ORDINANCE 17-40

TO AMEND TITLE 9
OF THE BLOOMINGTON MUNICIPAL CODE ENTITLED "WATER"
(Non-Recurring 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, *et seq.*, and acts amendatory thereof and supplemental thereto ("Act"), which waterworks system is subject to the jurisdiction of the Indiana Utility Regulatory commission ("Commission"); and,

WHEREAS, the current miscellaneous and non-recurring rates and charges of the waterworks system of the City were approved by Order of the Commission under Cause No. 43939 on the 2nd Day of March, 2011; and

WHEREAS, some of the miscellaneous and non-recurring rates and charges approved by the Commission under Cause No. 43939 on the 2nd Day of March, 2011, have yet to be reflected by ordinance; and

WHEREAS, the City, through its Utilities Service Board, engaged Crowe Horwath LLP to study certain miscellaneous and non-recurring charges of the waterworks system; and

WHEREAS, Crowe Horwath LLP prepared a report concerning certain miscellaneous and non-recurring charges of the waterworks system (the "Report") and determined that the existing miscellaneous and non-recurring services are insufficient to cover the costs and expenses associated therewith and, with regards to future waterworks system expansion needs, devoid of any treatment in the City's ordinance; and

WHEREAS, the City, through its Utilities Service Board, adopted the findings of the Report on October 16, 2017, thereby finding that the existing charges to Utility customers for certain miscellaneous and non-recurring services are insufficient to cover the costs associated therewith and, with regards to eventual need for future expansion of the waterworks system, should adopt a system development charge; and

WHEREAS, the Utilities Service Board, on October 30, 2017, recommended by Resolution 2017-07 that the Common Council of the City of Bloomington approve an ordinance in substantially the same form as herein provided for the adjustment to miscellaneous and non-recurring charges of the waterworks system as identified below; and,

WHEREAS, based upon the aforementioned Report, and the recommendations of the Utility Service Board, the Common Council of the City of Bloomington finds that the miscellaneous and non-recurring 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 water works and will enable the City to meet its legal revenue requirements for future waterworks system expansion; and

WHEREAS, the Common Council of the City of Bloomington finds that said miscellaneous non-recurring charges for certain services provided to Water Utility Customers should be adjusted accordingly; and

WHEREAS, the Common Council of the City of Bloomington caused notice of a public hearing on the rates and charges set forth herein to be duly advertised and mailed, and conducted a public hearing thereon, all in accordance with the Act, and each rate payer was, and the public in general were, allowed the opportunity to provide testimony and comments regarding the proposed adjustments to these rate and charges which were considered by the Common Council.

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

SECTION 1. Chapter 9.04 of the City Code of Bloomington ("Code"), entitled "General Rules" is hereby amended by adding a new section, Section 9.04.035, which shall be included in the table of contents of this chapter and shall be stated as follows:

9.04.035 Unauthorized use of hydrants.

Persons using water from a fire hydrant without prior written authorization by the Utility shall be billed for up to eight hours usage at the maximum flow rate of the hydrant for each day that the hydrant was used.

SECTION 2. Section 9.04.050 of the City Code of Bloomington ("Code"), entitled "Extension of Water Mains" is hereby amended and restated as follows:

9.04.050 Extension of water mains.

(a) The extension of water mains and related facilities to residential areas shall be accomplished according to the Rules, Regulations and Standards of Service for the Water Utility.

(b) The extension of water mains and related facilities to apartment complexes, mobile home parks, and commercial and industrial additions shall be determined by the Utilities Service Board on an individual basis.

SECTION 3. Section 9.08.050 of the City Code of Bloomington ("Code"), entitled "Security deposit - Amount" is hereby amended and restated as follows:

9.08.050 Security deposit - amount.

(a) If a new applicant for residential water service fails to establish credit-worthiness according to criteria established by the Utilities Service Board, a security deposit not to exceed $39.00 may be required.

(b) If a present residential customer has been mailed disconnect notices for two consecutive months or any three months within the preceding twelve-month period or has had service disconnected because of nonpayment within the past four years, a security deposit not to exceed one-sixth of the expected annual billing for the customer at the address at which service is rendered may be required.

(c) If a business or commercial applicant for water service fails to establish credit-worthiness according to criteria established by the Utilities Service Board, a security deposit not to exceed one-sixth of the estimated annual cost of service may be required.

SECTION 4. Section 9.12.020 of the Code, entitled "Service call charge" is hereby amended and restated as follows:

9.12.020 Service call charge.

(a) A service charge shall be collected for all service calls involving turning service on and off except when an account is closed. A service charge shall be collected for all other service calls in excess of one free call per year, including calls involving rereading meters at a customer's request and inspection for leaks, but such charge shall not be collected if the call was necessitated by an error of the utility.

(b) The charge for all service calls during normal business hours shall be $45.00 per call and $171.00 during overtime hours.

