. Categorical User that does not discharge process water to POTW)
Other Control Mechanism	\$900	Per Occurrence	Ex. General Discharge Permit, Compliance Schedule, Annual Certification, etc.
Lab Analysis Fees	TBD	Annually	Customer will be billed direct cost for outside lab fees
Application Fee	\$100	Per Application	Outside of plan review process
Non-routine Reports	\$250	Per Report	Reports Outside of Permitted Requirements Ex. New or Change, One-Time Certification Form, etc.
Noncompliance			
Deficiency – Level 1	\$100		Overdue 10-60 days and/or 2nd Offense
Deficiency – Level 2	\$250		Overdue 61-90 days and/or 3 rd Offense
Deficiency – Level 3	\$500		Overdue 91-120 days and/or 4 th Offense

Figure 1 - Fee Comparison

SUBJECT: RESOLUTION NO. 16, SERIES 2025

DATE: MARCH 18, 2025

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Attached is a sample notice that will be posted to the City website and sent to IPP users after finalization with Communications and Economic Development.

FISCAL IMPACT:

2025 IPP revenue would increase to approximately \$92,500 for 2025 aligning with a 90% cost recovery.

PROGRAM/SUB-PROGRAM IMPACT:

The program goal for Utilities is to ensure safe, reliable, great tasting water; properly treated wastewater; effective stormwater control; successfully managed solid waste; and competitive prices for all services. Updated and effective sewer usage fees will ensure proper cost recovery and maintain equity within the sewer utility.

RECOMMENDATION:

Adopt Resolution No. 16, Series 2025 approving the 2025 Sewer Usage Fees.

ATTACHMENT(S):

1. Resolution No. 16, Series 2025
2. Draft Sample Notice
3. Finance Committee Presentation

STRATEGIC PLAN IMPACT:

☐	 Financial Stewardship & Asset Management	☒	 Reliable Core Services
☐	 Vibrant Economic Climate	☐	 Quality Programs & Amenities
☐	 Engaged Community	☐	 Healthy Workforce
☐	 Supportive Technology	☐	 Collaborative Regional Partner

**RESOLUTION NO. 16
SERIES 2025**

**A RESOLUTION SETTING CERTAIN SEWER USE REGULATION FEES AND
CHARGES**

WHEREAS, pursuant to Section 13.32.110 of the Louisville Municipal Code, the City Council is authorized to set by resolution fees and charges related to the implementation and operation of the City's industrial pretreatment program; and

WHEREAS, the City Council wishes to establish by this resolution said fees and charges.

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

1. Pursuant to authorization in the Louisville Municipal Code, the Louisville City Council hereby establishes certain sewer use regulation fees and charges in accordance with the schedules and tables attached hereto as Exhibit A and made a part hereof.

2. The fees and charges set by this resolution shall be effective on September 1, 2025, and may thereafter be amended from time to time by resolution of the City Council.

3. The fees and charges set by this resolution shall supersede and replace any fees or charges previously set or adopted by the City Council for the same purpose. However, the same shall not be deemed to release, extinguish, alter, modify, or change in whole or in part any liability which shall have been previously incurred, and the superseded or replaced provision shall be treated and held as still remaining in force for the purpose of sustaining any judgment, decree, or order.

4. If any portion of this resolution is held to be invalid for any reason, such decisions shall not affect the validity of the remaining portions hereof.

PASSED AND ADOPTED this _____ day of _____, 2025.

