

ORDINANCE NO. _____

**AN ORDINANCE AMENDING ORDINANCE NO. 5620, ENTITLED
"AN ORDINANCE AMENDING ORDINANCE NO. 4978 ... ESTABLISHING RATES
AND CHARGES FOR THE USE OF AND SERVICES RENDERED BY THE
WATER UTILITY OF THE CITY OF ELKHART, INDIANA "
AND ORDINANCE 4978, BY REPLACING APPENDIX A AND APPENDIX B**

WHEREAS, the City of Elkhart, Indiana ("City") owns, operates and maintains a municipal water utility system (the "Utility") to provide safe drinking water for the benefit of the citizens of Elkhart; and

WHEREAS, the Common Council of the City ("Council") adopted Ordinance No. 4978 establishing rates, charges and nonrecurring charges for the water and services rendered by the Utility, some provisions of which Ordinance No. 4978 were subsequently amended by the Council with the adoption of Ordinance No. 5620; and

WHEREAS, the Administration has reviewed the financial requirements of the Utility and determined that the current rates and charges of the Utility are insufficient to fund: (i) current and future operating and maintenance expenses, (ii) equipment expenses, (iii) debt service payments, (iv) payments in lieu of taxes, and (v) capital improvements; and

WHEREAS, the Common Council has considered the Rate and Financing Report, dated October 18, 2023, prepared by Baker Tilly Municipal Advisors, LLC (the "Rate and Financing Report") and all other relevant information pertaining to this matter, and has determined that an increase in rates and charges is necessary and proper; and

WHEREAS, on November 21, 2023, the Board of Public Works (“Board”) adopted Resolution No. 23-R-26, wherein the Board recommends that the Council authorize and approve an increase in the rates and charges of the Utility to generate sufficient additional revenues to fund ongoing and future expenditures of the Utility, and that the Council replace Appendix A and Appendix B of Ordinance Nos. 4978 and 5620; and

WHEREAS, the Council should adopt the findings made by the Board as its recommendations are necessary and reasonable and are in the best interests of the residents of the City by ensuring that the water rates are generating sufficient revenues for the Utility to maintain its operations.

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

Section 1. The recurring rates and charges set out in Appendix A, attached hereto and made a part hereof, and non-recurring charges set out in Appendix B, attached hereto and made a part hereof, are hereby adopted and established as the rates and charges for the use of and the services rendered by the Water Utility System of the City of Elkhart, Indiana.

Section 2. All ordinances and parts of ordinances in conflict with this Ordinance are repealed upon this Ordinance becoming effective as set forth herein.

Section 3. This Ordinance shall be in effect from and after its passage by the Common Council, approval by the Mayor, approval by the Indiana Utility Regulatory Commission and legal publication.

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APPENDIX A

Schedule of Rates and Charges for the City of Elkhart Water Utility

(A) *Monthly metered rates.* Each customer shall be charged the following rates based upon the use of water supplied by the Water Utility.

<i>Rates per 1000 gallons</i>			
	<i>Rates effective as of:</i>		
	<i>1-1-25</i>	<i>1-1-26</i>	<i>1-1-27</i>
First 29,900 gallons	\$2.614	\$2.719	\$2.801
Next 553,500 gallons	\$2.014	\$2.095	\$2.158
Next 508,600 gallons	\$1.608	\$1.672	\$1.722
Over 1,092,000 gallons	\$1.360	\$1.414	\$1.456
<i>Rates per 100 cubic feet</i>			
	<i>Rates effective as of:</i>		
	<i>1-1-25</i>	<i>1-1-26</i>	<i>1-1-27</i>
First 4,000 cubic feet	\$1.96	\$2.04	\$2.10
Next 74,000 cubic feet	\$1.50	\$1.56	\$1.61
Next 68,000 cubic feet	\$1.21	\$1.26	\$1.30
Over 146,000 cubic feet	\$1.02	\$1.06	\$1.09

(B) *Service charge.* Each user is subject to the following service charge per month which is added to the volume charge in excess of a minimum use.

<i>Meter size (inches)</i>	<i>Monthly charge effective as of:</i>		
	<i>1-1-25</i>	<i>1-1-26</i>	<i>1-1-27</i>
5/8	\$3.02	\$3.14	\$3.23
3/4	\$3.31	\$3.44	\$3.54
1	\$4.06	\$4.22	\$4.35
1-1/2	\$6.18	\$6.43	\$6.62
2	\$9.13	\$9.50	\$9.79
3	\$17.57	\$18.27	\$18.82
4	\$29.43	\$30.61	\$31.53
6	\$63.23	\$65.76	\$67.73
8	\$110.56	\$114.98	\$118.43

(C) *Minimum charge.* Each user shall pay a minimum charge according to the following meter size for which the user will be entitled to the quantity of water shown for each month. This charge includes the monthly service charge listed in division (B) of this section.

<i>Meter Size (inches)</i>	<i>Water Allowance</i>		<i>Monthly charge effective as of:</i>		
	<i>Cubic feet</i>	<i>Gallons</i>	<i>1-1-25</i>	<i>1-1-26</i>	<i>1-1-27</i>
5/8	400	3,000	\$10.86	\$11.30	\$11.63
3/4	600	4,500	\$15.07	\$15.68	\$16.14
1	1,000	7,500	\$23.67	\$24.61	\$25.36
1-1/2	2,000	15,000	\$45.39	\$47.22	\$48.64
2	3,200	23,900	\$71.60	\$74.48	\$76.73
3	6,000	44,900	\$125.94	\$130.99	\$134.94
4	10,000	74,800	\$198.02	\$205.97	\$212.17
6	20,000	149,600	\$382.46	\$397.83	\$409.79
8	32,000	239,400	\$610.65	\$635.18	\$654.28

(D) *Municipal and public fire hydrants.*

(1) Each user shall pay a charge according to the following meter size as shown below.

