

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF BRIGHTON, COLORADO, ACTING BY AND THROUGH ITS WATER ENTERPRISE, AUTHORIZING AND APPROVING THE *THORNTON CONTRACT WATER SURCHARGE*; DESIGNATING JUNE 1, 2015 AS THE EFFECTIVE DATE OF THE SURCHARGE; AUTHORIZING THE CITY MANAGER, OR HIS DESIGNEE TO UNDERTAKE SUCH TASKS AS MAY BE REQUIRED TO IMPLEMENT SAID SURCHARGE; AND SETTING FORTH OTHER DETAILS RELATED THERETO.**

**Resolution No: 2015-53**

**WHEREAS**, authority is granted by the State of Colorado to the governing body of the City of Brighton, Colorado to assess fees and charges for services provided by the City; and

**WHEREAS**, the City of Thornton has a perpetual lease agreement with the City of Westminster to lease Westminster two million gallons of potable water per day (plus or minus ten percent), in perpetuity; and

**WHEREAS**, in order to supplement its existing supply and to assure that Brighton had a sufficient supply to meet peak demands, the City of Brighton entered into an agreement with the City of Westminster in 2009, leasing the potable water supply contract it has with the City of Thornton; and

**WHEREAS**, said agreement with Thornton provides, in pertinent part, that the City of Brighton pay for the water at the lowest rate in Thornton's rate schedule, which the City of Brighton has paid; and

**WHEREAS**, Thornton has recently adopted an Ordinance significantly increasing its water rates in all categories over the next three years, to wit: a 13% increase in rates beginning May 1, 2015, a 13% percent increase on January 1, 2016 and a 13% increase on January 1, 2017; and

**WHEREAS**, the impact to Brighton of such rate increases will be an increase of 16.6% which began May 1, 2015, 14.3% more beginning on January 1, 2016, and 12.5% more on January 1, 2017, with a cumulative additional cost to the City's Water Enterprise Fund of \$2,090,684 over the next three years, pending no further rate changes by Thornton during that time; and

**WHEREAS**, this additional cost was not budgeted, nor contemplated in the rate model used to establish the City of Brighton's 2015 rates and fees, and the viability of the Water Enterprise Fund needs this additional revenue; and

**WHEREAS**, the City Council has been advised by the City Manager that a surcharge should be assessed to offset the increases in cost of the contractual obligation to purchase the treated water supply; and

**WHEREAS**, the City Utilities Director, in consultation with Willdan Financial Services, the City's water rate consultant, has analyzed the impact of the Thornton rate increases and has recommended the surcharge as more specifically set forth herein; and

**WHEREAS**, the City Council finds and determines that it is in the best interests of the City and necessary for the protection of the health, safety and welfare of its citizens, that the City enact the surcharge in the amounts as set forth herein.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF BRIGHTON, COLORADO, ACTING BY AND THROUGH ITS WATER ENTERPRISE, AS FOLLOWS:**

1. The *THORNTON CONTRACT SURCHARGE* is hereby adopted, *effective as of JUNE 1, 2015.*:
2. Effective June 1, 2015, and as may be modified in the future, the following monthly fixed surcharge shall be billed to all water accounts, with or without water usage, based on meter size.

<b>Meter Size</b>	<b>Monthly Charge per Account</b>
Three-quarter Inch Meter	\$ 4.60
One Inch Meter	\$ 7.68
One-and-one-half Inch Meter	\$ 15.32
Two Inch Meter	\$ 24.52
Three Inch Meter	\$ 46.00
Four Inch Meter	\$ 76.68
Six Inch Meter	\$ 153.32

Meters larger than six inches shall be considered on a case by case basis based on Utilities Department review.

3. The City Manager, or his designee, is authorized to undertake such tasks as may be required to implement the Surcharge.

**Adopted this 19<sup>th</sup> day of May, 2015.**

**CITY OF BRIGHTON, COLORADO**

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Richard N. McLean, Mayor

Attest:

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Natalie Hoel, City Clerk

Approved as to form:

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Margaret R. Brubaker, City Attorney