Christopher M. Leh, Mayor

ATTEST:

Genny Kline, Interim City Clerk

EXHIBIT A
Sewer Use Regulation Fees and Charges

Code Section Ref.	Fee Description	2023 Fee	2024 Fee	Exact % Change	2025 Proposed Fee	Additional Fee Information	Staff Responsibility
<u>13.32.110</u>	Cost Recovery Fees for Wastewater (Annual):						
	Significant Contributor	\$1,000	\$1,000	630%	\$6,300	Individual Discharge Permit w/ Pollutant Limits & Monitoring	Public Works Director
	Small Significant Contributor	\$500	\$500	700%	\$3,500	Individual Discharge Permit w/ Monitoring, w/o Pollutant Limits (i.e. BMPs in lieu of numeric limits)	Public Works Director
	Minor Significant Contributor (NEW)	N/A	N/A	N/A	\$1,600	Individual Discharge Permit w/o Monitoring or Pollutant Limits (ex. Categorical User that does not discharge process water to POTW)	Public Works Director
	Other Control Mechanism (NEW)	N/A	N/A	N/A	\$900	Ex. General Discharge Permit, Compliance Schedule, Annual Certification, etc. (per occurrence)	Public Works Director
	Lab Analysis Fee (NEW)	N/A	N/A	N/A	Direct Costs	Customers will be billed direct cost for outside lab fees	Public Works Director
	Application Fee (NEW)	N/A	N/A	N/A	\$100	Outside of plan review process	Public Works Director
	Non-Routine Reports (NEW)	N/A	N/A	N/A	\$250	Reports Outside of Permitted Requirements Ex. New or Change, One-Time Certification Form, etc.	Public Works Director
	Deficiency – Level 1 (NEW)	N/A	N/A	N/A	\$100	Overdue 10-60 days and/or 2nd Offense	Public Works Director

	Deficiency – Level 2 (NEW)	N/A	N/A	N/A	\$250	Overdue 61-90 days and/or 3rd Offense	Public Works Director
	Deficiency – Level 3 (NEW)	N/A	N/A	N/A	\$500	Overdue 91-120 days and/or 4th Offense	Public Works Director
	Class A	\$500	\$500			No longer applicable - removed	Public Works Director
	Class B	\$250	\$250			No longer applicable - removed	Public Works Director
	Class C	\$100	\$100			No longer applicable - removed	Public Works Director
	Class D	\$50	\$50			No longer applicable - removed	Public Works Director
13.32.125	Surcharge rate for excess BOD and TSS (49 - 2017)	\$0.58	\$0.58	0%	\$0.58	BOD per pound	Public Works Director
	(Resolution 49, Series 2017)	\$0.58	\$0.58	0%	\$0.58	TSS per pound	Public Works Director
	(Resolution 49, Series 2017)	\$0.58	\$0.58	0%	\$0.58	Oil and Grease per pound	Public Works Director

Date

Business name/address

Re: Sewer Use Regulation Fees and Charges Increase – effective September 1, 2025

Dear *Business*:

The City of Louisville has implemented changes to the fees and charges outlined in the Sewer Use Regulation (Municipal Code - Chapter 13.32) as related to the Environmental Compliance (EC) and the Industrial Pre-treatment Program (IPP).

Sewer Use Regulation Fees and Charges are designed to recover the cost of operating and implementing the IPP. These fee changes were required to ensure proper cost recovery with a program that has experienced significant growth and increase in regulations.

The below 2025 fee schedule was approved by resolution at a regular City Council meeting held on March 18, 2025.

Based on your business's information available to the City, an estimate for 2025 is provided along with a comparison based on the prior fees. Actual fees and charges will be invoiced after the effective date of September 1, 2025 and can vary from this estimate based on submitted data and other applicable factors.

2024 Fees and Charges Estimate: **\$\$,###**

2025 Fees and Charges Estimate: **\$\$,###**

Fee Description	2025 Fee	Additional Fee Information	
		Frequency	Basis
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Minor Significant Contributor	\$1,600	Annually	Individual Discharge Permit w/o Monitoring or Pollutant Limits (ex. Categorical User that does not discharge process water to POTW)
Other Control Mechanism	\$900	Per Occurrence	Ex. General Discharge Permit, Compliance Schedule, Annual Certification, etc.
Lab Analysis Fees	TBD	Annually	Customer will be billed direct cost for outside lab fees

