

RESOLUTION NO. 2013-12-03

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 2012, by Farnsworth Group; 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, 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, the rate study suggests an increase in rates on an annual basis to account for projected growth; 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, 2014, for all utility bills generated on or after such date, the City hereby adopts the Water Rates (attached hereto as Exhibit A).

INTRODUCED, PASSED, APPROVED AND ADOPTED this 17th day of December 2013, the vote upon roll call being as follows:

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

Nays: None.

Absent /Abstain: None.

THE CITY COUNCIL OF THE CITY OF
FORT MORGAN, COLORADO

[SEAL]

BY: /s/ Terry L. McAlister
Terry McAlister, Mayor

ATTEST:

/s/ 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 City Council 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 been, since its adoption, in any respect, rescinded or amended.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed the seal of the City of Fort Morgan this 18th day of December, 2013.

/s/ John Brennan
John Brennan, City Clerk