

RESOLUTION NO. 17R-01

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE BIGHORN-DESERT VIEW WATER AGENCY MODIFYING BASIC FACILITIES CHARGE AND RESTATING THE SERVICE-LINE INSTALLATION CHARGE

WHEREAS, Bighorn-Desert View Water Agency (“Agency”) is required by law to fix and establish rates, fees and charges which will enable the Agency to cover its debt service payments, operate and maintain its water system, provide for repairs and depreciation, and a reasonable surplus for improvements; and

WHEREAS, by Resolution No. 14R-07 adopted by the Board of Directors on May 27, 2014 a Basic Facilities Charge for new connections was set at \$4500.00; and

WHEREAS, by Resolution No. 14R-07 adopted by the Board of Directors on May 27, 2014 the Board set a flat fee of \$1785.00 per Service-Line and 1-inch meter installation; and

WHEREAS, new customers desiring to connect to the existing system should be responsible for paying an amount equivalent to their proportionate share of those existing water system facilities development costs which support and are necessary for the new customer to receive service; and

WHEREAS, the Water Master Plan completed in 2007 by the Agency’s Engineer established a baseline calculation for the Basic Facility Charge or “Capacity Fee” and further defines the charge to be comprised of four (4) components: Water Main Connection Fee, Water Storage Fee, Water Supply Fee and a Development Fee; and

WHEREAS, the Board has determined that the Basic Facility Charge has not been adjusted since 2014 and should be increased to coincide, at a minimum, with a rate of inflation based on the Consumer Price Index which is generally the best measure for adjusting payments to consumers when the intent is to allow consumers to purchase, at today’s prices, a market basket of goods and services equivalent to one that they could purchase in an earlier period; and

WHEREAS, based on the above described inflation calculation method the Basic Facility Charge is to be set at \$4595.00; and

WHEREAS, the Board of Directors of the Agency (“Board”) desires to fairly and appropriately allocate the costs of a service line installation in a fair and equitable manner to be paid by those persons and customers who are the actual beneficiaries or recipients of those services; and

WHEREAS, the Board of Directors of the Agency (“Board”) desires to fairly and appropriately allocate the costs of a service line installation in a fair and equitable manner to be paid by those persons and customers who are the actual beneficiaries or recipients of those services; and

WHEREAS, an average cost to install a new service line and 1-inch meter has been calculated to remain at \$1785.00; and

WHEREAS, this Resolution rescinds and repeals Resolution 14R-07.

NOW, THEREFORE, BE IT RESOLVED that, effective immediately, the Basic Facilities Charge shall be in the amount of \$4595.00 and shall be applicable to all new service line installations to parcels within 700 feet of a mainline* (not including bulk accounts), subject to further action by the Board of the Agency. (**the definition of the mainline per Agency Rules and Regulations is "pipelines located in highways, streets, alleys, easements, and right of ways, which are used for the transmission and distribution of water."*); and effective immediately, the service line installation fees charged by the Agency shall remain at \$1785.00 per installation of a 1 inch meter.

PASSED, APPROVED, AND ADOPTED by the Board of Directors to Bighorn-Desert View Water Agency this 24th day of January 2017.

By *Larry Coulombe*
L. Larry Coulombe, President of the Board

ATTEST:

Judy Cori-Lorono
Judy Cori-Lorono, Secretary