

**TOWN OF SEVERANCE  
RESOLUTION NO. 2023- 51R**

**A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF SEVERANCE,  
COLORADO, ESTABLISHING A TRANSPORTATION UTILITY FEE  
AS AMENDED**

**WHEREAS**, the Town Council recognizes the need for pavement preservation and improvement of the Town's street system and a funding mechanism; and

**WHEREAS**, the Town has developed and is presently maintaining a street maintenance program for the maintenance of town streets and, subject to Town Council approval, allocates and expends budget resources for this street system maintenance program; and

**WHEREAS**, the Town Council finds that all property owners in the Town benefit from a well-maintained road infrastructure and the Town's street maintenance program, and that a fairer way to spread the cost of that program is through the imposition of a Transportation Utility Fee; and

**WHEREAS**, the Transportation Utility Fee is to be established with the object of defraying the Town's costs inherent in administering the Town's street maintenance program, including but not limited to any and all costs related to maintaining or improving town streets; repairs, renewal, resurfacing, replacement, and reconstruction, resurfacing of existing streets; the repair, replacement or addition of curb and gutters; improving storm drainage; updating ADA access; repair or replacement of the entire existing street structural section; repair or replacement of existing street shoulders, pavement markers, striping and other street markings; repair or replacement of existing channelization devices; adjustment of existing utilities to match finish grades; and any other related work within existing streets; and

**WHEREAS**, the intent of the Town Council is to charge all developed, improved property located within the Town limits regardless of whether or not the property receives other utility services from the Town; and

**WHEREAS**, the Town Council further intends to explore the creation of a policy by which owners of land used for private streets may have the ability to transfer said lands to the Town for inclusion in the Town's street system, and the conditions under which the Town may accept such transfers.

**NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE  
TOWN OF SEVERANCE COLORADO:**

Section 1.      Creation and purpose; sunset clause.

(a)      A transportation utility fee is created and imposed for the purpose of maintaining the Town of Severance's streets. The transportation utility fee shall be paid by the responsible party for each billing unit or occupied unit of real property per the terms of this resolution. The

purposes of the transportation utility fee are to charge users for the service the town provides in maintaining public streets and to ensure that maintenance occurs in a timely fashion, thereby reducing increased costs that result when maintenance is deferred.

(b) The transportation utility fee created and imposed by this resolution shall automatically expire three years after its implementation pursuant to Section 7 of this resolution, unless such fee is earlier terminated or extended by resolution of the Town Council.

## Section 2. Transportation utility fees allocation.

(a) All transportation utility fees received shall be deposited into the street fund or other fund dedicated to the operation and maintenance of the town's street system. Other revenue sources may also be used for street maintenance. Amounts in the street fund may be invested by the Town in accordance with state law. Earnings from such investments shall be dedicated to the street fund.

(b) The street fund shall not be used for other governmental or proprietary purposes of the town, except to pay for an equitable share of the town's overhead costs including accounting, management and other costs related to management and operation of the street maintenance program. Engineering design, pavement evaluation, construction management, and other related costs, including project advertisements for bid, in the implementation of the street maintenance projects shall also be considered as being used for street maintenance.

## Section 3. Determination of fee.

(a) A transportation utility fee is hereby established and shall be based upon the following:

- (1) The town's priority is corrective and preventative street maintenance projects.
- (2) For residential property, the fee shall be charged on a per unit basis.
- (3) For nonresidential property, the fee shall be charged on a per unit basis.

(b) The transportation utility fee program shall be reviewed annually as part of the town's budget process.

(c) Following each review of the program, the town manager shall review the revenue received from the new rates after a full year of collection to determine if the annual revenues meet the annual funding level needed for the priority street maintenance projects. The town manager shall report the findings of that review to town council and may make recommendations on any potential fee increases or decreases based on that review. Any unspent funds will be carried over to the following year's beginning fund balance for the street fund.

## Section 4. Determination of rate, billing and collection of fee.

(a) The Town shall charge a per unit transportation utility fee to the responsible party for each billing unit with an active utility account or, for occupied units not connected to town water and/or sewer, to the responsible party for each occupied unit of residential and nonresidential property. The amount payable shall be redetermined if there is a change in use or development. All redeterminations based on a change in use or development shall be prospective only.

(b) The transportation utility fee shall be billed to and collected from the responsible party identified in subsection (a) of this section. Transportation utility fees shall be included as part of the water and sewer bill for billing units with active utility accounts and included on an "other utility" bill for occupied units not connected to town water or sewer services.

(c) An account is delinquent if the transportation utility fee is not paid by the due date shown on the utility bill. The town may follow the procedures for collection of delinquent accounts as outlined in Article 1 of Chapter 13 of the Severance Municipal Code.

(d) For newly developed properties, the Transportation Utility Fee shall become due and payable from and after the earlier of the date when the developed property is occupied or when town water or sanitary sewer system service is initiated.

