ORDINANCE 16-08

TO AMEND TITLE 9
OF THE BLOOMINGTON MUNICIPAL CODE ENTITLED "WATER"
(Rate Adjustment)

WHEREAS, the City of Bloomington, Indiana ("City") owns and operates a waterworks system, through its Utilities Service Board, pursuant to IC 8-1.5-2 and IC 8-1.5-3, as amended ("Act"), which waterworks system is subject to the jurisdiction of the Indiana Utility Regulatory commission ("Commission"); and,

WHEREAS, the current rates and charges of the waterworks system of the City were established by Order of the Commission in Cause No. 43939 on the 2nd Day of March, 2011; and,

WHEREAS, the City, through its Utilities Service Board, recommends necessary construction of additions and improvements to the waterworks, including maintaining and improving water quality, replacement and rehabilitation of water mains, tanks, booster stations and hydrants; and,

WHEREAS, the City, through its Utilities Service Board, determined that it will be necessary to finance said additions and improvements through the issuance of bonds and, if necessary, bond anticipation notes; and,

WHEREAS, the City, through its Utilities Service Board, engaged Crowe Horwath, LLP to study the revenue requirements for the waterworks system pursuant to the provisions of the Act; and,

WHEREAS, Crowe Horwath, LLP studied the revenue requirements of the waterworks system pursuant to the provisions of the Act and determined that the waterworks system annual operating revenues from water service do not produce sufficient revenues to meet the requirements of the Act and that said revenues need to be increased to provide income sufficient to pay the debt service on the proposed financing of the additions and improvements to the waterworks and otherwise provide for the revenue requirements set forth in the Act, specifically IC 8-1.5-3-8; and,

WHEREAS, the City, through its Utilities Service Board, upon consideration of the study prepared by Crowe Horwath, LLP, recommends that the Common Council approve a 22% increase in the rates and charges of the waterworks; and,

WHEREAS, based upon the aforementioned study, and the recommendations of the Utility Service Board, the Common Council of the City finds that the rates and charges of the waterworks system of the City should be increased as set forth herein and take effect at such time as may be determined in an upcoming proceeding before the Indiana Utility Regulatory Commission, so as to produce sufficient revenues to meet the requirements of the Act; and,

WHEREAS, the Common Council of the City finds that the rates and charges set forth herein are nondiscriminatory, reasonable and just and are based upon the cost of providing service to the customers of the waterworks system of the City;

NOW, THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF BLOOMINGTON, MONROE COUNTY, INDIANA, THAT:

SECTION 1. Section 9.08.010 of the City Code of Bloomington ("Code"), entitled "Monthly rates generally" is hereby amended and restated as follows:

9.08.010 Monthly rates generally.

The following rates and charges are established for the use of and service rendered by the water utility of the city. The schedule of rates and charges for the use of the water utility as set forth in this chapter reflects the rates and charges of the water utility as adopted by ordinance of the common Council of the City and may not necessarily reflect the actual rates and charges of the water utility, which are subject to the approval of the Indiana Utility Regulatory commission ("Commission"). The actual rates and charges of the water utility as approved by the Commission are set forth in the most recent tariff of the water utility on file with the Commission and the Clerk of the City and open for public inspection. Appropriate Indiana Sales Tax will also apply to billings for customers that are not tax-exempt. Each customer will pay a monthly charge according to the following schedule:

Monthly Usage Charge Applicable to Residential, Commercial, Governmental, Interdepartmental, Industrial, Indiana University – Master Metered, Indiana University – Non-Master Metered, and Irrigation Classes.

Category	Rate Per 1,000 gallons
Residential	3.79
Commercial, Governmental, Interdepartmental	3.21
Industrial	2.96
Indiana University – Master Metered	2.40
Indiana University – Non-Master Metered	3.21
Irrigation	3.48

Monthly Service Charge, in Addition to Monthly Usage for the Customer Categories Listed Above.

Meter Size	Charge	Meter Size	Charge
5/8"	5.99	3"	61.52
¾"	7.99	4"	101.17
1"	10.76	6"	200.31
1 ½"	18.69	8"	299.45
2"	26.62	10"	398.57

Monthly Surcharges for Fire Protection Service for the customer categories listed above (excluding Indiana University – Master Metered).

Meter Size	Charge Inside City	Outside City	Meter Size	Charge Inside City	Outside City
5/8"	1.99	3.33	3"	34.78	58.43
¾"	2.98	5.01	4"	59.62	100.13
1"	4.97	8.36	6"	124.24	208.61
1 ½"	9.94	16.68	8"	178.90	300.38
2"	15.90	26.72	10"	288.21	483.96

The monthly Fire Protection Charge for Indiana University – Master Metered accounts as a group shall be $1,823.45.

SECTION 2. Section 9.08.020 of the Code, entitled "Contract sales for resale" is hereby amended and restated as follows:

9.08.020 Contract sales for resale.

The rate for contract sales for resale shall be $2.43 per one thousand gallons.

Monthly Service Charge in Addition to Monthly Usage Charge.

Meter Size	Charge	Meter Size	Charge
5/8"	5.99	3"	61.52
¾"	7.99	4"	101.17
1"	10.76	6"	200.31
1 ½"	18.69	8"	299.45
2"	26.62	10"	398.57

SECTION 3. Section 9.08.040 of the Code, entitled "Private fire connections per connection" is hereby amended and restated as follows:

9.08.040 Private fire connections per connection.

Line Size	Monthly	Annually
4 inch line or smaller	10.02	120.19
6 inch line	27.84	334.08
8 inch line	57.06	684.71
10 inch line	99.93	1,199.16
12 inch line	157.55	1,890.61

SECTION 4. All ordinances and parts of ordinances in conflict herewith are hereby repealed; provided, however, that the existing rates and charges of the waterworks system of the City shall remain in full force and effect until the rates and charges fixed by this ordinance shall be approved by order of the Commission and the tariff reflecting said approved rates and charges shall have been filed with and approved by the Commission.

SECTION 5. In the event the rates and charges of the waterworks system approved by the Commission shall differ from the rates and charges set forth herein, the Common Council hereby approves said rates and charges as adjusted by the Commission without further action of the Common Council. The rates and charges of the waterworks system of the City as reflected in the tariff filed with and approved by the Commission shall be filed with the Clerk of the City and be open for public inspection.

SECTION 6. If any section, sentence, or provision of this ordinance or the application thereof to any person or circumstance shall be declared invalid, such invalidity shall not affect any of the other parts of this ordinance which can be given effect without the invalid part, and to this end the provisions of this ordinance are declared to be severable.

SECTION 7. This ordinance shall be in full force and effect from and after its passage by the Common Council of the City and approval of the Mayor.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 12th day of July, 2016.

ANDY RUFF, President
Bloomington Common Council

ATTEST:

NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 13th day of July, 2016.

NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 13th day of July, 2016.

JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This ordinance amends the rates and charges in Title 9 of the Bloomington Municipal Code, entitled "Water", to reflect increased costs of supplying water and services to customers, and to make debt service payments on bond financing for required capital improvements.