<i>Meter Size (inches)</i>	<i>Annual charge effective as of:</i>			<i>Monthly charge effective as of:</i>		
	<i>1-1-25</i>	<i>1-1-26</i>	<i>1-1-27</i>	<i>1-1-25</i>	<i>1-1-26</i>	<i>1-1-27</i>
5/8	\$44.40	\$46.20	\$47.64	\$3.70	\$3.85	\$3.97
3/4	\$48.72	\$50.64	\$52.20	\$4.06	\$4.22	\$4.35
1	\$62.04	\$64.56	\$66.48	\$5.17	\$5.38	\$5.54
1-1/4	\$70.92	\$73.80	\$75.96	\$5.91	\$6.15	\$6.33
1-1/2	\$79.92	\$83.16	\$85.68	\$6.66	\$6.93	\$7.14
2	\$128.64	\$133.80	\$137.76	\$10.72	\$11.15	\$11.48
3	\$487.68	\$507.24	\$522.48	\$40.64	\$42.27	\$43.54
4	\$621.00	\$645.84	\$665.16	\$51.75	\$53.82	\$55.43
6	\$931.32	\$968.52	\$997.56	\$77.61	\$80.71	\$83.13
8	\$1,286.04	\$1,337.52	\$1,377.60	\$107.17	\$111.46	\$114.80

(2) Private fire hydrants - per hydrant:

<i>Annual charge effective as of:</i>			<i>Monthly charge effective as of:</i>		
<i>1-1-25</i>	<i>1-1-26</i>	<i>1-1-27</i>	<i>1-1-25</i>	<i>1-1-26</i>	<i>1-1-27</i>
\$452.16	\$470.28	\$484.44	\$37.68	\$39.19	\$40.37

(E) *Private fire protection service (automatic sprinkler system):*

<i>Line Size (inches)</i>	<i>Annual charge effective as of:</i>			<i>Monthly charge effective as of:</i>		
	<i>1-1-25</i>	<i>1-1-26</i>	<i>1-1-25</i>	<i>1-1-26</i>	<i>1-1-25</i>	<i>1-1-26</i>
2	\$49.80	\$51.84	\$53.40	\$4.15	\$4.32	\$4.45
4	\$203.28	\$211.44	\$217.80	\$16.94	\$17.62	\$18.15
6	\$452.16	\$470.28	\$484.44	\$37.68	\$39.19	\$40.37
8	\$804.96	\$837.12	\$862.20	\$67.08	\$69.76	\$71.85
10	\$1,257.24	\$1307.52	\$1,346.76	\$104.77	\$108.96	\$112.23
12	\$1,808.88	\$1,881.24	\$1,937.64	\$150.74	\$156.77	\$161.47

(F) *Temporary users.* Water furnished to temporary users, such as contractors, shall be charged on the basis of the metered rates as metered or estimated by the utility manager.

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APPENDIX B

Schedule of Nonrecurring Charges for the City of Elkhart Water Utility

<i>Schedule of Nonrecurring Charges</i>	
Insufficient payment charge	\$15.00
Recording/release of water liens Liens are for assessment and tap contracts only	\$63.00
Hourly rate, minimum 1 hour ¹	\$38.00
After hours service call, minimum	\$114.00
Visit to reconnect service (turned off for cause)	\$38.00
Bacteriological analysis	\$40.00
Fill swimming pool	\$165.00
Permanent disconnection permit	\$250.00
New customer deposit	\$54.30
Meter testing (5/8" - 1")	\$76.00
Damaged or lost meters	At cost
3" Fire hydrant meter and backflow deposit	\$3,500.00
Fire hydrant use, metered fee	See metered rates
Fire hydrant use, unmetered water fee	\$76.65/per hour
<p><i>Fee for illegal use of hydrant:</i> The fee for illegal use of hydrant will be \$900, plus recovery of charges for the amount of water stolen. Stolen water charges will be calculated using the utility's approved metered rates and charges. The amount of water stolen will be estimated by the utility's superintendent on a per incident basis. This fee does not eliminate any criminal liability associated with the theft of the water.</p>	
<p><i>Repair</i> Time and materials</p> <ul style="list-style-type: none"> - Labor will be charged at \$38.00/hour during regular hours and \$57.00/hour for overtime. - Materials will be charged according to materials bid plus 20% handling fee. - Equipment will be charged according to established equipment charges. 	
<i>Tap fees</i>	
Up to and including 1"	\$1,100.00
For taps greater than 1"	Actual cost

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So ORDAINED this _____ day of _____, _____.

Arvis Dawson
President of the Common Council

ATTEST:

Debra D. Barrett, City Clerk

PRESENTED to the Mayor by me this _____ day of _____, _____, at
_____ a.m./p.m.

Debra D. Barrett, City Clerk

Approved by me this _____ day of _____, _____.

Rod Roberson, Mayor

ATTEST:

Debra D. Barrett, City Clerk