ORDINANCE NUMBER 598

AN ORDINANCE OF THE MAYOR AND CITY COUNCIL OF THE CITY OF COTTONWOOD, ARIZONA, AMENDING THE CITY'S MUNICIPAL WATER SYSTEM RATES, FEES AND CHARGES.

WHEREAS, the City has prepared, published, and made available for public inspection a *Water and Wastewater Rate Study and Long-Term Financial Forecast*, the purpose of which was to examine the current and projected revenues and expenses of the City's water and wastewater systems over the next five years, and to recommend rates, fees and charges to adequately support those systems over that period; and

WHEREAS, the City is currently out of compliance with the rate covenants contained within the water system revenue bonds issued by the City's Municipal Property Corporation in 2004 and 2006, which require the City to charge and collect fees equal to 135 percent of the water system's annual operating costs; and

WHEREAS, the City Council has determined that it is necessary to amend the municipal water system's rates, fees and charges in order to generate sufficient revenues to properly maintain and operate the system over the next five years, and to comply with the covenants and requirements of the City's water system revenue bonds; and

WHEREAS, the City Council adopted a Notice of Intent to Adjust Water and Wastewater Rates, Fees, and Charges for the City's water and wastewater utilities on June 18, 2013; and

WHEREAS, the proposed new rates, fees and charges were published in the *Verde Independent* on July 10, 2013; a public hearing was held on August 6, 2013; and other proper and sufficient notice of the proposed increase has been given to the public and to the customers of the City's municipal water system; and

WHEREAS, all of the requirements of Arizona Revised Statutes Section 9-511.01 have been met.

NOW THEREFORE, BE IT RESOLVED BY THE MAYOR AND COUNCIL OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, AS FOLLOWS:

Section 1: That, the City of Cottonwood Municipal Water System rates, fees, and charges are hereby amended as follows:

	PROPOSED NEW RATES	
Base Charge	INSIDE	OUTSIDE
5/8"	$23.36	$30.37
1"	$37.80	$49.14
1 1/2"	$76.95	$100.04
2"	$121.50	$157.95
3"	$243.00	$315.90
4"	$378.00	$491.40
6"	$769.50	$1,000.35
Volume Charge (per 1,000 gal)		
0 - 1,000	$0.00	$0.00
1,001 - 5,000	$2.90	$3.77
5,001 - 10, 000	$3.99	$5.19
10,001 - 15,000	$5.69	$7.40
15,000 +	$8.10	$10.53
Water Resource Development Fee		
Water Resource Development	$4.32	$4.32
Water Source Assurance	$0.35	$0.35
Gila River Adjudication	$0.44	$0.44
Water Conservation	$0.27	$0.27
Total Development Fee	$5.38	$5.38

Water Meter Charge:

Water Meter Size (inches)	Proposed New Charge
5/8"	$400
1"	$475
1 1/2"	$970
2"	$1,250
3"	$2,000
4"	$3,000
6"	$6,000
8"	$12,000

Account Fees:

Deposits:

	Deposit Amount 1	
	Proposed New Fee - Owner	Proposed New Fee - Tenant
5/8"	$100	$125
1"	$125	$150
1 1/2"	$150	$200
2"	$200	$300
3"	$300	$500
4"	$350	$650
6"	$400	$800
8"	$600	$1,000

1 - If an account is turned off for non-pay, there will be an additional $25.00 deposit per occurrence.

Water Service Establishment Fees

Proposed New Fee - Inside	Proposed New Fee - Outside
$35	$45

Emergency and Construction Turn-On/Turn Off

	Proposed New Charge - Inside	Proposed New Charge - Outside
Regular Business Hours	$35	$45
Non-Business Hours	$95	$105

Non-metered Fire Sprinkler Line Monthly Standby Fee

Line Size	Proposed New Fee
4" line	$25
6" line	$40
8" line	$60

Reconnections (Per Disconnection For Non-Payment)

Proposed New Charge - Inside	Proposed New Charge - Outside
$35	$45

Meter Re-Reading/Test

Determined by cost of test and shipping

	Proposed New Charge
Account Delinquencies	
On 11th day past-due	$10
Subsequent past-due (per month)	0.833% month

Section 2: The new water service rates, fees and charges shall be effective beginning on October 1, 2013.

PASSED AND ADOPTED BY THE CITY COUNCIL AND APPROVED BY THE MAYOR OF THE CITY OF COTTONWOOD, YAVAPAI COUNTY, ARIZONA, THIS 20TH DAY OF AUGUST, 2013.

Diane Joens, Mayor

APPROVED AS TO FORM:

Steven B. Horton, Esq.
City Attorney

ATTEST:

Marianne Jiménez, City Clerk