

Elizabeth Skane

Date: 04/22/2024

BOPU RESOLUTION NO. 2024-01

ENTITLED: "A RESOLUTION ADOPTING REVISED WATER RATES TO BE CHARGED TO USERS OF THE CHEYENNE WATER SYSTEM."

WHEREAS, the Board of Public Utilities ("Board") is authorized by State Statute and City Code to fix rates, fees and penalties for water and sanitary sewer services furnished to customers and any revision thereof is subject to the local governing body's review, modification and approval;

WHEREAS, the rates shall secure an income sufficient to:

- (a) Pay interest charges and principal payments on all outstanding water loans and bonds as they are due;
- (b) Pay for the operation and maintenance of the water system, including salaries, wages and benefits, and the cost of all materials and supplies necessary for repairs, replacements and upgrades to the system;
- (c) Cover all miscellaneous expenses;
- (d) Cover all usual extensions and enlargements, together with a reasonable allowance for emergency and unforeseen expenses; and
- (e) Provide and maintain a depreciation fund for the water department;

WHEREAS, the Board has determined that an increase in the water rates is justified to ensure adequate revenue is generated in order to pay for costs associated with those services rendered;

WHEREAS, the Governing Body of the City of Cheyenne, pursuant to Ordinance 4505, adopted June 12, 2023, requires that prior to the beginning of each fiscal year, the Board will calculate new rates for Water and Sewer services based on the Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers, Water and Sewer Maintenance, and the Wyoming Cost of Living Index – Southeast Region and prepare new rate schedules for Water and Sewer services that shall be presented in the form of an ordinance to the Governing Body;

WHEREAS, the Bureau of Labor Statistics, Consumer Price Index, All Urban Consumers, Water and Sewer Maintenance for the calendar year 2023 was 4.7% and the Wyoming Cost of Living Index – Southeast Region for the second quarter of 2023 was 4.3%; and the Engineering News Record Construction Cost Index (ENR CCI) for calendar year 2023, was 4.2%;

WHEREAS, the 2020 Board of Public Utilities Water and Wastewater Rate Study recommends a cost of service adjustment for water rates for fiscal year 2025 in order to adequately fund operation & maintenance, capital equipment, infrastructure replacement and improvement, and debt service expenditures.

NOW, THEREFORE, BE IT RESOLVED that the Water rate schedule will transition to cost of service and be adjusted approximately 10.0%, effective January 1, 2025.

BE IT FURTHER RESOLVED that the following Water Rate Schedule is adopted by the Board, and that it be presented in the form of an ordinance to the Governing Body of the City of Cheyenne for approval, to become effective on consumption and bills issued on or after the dates indicated below on the water rate schedule:

WATER RATE SCHEDULE

Effective with metered consumption after November 01, 2024 on bills issued on or after the date indicated:

<u>Meter Size</u>	<u>January 1, 2025 Monthly Service Fee</u>	<u>January 1, 2024 Monthly Service Fee</u>
5/8 In. & 3/4 In.	\$ 8.02	\$ 7.29
1 In.	10.21	9.28
1 1/4 In. & 1 1/2 In.	16.23	14.75
2 In.	20.21	18.37
3 In.	78.68	71.53
4 In.	93.69	85.17
6 In.	121.80	110.73
8 In.	159.24	144.76
10 In.	206.05	187.32
12 In.	273.39	248.54

Service Fee: The monthly service fee is charged in addition to the charge per 1,000 gallons. This service fee is based upon the size of the water meter. The monthly service fee for outside city users will be 1.5 times the above rates.

	<u>January 1, 2025 Volume Rate Charge Per 1,000 Gallons</u>	<u>January 1, 2024 Volume Rate Charge Per 1,000 Gallons</u>
Residential Structure (in-city)		
First Block First 6,000	\$ 5.82	\$ 5.29
Second Block Next 18,000	7.18	6.53
Third Block Next 18,000	8.93	8.12
All Over 42,000	11.12	10.11
Commercial/Industrial	\$ 6.65	\$ 6.05
South Cheyenne Water & Sewer District	6.68	6.07
F.E. WAFB	7.24	6.58
Large Volume Commercial / Industrial	6.05	5.50
Irrigation - Treated Water	7.47	6.79
Irrigation - Raw Water including WAFB	3.55	3.23
Reclaimed Water	3.36	3.05
Recycled Water	3.36	3.05
Treated Water Fill Station	10.74	9.76
Hydrant Meter - Treated Water	7.17	6.52

* The volume rate charge for all outside city customers will be 1.5 times the above rates (except for the Treated Water Fill Station rate).

Residential Multifamily Structure with 8 or less units will be charged at the Residential Structure rate with the block volumes multiplied by the number of units. Residential Multifamily Structure with more than 8 units will be charged at the Commercial Structure rate.

Large Volume Commercial / Industrial User: Defined as a user whose treated water demand is equal to or exceeds 1 million gallons a day ("mgd") and whose demand upon the treated water system is constant on a day-to-day basis.

Raw water: Defined as surface water which is not treated by the Board's water treatment plants.

Reclaimed water: Defined as water released from the Board's water reclamation plants or water released from the water treatment plant that is not recycled.

Recycled water: Defined as water released from the Board's water reclamation plant that has received tertiary treatment.

BE IT FURTHER RESOLVED that the following rates be charged for oil and mineral exploration and other related activities in Laramie County and other portions of Southeast Wyoming:

	January 1, 2025 Volume Rate Charge <u>Per 1,000 Gallons</u>	January 1, 2024 Volume Rate Charge <u>Per 1,000 Gallons</u>
Oil – Treated Water	\$ 24.20	\$ 22.00
Oil – Recycled Water	17.03	15.48
Oil – Raw Water	13.27	12.06
Oil – Reclaimed Water	9.49	8.63

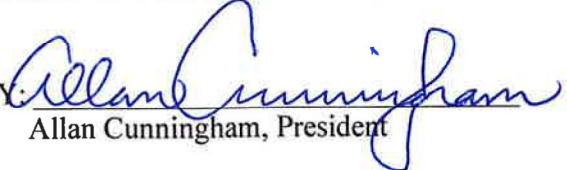
BE IT FURTHER RESOLVED that the Board is authorized to negotiate contracts with water system users based upon the above rates and any revision of the above rates shall be subject to Governing Body review, modification, and approval.

BE IT FURTHER RESOLVED that the Board is authorized to negotiate contracts and rates with commercial and/or industrial users whose demand exceeds 500,000 gallons per day for the sale of raw water and/or reclaimed water. Said contracts and rates shall be subject to Governing Body approval.

BE IT FURTHER RESOLVED that the fees established by the Board be submitted to the Governing Body of the City of Cheyenne for approval and filing as provided by the Code of the City of Cheyenne, Wyoming.

ADOPTED this 29th day of April, 2024.

BOARD OF PUBLIC UTILITIES

BY: 
Allan Cunningham, President

(SEAL)

ATTEST:

BY: 
Keith Zabka, Secretary