Fee Description	2025 Fee	Additional Fee Information	
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Application Fee	\$100	Per Application	Outside of plan review process
Non-routine Reports	\$250	Per Report	Reports Outside of Permitted Requirements Ex. New or Change, One-Time Certification Form, etc.
Noncompliance			
Deficiency – Level 1	\$100		Overdue 10-60 days and/or 2nd Offense
Deficiency – Level 2	\$250		Overdue 61-90 days and/or 3 rd Offense
Deficiency – Level 3	\$500		Overdue 91-120 days and/or 4 th Offense
Minimum fee for excess BOD, TSS and Oil and Grease	\$65		Minimum fee to process
Surcharge rate for excess BOD	0.58		Per pound, billed quarterly
Surcharge rate for excess TSS	0.58		Per pound, billed quarterly
Surcharge rate for excess Oil and Grease	0.58		Per pound, billed quarterly

If you have any questions or concerns, please reach out to me by email at ECS@louisvilleCO.gov or by phone at (303) 335-4782.

Respectfully,

Annita McCormick
Environmental Compliance Manager



2025 Sewer Fees

Finance Committee

February 20, 2025

Overview

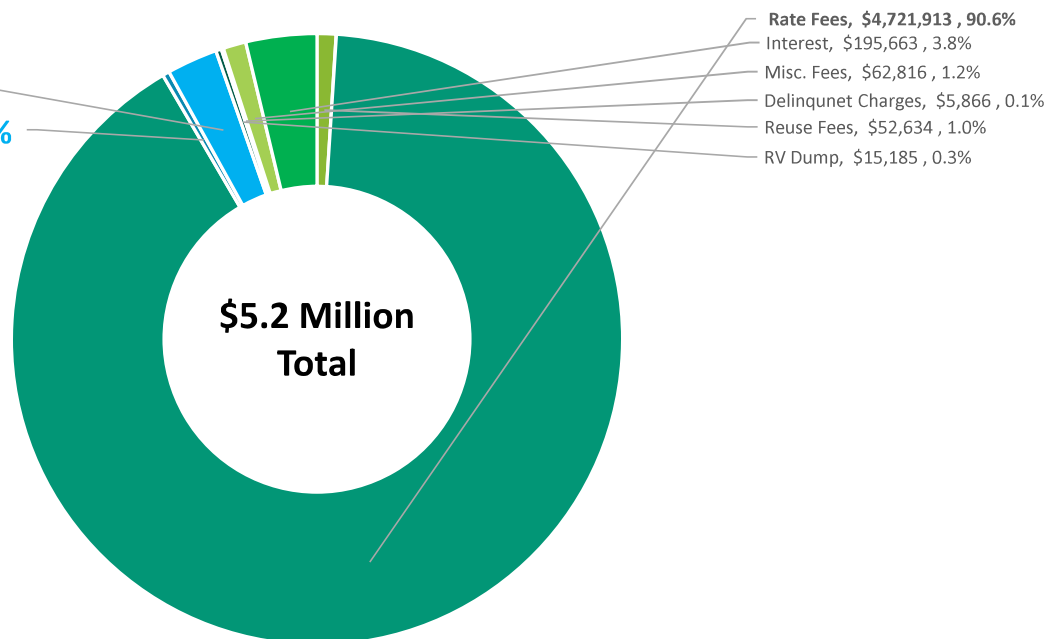
- Wastewater Fund Summary
- Sewer Tap Fees Adjustments
- Industrial Pretreatment Program
 - Sewer Use Regulation Fees and Charges Adjustments
- Draft Council Communications (Targeting March 4th)

Wastewater Fund Revenue (2024)

Today's Discussion:

Tap Fees, \$140,100 , 2.7%

Pre-Treatment Fees, \$18,860 , 0.4%



Sewer Tap Fees

- Tap fees or system development charges are a one-time charge paid by a new connector for system capacity or by an existing customers requiring increased capacity
- Established by Council Resolution per Municipal Code
- Annual Review
 - Construction & Infrastructure Costs
 - Adjustments 3 to 7 years (maintains stability)

