AGENDA ITEM or FINAL CONTRACT REVIEW SUBMITTAL FORM

AgendaTitle:
Resolution; Establishing the Schedule of Fees and Rates for Sewer Service within the North Gunnison Division of the Gunnison County Water and Sewer District; This Resolution Supersedes Resolution 13-38

Action Requested:

Parties to the Agreement:

Term Begins: **Term Ends:** **Grant Contract #:**

Summary:
The annual sewer rate resolution for the North Gunnison Division of the Gunnison County Sewer and Water District. A 4.5% rate increase is proposed for 2015, which results in $2.29 more per month for a typical residential user.

Fiscal Impact: $253,570

Submitted by: Ben Cowan **Submitter's Email Address:** bcowan@gunnisoncounty.org

Finance Review: ○ Required ● Not Required

Comments:

Reviewed by: Discharge Date:

County Attorney Review: ● Required ○ Not Required

Comments:

Reviewed by: GUNCOUNTY1\atrezise Discharge Date: 12/2/2014 Certificate of Insurance Required Yes ○ No ●

County Manager Review:

Comments:

Reviewed by: GUNCOUNTY1\mbirnie Discharge Date: 12/2/2014

● Consent Agenda ○ Regular Agenda ○ Worksession Time Allotted:

Agenda Date: 12/16/2014 Follow Up Agenda Date:

Revised April 2013

BOARD OF COUNTY COMMISSIONERS
OF GUNNISON COUNTY
RESOLUTION NO. 14-___

A RESOLUTION ESTABLISHING THE SCHEDULE OF FEES AND RATES FOR SEWER SERVICE WITHIN THE NORTH GUNNISON DIVISION OF THE GUNNISON COUNTY WATER AND SEWER DISTRICT

THIS RESOLUTION SUPERSEDES RESOLUTION 13-38

WHEREAS, pursuant to Colorado Revised Statute 30-20-402(1)(f), the Board of County Commissioners of Gunnison County, Colorado may prescribe, revise and collect, in advance or otherwise, rates, fees, tolls and charges, including but not limited to availability fees, tap fees, and reasonable delinquency penalties for sewerage facilities; and

WHEREAS, there have been increased ongoing operation costs for the cooperative agreement between Gunnison County and the City of Gunnison concerning the operation of the sewage treatment plant providing service to the North Gunnison Division; and

WHEREAS, Gunnison County must upgrade and maintain the connection lines within the North Gunnison Division; and

WHEREAS, it is the desire of the Board of County Commissioners not to pay for such costs from the capital reserve;

NOW THEREFORE, BE IT RESOLVED by the Board of County Commissioners that:

1. Schedule of Rates. The rate schedule is adopted each year as part of the budget process and is available as Appendix A attached hereto. The schedule of rates will remain in full force and effect for the calendar year for which it was approved. The rate structure will be published in the newspaper and is available from the Gunnison County Finance Office at 200 East Virginia, Gunnison, CO 81230. Any past due account shall be subject to a penalty charge of 1% per month or portion thereof, and any past due amount may, at the option of the Gunnison County Finance Office, be certified for collection in the manner as though they were part of the taxes pursuant to Colorado Revised Statute 30-20-420.

2. Residential Sewer Fee. User fees for connection of each residence, as defined in the Gunnison County Land Use Resolutions (LUR), to the Gunnison County collection system will be charged upon installation of the service line and the approval of the Gunnison County Utility Manager. Residences with an integrated secondary residence are counted as if they were just one residence. Multiple-family residences are considered commercial accounts for billing purposes. User fees will be billed in advance.

3. Commercial Sewer Fee. User fees for connection of units will be charged upon installation of the service line and the approval of the Gunnison County Utility Manager. The fee amount will equal the product of the current residential sewer rate (partial tap) according to

Appendix A attached hereto, the factor according to Appendix C, and the number of factored units according to Appendix C. User fees will be billed in advance.

4. Vacant Lot Sewer Fee. A vacant lot sewer fee will be charged for each parcel of real property in the North Gunnison Division which has sewer service available to that parcel but which parcel is not connected to the Division sewer lines. The vacant lot sewer fee will start on the date of final board approval for proposed property developments, subdivisions, etc.

5. Tap Connection Fee. There is a fee for sewer service tap connection within the North Gunnison Division for each connection based on Appendix B attached hereto according to water supply size. Water supply size is either the meter size or line size from the well to the structure when no meter is present.

5a. Non-payment of Tap Connection Fee. Each residential property in Parcel 2 as of July 1, 2010 that did not pay the required tap connection fee prior to installation of the service line shall pay an additional $332.32 per quarter until the quarter ending June 30, 2015. This additional fee shall constitute financing of the tap connection fee according to the following amortization schedule.

Date Billed	Payment	Principal	Interest	Total
07/01/10	1	($229.19)	($103.13)	($332.32)
10/01/10	2	($233.49)	($98.83)	($332.32)
01/01/11	3	($237.87)	($94.45)	($332.32)
04/01/11	4	($242.33)	($89.99)	($332.32)
07/01/11	5	($246.87)	($85.45)	($332.32)
10/01/11	6	($251.50)	($80.82)	($332.32)
01/01/12	7	($256.22)	($76.10)	($332.32)
04/01/12	8	($261.02)	($71.30)	($332.32)
07/01/12	9	($265.91)	($66.40)	($332.32)
10/01/12	10	($270.90)	($61.42)	($332.32)
01/01/13	11	($275.98)	($56.34)	($332.32)
04/01/13	12	($281.15)	($51.16)	($332.32)
07/01/13	13	($286.43)	($45.89)	($332.32)
10/01/13	14	($291.80)	($40.52)	($332.32)
01/01/14	15	($297.27)	($35.05)	($332.32)
04/01/14	16	($302.84)	($29.48)	($332.32)
07/01/14	17	($308.52)	($23.80)	($332.32)
10/01/14	18	($314.30)	($18.01)	($332.32)
01/01/15	19	($320.20)	($12.12)	($332.32)
04/01/15	20	($326.20)	($6.12)	($332.32)
		($5,500.00)	($1,146.36)	($6,646.36)

Upon default, unpaid principal and interest shall constitute a lien on and against the real property served, and any such lien may be collected in any manner legally permissible, including certification to the Gunnison County Treasurer as provided by law. Default shall not cause acceleration of the entire unpaid principal, accrued interest, and penalties.

