R-2025-47

A RESOLUTION

ADJUSTING THE STORMWATER MANAGEMENT UTILITY SERVICE CHARGE FOR THE CITY OF LAKEWOOD

WHEREAS, the Stormwater Management Utility of the City of Lakewood is responsible for the maintenance of and improvements to the City of Lakewood's (the "City") stormwater drainage system (the "Stormwater System");

WHEREAS, much of the existing Stormwater System is aging or beyond its design life and in need of repair or replacement;

WHEREAS, residents of the City have identified over one hundred locations as being in need of new infrastructure to mitigate ongoing flooding issues;

WHEREAS, expansion of and improvements to the Stormwater System are needed to protect lives, and reduce flooding damage to homes, businesses, public facilities, private property, and critical infrastructure of the City;

WHEREAS, the Stormwater Management Utility service charge for users of the Stormwater System (the "Service Charge") was last increased in 2016, and is subject to annual adjustments based on the Denver-Boulder-Greeley Consumer Price Index for all urban consumers, all items, as published by the Bureau of Labor Statistics of the United States Department of Labor;

WHEREAS, the current Service Charge does not provide sufficient revenue for the Stormwater Management Utility to adequately address the aging infrastructure within the Stormwater System, nor does it provide sufficient revenue for the expansion of the Stormwater System in response to over one hundred locations that Lakewood residents have identified as being in need of new infrastructure to mitigate ongoing flooding issues;

WHEREAS, the Stormwater Management Utility is funded via service charges paid by owners of improved real property in the City rather than by sales or property tax revenues;

WHEREAS, the Stormwater Management Utility has proposed a conservative adjustment to the Service Charge to be effective for the 2026 calendar year, which will be subject to annual adjustments based on the Denver-Boulder-Greeley Consumer Price Index;

WHEREAS, the Stormwater Management Utility will reevaluate the Service Charge in each fiscal year to ensure that it remains sufficiently tied to actual costs;

WHEREAS, the City Council desires to enhance the Stormwater Management Utility's ability to improve and expand the Stormwater System and has determined that to do so, the Service Charge must be adjusted; and

WHEREAS, pursuant to Section 14.18.050(D) of the Lakewood Municipal Code, any adjustment to the Service Charge must be approved via City Council Resolution.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Lakewood:

SECTION 1. Effective January 1, 2026, the Stormwater Management Utility Service Charge shall be \$.0033289 per month for each square foot of impervious area.

SECTION 2. The Service Charge shall change on January 1 of each year beginning in 2027 by a percentage equal to the twelve (12) month percentage change during the most recently reported calendar year of the Denver-Boulder-Greeley Consumer Price Index for all urban consumers, all items, as published by the Bureau of Labor Statistics of the United States Department of Labor (CPI). For example, the Service Charge percentage increase applicable on January 1, 2027, shall be equal to the CPI percentage increase of 2025. The updated Service Charge shall be reported in the Stormwater Management Utility annual report.

SECTION 3. No less frequently than every fourth (4th) year, beginning in 2030, Stormwater Management Utility staff shall provide the City Council an update regarding (a) the Service Charge; (b) the costs to maintain the Stormwater System, fulfill water quality requirements and match available Urban Drainage and Flood Control District capital construction funds; (c) the progress on needed improvements to the Stormwater System; and (d) stormwater management utility service charges in other Colorado communities.

SECTION 4. The Stormwater Management Utility shall continue to consider the utilization of green stormwater infrastructure technologies in designing new stormwater improvements and employ such technologies where practicable.

INTRODUCED, READ AND ADOPTED by a vote of 11 for and 0 against at a hybrid regular meeting of the City Council on August 11, 2025, at 7 o'clock p.m., at the Lakewood Civic Center, 480 South Allison Parkway, Lakewood, Colorado.

Wendi Strom, Mayor

ATTEST:

Jay Robb, City Clerk

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APPROVED AS TO FORM:

Alison McKenney Brown, City Attorney