

ORDINANCE NUMBER 2020-1

THIS ORDINANCE SETS FORTH THE SCHEDULE OF WATER CHARGES FOR THE RESIDENTS AND USERS LOCATED WITHIN THE SERVICE AREA OF BORDEN TRI-COUNTY REGIONAL WATER DISTRICT ("DISTRICT")

WHEREAS, the Board of Trustees of the District (hereinafter "Board") has previously adopted a schedule of charges which has from time to time been amended; and,

WHEREAS, Indiana Code § 13-26-11-8 requires the Board, by ordinance, to establish just and equitable rates or charges for the use of and the service provided by the works; and,

WHEREAS, the Board now determined that proper notice has been duly given as required by Indiana Code § 13-26-11-12, and that a public hearing on the proposed revised schedule of rates and charges was held on the 20th day of October, 2020; and,

WHEREAS, Indiana Code § 13-26-11-9(a) provides that just and equitable rates and charges are those that (1) produce sufficient revenue to pay all expenses incident to the operation of the works, including maintenance cost, operating charges, upkeep, repairs, and interest charges on bonds or other obligations; (2) produce sufficient revenue to provide the sinking fund for the liquidation of bonds or other evidence of indebtedness and reserves against default in the payment of interest and principal of bonds; (3) produce sufficient revenue to provide adequate money to be used as working capital, as well as money for making improvements, additions, extensions, and replacements; and (4) give due consideration to the interests of the ratepayers; and;

WHEREAS, Indiana Code § 13-26-11-9(b) provides that rates and charges too low to meet the financial requirements described in the immediately preceding paragraph are unlawful. The initial rates and charges established after notice and hearing under Indiana Code 13-26 are *prima facie* just and equitable; and

WHEREAS, Indiana Code § 13-26-11-4 provides that the rates and charges for service of a water, sewer, or solid waste disposal or recovery system do not have to be uniform throughout the district for all users. The board may exercise reasonable discretion in: (1) adopting different schedules of rates and charges; or (2) making classifications in schedules of rates and charges: (A) based upon variations in the costs of furnishing the services, including expenditures required, to various classes of users or to various locations in district; or (B) where there are variations in the number of users in various locations in the district.

WHEREAS, the District purchases approximately 70% of its water from Indiana American Water Company, and Indiana American Water Company has increased its rates by more than 8% in 2019 and 2020, without corresponding increases by the District.

WHEREAS, the District's treatment plant produces approximately 30% of the water distributed to its customers. Maintenance and upgrading facilities and infrastructure to meet new requirements mandated by state regulations have resulted in higher costs associated with filtering, testing, and treatment of the water produced by the District.

WHEREAS, recent improvements undertaken by the District to meet the demands of its customers have included: installing larger water mains, adding new fire and flush hydrants, and updating pumping facilities.

WHEREAS, as a result of the increase in the rates charged by Indiana American Water Company, and to adhere to water quality guidelines, to meet demand for customer water use, and to budget for capital improvements, the District's rates should be increased.

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE BORDEN TRI-COUNTY REGIONAL WATER DISTRICT:

1. The Rate Schedule for services provided by the District is amended, to the following:

PREVIOUS RATE SCHEDULE					
	Gallons	Rate Block Price per 1000 gallons	Total Gallons	Current Rate	Total
				Per Rate Block	With Tax
First	2,000 (minimum)	\$9.27	2,000	\$18.54	\$19.84
Next	8,000	\$7.59	10,000	\$79.26	\$84.81
Next	20,000	\$6.97	30,000	\$218.66	\$233.97
Next	70,000	\$6.32	100,000	\$661.06	\$707.33
Over	100,000	\$5.69			
January 1, 2021 Rate Schedule 8% Increase Results					
	Gallons	Rate Block Price per 1000 gallons	Total Gallons	Current Rate	Total
First	2,000 (minimum)	\$10.01	2,000	\$20.02	\$21.42
Next	8,000	\$8.20	10,000	\$85.62	\$91.61
Next	20,000	\$7.53	30,000	\$236.22	\$252.75
Next	70,000	\$6.83	100,000	\$714.32	\$764.32
Over	100,000	\$6.15			

2. This Ordinance shall be in full force and effect from and after its passage and adoption, and the new rates and charges shall go into

effect, on January 1, 2021. Except as hereby amended and revised, the rate schedule and charges, as amended, and any and all preceding ordinances amended thereby, shall remain in full force and effect.

Duly passed and adopted this 20 day of October, 2020.

	FOR	AGAINST	ABSTAINED
 _____ John Hagest, President	<input checked="" type="checkbox"/>	_____	_____
 _____ John Eurtion, Member	<input checked="" type="checkbox"/>	_____	_____
_____ Ruth Sparks, Member	_____	_____	_____
 _____ Les Wright, Member	<input checked="" type="checkbox"/>	_____	_____
 _____ Rick Koetter, Member	<input checked="" type="checkbox"/>	_____	_____
 _____ Steve Burnett, Member	<input checked="" type="checkbox"/>	_____	_____
 _____ Rudy Cook, Member	<input checked="" type="checkbox"/>	_____	_____
 _____ Tom Hein, Member	<input checked="" type="checkbox"/>	_____	_____
 _____ Glenn Smith, Member	<input checked="" type="checkbox"/>	_____	_____