MEDARYVILLE TOWN COUNCIL

ORDINANCE #2019-11-02

ESTABLISHING A NEW SCHEDULE OF WATER RATES AND CHARGES FOR THE TOWN OF MEDARYVILLE, INDIANA

WHEREAS, the waterworks system of the Town of Medaryville, Indiana is the owner of and operates a waterworks system furnishing water to said Town and its inhabitants; and

WHEREAS, the Town Council finds it necessary to establish rates and charges for the use of and service rendered by the waterworks of said Town to produce sufficient revenue to pay all of the necessary expenses incident to the operation of the utility, including operating and maintenance costs, upkeep, repairs, depreciation, legal expenses, interest charges on bonds and other obligations; to provide a sinking fund for the liquidation of bonds and other obligations; to provide a debt service reserve for bonds and other obligations; to provide adequate funds for working capital; to provide funds for making extensions and replacements; to provide funds for a reasonable return on the utility's plant, which the Town hereby elects to provide for; and to provide funds to transfer to the Town in lieu of taxes; and the existing rates and charges should be revised.

NOW THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF MEDARYVILLE, INDIANA:

SECTION 1. APPLYING FOR SERVICE. Upon applying for water service, the person occupying the property shall provide the utility with the name and contact information of the owner or manager of the property.

SECTION 2. <u>DEPOSIT</u>. The Town shall require a deposit to be made at the time of application for service to ensure payment of utility bills, including the service charge for garbage removal, by a customer. The deposit shall not exceed One Hundred Fifty Dollars (\$150.00) per applicant. The Town may require a present customer to make a deposit when the customer has received disconnect notices for two (2) months within the preceding twelve (12) month period, or when the service has been disconnected pursuant to rules for nonpayment or as otherwise provide by law. A deposit may be used by the Town to cover any unpaid balances following the disconnection of a utility service. In addition, the deposit may be used by the Town to cover any unpaid balances for garbage removal service(s). When service to the applicant is disconnected permanently, the deposit less any amount used to pay for such utility service or garbage removal service shall be refunded to the applicant.

SECTION 3. RATES AND CHARGES. That there shall be and there is hereby established for the use of and the service rendered by the waterworks system of the Town of Medaryville, Indiana, the following schedule of rates and charges, based on the use of water supplied by said waterworks system:

| (A) | Rates and Charges: | | Phase 1 Effective Insta | Phase 2 nter: Effective 1/1/20 | Phase 3 Effective 1/1/2022 |
|--|--------------------|------------|----------------------------|--------------------------------|----------------------------|
| Metered rate per 1,000 gallons | | | \$13.32 | \$13.59 | \$13.86 |
| Minimum charge per meter size Gallons Allowed | | | | | |
| 5/8 | inch meter | 3,000 | \$39.96 | \$40.77 | \$41.58 |
| 1 | inch meter | 7,500 | 99.90 | 101.93 | 103.95 |
| 1 1/4 | inch meter | 12,000 | 159.84 | 163.08 | 166.32 |
| 1 1/2 | inch meter | 15,000 | 199.80 | 203.85 | 207.90 |
| 2 | inch meter | 24,000 | 319.68 | 326.16 | 332.64 |
| 3 | inch meter | 45,000 | 599.40 | 611.55 | 623.70 |
| 4 | inch meter | 75,000 | 999.00 | 1,019.25 | 1,039.50 |
| 6 | inch meter | 150,000 | 1,998.00 | 2,038.50 | 2,079.00 |
| Fire Hydrant Rental- Per Hydrant (Per annum) Municipal \$ 952.38 \$1,268.69 \$1,294.06 | | | | | |
| Private | | \$1,243.81 | \$1,268.69 | \$1,294.06 | |

(B) <u>Tap Charge</u>. A tap charge shall be collected from each new customer, prior to connection to the water system in an amount equal to the cost of labor and material necessary for tapping the main and installation of service from the main to the curb stop and the cost of furnishing and installing a suitable water meter.

The charge for a 5/8 inch or 3/4 inch meter tap shall be \$500.00 plus the actual labor and material cost incurred. The charge for a 1 inch or larger meter shall be \$500.00 plus the actual labor and material costs incurred. In no event shall the charge for any connection be less than \$500.00.

- (C) Reconnection Charge. When the service is turned off for non-payment of bill, or whenever for any reason beyond the control of the waterworks a re-establishment of service is required by any one customer, a charge of \$50.00 will be made by the waterworks to cover the cost of discontinuance and reestablishment of the service. The charge, together with any current bill, any and all arrearages, and/or any fees (including but not limited to reconnection fee, tampering fee, damage fee, etc...) due the waterworks shall be paid by the customer before service will be reestablished.
- (D) Returned Check Charge. A returned check charge of Thirty Dollars (\$30.00) for each check not clearing a customer's bank account shall be assessed by the Town against the property owner's account.

