

RESOLUTION 2021-047

A RESOLUTION OF THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, COCHISE COUNTY, ARIZONA; DECLARING A PUBLIC RECORD THE WRITTEN REPORT AND DATA SUPPORTING A SEWER FEE INCREASE AND NOTIFYING THE PUBLIC OF A PUBLIC HEARING ON THE PROPOSED FEE INCREASE TO BE HELD ON AUGUST 26, 2021 AT 5:00 P.M. IN THE COUNCIL CHAMBERS AT 1011 N. CORONADO DRIVE, SIERRA VISTA, ARIZONA; AND AUTHORIZING AND DIRECTING THE CITY MANAGER, CITY CLERK, CITY ATTORNEY OR THEIR DULY AUTHORIZED OFFICERS AND AGENTS TO TAKE ALL STEPS NECESSARY TO CARRY OUT THE PURPOSES AND INTENT OF THIS RESOLUTION.

WHEREAS, Arizona Revised Statute §9-511.01 requires that municipalities give a thirty day notice of intention to adopt an increase in sewer fees; and

WHEREAS, a public hearing on the proposed increase will be held on August 26, 2021, at 5:00 p.m. in the City Hall Council Chambers, 1011 N. Coronado Drive, Sierra Vista, Arizona; and

WHEREAS, the data supporting the fee increase for sewer services shall be available for public inspection in the office of the City Clerk.

NOW, THEREFORE, BE IT RESOLVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, ARIZONA, AS FOLLOWS:

SECTION 1

That the City Code calls for the wastewater operation to be operated as an enterprise fund, and be self-sustaining through user fees.

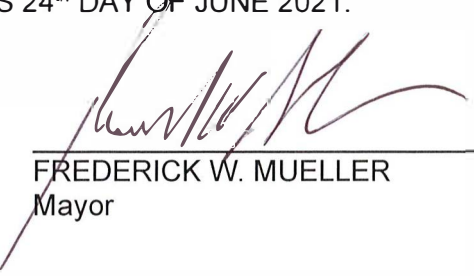
SECTION 2

That the written report and data supporting the sewer fee increase be declared a public record for thirty days and notifying the public that a public hearing on the proposed fee increase will be held on August 26, 2021, at 5:00 p.m. in the City Hall Council Chambers, 1011 N. Coronado Drive, Sierra Vista, Arizona.

SECTION 3


The City Manager, City Clerk, City Attorney, or their duly authorized officers and agents are hereby authorized and directed to take all steps necessary to carry out the purposes and intent of this Resolution.

PASSED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF SIERRA VISTA, ARIZONA, THIS 24th DAY OF JUNE 2021.



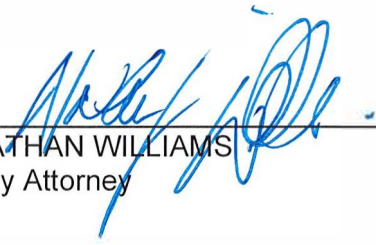
FREDERICK W. MUELLER
Mayor

ATTEST:



JILL ADAMS
City Clerk

APPROVED AS TO FORM:



NATHAN WILLIAMS
City Attorney

PREPARED BY:
DAVID J. FELIX, CPA
Chief Financial Officer

Exhibit A
Proposed Sewer Connection Fees

<u>Water meter size (inches)</u>	<u>Type of Meter</u>	<u>Rate (Current)</u>	<u>1-Oct-21</u>	<u>1-Jul-22</u>	<u>1-Jul-23</u>
0.75	Displacement	\$ 2,400.00	2,880.00	3,456.00	4,147.00
1.00	Displacement	\$ 3,913.00	4,696.00	5,635.00	6,762.00
1.50	Displacement	\$ 7,375.00	8,850.00	10,620.00	12,744.00
2.00	Displacement/Compound	\$ 11,649.00	13,979.00	16,775.00	20,130.00
3.00	Compound	\$ 24,022.00	28,826.00	34,591.00	41,509.00
3.00	Turbine	\$ 26,104.00	31,325.00	37,590.00	45,108.00
4.00	Compound	\$ 36,976.00	44,371.00	53,245.00	63,894.00
4.00	Turbine	\$ 44,554.00	53,465.00	64,158.00	76,990.00
6.00	Compound	\$ 71,612.00	85,934.00	103,121.00	123,745.00
6.00	Turbine	\$ 89,331.00	107,197.00	128,636.00	154,363.00
8.00	Compound	\$ 115,558.00	138,670.00	166,404.00	199,685.00
8.00	Turbine	\$ 130,328.00	156,394.00	187,673.00	225,208.00

Sewer Fund Cash Flow Projections

With 20% per year increase in connection fees

	2020	2021	2022	2023
<u>Increase (Decrease) In Cash and Cash Equivalents</u>				
Cash flows from operating activities:				
Cash received from customers	\$ 3,647,779	\$ 3,647,779	\$ 3,647,779	\$ 3,647,779
Cash paid to suppliers for goods and services	(1,284,278)	(1,284,278)	(1,284,278)	(1,284,278)
Cash payments to employees for services	(1,506,497)	(1,506,497)	(1,506,497)	(1,506,497)
Other operating revenues	102,542	102,542	102,542	102,542
Net cash provided by (used for) operating activities	959,546	959,546	959,546	959,546
Cash flows from noncapital financing activities:				
Transfers			-	-
Change in intrafund borrowing	122,679	122,679	122,679	122,679
Net cash provided by (used for) financing activities	122,679	122,679	122,679	122,679
Cash flows from capital and related financing activities:				
Interest paid on equipment contracts and bonds	(94,609)	(94,609)	(94,609)	(94,609)
Acquisition of capital assets	(466,687)	(466,687)	(466,687)	(466,687)
Sale of capital assets			-	-
Principal paid on equipment contracts and bonds	(855,262)	(855,262)	(855,262)	(855,262)
Connection fees	323,837	388,604	466,325	559,590
Net cash provided by (used for) capital and related financing activities	(1,092,721)	(1,027,954)	(950,233)	(856,968)
Cash flows from investing activities:				
Investment income	10,496	10,496	10,496	10,496
Net cash provided by investing activities	10,496	10,496	10,496	10,496
Net increase (decrease) in cash and cash equivalents	-	64,767	142,488	235,753
Cash and cash equivalents, July 1		-	64,767	207,255
Cash and cash equivalents, June 30	\$ -	\$ 64,767	\$ 207,255	\$ 443,008