

ORDINANCE NO. 2018-10

AN ORDINANCE OF THE CITY OF AUBURN, INDIANA
ADOPTING A NEW SCHEDULE OF
RATES AND CHARGES FOR SERVICES RENDERED
BY THE AUBURN MUNICIPAL WATER DEPARTMENT

BASED ON THE APPROVAL OF THE INDIANA UTILITY
REGULATORY COMMISSION

SUMMARY

This Ordinance authorizes a 43.75% increase in the water rates for the City of Auburn, Indiana based on the approval and Order of the State of Indiana Utility Regulatory Commission in the Matter of the Petition of the City of Auburn, Indiana by Its Municipally-Owned Water Utility for Approval of a New Schedule of Rates and Charges for Water Service and Authority to Issue Waterworks Revenue Bonds for the purpose of providing funds to pay the cost of certain additions, extensions and improvements to the municipal waterworks of the City. Said rates are herein now adopted based on the approval Cause No. 44985, which was approved by the Indiana Utility Regulatory Commission on April 18, 2018. The rates and this Ordinance shall be published in a newspaper of daily circulation in DeKalb County, be available on the City of Auburn website at www.ci.auburn.in.us and be made available for inspection at the office of the Clerk-Treasurer at 210 E. 9th Street, Auburn, Indiana, during regular business hours.

_____ Recorder's Office	<u>5/17 & 5/24/18</u> Publish Public Hearing
_____ Auditor's Office	<u>6/5/2018 @ 6:00PM</u> _____
_____ Clerk's Office	_____ Publish O/R after Adoption
_____ Other	
_____ Auburn Internet Code Site	

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IT IS HEREBY ESTABLISHED AND ORDAINED by the Common Council of the City of Auburn, Indiana, that:

WHEREAS, the City of Auburn, Indiana, owns and operates a municipal water utility known as the Auburn Municipal Water Department (the "Utility") for the purpose of providing water service to residential, commercial and industrial customers within the City of Auburn, Indiana and contiguous areas in DeKalb County; and

WHEREAS, the Utility's existing rates and charges for services were placed into effect on January 1, 2000 following (i) the Indiana Utility Regulatory Commission's ("Commission") approval thereof in Cause No. 41414 on September 22, 1999, and (ii) adoption of an Ordinance by the Common Council of the City of Auburn; and

WHEREAS, the Board of Public Works of the City of Auburn, Indiana, adopted a Resolution on August 24, 2017, which: (i) approved a new schedule of rates and charges for water service provided by the Utility for customers located within and outside the City based upon a study of the Utility's revenue requirements under Ind. Code § 8-1.5-3-8, and (ii) recommended said rates and charges to the Common Council for its review and approval; and

WHEREAS, the City of Auburn passed **Ordinance 2017-09** requesting an increase in the Auburn water rates in the amount of fifty percent (50%). Said Ordinance passed on **September 5, 2017**, subject to the approval of the Indiana Utility Regulatory Commission.

First Reading: 05/15/2018
Second Reading: 06/05/2018

WHEREAS, the City of Auburn, Indiana, filed a petition with the Indiana Utility Regulatory Commission requesting an increase in the water rates of the City of Auburn consistent with **Ordinance 2017-09** and said matter was docketed under **Cause No. 44985**; and

WHEREAS, the City of Auburn, Indiana, received an Order from the Indiana Utility Regulatory Commission on **April 18, 2018, under Cause No. 44985** authorizing an increase in the water rates in the City of Auburn by 43.75%; and

WHEREAS, a new schedule of rates and charges which reflects “reasonable and just rates and charges for services” within the meaning of Ind. Code § 8-1.5-3-8 and for the issuance of bonds to fund proposed projects and future capital improvements in accordance with Ind. Code § 8-1.5-2-19 has now been ordered and approved; and

WHEREAS, the Common Council of the City of Auburn in accordance with the Commission Order of April 18, 2018, in IURC Cause No. 44985 now reaffirms and finds as follows: (i) the existing water rates and charges do not produce an income sufficient to maintain the utility property in a sound physical and financial condition to render adequate and efficient service; (ii) the Utility’s existing rates and charges do not produce revenues sufficient to provide for all the legal and other necessary expenses incident to the operation of the Utility and, therefore, such current rates and charges are not “reasonable and just charges” within the meaning of Ind. Code § 8-1.5-3-8 and need to be increased; and (iii) the proposed rates and charges attached hereto as Exhibit “A” for customers located within and outside the City are designed so that they are nondiscriminatory, “reasonable and just charges” for services within the meaning of Code § 8-1.5-3-8.

First Reading: 05/15/2018
Second Reading: 06/05/2018

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF AUBURN, INDIANA, THAT:

Section 1. The schedule of rates and charges attached hereto as Exhibit "A" is hereby adopted as and for the rates and charges to be utilized by Auburn Municipal Water Department when charging customers for water service, effective as set forth below.

Section 2. All Ordinances and parts of Ordinances in conflict herewith are hereby repealed; provided, however, that the Utility's existing schedule of water rates and charges shall remain in full force and effect until the schedule of rates and charges fixed by this Ordinance are fully implemented by the City of Auburn.

