

**RESOLUTION NO. 24-04**

**INTRODUCED BY:  
Council Member Arner  
Council Member DeVries**

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF FEDERAL HEIGHTS, COLORADO, INCREASING WATER RATES**

WHEREAS, Section 62-29 of the Federal Heights Municipal Code provides that water rates for residential, commercial industrial and commercial recreational users shall be established on a per thousand gallon of water used as prescribed by resolution in accordance with the fee setting procedure set forth in Section 1-16 of the Code; and

WHEREAS, Section 14.2 of the City of Federal Heights ("Federal Heights" or "City") Home Rule Charter provides that City Council shall from time to time by resolution fix, establish, maintain and provide for the collection of rates, fees and charges for water, sewer, storm water and drainage and other utilities and services furnished by the City: and

WHEREAS, such rates, fees, and charges may be sufficient in Council's judgment to provide services to customers to pay bonded indebtedness, refunds, cover the costs of operations, maintenance, additions, extensions, betterments and improvements and provide a reasonable return on the City's investment in utility properties and capital investments; and

WHEREAS, Section 1-16 of the Code provides that fees shall be established upon the City Manager's analysis and recommendation with the objective of defraying the City's costs of providing goods and services; and

WHEREAS, Federal Heights receives its potable water from the City of Westminster ("Westminster") pursuant to the 2007 Amended and Restated Distributor's Contract; and

WHEREAS, the Agreement, which runs in perpetuity, specifically provides that any rate increase imposed by Westminster upon its residents shall upon its enactment immediately become effective upon Federal Heights pursuant to the contractual rate structure set forth in the Agreement; and

WHEREAS since Federal Heights last increase in water rates in February 2023, Westminster has increased its water rates; and

WHEREAS, Federal Heights to fulfill its duty of fiscal responsibility as set forth in the Charter and Code must raise its rates to cover Federal Height's increased costs of providing water services; and

WHEREAS, the Finance Director at the direction of the City Manager has analyzed the water rates and the water system's current operational and maintenance costs and recommends that the water rates be increased as set forth in this resolution; and

WHEREAS, City Council finds that the proposed rate increase is reasonably related to the City's costs of providing water service.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF FEDERAL HEIGHTS, COLORADO THAT:

Section 1. The City’s water rates for residential, commercial industrial and commercial recreational users shall be increased as set forth in this section, with such rates to be in effect commencing with the February 2024 monthly billing,

A. Residential.

1.	Usage per billing cycle	Rate
	0-4,000 gallons	\$7.27
	4001 – 20,000 gallons	\$9.36
	20,001 gallons and plus	\$11.46

2. The rate for mobile home parks and multi-unit residential facilities (apartments) shall be determined by dividing the total gallons consumed by the park or facility by the number of individual lots or units within the park or facility.

B. Commercial / Industrial.

1.	Tap Size	Usage per billing cycle	Rate
	Less than one inch	0-30,000 gallons	\$10.35
	1 inch	0-50,000 gallons	\$10.35
	1 ½ inch	0-100,000 gallons	\$10.35
	2 inch	0-160,000 gallons	\$10.35
	3 inch	0-350,000 gallons	\$10.35
	4 inch and greater	0-600,000 gallons	\$10.35

2. Any usage per billing cycle exceeding usage set forth above for the applicable tap size shall be charged at the rate of \$13.13 per thousand gallons.

C. Commercial / Recreational.

1.	Tap Size	Usage per billing cycle	Rate
	Less than one inch	0-30,000 gallons	\$11.13
	1 inch	0-50,000 gallons	\$11.13
	1 ½ inch	0-100,000 gallons	\$11.13
	2 inch	0-160,000 gallons	\$11.13
	3 inch	0-350,000 gallons	\$11.13
	4 inch and greater	0-600,000 gallons	\$11.13

2. Any usage per billing cycle exceeding usage set forth above for the applicable tap size shall be charged at the rate of \$13.86 per thousand gallons.

Section 2. Upon the effective date of the water rate increases set forth in this resolution all other resolutions establishing and/or amending residential, commercial industrial and commercial recreational water rates shall be repealed in their entirety.

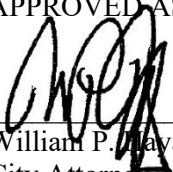
INTRODUCED, READ AND ADOPTED AT A REGULAR MEETING OF THE CITY COUNCIL OF THE CITY OF FEDERAL HEIGHTS, COLORADO, this 16<sup>th</sup> day of January 2024.

  
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Linda S. Montoya, Mayor

ATTEST:

  
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Patti K. Lowell, CMC  
City Clerk

APPROVED AS TO FORM:

  
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William P. Hayashi  
City Attorney