SECTION 5. Section 9.12.030 of the Code, entitled "Service installation charge" is hereby amended and restated as follows:

9.12.030 Service installation charge.

(a) The charge for service installation shall be as follows:

(1) 5/8" to 1" connection with tap shall be $1,533.00.

(2) 5/8" to 1" connection without tap shall be $1,327.00.

(3) Greater than 1" connection shall be the cost of installation but shall not be less than that of a 5/8" to 1" installation.

SECTION 6. Section 9.12.040 of the Code, entitled "Meter Testing" is hereby amended and restated as follows:

9.12.040 Meter test charge.

The utility shall make a free test of the accuracy of a meter upon written request by a customer and a second free test may be requested twelve months subsequent to the first test. The fee for all meter tests requested within thirty-six months after the preceding test shall be $39.00 if the meter is found not to be at fault.

SECTION 7. Chapter 9.12 of the Code, entitled "Water Charges" is hereby amended by adding a new section, Section 9.12.070, which shall be included in the table of contents of this chapter and shall be stated as follows:

9.12.070 System Development Charge.

All new connections shall pay a one-time system development charge as follows:

Meter Size	Charge
5/8 or ¾"	$ 550.00
1"	$ 1,408.00
1½"	$ 3,168.00
2"	$ 5,632.00
3"	$ 12,672.00
4"	$ 22,528.00
6"	$ 50,688.00
8"	$ 90,112.00
10"	$ 140,800.00

SECTION 8. Chapter 9.12 of the Code, entitled "Water Charges" is hereby amended by adding a new section, Section 9.12.080, which shall be included in the table of contents of this chapter and shall be stated as follows:

9.12.080 Temporary Service Charge.

Customers receiving temporary service shall be charged a minimum of $10.00 per week plus a deposit equal to the cost of the meter and a charge for the water used.

SECTION 9. Chapter 9.12 of the Code, entitled "Water Charges" is hereby amended by adding a new section, Section 9.12.090, which shall be included in the table of contents for this chapter and shall be stated as follows:

9.12.090 Water Testing Charge.

All fees for water tests provided to any person by the Bloomington Water Utility shall be established by the Utilities Service Board and are subject to an annual review by said board.

SECTION 10. All ordinances and parts of ordinances in conflict herewith are hereby repealed; provided, however, that the existing miscellaneous and non-recurring rates and charges of the waterworks system of the City shall remain in full force and effect until the miscellaneous and non-recurring rates and charges fixed by this ordinance shall be approved by order of the Indiana Utility Regulatory Commission and the tariff reflecting said approved miscellaneous and non-recurring rates and charges shall have been filed with and approved by the Indiana Utility Regulatory Commission.

SECTION 11. In the event the miscellaneous and non-recurring rates and charges of the waterworks system approved by the Indiana Utility Regulatory Commission shall differ from the miscellaneous and non-recurring rates and charges set forth herein, the Common Council hereby approves said miscellaneous and non-recurring rates and charges as adjusted by the Indiana Utility Regulatory Commission without further action of the Common Council. The miscellaneous and non-recurring rates and charges of the waterworks system of the City as reflected in the tariff filed with and approved by the Indiana Utility Regulatory Commission shall be filed with the Clerk of the City and be open for public inspection.

SECTION 12. 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 13. 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; provided, however, that the existing miscellaneous and non-recurring rates and charges of the waterworks system of the City shall remain in full force and effect until the miscellaneous and non-recurring rates and charges fixed by this ordinance shall be approved by order of the Indiana Utility Regulatory Commission and the tariff reflecting said approved miscellaneous and non-recurring rates and charges shall have been filed with and approved by the Indiana Utility Regulatory Commission.

PASSED and ADOPTED by the Common Council of the City of Bloomington, Monroe County, Indiana, upon this 15th day of November, 2017.

Susan Sandberg

SUSAN SANDBERG, President
Bloomington Common Council

ATTEST:

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NICOLE BOLDEN, Clerk
City of Bloomington

PRESENTED by me to the Mayor of the City of Bloomington, Monroe County, Indiana, upon this 16th day of November, 2017.

NICOLE BOLDEN, Clerk
City of Bloomington

SIGNED and APPROVED by me upon this 16th day of November, 2017.

JOHN HAMILTON, Mayor
City of Bloomington

SYNOPSIS

This ordinance amends miscellaneous and non-recurring charges in Title 9 of the Bloomington Municipal Code, entitled "Water", to reflect increased costs of supplying certain water services to customers, and creates a system development charge to meet the need for necessary future expansion of the waterworks system.

Note: Section 3 of this ordinance was revised after distribution in the weekly Council Legislative Packet and before introduced at the Regular Session on November 1, 2017.

Distributed to: Mayor, Clerk, Council Administrator, Legal, Controller, Utilities, Utilities Service Board