

**TOWN OF POSEYVILLE INDIANA
ORDINANCE NO. 2022-06-28-01**

**AN ORDINANCE AMENDING ORDINANCE NO. 2020-10-13-02
AND 2014-02-12-01 OF THE TOWN OF POSEYVILLE, INDIANA,
ESTABLISHING A REVISED SCHEDULE OF RATES AND CHARGES
FOR THE USE OF AND SERVICES RENDERED BY THE WATERWORKS
SYSTEM OF THE TOWN AND OTHER MATTERS ASSOCIATED
THEREWITH**

WHEREAS, due to the repeal of the Utility Receipts Tax in HEA 1002-2022 by the General Assembly, the Town Council of the Town of Poseyville is hereby mandated to adjust its rates accordingly.

WHEREAS, the Town Council of the Town of Poseyville, Indiana (the "Town"), has heretofore constructed and acquired, and does now own and operate, a municipal waterworks system for the benefit of the customers of the Town (the "Water Utility"); and

WHEREAS, the Town removed its municipal water utility from the jurisdiction of the Indiana Utility Regulatory Commission for the approval of rates and charges and the issuance of stocks, bonds, notes, or other indebtedness, and any other applicable matters effective on November 6, 1979; and

WHEREAS, the Town Council of the Town has previously adopted on October 13, 2020, Ordinance Number 2020-10-13-02 and on February 12, 2014, Ordinance Number 2014-02-12-01 and on May 14, 2008, Ordinance No. 2008-05-14-02 (as so amended, collectively, the "Prior Ordinance"), which Ordinance provides for the rates and charges for the use of and services rendered by the Water Utility of the Town; and

WHEREAS, the Town is required under Ind. Code 8-1.5-3-8 to establish rates and charges that produce sufficient revenue to pay the following: (1) all legal and other necessary expenses incident to the operation of the utility, including, maintenance costs, operating charges, upkeep, repairs, depreciation, interest charges on bonds or other obligations, including leases, and costs associated with the acquisition of utility property; (2) provide a sinking fund for liquidation of bonds or other obligations, including leases; (3) provide a debt service reserve for bonds or other obligations, including leases; (4) provide adequate money for working capital; (5) provide adequate money for making extensions and replacements to the extent not

provided for through depreciation; (6) provide money for the payment of any taxes that may be assessed against the utility; and (7) a reasonable return on the utility plant of the municipality; and

WHEREAS, the Town Council finds that the Water Utility's current rates and charges will produce sufficient revenues to meet the requirements set forth above; and

WHEREAS, the Town Council finds that it is necessary to update the Water Utility's rates and charges; and

WHEREAS, the Town has caused a financial rate study of the Water Utility and its rates and charges (the "Study") to be prepared by Patrick Callahan establishing a recommended schedule of Water Utility rates and charges, and the Town Council has reviewed the Study; and

WHEREAS, the Town Council finds that the rates and charges, as recommended by the Study, and as set forth herein, are sufficient to meet the requirements set forth above and are based on the cost of providing service to the Water Utility's customers and should be implemented.

WHEREAS, the proposed revised rates and charges should be sufficient to pay all the legal and other necessary expenses incident to the operation of the utility; to provide a sinking fund for the liquidation of existing indebtedness to provide adequate money for working capital; to provide money for making extensions, replacements and capital improvements to the utility; to provide money for the payment of taxes that may be assessed against the utility, including taxes that would otherwise be due to the Town on the property were it privately owned; and to provide a reasonable return on the utility plant of the municipality; and

WHEREAS, the Town Council of the Town now determines that proper notice has been duly given as required by Indiana Code 8-1.5-3-8.1, and a public hearing on the proposed revised schedule of rates and charges will be held on the 28th day of June 2022;

NOW, THEREFORE BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF POSEYVILLE, INDIANA AS FOLLOWS:

SECTION 1. Prior Ordinance table of rates and charges is amended as indicated below. The water usage schedule on which the amount of said rates and charges shall be determined is as follows:

(1) Metered Rates:

Each metered customer shall pay a monthly charge based upon the quantity of water supplied by the Water Utility as metered in accordance with the following schedule:

<u>Metered Quantity</u>	<u>Monthly Charge Per 1,000 Gallons</u>
First 2,000 gallons per month	\$18.86
Over 2,000 gallons per month	\$13.75

(1) Minimum Charge:

Each user shall pay a minimum charge in accordance with the following applicable size of meter installed, for which the user will be entitled to the quantity of water set out in the above schedule of rates.

<u>Meter Size</u>	<u>Minimum Charge Per Month</u>
5 / 8 inch meter	\$ 37.72
3 / 4 inch meter	37.72
1 inch meter	51.48
1 1 / 2 inch meter	78.99
2 inch meter	285.19
3 inch meter	642.63
4 inch meter	1,137.54

SECTION 2. While this Ordinance is intended to be effective upon adoption by the Town Council, the new rates and charges set forth herein will not be implemented until July 2022 usage billed August 2022.

SECTION 3. Except as hereby amended and revised, the Prior Ordinance shall remain in full force and effect.

SECTION 4. Severability of Provisions. In the event any one or more of the provisions Contained in this Ordinance should be held invalid, illegal, or unenforceable in any respect, the validity, legality, and enforceability of the remaining provisions contained herein shall not, in any way, be affected or impaired and shall remain in full force and effect.

SECTION 5. Effective Date. 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 Poseyville on the 28th day of June, 2022.

POSEYVILLE TOWN COUNCIL

Voting for the Ordinance

Voting Against the Ordinance



Michael A. Baehl, Council President



Bruce C. Baker, Council Member



Justin H. Rutledge, Council Member

ATTEST:



Christina L. Foster, Clerk-Treasurer