

Action Item # 2 – Ordinance – Wastewater Rate Adjustment Ordinance 08-39

This Wastewater Rate Ordinance is being proposed to the Westfield City Council to establish a just and reasonable fee within the City of Westfield, Indiana. The Public Works Department, under the jurisdiction of the City Council owns and operates the wastewater utility and implements the ordinances ordained by the City Council.

This wastewater rate ordinance is designed to recover and pay the cost of rendering wastewater services to the users of the wastewater system. This wastewater user rate is established so as to maintain adequate fund reserves to provide for reasonably expected variations in the cost of providing services, to meet bond and payment obligations for the collections and treatment of wastewater, and to meet the compliance requirements codes for wastewater operations within the State of Indiana, as well as variation in the demand for services.

These rates shall be evaluated annually as to its sufficiency to satisfy the budgetary needs of the City's wastewater utility.

As part of this wastewater rate ordinance, the City will require that Any existing or new customers rendering services after December 31, 2008, that have a history of poor credit ratings either with the City of Westfield Public Works Department or have a documented poor credit rating, shall deposit an amount not to exceed an amount equal to 3 monthly wastewater bills based on 5000 gallons usage. Administration of Customer Account Deposits will be administered pursuant to IC 39-9-23-28.

Public Hearing Notices will be mailed to all wastewater customers that will be assessed the rates and charges inside and outside of the City's jurisdictional boundary, which are located within the Public Works service area 10 days prior to the public hearing per state statute. Additionally, a Public Notice of the hearing on such rates and charges shall be published per state statute 10 days prior to the public hearing in the newspaper.

Timeline for Implementation of Ordinance 08-39

The following is the time line as established by Indiana Code for the implementation of Wastewater Rates and Charges:

- August 11, 2008 - Introduce Ordinance to Town Council
- August 25, 2008 - Notice of Public Hearing must be received by newspaper for publication.
- August 29, 2008 - Notice of Public Hearing must be published in the Noblesville Ledger and Noblesville Times.
- August 29, 2008 - Notices mailed to all wastewater customers inside and outside of the City's jurisdictional boundary which are located within the Public Works service area.
- September 8, 2008 – City Council holds a public hearing on the wastewater rate adjustment, Ordinance No. 08-39.
- September 13, 2008 – Objection period expires.
- January 1, 2009 – Wastewater rate adjustment billing begins for services rendered after December 31, 2008

WASTEWATER RATE ADJUSTMENT as defined in the proposed Ordinance 08-39

Section 2.a. North Service Area Residential Customers. For those residential customers located in the areas identified on the attached service area map as the North Service Area, the rates and charges shall as follows:

Monthly Rate for all metered north service area customers:

	<u>2009</u>	<u>Effective January 1st</u> <u>2010</u>	<u>2011</u>
Monthly Minimum Bills for all Customers using the following gallon minimums	\$25.49 3000 gal. min.	\$31.30 4000 gal. min.	\$37.10 5000 gal. min.
Treatment Rate per 1,000 gallons for monthly utilization in excess of 5,000 gallons (Cost per 1,000 gal.)	\$4.79 (/1000)	\$4.93 (/1000)	\$5.08 (/1000)
Maximum monthly rate for metered Customers based on 10,000 gallons	\$59.02	\$60.88	\$62.50
Monthly Rate for unmetered Residential Users (computed based on 10,000 gallons per month)	\$59.02	\$60.88	\$62.50

Section 2.b. South Service Area Residential Customers. For those residential customers located in areas identified on the attached service area map as the South Service Area, the rates and charges shall be as follows:

Monthly Rate for all metered south service area customers:

	<u>2009</u>	<u>Effective January 1st</u> <u>2010</u>	<u>2011</u>
Minimum Bills based on 5000 gallon minimum	\$35.07 5000 gal. min.	\$36.23 5000 gal. min.	\$37.10 5000 gal. min.
Treatment Rate per 1,000 gallons for monthly utilization in excess of 5,000 gallons (Cost per 1,000 gal.)	\$4.79 (/1000)	\$4.93 (/1000)	\$5.08 (/1000)
Maximum monthly rate for metered Customers based on 10,000 gallons	\$59.02	\$60.88	\$62.50
Monthly Rate for unmetered Residential Users (computed based on 7,000 gallons per month)	\$59.02	\$60.88	\$62.50

Section 2.c. Commercial Sewage Rate. For all customers served by the waste water utility who are not residential users, rates and charges shall be as follows:

Monthly Rate for all metered north and south service area non-residential customers:

	<u>2009</u>	<u>Effective January 1st</u> <u>2010</u>	<u>2011</u>
Minimum Bills for first gallon minimum	\$35.07 5000 gal. min.	\$36.23 5000 gal. min.	\$37.10 5000 gal. min.
Treatment Rate per 1,000 gallons for monthly utilization in excess of <u>5,000</u> gallons (Cost per 1,000 gal.)	\$4.79 (/1000)	\$4.93 (/1000)	\$5.08 (/1000)

Section 3. Customer Account Deposit.

Any existing or new customers rendering services after December 31, 2008, that have a history of poor credit ratings either with the City of Westfield Public Works Department or have a documented poor credit rating, shall deposit an amount not to exceed an amount equal to 3 monthly wastewater bills based on 5000 gallons usage. Administration of Customer Account Deposits will be administered pursuant to IC 39-9-23-28.

Section 4. Other Charges.

All customers shall be subject to the following charges:

	<u>2009</u>	<u>Effective January 1st</u> <u>2010</u>	<u>2011</u>
Reconnection Charge	\$22.00	\$23.00	\$24.00
Check Charge	\$25.00	\$26.00	\$27.00
Administrative Account Charge Fee for customers choosing to change information on their account.	\$17.00	\$18.00	\$19.00

Therefore, the Westfield Public Works Department will present Ordinance 08-39 for a Second Reading and Public Hearing on September 8, 2008