

**DEER CREEK WATER DISTRICT**

**RESOLUTION NO. 2018-\_\_**

**A RESOLUTION ADOPTING INCREASES TO WATER TAP FEES AND  
REVISING APPENDIX A TO THE DISTRICT RULES AND REGULATIONS –  
SCHEDULE OF FEES**

WHEREAS, Deer Creek Water District (“District”) is a special district created pursuant to Article 1, Title 32, C.R.S. (“District Act”), and is authorized to provide, among other activities, the ownership and operation of a domestic water supply system and related activities, services and facilities within and without the District with the power to issue its own revenue bonds; and

WHEREAS, the District has historically conducted and operated its domestic water supply system as a government-owned business of the District providing services in exchange for the payment of fees and charges, and by Resolution passed on February 8, 2018, the Board of Directors of the District (“Board”) established a Water Activity Enterprise in conformance with the provisions of Article 45.1, Title 37, C.R.S. (“Act”) in order to exclude the Water Activity Enterprise from the provisions of Section 20, Article X of the State Constitution (“TABOR”); and

WHEREAS, such Enterprise activities include, but are not limited to, the acquisition, diversion, storage, carriage, delivery, distribution, collection, treatment, use, reuse, augmentation, exchange, or discharge of water, and also includes the provision of wholesale or retail water and the acquisition of water rights, and all services and facilities related thereto (“Water Activity” or “Water Activities”); and

WHEREAS, the Board has completed some improvements and conducted investigations into the additional costs of improving the water supply and distribution system necessary for efficient, long-term operation of the District’s water supply system; and

WHEREAS, the Board has determined that financing of the necessary improvements will require funds raised by fees imposed on the customers of the domestic water system and obtained through available public lending sources at competitive low interest rates financed by fees imposed on customers; and

WHEREAS, the Board, by Resolution passed on March 16, 2018, established a Water Activity Fee in addition to existing fees and charges; and

WHEREAS, the Board desires to revise its fee schedule contained in Appendix A to the District Rules and Regulations to further specify the Water Activity Fees charged to all existing customers and to impose an increasing Water Tap Fee schedule in

Appendix A that incorporates the accumulated non-payment of the Water Activity Fees on properties that have not yet been issued water taps; and

WHEREAS, the Board has properly publicized its existing and proposed fee schedule and held public meetings on the necessity of the water system improvements and a water activity fee to the District's customers as required by Section 32-1-1001(2)(a), C.R.S. and the Board has determined that the Water Activity Fees will serve a public use and will promote the health, safety, prosperity, security, and general welfare of the customers of the Water Activity Enterprise, the inhabitants of the District, and of the people of the State of Colorado.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the District that there is hereby established a schedule of monthly Water Tap Fee increases and a revised schedule of Water Activity Fees as follows:

1. Water Activity Fees. Water Activity Fees totaling \$65 per month have been established by past Board actions and are hereby ratified and fully incorporated into the attached revised Appendix A to the District's Rules and Regulations. The specific Water Activity Fees are listed in Table A-1 of such Appendix.

2. Water Tap Fees. A schedule of increases to the District's Water Tap Fee is hereby approved and fully incorporated into the attached revised Appendix A to the District's Rules and Regulations. The specific monthly increases of the Water Tap Fee are shown in Table A-2 of such Appendix.

3. Revenue. The revenue derived from the increasing Water Tap Fee and Water Activity Fees shall be collected, used, and expended for Water Activity purposes as determined by the Board in accordance with and as set forth in the fiscal budget of the Water Activity Enterprise adopted pursuant to law. Spending of revenue generated by the Water Activity Fee shall be at the discretion of the Board for any and all activities of the Water Activity Enterprise.

THE FOREGOING RESOLUTION was adopted this 12th day of July, 2018, at a regular meeting of the Board of Directors of the Deer Creek Water District by a vote of the Board recorded as \_\_ in favor and \_\_ opposed, and is hereby certified as the final Resolution of the Board by me as Secretary of the Board.

