

RESOLUTION NO. 2012-08-01

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 rate study were completed in April of this year and recently presented to City Council on April 17, 2012, by Farnsworth Group (formerly known as The Engineering Company (TEC)); and,

WHEREAS, the water rate study was revised on July 27, 2012, after consulting with City staff and was presented to City Council again on August 7, 2012, by Farnsworth Group (formerly known as The Engineering Company (TEC)); and,

WHEREAS, the annual growth rate for the City since 2008 has slowed to 0.07% or three (3) additional taps a year; and,

WHEREAS, a current projection of annual growth is expected to be 0.5% or an increase of twenty (20) taps per year; and,

WHEREAS, the current annual payment for debt service is expected to increase by \$1,000,000.00 by the year 2017, due to the City's participation in NISP, and the repayment of water bonds; and,

WHEREAS, the 2012 rate study projects 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 25% and additional capital improvement projects are necessary to meet Environmental Protection Agency "EPA" standards; and,

WHEREAS, the current revenues in the 2012 Budget require the Water Enterprise to spend over \$350,000.00 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 to maintain adequate reserve levels; 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 September 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 7th day of August, 2012, upon a roll call vote of 7 - 0 by the Council of the City of Fort Morgan, Colorado.

Ayes: Mayor McAlister, Councilmembers Bryan, Forstedt, Nation, Northrup, Segura and Shaver.

Nays: None.

Abstain: None.



THE CITY COUNCIL OF THE CITY OF FORT MORGAN, COLORADO

BY: Terry L. McAlister
Mayor Terry McAlister

ATTEST:

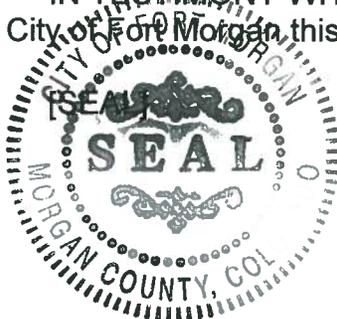
John Brennan
John Brennan, City Clerk

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 8th day of August, 2012.



John Brennan
John Brennan, City Clerk



Approved by Resolution – No. 2012-08-01
August 7, 2012

CITY OF FORT MORGAN
COUNCIL & ENTERPRISE

**EXHIBIT A
TO RESOLUTION NO. 2012-08-01**

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

	<u>NISP Fee</u> (\$/month)	<u>Consumer Charge</u> (\$/month)	<u>Commodity Charge</u> (\$/1,000 Gallons)
<u>IN-CITY RATES:</u>			
3/4" Water Base Charge	\$5.00	\$34.25	\$2.92
1" Water Base Charge	\$8.00	\$59.83	\$2.92
1.5" Water Base Charge	\$12.00	\$135.69	\$2.92
2" Water Base Charge	\$16.00	\$236.63	\$2.92
3" Water Base Charge	\$24.00	\$538.80	\$2.92
4" Water Base Charge	\$32.00	\$941.24	\$2.92
6" Water Base Charge	\$48.00	\$2,146.20	\$2.92
8" Water Base Charge	\$64.00	\$3,953.69	\$2.92
Industrial		\$.00	\$2.92
Well Water		\$.00	\$1.22
Irrigation: Parks, Cemetery, Schools		\$.00	\$1.22

OUTSIDE CITY LIMITS:

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



John J. Brennan
Certified by:
John J. Brennan, City Clerk