2025 Sewer Tap Fees Adjustments

Unit	Current (2020)	Proposed 2025	Proposed Increase
Single Family Residential, per Unit	\$ 4,600	\$ 6,800	\$ 2,200
Multi-Family, per Unit (80% SFE)	\$ 3,680	\$ 5,400	\$ 1,720
Nonresidential, by Meter Size			
¾-inch	\$ 4,600	\$ 6,800	\$ 2,200
1-inch	\$ 8,200	\$ 12,100	\$ 3,900
1 ½-inch	\$ 18,400	\$ 27,200	\$ 8,800
2-inch	\$ 32,800	\$ 48,300	\$ 15,500
3-inch	\$ 73,600	\$ 108,800	\$ 35,200
4-inch	\$130,900	\$ 193,400	\$ 62,500

Comparison by Community (Single Family Service)	Sewer Tap Fee
Westminster	\$16,270
Broomfield	\$14,370
Erie	\$8,860
Longmont	\$8,540
Superior	\$7,261
Louisville (Proposed)	\$6,800
Lafayette	\$6,360
Boulder	\$4,746
Louisville (Current)	\$4,600

Sewer Tap Fee Calculations

Table SSDC - 1				
Wastewater Utility				
Development of 2025 System Development Charge				
Wastewater Mains				
Diameter (in.)	Inventory of Mains	Current Construction Cost per Staff	Current Cost	
	linear feet	per linear foot		
Non-Backbone				
4	4,002			
6	29,530			
8	371,046			
10	10,289			
Total	414,867	NA	NA	
Backbone				
12	22,913	\$235	\$ 5,385,000	
15	20,184	\$250	\$ 5,046,000	
18	6,744	\$265	\$ 1,787,000	
21	5,388	\$285	\$ 1,536,000	
24	1,170	\$305	\$ 357,000	
Total	56,399		\$ 14,111,000	
Treatment Plant				
	Capacity	Current Construction Cost per Staff	Current Cost	
	gallons per day	per gpd		
Total Wastewater Treatment Plant	2,530,000	\$18.00	\$ 45,540,000	
Fee Calculation				
Total Facilities Current Cost			\$ 59,651,000	
Less Principal on Outstanding Debt				
Wastewater System Equity			\$ 59,651,000	
No. of Equivalents (a)			8,798	
Wastewater SDC per equivalent			\$ 6,780	

