

RESOLUTION 2026-6-1

**CHERRY CREEK VILLAGE WATER DISTRICT
ARAPAHOE COUNTY, COLORADO**

A RESOLUTION ADOPTING AND IMPOSING A DROUGHT SURCHARGE

WHEREAS, pursuant to Section 32-1-1001(1)(j)(I), C.R.S., the Board of Directors (“Board”) of the Cherry Creek Village Water District (“District”) has the authority to fix and from time to time increase or decrease rates, fees, tolls, penalties, or charges for services, programs, or facilities furnished by the District; and

WHEREAS, the District operates a water distribution system (“System”) that was initially constructed in the 1960’s; and

WHEREAS, the District purchases the water that it distributes to its customers from the City and County of Denver, acting by and through its Board of Water Commissioners (“Denver Water”); and

WHEREAS, this year the weather has been warmer and drier than normal and the snowpack in Denver Water’s watersheds is well below normal; and

WHEREAS, on March 25, 2026 Denver Water declared a State 1 Drought and imposed mandatory water use restrictions with the expectation that demand will be reduced by 20%; and

WHEREAS, on April 8, 2026 Denver Water imposed a temporary drought surcharge on all Denver Water customers effective for bills dated June 1, 2026 through April 30, 2027 or until further action by Denver Water; and

WHEREAS, the surcharge imposed upon the District is \$1.65 on all water consumed in excess of the District’s average winter water consumption and is expected to increase the District’s cost of purchasing water from Denver Water by approximately \$600,000 for the balance of 2026; and

WHEREAS, to obtain the necessary revenue to pay the Denver Water drought surcharge, the District must impose a similar temporary drought surcharge on each of its customers.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Cherry Creek Village Water District, Arapahoe County, Colorado that:

Section 1. Drought Surcharge. Based upon the foregoing recitals and pursuant to the authority conferred upon the Board by law, the Board adopts drought pricing as follows, effective for bills dated June 1, 2026 (May consumption) through April 30, 2027 or until further action by the Board:

Customer Category	Usage in Gallons	Surcharge
<u>Residential</u> Baseline 3,000	0 – 3,000	No Surcharge
	3,001 – 18,000	\$ 1.65
	18,000 and up	\$ 2.50
<u>Commercial and Irrigation</u> Baseline will be individually determined based upon Customer’s average winter consumption during the months of January, February and March	0 – Baseline	No Surcharge
	First 15,000 Over Baseline	\$ 1.65
	Second 15,000 Over Baseline	\$ 2.50

Section 2. Surcharge in Addition to Regular Rates. The surcharge is in addition to the District’s normal and customary water usage rates and base charge.

Section 3. Surcharge Temporary. The drought surcharge is temporary and will be terminated at such time as mandatory water use restrictions and Denver Water’s drought surcharge are no longer in effect or until April 30,2027, unless terminated sooner.

Section 4. Interpretation. The District reserves the right to interpret and change or rescind the terms and provisions of this resolution at any time, as well as the right to determine the meaning, purpose and effect of any terms or provisions set forth herein.

Section 5. Modification. The District reserves the right to adopt, amend or rescind this resolution or any particular provision thereof at any time and for any reason.

Section 6. Severability. If any part or provision of this resolution is adjudged to be unenforceable or invalid, such judgment shall not affect, impair or invalidate the remaining provisions of this resolution, it being the Board’s intention that the various provisions hereof are severable.

Section 7. Repeal. All other acts orders or resolutions or parts thereof of the District’s Board of Directors which are inconsistent or in conflict with this resolution are hereby repealed to the extent of such inconsistency or conflict.

Section 8. Effective Date. Unless otherwise stated, the provisions of this resolution shall take effect as of May 1, 2026.

ADOPTED on the 14th day of April, 2026, and EXECUTED this 9th day of June, 2026.

CHERRY CREEK VILLAGE WATER
DISTRICT

By: _____
Dale Heider, Vice-President

Attest:

Charlie MacKean, Secretary