DEER CREEK WATER DISTRICT

By: \_\_\_\_\_

  
Tom Cornelius, Secretary

7-12-18



Returned Check Fee	\$40.00	
Late Payment Charge	\$5.00 each month	
For service work during normal working hours. Minimum Charge, one hour	\$55 per hour	
For service work before 8:00 AM or after 5:00 PM Monday through Friday, or at any time on Saturday Minimum Charge, one hour	\$80 per hour	
For service work on Sundays and holidays. Minimum Charge, two hours	\$110 per hour	
Hydrant meters – Deposit, rates, and charges	TBD	
Delinquent Notice Letter Service Fee	\$12	Added to account balance when letter sent

**OTHER FEES AND CHARGES**

**Table A-1 District Fees and Charges**

Residential Tap Fee	1-in. tap \$16,188	Increases Monthly (See Table A-2) Effective 8/1/2018
Residential Base Fee	\$7.50 per month	Effective 1/1/2010
Residential Usage Fee	\$2.95 per Kgal	Effective 1/1/2010
Commercial Tap Fee	1-in. tap \$16,188 1.5-in. tap 1-in. Fee + \$34,500 2-in. tap 1-in. Fee + \$75,000 3-in. tap 1-in. Fee + \$120,000 4-in. tap 1-in. Fee + \$315,000	Increases Monthly (See Table A-2) Effective 8/1/2018
Commercial Base Fee	1-in. tap \$20.00 per month 1.5-in. tap \$66.00 per month 2-in. tap \$120.00 per month 3-in. tap \$180.00 per month 4-in. tap \$440.00 per month	Effective 1/1/2014
Commercial Usage Fee	\$2.95 per Kgal	Effective 1/1/2014
Specific Water Activity Fees (applies to Residential and Commercial accounts)	Water Tank Repair \$4.50/mo. Water Tank Repair \$4.00/mo. Capital Improvements \$49.00/mo.	Eff. 4/1/2016 until 4/1/2023 Eff. 1/1/2017 until 4/1/2023 Effective 4/1/2018
Service/Inspection Calls	\$50 per hour	Assessed for trips where no actual labor is performed other than a general diagnosis of the customer's problem
Unauthorized Connection Fees	Applicable Tap Fee plus accrued service charges and penalties	
Connect/Disconnect Service Fee	Connect \$50.00 Disconnect \$50.00	Not charged for initial service, Water Service repair, seasonal service
Billing Account Setup Fee	\$50.00	One-time charge to new subscribers to water service in the District
Service Disconnect for Remodel and/or Construction	\$50.00	
Existing Utility Stub Abandonment Fee	See Service/Inspection Calls Fee	
Unauthorized Water Use Charges	\$1,000 for each violation	
Unauthorized Hydrant Use	\$1,000 for each violation	
Water System and/or Meter Tampering	\$1,000 for each violation	
Liens For Unpaid Charges And Fees	\$500	

**APPENDIX A – SCHEDULE OF FEES AND CHARGES**

**To Rules and Regulations for Water Service**

**WATER FEES AND CHARGES:**

**1. Residential Water Tap Fee Calculation**

Residential Water Tap Fees generally are based the cost of the development of, and ongoing capital improvements to, the Water System. See Tables A-1 and A-2 for Tap Fee rates.

**2. Commercial Water Tap Fee Calculation**

Commercial Water Tap Fees are based the cost of the development of, and ongoing capital improvements to, the Water System and on the associated meter size. Meter size is determined by using the fixture count assessment according to the International Plumbing Code. See Tables A-1 and A-2 for Tap Fee rates.

**3. Monthly Water Service and Volume Charges**

Water Base Fees and Usage Fees are billed monthly, in arrears. See Table A-1 for rates and charges.

**4. Monthly Water Activity Fees**

Water Activity Fees are billed monthly. See Table A-1.