

PALMER LAKE, COLORADO

RESOLUTION NO. 54 – 2023

A RESOLUTION OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE, COLORADO, TO RESTRUCTURE TIERS AND SET A DIFFERENT INCREASE TO THE WATER TAP, BASE, AND USAGE RATES FOR THE TOWN

WHEREAS, the Board of Trustees of the Town of Palmer Lake, Colorado, pursuant to Colorado statute and the Town of Palmer Lake Municipal Code, is vested with the authority of administering the affairs of the Town of Palmer Lake, Colorado; and

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

WHEREAS, by ordinance 5 of 2018, the Town has provided that the water tap, base, and usage fees may be set by resolution of the Board of Trustees (“Board”); and

WHEREAS, a resolution was passed in 2019 to increase the respective water rates annually; and

WHEREAS, since that time, the Board adopted a Preliminary Engineering Report for the Town Water System Improvements advising of current and future capital projects; 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 of a five-year plan to ensure that the Town is adequately funding existing operations, equipment repair and replacement, other capital improvement plans and debt service; and

WHEREAS, it is recommended to prioritize capital projects to improve the water system; and

WHEREAS, the Board has determined that the water tap fees, water base rate, and water usage tiers and rates for the Town be modified as needed to meet the financial demands of the operating system, existing debt and future improvement projects; and

WHEREAS, the Board finds that an immediate increase of fees and revised tier structure will bring rates to the intended level and promote a financially sound water fund and will thereby promote the healthy, safety and general welfare of the community.

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

Section 1. Water Tap Fees. In accordance with Section 13.08.020(a) of the Municipal Code, all water taps and service connections to the Town’s water system shall pay a one-time tap fee (for new taps only) and shall be adjusted annually beginning in January 2024 at a 5% increase unless directed otherwise by Resolution by the Board of Trustees.

Section 2. Water Usage Rates. In accordance with Section 13.08.020(b) of the Municipal Code, all water sold by the Town shall be restructured to sell at the following tiers by per hundred gallon usage rate:

WATER USAGE RATES (\$/100 gal)						
Min	Max	2024	2025	2026	2027	2028
1	999	\$0.84	\$0.88	\$0.93	\$0.97	\$1.02
1,000	2,999	\$1.20	\$1.26	\$1.32	\$1.39	\$1.46
3,000	5,999	\$1.45	\$1.52	\$1.60	\$1.68	\$1.76
6,000	8,999	\$1.65	\$1.73	\$1.82	\$1.91	\$2.01
9,000	11,999	\$1.90	\$2.00	\$2.10	\$2.20	\$2.31
12,000	19,999	\$2.10	\$2.22	\$2.32	\$2.43	\$2.55
20,000	20,000+	\$2.30	\$2.42	\$2.54	\$2.66	\$2.80

The usage rates set forth above shall be adjusted to the 2024 rate effective with the September 2023 billing, and subsequently increase 5% annually beginning in January 2025, with such subsequent automatic increases ending December 31, 2029, unless directed otherwise by Resolution by the Board of Trustees.

Section 3. Water Base Fee. In accordance with Section 13.08.020(b) of the Municipal Code, all customers connected to the water system, whether or not usage occurs, are required to pay the monthly Total Base Fee. This Total Base Fee includes all operational and administrative expenses, includes contributions to Capital Improvement as well as debt service for the Water Loan that the system currently holds or will incur. The Total Base Fee for the Out of Town accounts and Irrigation accounts will be surcharged 1.5X their corresponding meter size fee.

Customer Type	2024	2025	2026	2027	2028
Residential/Com 3/4"	\$85.00	\$89.25	\$93.71	\$98.40	\$103.32
Commercial/Res 1"	\$111.85	\$117.44	\$123.31	\$129.48	\$135.95
Commercial 1.5"	\$157.01	\$164.86	\$173.10	\$181.76	\$190.85
Commercial 2"	\$211.24	\$221.80	\$232.89	\$244.54	\$256.76
Out of Town 3/4"	\$127.50	\$133.88	\$140.57	\$147.60	\$154.98
Irrigation Acct 1"	\$167.78	\$176.17	\$184.98	\$194.23	\$203.94

The Total Base Fee set forth above shall be adjusted to this rate effective with the September 2023 billing, and subsequently continue a 5% increase annually beginning in January 2025, with such subsequent automatic increases ending December 31, 2028, unless directed otherwise by Resolution by the Board of Trustees.

Section 4. Severability. If any article, section, paragraph, sentence, clause, or phrase of this Resolution is held to be unconstitutional or invalid for any reason such decision shall not affect the validity of constitutionality of the remaining portions of this Resolution. The Board of Trustees hereby declares that it would have passed this resolution and each part or parts thereof irrespective of the fact that any one part or parts be declared unconstitutional or invalid.

Section 5. Repeal. Existing resolutions or parts of resolutions covering the same matters embraced in this Resolution are hereby repealed and all resolutions or parts of resolutions inconsistent with the provisions of this Resolution are hereby repealed.

INTRODUCED, RESOLVED AND PASSED AT THE REGULAR MEETING OF THE BOARD OF TRUSTEES OF THE TOWN OF PALMER LAKE ON THIS 27TH DAY OF JULY, 2023.

ATTEST:

TOWN OF PALMER LAKE, COLORADO



Dawn A. Collins
Town Administrator/Clerk

BY: 

Grant Havenar
Mayor