

RESOLUTION NO. 1014-18

A RESOLUTION AMENDING SEWER RATES TO OFFSET COSTS RESULTING FROM STATE AND FEDERAL REGULATIONS

WHEREAS, the Colorado Department of Health and Environment (“CDPHE”) and the Environmental Protection Agency (“EPA”) have mandated the Town of Fowler to modify its wastewater treatment plant to meet state and federal discharge regulations; and

WHEREAS, CDPHE amended the Town of Fowler’s discharge standards after the lagoon construction design was seventy percent complete adding a new Total Inorganic Nitrogen standard the town had never been required to meet previously; and

WHEREAS, the new discharge standard required the town to redesign the wastewater project increasing the cost of the lagoon modification by an estimated \$1,600,00.00; and

WHEREAS, this additional cost must be covered by a second loan; and

WHEREAS, the estimated annual principal, interest, reserve and rate covenant payment on the second loan is estimated at \$96,800.00; and

WHEREAS, the two loan contracts to obtain funds to modify the sewer lagoons contain a rate covenant; and

WHEREAS, the lending agency requires the Town of Fowler to increase its rates to meet the mandated operating revenue required by the rate covenant; and

WHEREAS, it is necessary to increase wastewater rates by an additional \$12.40 per month per sewer tap to meet the principal, interest, reserve and rate covenant requirement; and

WHEREAS, the following rates are recommended by the administration to meet the town’s financial obligations resulting from state and federal regulations.

BE IT RESOLVED by the Town of Fowler Board of Trustees as follows.

1. Effective with the municipal utility billing that occurs at the end of January 2018 due February 20, 2018, the sewer facility fee is increased by \$12.40 per wastewater tap per month to \$27.68 per tap per month to offset principal and interest payments on a loan and to meet loan rate covenants. to modify the sewer lagoons to meet state and federal regulations.

ADOPTED AND APPROVED this 15th day of January 2018.

Charles R. Hitchcock,

Town of Fowler Mayor

ATTEST:

Kelly Lotrich, Town Clerk