

## **RESOLUTION NO. 152-06**

### **A RESOLUTION ADOPTING UTILITY RATES FOR WATER, WASTEWATER, AND SOLID WASTE SERVICES EFFECTIVE JANUARY 1, 2007**

#### **Recitals:**

The City of Grand Junction establishes rates for utility services on a periodic basis, and by this resolution, the City Council establishes, rates for water, wastewater and solid waste utility services and to implement decisions made in the long-term financial plans for the water, wastewater, and solid waste enterprise funds.

There will be no change in the minimum water rate of \$7.50 per 3,000 gallons. The commodity rate for 3,000 – 10,000 will decrease \$0.10 per thousand gallons. From 11,000 – 20,000 will increase \$0.10 per thousand gallons. Commodity rate over 20,000 will increase \$0.30 per thousand gallons. This revenue increase of 5% reflects a water conservation rate, and an increase in the Water Funds major capital program.

There will be a change in the minimum water rate of \$27.50 per 3,000 gallons in the Kannah Creek Water System to \$30.00. The commodity rate for 3,000 – 10,000 will decrease \$0.50 per thousand gallons. From 11,000 – 20,000 will increase \$0.34 per thousand gallons. Commodity rate over 20,000 will increase \$1.16 per thousand gallons. This revenue increase of 5% reflects a water conservation rate, and an increase to reflect the cost of on-going operating expenses. This is the first rate increase in the Kannah Creek Water System since the City took over operations in 2000 and it is actually more of a rate restructure from a declining block rate to a proactive water conservation increasing block rate.

Wastewater rates are being increased to reflect the cost of on-going operating expenses, particularly energy, debt service for the combined storm and sanitary sewer elimination project, and an increase in the Waste Water major capital program. The increase in the plant investment fee (PIF) per EQU reflects a recommendation from staff related to findings of the 2006 Persigo Sewer System Rate Study. The PIF is established on the “buy in method” in which new development pays for existing capacity in the waste water plant and collection system based on a current value of that infrastructure.

Solid Waste rates have not been adjusted since 2005. The 2007 rate adjustment will reflect increases in operating costs like fuel, equipment, additional automated containers, and increase funding to the curbside recycling program.

The City Council has the authority to establish rates by resolution.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GRAND JUNCTION.**

Effective January 1, 2007, rates for utility services will change according to the following schedule. Appropriate schedules will be developed showing charges for all utility services rendered.

## City Water

### Residential

0-3000 gal. of use	\$7.50	0 ¢ change.
Next 7,000 gal. of use	\$1.85 to \$1.75 per 1,000 gal.	10 ¢ <u>decrease</u> /1,000gal.
Next 10,000 gal. of use	\$2.00 to \$2.10 per 1,000 gal.	10 ¢ <u>increase</u> /1,000 gal.
From 20,000 gal of use	\$2.15 to \$2.45 per 1,000 gal	30 ¢ <u>increase</u> / 1,000gal.

### Kannah Creek Water System

0-3000 gal. of use	\$27.50 to \$30.00	\$2.50 change.
Next 7,000 gal. of use	\$4.00 to \$3.50 per 1,000 gal.	50 ¢ <u>decrease</u> /1,000gal.
Next 10,000 gal. of use	\$3.86 to \$4.20 per 1,000 gal.	34 ¢ <u>increase</u> /1,000 gal.
From 20,000 gal of use	\$3.74 to \$4.90 per 1,000 gal	\$1.16 <u>increase</u> /1,000 gal.

### Sewer:

2.5% per EQU increase for all customers. This equates to an increase of .35 cents per month for a single family home, from \$13.90 to \$14.25 per month for full service customers.

The Plant Investment fee will change from \$1,750 to \$2,000 per single family equivalent unit.

### Irrigation Rates in the Ridges

Increase of 5% for all customers. This is first rate increase since we decreased the rates 29.4% in 2001. Single family rate will increase \$.60 per month from \$12.00 to \$12.60 and multi family rates will increase \$0.43 per month from \$8.50 to \$8.93.

### Solid Waste:

Increase of 8% Residential, and Commercial. Recycling will remain at \$1.75 per month.

64 Gallon-\$9.07 increase of \$0.67  
96 Gallon-\$11.49 increase of \$0.85  
(2) 64 Gallon-\$13.93 increase of \$1.03  
(1) 96 Gal (1) 64 Gal.-\$16.36 increase of \$1.21  
(2) 96 Gallon-\$18.78 increase of \$1.39

PASSED and ADOPTED this 6<sup>th</sup> day of December, 2006.

/s/ James J. Doody  
Mayor

Attest:

/s/ Stephanie Tuin  
Stephanie Tuin, City Clerk