Collection System

Treatment

Based on Actual City Bids
Adjusted for different sizes

Avg for Regional WWTP Projects
Adjusted for inflation

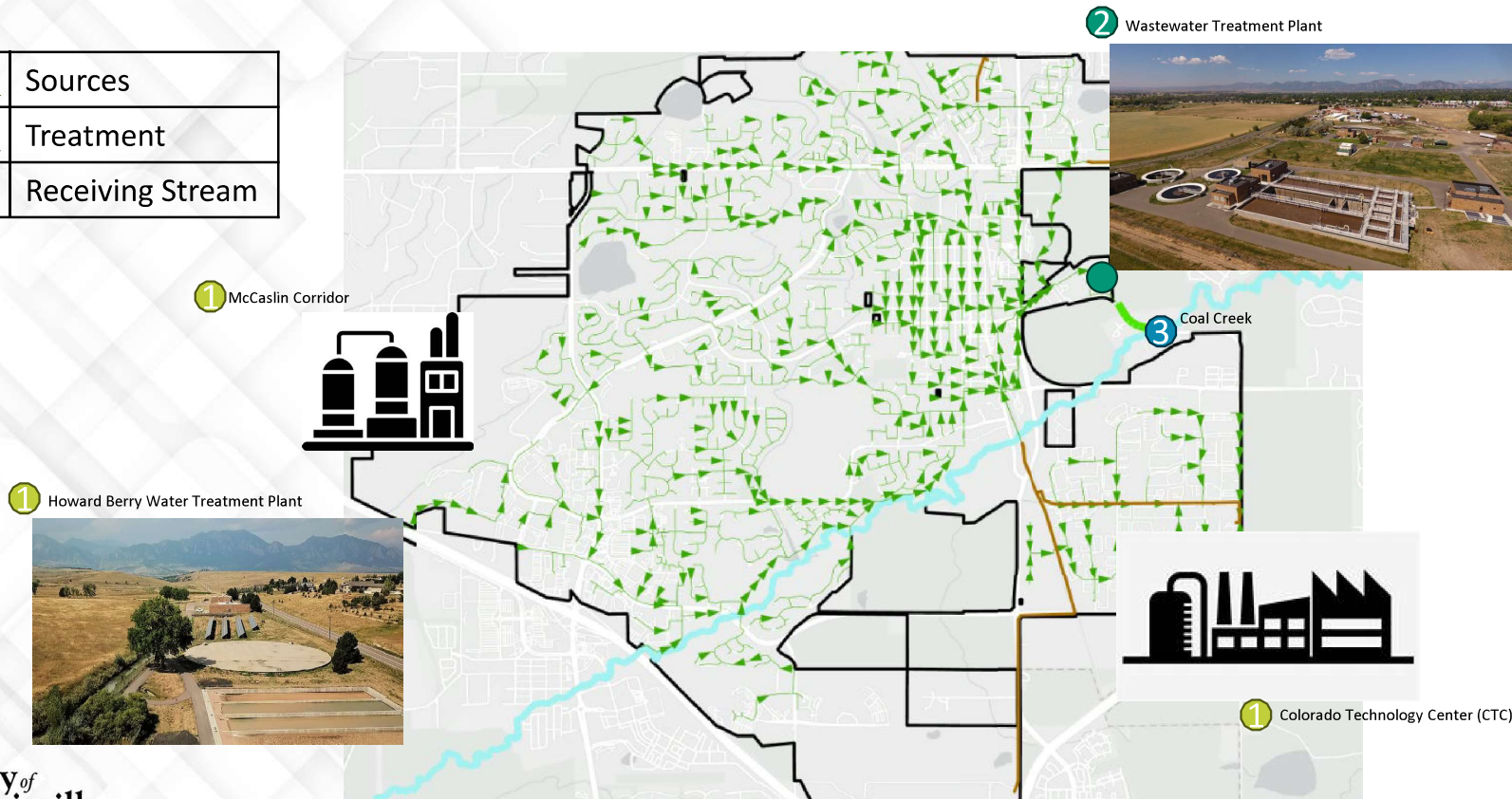
\$6,800 – Proposed

Industrial Pretreatment Program (IPP)

- Part of the City's overall Environmental Compliance Program
- Why does Louisville have an IPP? Mandated and Regulated by the Environmental Protection Agency (EPA)
- Who Are IPP Users? Manufactures, Food Processors, Textiles, Metal Finishers, Pharmaceuticals, Water Treatment Plants etc.
- City Administrative Cost for the 2025 IPP: \$102,500

Sewer System Overview

① ↓	Sources
② ↓	Treatment
③ ↓	Receiving Stream



IPP Growth

2015 = 3 Users

Today = 20 Users

670% increase

Future Developments



IPP Challenges

- EPA Violations and Fines (\$25,000)
- Staff Turnover (3 Employees in a 7-year Period, over 30% Vacant)
- Increasing Regulation and Rules Changes

Sewer Use Regulation Fees and Charges

- Designed to Cover the Costs of Implementing and Operating an Industrial Pretreatment Program (IPP)
- Cost Recovery Goal = 90%
- 10% General Administration (Not Every User Enters the IPP)
- 2025 Cost: \$102,500 @ 90% $\approx$ \$92,500

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IPP Fees and Charges Comparison

