

ORDINANCE NO. 3765

AN ORDINANCE OF THE CITY OF NEW CASTLE, INDIANA
AMENDING SECTION 50.112 OF THE CITY'S CODE OF
ORDINANCES RELATING TO THE RATES AND CHARGES OF
THE SEWAGE WORKS OF THE CITY

WHEREAS, the City of New Castle, Indiana ("City") has established, acquired, and financed its sewage works pursuant to Indiana Code 36-9-23, as amended ("Act"), for the purpose of providing for the collection, treatment and disposal of sewage from inhabitants in and around the City; and

WHEREAS, H.J. Umbaugh & Associates, Certified Public Accountants, LLP, financial advisor to the City, has prepared a rate report concerning the current rates and charges of the sewage works ("Report"); and

WHEREAS, based upon the Report, the Common Council of the City ("Council") finds that the current rates and charges for the use of and service rendered by the sewage works do not produce sufficient revenues to pay all the legal and necessary expenses incident to the operation of such sewage works, including legal expenses, maintenance costs, operating charges, repairs, lease rentals and interest charges on bonds or other obligations of the sewage works, to provide a sinking fund for the liquidation of indebtedness, and to provide adequate funds to be used as working capital and funds for making extensions and replacements and to make payments in lieu of taxes; and

WHEREAS, based upon the Report, the Council finds that the current rates and charges of the sewage works as enacted by Ordinance No. 3698, adopted by the Council on July 7, 2014 ("Rate Ordinance") and as set forth in Section 50.112 of the City's Code of Ordinances ("City Code"), do not produce an income sufficient to maintain the sewage works property in a sound physical and financial condition to render adequate and efficient service; and

WHEREAS, the Council finds that the current rates and charges for the use of and service rendered by the sewage works must be increased in order to provide sufficient revenue to meet such requirements; and

WEREAS, the Council finds that the rates and charges of the sewage works should be increased in three phases as herein provided; and

WHEREAS, the Council finds that the rates and charges set forth herein are based upon the cost of providing service to the customers of the sewage works and will enable the City to meet its legal revenue requirements for the sewage works; and

WHEREAS, the Council has caused notice of a public hearing on the rates and charges set forth herein to be duly advertised and mailed, and has held a public hearing thereon, all pursuant to the Act;

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

Section 1. Section 50.112 of the City Code is hereby amended and restated to read as follows:

	Phase I	Phase II	Phase III
<u>I. Treatment Rate (per 100 cubic feet):</u>			
Class I - Residential	\$3.62	\$4.27	\$5.04
Class II - Commercial, Governmental, Institutional	3.35	3.95	4.66
Class III - Industrial	3.28	3.87	4.57
Plus:			
<u>II. Base Rate (all classes):</u>			
5/8 inch meter	\$22.45	\$26.50	\$31.30
3/4 inch meter	22.45	26.50	31.30
1 inch meter	55.85	65.90	77.85
1 1/4 inch meter	88.95	105.00	124.05
1 1/2 inch meter	129.00	152.25	179.85
2 inch meter	222.00	262.00	309.45
3 inch meter	510.00	601.80	710.75
4 inch meter	909.20	1,072.90	1,267.10
6 inch meter	2,039.65	2,406.80	2,842.45
8 inch meter	3,677.10	4,339.00	5,124.40

<u>III. Unmetered charge per month:</u>	\$89.50	\$105.61	\$124.73
<u>IV. Excessive Strength Surcharges (per pound):</u>			
Biochemical oxygen demand in excess of 200 mg/I	\$0.55	\$0.65	\$0.77
Suspended solids in excess of 250 mg/1	0.44	0.52	0.61
Phosphorus in excess of 10 mg/I	4.39	5.18	6.12
Oil and grease in excess of 100 mg/I	0.53	0.63	0.74
V. <u>After Hours Charge:</u> Minimum of \$40 and a maximum of \$200. The amount is determined by the cost of labor to the utility for the call.	\$40.00	\$40.00	\$40.00
<u>VI. Bad Check Charge:</u>	\$30.00	\$30.00	\$30.00
<u>VII. Collection Charge (bills not paid within two business days of due date):</u>			
First \$3.00	10%	10%	10%
Excess over \$3.00	3%	3%	3%
<u>VIII. Connection Charge:</u>	\$1,200.00	\$1,200.00	\$1,200.00
<u>IX. Reconnect Fee:</u>	\$25.00	\$25.00	\$25.00
<u>X. Septic Haulers and Travel Trailers:</u>			
Septic Haulers - per 100 gallons	\$9.44	\$11.14	\$13.16
Travel Trailers - flat fee			
1-100 gallons	9.44	11.14	13.16
101-200 gallons	18.88	22.28	26.32
201-300 gallons	28.32	33.42	39.48

Section 2. An additional charge shall be imposed for users of the City's sewage works located outside the corporate limits of the City in the amount of 14.5% of the billing, calculated by applying the 14.5% surcharge to each of the rates established in Section 1 above.

Section 3. All ordinances and parts of ordinances, including the Rate Ordinance, in conflict herewith are hereby repealed.

Section 4. 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 5. This ordinance shall be in full force and effect upon its passage by the Common Council of the City of New Castle, Henry County, Indiana, and approval of the Mayor.

Section 6. The Phase I rates and charges shall take effect immediately upon passage; the Phase II rates and charges shall take effect on January 1, 2018; and the Phase III rates and charges shall take effect on January 1, 2019.

PASSED AND ADOPTED by the Common Council of the City of New Castle, Henry County, Indiana, upon this _____ day of March, 2017.

COMMON COUNCIL OF THE CITY OF NEW
CASTLE, INDIANA

Presiding Officer

ATTEST:

Clerk-Treasurer

Presented by me to the Mayor of the City of New Castle, Indiana, this _____ day of March, 2017, at __:___.m.

Clerk-Treasurer

Signed and approved by me, the Mayor of the City of New Castle, Indiana, this _____ day of March, 2017, at __:___.m.

Mayor