

**PASSED 12-14-09 BY A 6-1 VOTE (TAYLOR NO)
ORDINANCE NO. 35 - 2009**

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 “Water Works”) through the Valparaiso City Utilities Department of Water Works (“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 Water Works from the jurisdiction of the Indiana Utility Regulatory Commission; and

WHEREAS, the Board has found that certain improvements and extensions to the Water Works are necessary for the protection of the public health and welfare of the Water Works district of the City and the safeguarding of property within such district and are of public utility and benefit (collectively, the “Project”); and

WHEREAS, a study of the revenue requirement of the Water Works under Indiana Code 8-1.5 has been performed by H. J. Umbaugh & Associates, the rate analyst and financial advisor to the Water Works, which study has indicated that the revised schedule of rate 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 Water Works under Indiana Code 8-1.5, taking into consideration the proposed improvements and extensions to the Water Works constituting the Project and the anticipated debt service with respect to the bonds to be issued to provide funds to finance a portion of the Project; and

WHEREAS, the Board, pursuant to a resolution adopted on November 10, 2009, has recommended to the Common Council that this Ordinance be adopted and the rates and charges for the Water Works utility services charged by the Department provided in Exhibit A hereto be established for the users of the Water Works; and

WHEREAS, the Common Council now determines that proper notice has been given as required by Indiana Code 8-1.5-3-8.1, and that a public hearing on the proposed revised schedule of rates and charges was held on _____, 2009; and

WHEREAS, the Common Council now desires to revise the rates and charges for the Water Works 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 Water Works 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.
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 _____ vote by the Common Council of the City of Valparaiso, Indiana, this _____ day of _____, 2009.

COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA

Bob Taylor

John Bowker

Al Eisenmenger

Jan Dick

Joey Larr

Art Elwood

Kelly Ward

ATTEST:

Sharon E. Swihart, Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso on the _____ day of _____, 2009, at _____ o'clock __.m.

Sharon E. Swihart, Clerk-Treasurer

This Ordinance approved and signed by me on the _____ day of _____, 2009.

Jonathon Costas, Mayor

EXHIBIT A
REVISED SCHEDULE OF RATES AND CHARGES FOR THE
WATER WORKS OF THE CITY OF VALPARAISO, INDIANA

Phase I – Effective January 1, 2010:
Metered Rates and Charges

<u>Consumption Per Month</u>		<u>Rate Per 100 Cubic Feet</u>
First	2,000 Cubic Feet	\$ 2.13
Next	8,000 Cubic Feet	1.73
Over	10,000 Cubic Feet	1.35

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"	\$ 5.96	\$ 2.63	\$ 8.59
3/4"	5.96	2.63	8.59
1"	7.43	6.72	14.15
1 1/2"	10.43	15.01	25.44
2"	14.63	26.65	41.28
3"	26.67	60.01	86.68
4"	43.53	106.67	150.20
5"	80.05	207.82	287.87
6"	91.63	239.88	331.51
8"	159.03	426.58	585.61
10"	245.66	666.46	912.12

Monthly Minimum Charge Per Customer

<u>Meter Size</u>	<u>Cubic Feet Allowed</u>	<u>Minimum Charge</u>
5/8"	300	\$ 14.97
3/4"	300	14.97
1"	800	31.17
1 1/2"	1,700	61.61
2"	3,000	101.07
3"	6,800	212.03
4"	12,200	360.35
5"	23,700	652.75
6"	27,400	746.18
8"	48,600	1,285.53
10"	76,000	1,980.70

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Private Fire Protection Charge – Automatic Sprinkler System

<u>Size of Connection</u>	<u>Annual Service Charge</u>
2"	\$ 58.50
3"	132.97
4"	234.05
5"	462.77
6"	531.92
8"	946.82
10"	1,478.74

Additional Charges:

Service Fee:	\$ 30.00
Overtime Fee:	\$ 75.00
NSF Fee:	\$ 40.00

Phase II – Effective January 1, 2011:
Metered Rates and Charges

<u>Consumption Per Month</u>		<u>Rate Per 100 Cubic Feet</u>
First	2,000 Cubic Feet	\$ 2.34
Next	8,000 Cubic Feet	1.90
Over	10,000 Cubic Feet	1.49

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"	\$ 6.56	\$ 2.89	\$ 9.45
3/4"	6.56	2.89	9.45
1"	8.17	7.39	15.56
1 1/2"	11.47	16.51	27.98
2"	16.09	29.32	45.41
3"	29.34	66.01	95.35
4"	47.88	117.34	165.22
5"	88.06	228.60	316.66
6"	100.79	263.87	364.66
8"	174.93	469.24	644.17
10"	270.23	733.11	1,003.34

Monthly Minimum Charge Per Customer

<u>Meter Size</u>	<u>Cubic Feet Allowed</u>	<u>Minimum Charge</u>
5/8"	300	\$ 16.47
3/4"	300	16.47
1"	800	34.29
1 1/2"	1,700	67.77
2"	3,000	111.18
3"	6,800	233.23
4"	12,200	396.39
5"	23,700	718.03
6"	27,400	820.80
8"	48,600	1,414.08
10"	76,000	2,178.77

Private Fire Protection Charge – Automatic Sprinkler System

<u>Size of Connection</u>	<u>Annual Service Charge</u>
2"	\$ 64.35
3"	146.27
4"	257.46
5"	509.05
6"	585.11
8"	1,041.50
10"	1,626.61