(e) "Responsible party" means the person or persons who by occupancy or contractual arrangement are responsible to pay for utility and other services provided to an occupied unit. Unless another party has agreed in writing to pay and a copy of the writing is filed with the town, the person(s) paying the town's water or sewer bill for an occupied unit shall be deemed the responsible party as to that occupied unit. For any occupied unit not otherwise required to pay a town utility bill, "responsible party" shall mean the person or persons legally entitled to occupancy of the occupied unit, unless another responsible party has agreed in writing to pay and a copy of the writing is filed with the town. Any person who has agreed in writing to pay is considered the responsible party if a copy of the writing is filed with the town.

(f) "Occupied unit" means any structure or any portion of any structure occupied for residential, commercial, industrial, or other purposes. For example, in a multifamily residential development, each dwelling unit shall be considered a separate occupied unit when occupied, and each retail outlet in a shopping mall shall be considered a separate occupied unit. An occupied unit may include more than one structure if all structures are part of the same dwelling unit or commercial or industrial operation. For example, an industrial site with several structures that form an integrated manufacturing process operated by a single manufacturer constitutes one occupied unit. Property that is undeveloped or, if developed, is not in current use is not considered an occupied unit.

#### Section 5. Exemption.

The Transportation Utility Fee shall not apply to:

(1) Any property which may be entitled to exemption from or deferral of ad valorem property taxation, such as units owned or occupied by local, state and federal governments;

(2) Publicly owned park land, open spaces, and greenways; or

(3) Areas encompassed by railroad and public rights-of-way, except for developed railroad property such as maintenance areas, non-rolling storage areas, and areas used for the transfer of rail-transported goods to non-rail transport, which areas shall be subject to the Transportation Utility Fee.

#### Section 6.     Waiver.

(a) When any developed property within the town becomes vacant as described in subsection (e) of this section, upon written application by the responsible party and approval by the town manager, the transportation utility fee shall thereafter not be billed until such time as the property is no longer vacant.

(b) The town manager is authorized to cause an investigation of any property for which an application for determination of vacancy is submitted to verify any of the information contained in the application. The town manager is further authorized to develop and use a standard form of application, provided it shall contain a space for verification of the information and the person signing such form affirms under penalty for false swearing the accuracy of the information provided therein.

(c) When any developed property within the town has the utilities shut off due to vacancy, the transportation utility fee shall be waived for the duration of the vacancy as described in subsection (e) of this section

(d) When a change of use occurs, a vacancy has been filled, or a property is developed, it is the responsible party's responsibility to inform the town of any change so the proper transportation utility fees may be assessed. If the responsible party does not inform the town of any change, the town shall cancel the vacancy waiver and charge the responsible party as per subsection (5) of this section.

(e) For purposes of this section, developed property is vacant when it has been continuously unoccupied and unused for at least 30 days. Fees shall be waived in accordance with this section only while the property remains vacant. The waiver duration is for six months. After six months, the responsible party must reapply for the waiver if the property continues to be unoccupied and unused. The responsible party has 30 days to reapply for the vacancy waiver after the expiration of the six-month waiver. Any occupancy or use of the property terminates the waiver. As a penalty for not reporting a change in property vacancy, the town may charge any property two times the appropriate transportation utility fee that would have been due without the vacancy waiver for prior billing periods, upon determining, in town's sole discretion, that the property did not qualify for waiver of charges during the relevant time. The decision of the town manager under subsections (1), (2), and (5) of this section is final.

#### Section 7.     The Transportation Utility Fee Rate Schedule, attached hereto as **Exhibit**

A and incorporated herein by this reference, is adopted and shall apply to all occupied units within the Town's limits. Rates will be implemented and included in utility bills commencing in January 2024.

Section 8. It is the intent of the Town Council to explore the creation of a policy by which owners of land used for private streets may have the ability to transfer said lands to the Town for inclusion in the Town's street system, and the conditions under which the Town may accept such transfers.

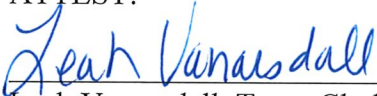
**RESOLVED AND APPROVED**, as amended by the Town Council, this 12<sup>th</sup> day of December, 2023.



TOWN OF SEVERANCE, COLORADO

  
Matthew Fries, Mayor

ATTEST:

  
Leah Vanarsdall, Town Clerk

## Exhibit A

### Transportation Utility Fee Rate Schedule

Sevenson, Colorado  
Incorporated 1930  
Sevenson  
Town Seal  
Sevenson, Colorado

2024 Street Maintenance Fee

Monthly Street Maintenance Fees: \$15.50 per Month

Monthly Rate		Monthly Rate Structure	
Usage Classification		Per month Base	
Per Lot	\$15.50	\$15.50	

