

ORDINANCE NO. 27 - 2013

AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA, REGARDING THE IMPLEMENTATION OF NEW RATES AND CHARGES FOR WATER UTILITY SERVICES.

WHEREAS, the City of Valparaiso, Indiana (the "City"), owns and operates a municipal water system (the "Waterworks") through the Department of Waterworks ("Department"), which is governed by its Board of Directors ("Board"), and collects rates and charges for the water utility services supplied by the Department; and

WHEREAS, the City has previously removed the Waterworks from the jurisdiction of the Indiana Utility Regulatory Commission; and

WHEREAS, it is now necessary to increase rates in order to generate revenue sufficient to meet the Waterworks annual operation and maintenance requirement to fund principal and interest payments on outstanding and proposed bond issues and to generate funds necessary for normal capital improvements; and

WHEREAS, a study of the revenue requirements of the Waterworks under Indiana Code 8-1.5 has been performed by H. J. Umbaugh & Associates, the rate analyst and financial advisor to the Waterworks, which study has indicated that the revised schedule of rates and charges delineated in Exhibit A attached hereto and made a part hereof is necessary to ensure reasonable and just rates and charges for the services of the Waterworks under Indiana Code 8-1.5; and

WHEREAS, the Board, pursuant to a resolution adopted on October 22, 2013 has recommended to the Common Council that this Ordinance be adopted and the rates and charges for the Waterworks utility services charged by the Department provided in Exhibit A hereto be established for the users of the Waterworks; and

WHEREAS, the Common Council now desires to revise the rates and charges for the Waterworks utility services charged by the Department as Provided in Exhibit A;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA, AS FOLLOWS:

1. The revised schedule of rates and charges for the Waterworks utility services charged by the Department attached as Exhibit A hereto is hereby approved and shall go into effect on the first full billing period occurring subsequent to the final adoption of this Ordinance.
 - a. General Service Rates shall be applicable for all users who do not qualify for Large Service Rates.
 - b. Large Service Rates shall be applicable for all users that on an average day purchase water in excess of 350,000 gallons per day.
2. This Ordinance shall be effective upon its passage by the Common Council and approval by the Mayor of the City, in accordance with procedures as required by law.

PASSED AND ADOPTED by a 6-0 vote by the Common Council of the City of Valparaiso, Indiana this 25th day of November, 2013.

COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA

Bob Taylor
Bob Taylor

Tim Daly
Tim Daly

Joey Larr
Joey Larr

Michael Baird
Michael Baird

John Bowker
John Bowker

absent
Deb Butterfield

Jan Dick
Jan Dick

ATTEST:

Sharon E. Swihart
Sharon E. Swihart, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso on the 25th day of November, 2013, at 8:00 o'clock P.m.

Sharon E. Swihart
Sharon E. Swihart, Clerk-Treasurer

This Ordinance approved and signed by me on the 25th day of Nov, 2013.

Jonathon Costas
Jonathon Costas, Mayor

EXHIBIT A

Schedule of Rates and Charges – General Service

Phase I – Effective January 1, 2014:

Metered Rates and Charges

<u>Consumption per Month</u>	<u>Rate per 100 Cubic Feet</u>
First 2,000 cubic feet	\$ 2.79
Next 8,000 cubic feet	2.26
Over 10,000 cubic feet	1.77

Monthly Service Charge (Including Public Fire Protection Charge)

<u>Meter Size</u>	<u>Customer Service Charge</u>	<u>Public Fire Protection</u>	<u>Total Monthly Service Charge</u>
5/8"	\$ 7.81	\$ 3.44	\$ 11.25
3/4"	7.81	3.44	11.25
1"	9.73	8.82	18.55
1 1/2"	13.66	19.64	33.30
2"	19.16	34.94	54.10
3"	34.94	78.61	113.55
4"	57.03	139.77	196.80
5"	104.88	272.27	377.15
6"	120.04	314.26	434.30
8"	208.34	558.86	767.20
10"	321.84	873.11	1,194.95

Monthly Minimum Charge per Customer

<u>Meter Size</u>	<u>Cubic Feet Allowed</u>	<u>Minimum Charge</u>
5/8"	300	\$ 19.62
3/4"	300	19.62
1"	800	40.87
1 1/2"	1,700	80.73
2"	3,000	132.50
3"	6,800	277.83
4"	12,200	472.34
5"	23,700	856.24
6"	27,400	978.88
8"	48,600	1,687.02
10"	76,000	2,599.75

Private Fire Protection Charge – Automatic Sprinkler System

<u>Size of Connection</u>	<u>Annual Service Charge</u>
2"	\$ 76.65
3"	174.20
4"	306.65
5"	606.30
6"	696.85
8"	1,240.45
10"	1,937.30

EXHIBIT A

(Cont.)