If within a twelve (12) month period of time, a customer issues two (2) or more checks, which fail to clear a customer's bank account, the Town shall require the customer to make payments via cash, money order, or certified check, for the next twelve (12) months commencing on the date the second (2) check fails to clear the customer's bank account. The Town will not accept any future personal checks from the customer for the next twelve (12) months commencing on the date the second (2) check fails to clear the customer's bank account in order for the customer to reestablish an acceptable payment history.

- (E) <u>Collection of Deferred Payment Charge</u>. All bills for water service not paid by the 15th day of the month following receipt are hereby declared to be delinquent and a penalty of ten percent (10%) of the amount of the rates and charges shall thereupon attach hereto.
- (F) <u>Temporary Users</u>. Water furnished to temporary users, such as contractors, etc., shall be charged for on the basis of the above quantity rates as estimated by the waterworks Superintendent.

SECTION 4. <u>COLLECTION.</u> Such rates and charges shall be prepared, billed and collected by the Town in the manner provided by law and ordinance.

- (A) The rates and charges for all users shall be prepared and billed monthly.
- (B) Water service may be discontinued for nonpayment of water and/or sewer charges that have been due and unpaid for at least 36 days from the date the bill is mailed. Before water service is discontinued, written notice shall be provided to the water customer of the Town's intention to discontinue water if the unpaid charges are not paid within 10 days of the date specified in the notice. Such notice shall be sent to the property serviced unless other arrangements, in writing have been made with the Town. Water service, once discontinued, will not be re-established until such time as the current bill, any and all arrearages, any and all fees (including but not limited to reconnection fee, tampering fee, damage fee, etc...) owed by the customer are paid in full. By way of example, the bill for water services for March is billed on April 1. Pursuant to Section 2(i), a deferred payment charge would be applied on April 16. On or before April 21, notice would be provided of the scheduled disconnect for May 6, unless the customer's account is brought current.

SECTION 5. <u>METER TAMPERING.</u> A meter tamper charge of \$100.00 will be charged to the property owner if water service is turned on by any person other than an authorized person of the Town of Medaryville.

SECTION 6. DAMAGE TO WATER METERS.

- (A). It is necessary to establish an ordinance requiring that townspeople who are hooked up to the Town's water system cease and desist from damaging in any way the Town's water meters, and to provide funds for necessary replacement and repairs to any damaged or destroyed water meters done by any townspeople.
- (B). It shall be a violation for a property owner to cause a meter to misread, damage a meter in any way causing it to malfunction, destroy the meter or any parts thereon, and/or inhibit the working of said water meters.
- (C). The property owner shall be liable for all damages to the water meter and/or water meter parts, the costs of replacement for the water meter and/or water meter parts, labor to repair and/or replace water meter and/ or water meter parts, and all fines as further defined herein.

In addition to the damages assessed in Paragraph C immediately above, there shall be a One Hundred Dollar (\$100.00) fine assessed against anyone who violates the terms of this Ordinance for a first-time offense. For a second time offense, the fine shall be Two Hundred Dollars (\$200.00). For any offense thereafter, the fine shall be Five Hundred Dollars (\$500.00).

SECTION 7. RATES TO PROVIDE REASONABLE RETURN. That the rates herein approved shall provide for a reasonable return on the water utility plant of the Town and such other legal and necessary expenses as provided in I.C. 8-1.5-3-8.

SECTION 8. RATES IN LIEU OF PROPERTY TAXES. The Town Council hereby elects to pay the Town from the water rates and charges in lieu of property taxes as provided in I.C. 8-1.5-3-8.

SECTION 9. REPEAL OF PRIOR ORDINANCES. The following Ordinances are hereby repealed:

Ordinance No. 2008-07-01 entitled "An Ordinance of the Town Council of the Town of A.

Medaryville, Indiana Establishing A New Schedule of Water Rates and Charges for the Town;" Ordinance No. 2009-03-01 entitled "An Ordinance Amending Section 3(h) of Ordinance #2008-07-01 of B. the Town Council of the Town of Medaryville, Indiana Establishing a New Collection of Deferred Payment Charge for Water for the Town;" and

Ordinance No. 2019-08-01 entitled "Second Amendment to Ordinance No. 2008-07-01 to Reflect Recent C. Changes in State law (I.C 8-1.5-3-8) Prohibiting Collection of Rates, Charges, and Fees Assessed by Municipally Owned Utility When Property is Occupied by Someone Other than the Property Owner."

All Ordinances and parts of Ordinances in conflict herewith are hereby repealed. The Policy and Procedures for Water Consumer Collections- The Town of Medaryville adopted March 19, 2001, are incorporated except that any provision or part that is inconsistent with this Ordinance shall be rendered void. The Town specifically readopts and shall continue the requirement that any new account holder must complete, execute and provide to the Town, a Consumer Identification record, prior to water service being provided to the property.

SECTION 10. EFFECTIVE DATE OF ORDINANCE. This Ordinance shall be in full force and effect from and after its passage.

PASSED AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF MEDARYVILLE, INDIANA ON THE DAY OF NO VENTON 19.

Suzanna Wilcoxon, Vice President

Ray Saltsman, Member

ATTEST:

Judy Harwood, Town Clerk/Treasurer