

PALMER LAKE, COLORADO

RESOLUTION NO. 11 OF 2019

**A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF
PALMER LAKE, COLORADO, SETTING AND INCREASING THE
WATER TAP FEES FOR THE TOWN**

WHEREAS, pursuant to § 31-35-402(1)(f), C.R.S., the Town of Palmer Lake possesses the authority to prescribe, revise and collect fees for providing water services; and

WHEREAS, by Ordinance 5 of 2018, as codified in Section 13.02.020 of the Town of Palmer Lake Municipal Code, the Town has provided that the water base rates, tap fees and usage fees may be set by resolution of the Board of Trustees ("Board"); and

WHEREAS, the Board engaged a third-party consultant to review the Town's water utility rate structure and to make recommendations to the Board to ensure that the Town is adequately funding existing operations, equipment repair and replacement, other capital improvement plans and debt service; and

WHEREAS, based on recommendations presented to the Board at its February 28, 2018 meeting, the Board determined that the water tap fees, water base and water usage rates for the Town should be modified and increased as needed to meet the financial demands of operating the system and servicing existing debt related to the system's capital improvements and to provide for adequate reserves for future capital needs; and

WHEREAS, as set forth in Resolution 4 of 2019, the Board determined that the current water tap fees do not cover the costs of connection to its water system and its outstanding debt service requirements related to water system improvements; and

WHEREAS, on further study, the Board has determined that the water tap fees as adopted by Resolution 4 of 2019 should be further increased to promote a financially sound water system and promote the provision of adequate water to the Palmer Lake community, and thereby promote the health, safety and general welfare of the Palmer Lake community; and

WHEREAS, the tap fees as set forth herein bear a reasonable relationship to the cost to connect to the Town's water system.

**NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE
TOWN OF PALMER LAKE, EL PASO COUNTY, COLORADO:**

Section 1. Adoption of recitals. The Board of Trustees adopts the recitals set forth herein.

Section 2. Water Tap Rates. In accordance with Section 13.02.020(A) of the Municipal Code, all new tap and service connections to the Town's water system shall pay the following fees as shown in the column entitled "New Tap Fee":

<i>Tap Size in inches</i>	<i>Meter Type</i>	<i>Current Tap Fee (System Development Charge)</i>	<i>New Tap Fee</i>
.625	Displacement	\$ 10,000.00	\$20,000.00
.750	Displacement	\$10,000.00	\$20,000.00
1	Displacement	\$18,318.00	\$36,636.00
1.5	Displacement	\$32,181.00	\$64,362.00
2.0	Displacement	\$48,816.00	\$97,632.00
2.5	Displacement	\$73,768.00	\$147,536.00
3.0	Singlet	\$93,176.00	\$186,352.00
3.0	Compound, Class 1	\$93,176.00	\$186,352.00
3.0	Turbine, Class 1	\$101,494.00	\$202,988.00
4.0	Singlet	\$143,082.00	\$286,164.00
4.0	Compound, Class 1	\$143,082.00	\$286,164.00
4.0	Turbine, Class 1	\$176,352.00	\$352,704.00

The fees and rates set forth above shall be subject to annual adjustment in January of each ensuing year (commencing y January 2020) by a 3% inflationary factor.

Section 3. Severability. It is hereby declared to be the intention of the Board of Trustees of the Town of Palmer Lake, Colorado that the sentences, clauses and phrases of this resolution are severable, and if any sentence, clause or phrase of this resolution be declared unconstitutional or invalid by the valid judgment or decree of Court of competent jurisdiction, such unconstitutionality or invalidity shall not affect any of the remaining sentences, clauses or phrases of this resolution since the same would have been enacted by the Board of Trustees without the incorporation of any unconstitutional or invalid sentence, clause or phrase.

INTRODUCED, READ, AND ADOPTED AT A DULY NOTICED REGULAR MEETING OF
THE TOWN BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE by a vote of
7 in favor and 0 against, this 23rd day of May, 2019.



JOHN CRESSMAN, MAYOR

ATTEST:



VERLA BRUNER, TOWN CLERK