Upon sale or transfer of the real property served, the entire unpaid principal, accrued interest, and penalties shall accelerate and become due and payable immediately.

Prepayments may be made at any time, provided all unpaid principal is paid in one lump-sum. There is no fee or penalty for prepayment.

6. Excessive Connection Costs. Sewer service will be extended to the property line, unless cost of such extension of service exceeds two thousand five hundred dollars ($2,500) or the product of the number of new users to be served by said sewer extension and two thousand five hundred dollars ($2,500). Costs exceeding two thousand five hundred for a single user or the product of the number of new users to be served by said sewer extension and two thousand five hundred dollars ($2,500) will be the sole responsibility of the property owner(s) to be served. An estimate of the total costs will be provided to users in advance of work performed. Such work will be managed by Gunnison County staff.

7. Minimum Charges. Any property connected to the system shall pay the minimum rate for four quarters per year whether or not the property is occupied or the sewer system is used.

8. Perpetual Lien. Until paid, all fees, rates, tolls, penalties, interests on delinquencies, and other costs shall constitute a perpetual lien on and against the property served, and any such lien may be collected in any manner legally permissible, including certification to the Gunnison County Treasurer as provided by law.

9. Building Permit Shall Not Be Issued. No building permit shall be issued for any building on a parcel of land in the North Gunnison Division unless the tap fee for that parcel has been paid in full as set forth above.

10. Additional Inspection Fee. The first inspection of the sewer service line is included with the tap connection fee. If an additional inspection is required, a flat fee will be charged for each additional inspection.

11. Fees May Be Amended. The fees hereby established may be amended from time to time by the Board of County Commissioners. It is the intention of the Board of County Commissioners that a review of the fees and rates be conducted each year, if such review is not conducted, the then current fees shall remain in full force and effect.

BE IT FURTHER RESOLVED THAT these fees shall remain in effect until changed by resolution by the Board of County Commissioners.

INTRODUCED by Commissioner _____, seconded by

Commissioner _____, and adopted this ____ day of December, 2014.

BOARD OF COUNTY COMMISSIONERS
OF GUNNISON COUNTY, COLORADO

By _____
Paula Swenson, Chairperson

By _____
Phil Chamberland, Vice-Chairperson

By _____
Jonathan Houck, Commissioner

Attest:

_____
Deputy County Clerk

APPENDIX A

GUNNISON COUNTY, COLORADO
NORTH GUNNISON DIVISION OF THE GUNNISON COUNTY SEWER AND WATER DISTRICT
SCHEDULE OF RATES - SEWER

		QTRLY BASE RATE				
RESIDENTIAL-PHASE I	$	108.93	per quarter			
*Original users adjacent to City of Gunnison system						
RESIDENTIAL-PHASE II	$	159.27	per quarter			
*All users for which the sytem was extended during USDA/DOLA/CWPA construction						
COMMERCIAL	$	159.27	per quarter	X	factor	X # of factor units
VACANT LOT	$	97.83	per quarter			
ADD'L INSPECTION FEE	$	50.00	per additional inspection			

APPENDIX B

GUNNISON COUNTY, COLORADO
NORTH GUNNISON DIVISION OF THE GUNNISON COUNTY SEWER AND WATER DISTRICT
SCHEDULE OF RATES - TAP CONNECTION FEE

	PAYING AVAILABILITY		
WATER SUPPLY SIZE	PARCEL 1	PARCEL 2 (N. VALLEY)	NOT PAYING AVAILABILITY
0.75	$3,000	$5,500	$10,500
1.00	$5,400	$7,900	$14,500
1.50	$12,000	$14,500	$25,500
2.00	$21,000	$23,500	$40,500
3.00	$42,000	$44,500	$75,500
4.00	$72,000	$74,500	$125,500
6.00	$144,000	$146,500	$245,500

NOTE: Supply size is measured by inches

APPENDIX C

GUNNISON COUNTY, COLORADO
NORTH GUNNISON DIVISION OF THE GUNNISON COUNTY SEWER AND WATER DISTRICT
SCHEDULE OF FACTORS

CUSTOMER CLASSIFICATION	**FACTOR**	**FACTOR UNIT**
Residence	1.0000	Residence
Integrated Secondary Residence	0.0000	Integrated Secondary Residence
Secondary or Accessory Residence	0.7500	Secondary or Accessory Residence
Mobile Home in Centrally Owned Park	0.7500	Mobile Home
Multiple-family Residence	1.0000	Residence
Townhouse, Townhome, or Condominium	1.0000	Townhouse, Townhome, or Condominium
Small Office	0.5000	Office
Large Office	1.0000	Office
Veterinary Clinic	2.0000	Veterinary Clinic
Church	1.0000	Church
Motel Room w/ kitchen	0.7500	Motel Room
Motel Room w/o kitchen	0.2000	Motel Room
Campground w/ full sewer hookup	0.2000	Camp Space
Campground w/ water only	0.0525	Camp Space
Restaurant w/ banquet facilities	0.0525	Seating Capacity
Restaurant	0.0500	Seating Capacity
Golf Club	0.0500	Seating Capacity
Lounge	0.0250	Seating Capacity