Schedule of Rates and Charges – Large Service

Phase I – Effective January 1, 2014:

Metered Rates and Charges

<u>Consumption per Month</u>	<u>Rate per</u> <u>100 Cubic Feet</u>	<u>Rate per</u> <u>1,000 Gallons</u>
For all consumption	\$ 2.08	\$ 2.78

EXHIBIT A

(Cont.)

Schedule of Rates and Charges – General Service

Phase II – Effective July 1, 2014:

Metered Rates and Charges

<u>Consumption per Month</u>	<u>Rate per 100 Cubic Feet</u>
First 2,000 cubic feet	\$ 3.09
Next 8,000 cubic feet	2.50
Over 10,000 cubic feet	1.96

Monthly Service Charge (Including Public Fire Protection Charge)

<u>Meter Size</u>	<u>Customer Service Charge</u>	<u>Public Fire Protection</u>	<u>Total Monthly Service Charge</u>
5/8"	\$ 8.65	\$ 3.80	\$ 12.45
3/4"	8.65	3.80	12.45
1"	10.78	9.77	20.55
1 1/2"	15.13	21.77	36.90
2"	21.22	38.68	59.90
3"	38.70	87.05	125.75
4"	63.16	154.79	217.95
5"	116.15	301.55	417.70
6"	132.94	348.06	481.00
8"	230.74	618.96	849.70
10"	356.44	966.96	1,323.40

Monthly Minimum Charge per Customer

<u>Meter Size</u>	<u>Cubic Feet Allowed</u>	<u>Minimum Charge</u>
5/8"	300	\$ 21.72
3/4"	300	21.72
1"	800	45.27
1 1/2"	1,700	89.43
2"	3,000	146.70
3"	6,800	307.55
4"	12,200	522.87
5"	23,700	948.02
6"	27,400	1,083.84
8"	48,600	1,868.06
10"	76,000	2,878.80

Private Fire Protection Charge – Automatic Sprinkler System

<u>Size of Connection</u>	<u>Annual Service Charge</u>
2"	\$ 84.90
3"	192.95
4"	339.60
5"	671.50
6"	771.75
8"	1,373.80
10"	2,145.55

EXHIBIT A

(Cont.)

Schedule of Rates and Charges – Large Service

Phase II – Effective July 1, 2014:

Metered Rates and Charges

<u>Consumption per Month</u>	<u>Rate per</u> <u>100 Cubic Feet</u>	<u>Rate per</u> <u>1,000 Gallons</u>
For all consumption	\$ 2.08	\$ 2.78

EXHIBIT A

(Cont.)

Schedule of Rates and Charges – General Service

Phase II – Effective January 1, 2016:

Metered Rates and Charges

<u>Consumption per Month</u>	<u>Rate per 100 Cubic Feet</u>
First 2,000 cubic feet	\$ 3.18
Next 8,000 cubic feet	2.57
Over 10,000 cubic feet	2.01

Monthly Service Charge (Including Public Fire Protection Charge)

<u>Meter Size</u>	<u>Customer Service Charge</u>	<u>Public Fire Protection</u>	<u>Total Monthly Service Charge</u>
5/8"	\$ 8.89	\$ 3.91	\$ 12.80
3/4"	8.89	3.91	12.80
1"	11.08	10.02	21.10
1 1/2"	15.55	22.40	37.95
2"	21.81	39.74	61.55
3"	39.78	89.47	129.25
4"	64.92	159.13	224.05
5"	119.39	309.96	429.35
6"	136.65	357.75	494.40
8"	237.18	636.22	873.40
10"	366.38	993.92	1,360.30

Monthly Minimum Charge per Customer

<u>Meter Size</u>	<u>Cubic Feet Allowed</u>	<u>Minimum Charge</u>
5/8"	300	\$ 22.34
3/4"	300	22.34
1"	800	46.54
1 1/2"	1,700	92.01
2"	3,000	150.85
3"	6,800	316.21
4"	12,200	537.47
5"	23,700	973.92
6"	27,400	1,113.34
8"	48,600	1,918.46
10"	76,000	2,956.10

Private Fire Protection Charge – Automatic Sprinkler System

<u>Size of Connection</u>	<u>Annual Service Charge</u>
2"	\$ 87.25
3"	198.35
4"	349.05
5"	690.25
6"	793.30
8"	1,412.15
10"	2,205.40

EXHIBIT A

(Cont.)

Schedule of Rates and Charges – Large Service

Phase III – Effective January 1, 2016:

Metered Rates and Charges

<u>Consumption per Month</u>	<u>Rate per</u> <u>100 Cubic Feet</u>	<u>Rate per</u> <u>1,000 Gallons</u>
For all consumption	\$ 2.08	\$ 2.78