Section 3. This Ordinance shall be in full force and effect from and after its passage and publication. Said rates shall be implemented as soon as practical upon passage.

Adopted and passed by the Common Council of the City of Auburn, Indiana, this 5 day of June, 2018.

Councilman James Finchum

ATTEST:

Patricia M. Miller, Auburn Clerk-Treasurer

Presented by me to the Mayor of the City of Auburn, Indiana, this 5 day of June, 2018.

PATRICIA M. MILLER, Auburn Clerk-Treasurer

Issued Pursuant to
Cause No. 44985
Effective
April 18, 2018
Indiana Utility Regulatory Commission
Water and Wastewater Division

AUBURN MUNICIPAL WATER UTILITIES
Auburn, Indiana

EFFECTIVE
April 18, 2018
Indiana Utility Regulatory Commission

Schedule of Rates and Charges
Approved By the Indiana Utility Regulatory Commission
Cause No. 44985, Commission Order Dated April 18 2018

The following rates and charges shall be applied for services rendered by the Waterworks system of the City of Auburn:

(a) Monthly Metered Rates per 1,000 gallons applicable to Residential, Commercial, Industrial and Institutional Meter Classes.

<u>Monthly Usage</u>		<u>Rate per 1,000 gallons</u>
First	15,000 gallons	\$ 3.58
Next	185,000 gallons	3.48
Next	300,000 gallons	3.31
Over	500,000 gallons	2.83

(b) Monthly Service Charge in Addition to Monthly Meter Rates applicable to Residential, Commercial, Industrial and Institutional Meter Classes.

<u>Meter Size</u>		<u>Charge</u>
5/8 - 3/4	inch meter	\$ 4.51
1	inch meter	8.84
1 1/2	inch meter	17.70
2	inch meter	30.12
3	inch meter	65.56
4	inch meter	115.19
6	inch meter	257.00
8	inch meter	455.52
10	inch meter	710.76
12	inch meter	1,022.72

(c) Monthly Fire Protection Surcharge in Addition to Monthly Meter Rates and Service Charge applicable to Residential, Commercial, Industrial and Institutional Meter Classes.

<u>Meter Size</u>		<u>Charge</u>
5/8 - 3/4	inch meter	\$ 9.66
1	inch meter	24.73
1 1/2	inch meter	55.65
2	inch meter	98.91
3	inch meter	222.57
4	inch meter	395.67
6	inch meter	890.27
8	inch meter	1,582.69
10	inch meter	2,472.95
12	inch meter	3,561.08

(d) Private Fire Hydrants (Annual Rate) \$ 1,093.68

(e) Private Sprinklers-per Annum-per Connection

<u>Connection Size</u>		<u>Charge</u>
2	inch connection	\$ 121.44
3	inch connection	273.36
4	inch connection	486.00
6	inch connection	1,093.68
8	inch connection	1,944.24
10	inch connection	3,038.16
12	inch connection	4,374.60

(f) Miscellaneous

Public Drinking Fountain per Annum	\$	100.32
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(g) Water Meter Set Fee

The following charge applies when all necessary connection parts except for the utility provided meter is installed.

<u>Meter Size</u>		<u>Charge</u>
3\4	inch meter	\$ 75.00
1	inch meter	75.00

All meters will be charged at actual cost for the following: meter with remote, meter yoke, transportation and labor.

(h) Water Service Attachments

All applications for service attachments to the water distribution for the purpose of introducing water into any premise, as well as applications for the use of water, must be made at the Department of Building, Planning and Development Office by the owner of the premise into which water is proposed to be introduced. The application shall be upon forms prescribed by the Department and signed by the applicant or his authorized agent.

The applicant shall pay in advance the following water tap charges, which shall include a corporation stop, curb stop, service box, copper tubing, backhoe, operator service and labor:

<u>Tap Size</u>	<u>Short Run Rate</u>	<u>Long Run Rate</u>
3\4	\$ 738.45	\$ 1,649.00
1	810.43	1,719.71
1 1\2	1,032.00	1,995.00
2	1,311.00	2,275.00
4	1,549.00	N/A
6	1,719.00	N/A
8	2,281.00	N/A
10	3,455.00	N/A
12	4,385.00	N/A

* In addition, the customer will pay to the utility the actual cost of the meter.

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Effective
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EFFECTIVE
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(i) Non-Recurring Charges

The following non-recurring charges shall be made for the transaction and/or services as specifically set forth:

Remote Installation Charge	\$	27.80
Frozen Meter Installation Charge		100.00*

*In addition, the customer will pay to the utility the actual cost of the meter.

(j) Temporary User

Water furnished to temporary users, such as contractors, etc..., shall be charged on the basis of the above gallonage rates as estimated by the Waterworks Superintendent. When a meter is installed for such purposes, the regular water rates and service charges shall apply and the temporary user shall pay for the installation and removal of the meter.

(k) Collection and Deferred Payment Charges

All bills for water services not paid within seventeen (17) days from the due date thereof, as stated in such bills, shall be subject to a collection or deferred payment charge of 10% on the first \$3.00 and 3% on the excess over \$3.00.