RESOLUTION NO. 2016-16R

A RESOLUTION OF IVINS CITY, UTAH, AMENDING THE IVINS CITY CULINARY WATER RATE TO PASS-THROUGH WASHINGTON COUNTY WATER CONSERVANCY DISTRICT'S WHOLESALE WATER RATE INCREASE OF $0.10 PER 1,000 GALLONS

WHEREAS, the Ivins City Council last approved an increase to culinary water rates by adopting Resolution 2010-07R; and

WHEREAS, the Washington County Water Conservancy District (WCWCD) has given notice to cities, including Ivins City, that effective July 1, 2016, the WCWCD wholesale water rate would be increased by $0.10 per 1,000 gallons of water to fund cost increases in operation and maintenance;

WHEREAS, the Ivins City Council finds it necessary to pass-through to Ivins City culinary water users the WCWCD rate increase;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF IVINS CITY, STATE OF UTAH, AS FOLLOWS;

The Ivins City Culinary Water Rates charged by Ivins City to those using Ivins City culinary water shall be increased by $0.10 per 1,000 gallons of water, effective August 1, 2016.

PASSED AND ADOPTED BY THE IVINS CITY COUNCIL, STATE OF UTAH, ON THIS ___ DAY OF JULY, 2016 BY THE FOLLOWING VOTE:

	AYE	NAY	ABSTAIN	ABSENT
Dennis Mehr	_____	_____	_____	_____
Cheyne McDonald	_____	_____	_____	_____
Jenny Johnson	_____	_____	_____	_____
Steven Roberts	_____	_____	_____	_____
Ron Densley	_____	_____	_____	_____

_____
Chris Hart, Mayor

ATTEST:

_____
Kari Jimenez
City Recorder

WASHINGTON COUNTY
WATER CONSERVANCY DISTRICT

For Immediate Release
June 1, 2016

Contact: Karry Rathje
Public Information Manager
435.668.5622
krathje@wcwcd.utah.gov

WASHINGTON COUNTY WATER CONSERVANCY DISTRICT RAISES MUNICIPAL CONTRACT WHOLESALE RATE

$0.10 per 1,000 gallons of water to fund cost increases in operation and maintenance

Washington County Water Conservancy District's Board of Trustees voted in favor of raising the district's municipal contract wholesale rate from $0.84 to $0.94 per 1,000 gallons of water at its May 31, 2016 public hearing. The increase, which will go into effect on July 1, 2016, only applies to water sold by the district directly to the cities.

If the cities transfer the rate increase to the water user, the typical primary residential water user in St. George will see an average monthly rate increase of approximately $0.96.[1]

Revenues from the increase will be used exclusively to cover the costs to treat and deliver water; it will not be used to fund current or future projects.

Since the district's last rate increase in March 2008, water sales have increased 30 percent, utility costs have increased 6 percent and the weighted cost of treatment chemicals has increased 32 percent.

"As a not-for-profit public water provider, our rates reflect our costs and are not market driven," said Ed Bowler, chairman of the district's board. "We've been able to maximize our production and streamline efficiencies within our existing system to delay rate increases, but higher operating costs are necessitating an adjustment."

Washington County's municipal culinary residential water rates currently range from approximately $1.72 to $2.45 per 1,000 gallons,[2] which is lower than other cities in the western United States.[3]

The district remains committed to providing water to its municipal customers at the lowest rate possible without compromising its product or system performance.

Washington County Water Conservancy District is a not-for-profit public agency established in 1962 to manage Southern Utah's regional water needs. The district oversees the development, stabilization, management, acquisition and conservation of water resources in Washington County in an ongoing effort to provide a safe, reliable water supply for current and future generations. Visit www.wcwcd.org for more information.

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[1] Rate based on average monthly water use of 14,823 gallons with the district providing 65 percent of the supply, consistent with the City of St. George's 2015 billing data.

[2] January 2015 rates based on 30,000 gallons of use in a 30-day period for a single-family residential home with the smallest meter size (3/4" or less).

[3] By comparison, using the same conditions specified above in footnote 1, the average water rate is $2.58 in Albuquerque, $3.82 in Phoenix, $4.03 in Las Vegas, $4.72 in Denver, $9.42 in Tucson and $10.04 in San Diego.

WASHINGTON COUNTY
WATER CONSERVANCY DISTRICT

May 11, 2016

Mayor Chris Hart
City of Ivins
55 North Main
Ivins, UT 84738

Dear Mayor Hart:

The Washington County Water Conservancy District Board of Trustees as asked me to notify you that it intends to increase the fee for purchasing wholesale water from the current rate of $0.84 per 1,000 gallons to the proposed rate of $0.94 per 1,000 gallons (a $0.10 increase per 1,000 gallons).

A public hearing will be held on **Tuesday, May 31, 2016, at 6 pm** at the Office of the Washington County Water Conservancy District, located at 533 E. Waterworks Dr., St. George, Utah, 84770 (which, as required by law, must be at least seven days after this notice is made). The purpose of the hearing is to receive comments regarding the proposed increase of the fee and to explain the reasons for the proposed increase.

Questions may be directed to the Washington County Water Conservancy District Office at (435) 673-3617.

Sincerely,

Ronald W. Thompson
General Manager

JBte

pc: Wally Ritchie
Dale Coulam
Chuck Gillette