

RESOLUTION NO. 2011-11-01

INCREASING THE WATER RATES FOR THE CITY OF FORT MORGAN, COLORADO

WHEREAS, the continued water development for the City of Fort Morgan is in the best interests of the City; and,

WHEREAS, the projected revenues of the water fund were completed in a rate study completed in March of 2010 and presented to City Council on April 13, 2010, by The Engineering Company (TEC); and,

WHEREAS, the annual growth rate for the City since 2006 has increased by 0.3% or twelve (12) additional taps a year; and,

WHEREAS, a current projection of annual growth is expected to be 1.4% or an increase of fifty-five (55) taps per year; and,

WHEREAS, the current annual payment for debt service is expected to increase by \$1,000,000.00 by the year 2015, due to the City's participation in NISP, and the repayment of water bonds; and,

WHEREAS, the 2010 rate study expected a 2% to 3% increase in fixed costs per year and a limited number of capital improvement projects; and,

WHEREAS, some of the fixed costs in the City's budget have increased by as much as 40% and additional capital improvement projects are necessary to meet Environmental Protection Agency ("EPA") standards; and,

WHEREAS, the current revenues in the proposed 2012 Budget require the Water Enterprise to spend over \$300,000.00 out of the unrestricted reserved money that has been established for emergencies; and,

WHEREAS, an increase in the water rates would create additional revenue within the Water Enterprise Fund to allow for future infrastructure improvements, rate stabilization and major expansions that will benefit the customers; and,

WHEREAS, City Staff has analyzed the reserve fund and has recommended the increase of the water rates and tap fees; and

WHEREAS, pursuant to Section 18-3-10 of the *Fort Morgan Municipal Code* all water rents, rates and charges payable within the City are to be established by Resolution of the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY

OF FORT MORGAN, COLORADO:

Effective January 1, 2012, for all utility bills generated on or after such date, the City hereby adopts the Water Rates (attached hereto as Exhibit A).

PASSED, APPROVED AND ADOPTED this 1st day of November, 2011, upon a roll call vote of 5 - 0 by the Council of the City of Fort Morgan, Colorado.

Ayes: Mayor McAlister, Councilmembers Deal, Forstedt, Nation, Powers.

Nays: None.

Absent: Councilmembers Bryan, Shaver.

THE CITY COUNCIL OF THE CITY OF
FORT MORGAN, COLORADO

By: /s/ Terry L. McAlister
Mayor

ATTEST:

John J. Brennan
City Clerk

STATE OF COLORADO)
COUNTY OF MORGAN) ss
CITY OF FORT MORGAN)

CERTIFICATE

I, John Brennan, City Clerk of the City of Fort Morgan, Colorado, do hereby certify that the above and foregoing **Resolution** is a true, perfect and complete copy of the **Resolution** adopted by the Council of Fort Morgan, Colorado, and is identical to the original thereof appearing in the official records of the City of Fort Morgan, Colorado and that the same has not, since its adoption, been rescinded or amended in any respect.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the City of Fort Morgan this 2nd day of November, 2011.

[SEAL]

/s/ John J. Brennan
John Brennan, City Clerk



**EXHIBIT A
 TO RESOLUTION NO. 2011-11-01**

**WATER RATES
 EFFECTIVE JANUARY 1, 2012
 RESIDENTIAL AND COMMERCIAL**

	<u>Consumer Charge</u> (\$/month)	<u>Commodity Charge</u> (\$/1,000 Gallons)
<u>IN-CITY RATES:</u>		
3/4" Water Base Charge	\$37.62	\$2.78
1" Water Base Charge	\$64.98	\$2.78
1.5" Water Base Charge	\$141.23	\$2.78
2" Water Base Charge	\$241.36	\$2.78
3" Water Base Charge	\$537.14	\$2.78
4" Water Base Charge	\$928.42	\$2.78
6" Water Base Charge	\$2,092.99	\$2.78
8" Water Base Charge	\$3,829.42	\$2.78
Industrial	\$.00	\$2.78
Well Water	\$.00	\$1.16
Irrigation: Parks, Cemetery, Schools	\$.00	\$1.16

OUTSIDE CITY LIMITS:

Customers with meters: Double the In-City Rate and Base Charge (follow above chart X 2).

Certified by:
/s/ John J. Brennan
 City Clerk