

ORDINANCE NO. 14-05-17

AN ORDINANCE AMENDING THE SCHEDULE OF RATES
AND CHARGES COLLECTED BY THE CITY OF
NOBLESVILLE FROM OWNERS OF PROPERTY SERVED
BY THE SEWAGE WORKS OF THE CITY

WHEREAS, it is necessary to establish a revised schedule of rates and charges to produce sufficient revenue to pay expenses of maintenance and operations, and to provide funds for necessary replacements and improvements to the sewage works of the City of Noblesville ("Sewage Works") all in a manner in accordance with regulations of the United States Environmental Protection Agency, and to pay the principal and interest on existing and anticipated revenue bonds in accordance with the applicable bond ordinance; and

WHEREAS, the City of Noblesville ("City") Common Council on the 27th day of August, 1989, passed Ordinance No. 64A-8-89 ("1989 Ordinance") which established a schedule of rates and charges to be collected by the City from the owners of property served by the Sewage Works of the City; and

WHEREAS, Section 3 of the 1989 Ordinance, which detailed the actual rates to be charged to users of the City Sewage Works, has since been amended by Ordinance No. 8-2-01, passed on February 27, 2001; by Ordinance No. 37-8-07, passed on the 11th day of September, 2007; by Ordinance 47-09-08 passed on September 23, 2008; and by Ordinance No. 04-02-13, passed on the 26th day of February, 2013 (collectively, "Outstanding Rate Ordinance"); and

WHEREAS, the City's financial advisor has conducted a rate study and provided this Common Council with an Accounting Report ("Rate Study") dated May 9, 2017, which is attached hereto and incorporated herein; and

WHEREAS, the Rate Study fully analyzes the costs of operation of the Sewage Works including reasonable forecasts of the future operating costs and debt service requirements of the Sewage Works; and

WHEREAS, the City anticipates the issuance of sewage works revenue bonds to construct additions to the City's Sewage Works to comply with the federal mandates of the United States Environmental Protection Agency and the Indiana Department of Environmental Management including, but not limited to compliance with the terms of the City's National Pollutant Discharge Elimination System (NPDES) permit; and

WHEREAS, Section 3 of the Outstanding Rate Ordinance should be amended in order to fund all of the costs and expenses of the maintenance and operation of the Sewage Works and the payment of principal and interest on sewage works revenue bonds; and

WHEREAS, each parcel of real property and building connected to the City Sewage Works is benefited, not only by the amount of discharge from a dwelling or building being served by the City Sewage Works, but also by having the availability to discharge, and to continue to discharge, into the Sewage Works of the City; and

WHEREAS, Indiana Code 36-9-23-25(d)(1) authorizes the legislative body of a municipality to charge a flat charge for each sewage connection in the City under the presumption that there is substantial benefit to each parcel because of its ability to connect and discharge to the municipal wastewater system; and

WHEREAS, Indiana Code 36-9-23-25(d)(2) authorizes the City to charge a fee based on the amount of water used on the property, and Indiana Code 36-9-23-25(d)(3) authorizes charges based on the size of the water meter on the property; and

WHEREAS, the Common Council finds that it is fair and equitable to charge a flat charge for each single family residence within the City and for all single family duplexes ("Residential Parcels"), with separate meters; and

WHEREAS, the Common Council finds it is fair and equitable to charge all properties other than the Residential Parcels, a rate based on the amount of water used on the property, plus a rate based on the number and sizes of meters to the property;

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

Section 1. Section 3 of the Outstanding Rate Ordinance is amended as follows:

"Section 3. This Ordinance shall impose a monthly fee for the use and the services rendered by the sewage works rates and charges shall be collected from the owners of each and every lot, parcel of real estate or building that is connected with the City sewage system or otherwise discharges sanitary sewage, industrial wastes, water or other liquids, either directly or indirectly, into the sewage system of the City. Such rates and charges include user charges, debt service costs, excessive strength surcharges and other service charges, which rates and charges shall be payable as hereinafter provided and shall be in an amount determinable as follows:

- (a) There is hereby established a flat, monthly fee for each single family residence and residential duplexes with separate meters ("Residential Parcels") beginning on the following dates:

(1)	Beginning July 1, 2017	Beginning July 1, 2018	Beginning July 1, 2019
	\$39.00	\$40.36	\$41.78

(2) Any owner-occupant who is eligible for, and has filed:

- (i) A claim for an over age 65 deduction for property taxes pursuant to Indiana Code 6-1.1-12-9;
- (ii) A claim for a blind and disabled deduction for property taxes under Indiana Code 6-1.1-12-11; or
- (iii) A claim for a disabled veteran or surviving spouse deduction for property taxes pursuant to Indiana Code 6-1.1-12-13;

is eligible for a Ten Dollar (\$10.00) per month credit from the above amounts. A Residential Parcel may receive only one (1) credit even though the owner-occupant may be eligible under more than one statute.

- (iv) Any claims for the above credit filed prior to the date of this ordinance, shall continue to be in effect as long as the rate payer meets the criteria above;
- (v) Future claims must be filed with the Hamilton County Auditor and the property owner shall not be eligible for the credit until the first billing cycle after the claim is filed. Any owner-occupant who has filed a claim, but does not receive the credit on the wastewater bill, must file a file marked copy of the owners affidavit requesting one of the above deductions.

(3) The wastewater utility shall annually transfer an amount equal to the total amount of the credits ("Credit Amount") granted by this subsection into the operation and maintenance fund. The Credit Amount shall be paid from a "Credit Account" which shall be funded by interest earnings from utility funds.

(b) The schedule of rates for all other users of the City's Sewage Works shall be determined as follows:

The sewage rates and charges shall be based on the quantity of water used on or in the property or premises subject to such rates and charges, as the same is measured by the water meter there in use, plus a base charge based on the size of the water meter installed. For the purpose of billing and collecting the charges for the sewage service, the water meters shall be read monthly or based on the average monthly usage for the preceding seven months ending in May based on actual readings. These readings shall be averaged and the users shall be billed monthly (or period equaling a month). All new customers of the Wastewater Utility shall have service commenced at the monthly rate based on meter size plus the family residential rate. Upon receiving at least three (3) readings, new customer's rate shall be adjusted accordingly.

(c) The rates of all users of the Sewage Works not included in Section (a) above are as follows:

Meter Size	Monthly Base Rate		
	Beginning July 1, 2017	Beginning July 1, 2018	Beginning July 1, 2019
5/8 – 3/4 inch meter	\$13.80	\$14.28	\$14.78
1 inch meter	30.76	31.84	32.95
1 1/2 inch meter	68.22	70.60	73.08
2 inch meter	115.65	119.70	123.89
3 inch meter	262.87	272.07	281.59
4 inch meter	455.39	471.33	487.82
6 inch meter	1,032.76	1,068.91	1,106.32
PLUS a monthly Flow Charge (per 1,000 Gallons)	\$4.26	\$4.41	\$4.57

Unmetered Non-Residential Parcels shall be charged a rate to be determined by the City on an individual basis by applying the above metered rates to estimated usage and meter size.

(d) There is continued a surcharge rate for certain Excessive Strength Surcharges based on effluent strength as follows:

Excessive Strength Surcharges (Based on effluent strength)	Beginning July 1, 2017	Beginning July 1, 2018	Beginning July 1, 2019
	<u>Per Pound</u>	<u>Monthly Per Pound</u>	<u>Per Pound</u>
B.O.D. in excess of 300 mg/l	\$0.07	\$0.07	\$0.07
S.S. in excess of 350 mg/l	0.06	0.06	0.06
Phosphorus in excess of 15 mg/l	0.51	0.51	0.51

- (e) Upon receiving notice that the water meter has become active from any of the water companies currently serving customers in the City of Noblesville, billing shall commence immediately. In the event a new customer uses the sewer system prior to notification to the Utility, the Utility may bill the new user retroactively based upon either: the date a certificate of occupancy is issued for a new building or residence; for existing buildings, the date of transfer of the real estate based on the Deed recorded in the Office of the Hamilton County Recorder.
- (f) For the service rendered to the City of Noblesville said City shall be subject to the same rates and charges hereinabove provided, or to charges and rates established in harmony therewith
- (g) In order to recover the cost of monitoring industrial wastes, the City shall charge the user the actual costs of monitoring but no less than \$25.00 per sampling event. This charge will be reviewed on the same basis as all other rates and charges in the ordinance.
- (h) No adjustment to the monthly rate charged to Non-Residential Parcels shall be applied retroactively for more than three monthly billing cycles. Any appeal for an adjustment to the monthly rate more than three months prior to the request for an adjustment are deemed waived.

Section 2. All provisions of Section 3 of Ordinance No. 64A-8-89 and the provisions of any other ordinance in conflict with the terms of this ordinance are expressly repealed effective

upon completion of the City Wastewater billing cycle beginning July 1, 2017. However, nothing herein shall be construed to restrict or prohibit the City from collecting any lawful fee or charge imposed by any previous ordinance prior to July 1, 2017.

Section 3. The terms of this ordinance shall become effective for the first full billing period beginning in July of 2017.

ALL OF WHICH IS ORDAINED by the Common Council of the City of Noblesville, Indiana, this 23rd day of May, 2017.

AYE

NAY

[Signature] Brian Ayer _____

[Signature] Mark Boice _____

[Signature] Wil Hampton _____

[Signature] Christopher Jensen _____

[Signature] Roy Johnson _____

[Signature] Gregory P. O'Connor _____

[Signature] Mary Sue Rowland _____

[Signature] Rick L. Taylor _____

[Signature] Megan G. Wiles _____

Approved and signed by the Mayor of the City of Noblesville, Hamilton County, Indiana, this 23rd day of May, 2017.

[Signature]
John Ditsler, Mayor Steve Cooke, Deputy Mayor
City of Noblesville, Indiana

[Signature]
Evelyn L. Lees, Clerk
City of Noblesville, Indiana

