

ORDINANCE NO. 2009-24

AN ORDINANCE AMENDING THE SCHEDULE OF SEWAGE RATES AND CHARGES TO BE COLLECTED BY THE JENNINGS NORTHWEST REGIONAL UTILITIES FROM THE OWNERS OF PROPERTY SERVED BY THE SEWAGE WORKS THEREOF AND OTHER MATTERS CONNECTED THEREWITH

WHEREAS, Jennings Northwest Regional Utilities, a regional district under I.C. 13-26 ("District"), has hereunto constructed and has in operation a sewage works for the purpose of collecting and disposing of sewage in a sanitary manner pursuant to I.C. 13-26 ("Act"), and other applicable laws; and,

WHEREAS, the District has, pursuant to Ordinance No. 2002-4, adopted by the Board of Trustees of the District on August 1, 2002, established the rates and charges for the sewage works of the District; and,

WHEREAS, the District has previously issued its sewage works revenue bonds to re-finance the costs of constructing additions and improvements to the sewage works of the District; and,

WHEREAS, the Act requires that the Board of Trustees shall, by ordinance, establish just and equitable rates and charges for the use of and service rendered by the sewage works, payable by the owner of each lot, parcel of land, or building that is connected with and uses the sewage works, or that in any way uses or is served by the works; and,

WHEREAS, just and equitable rates and charges are those that produce sufficient revenue to pay all expenses incident to the operation of the works, including maintenance costs, operating charges, upkeep, repairs, and interest charges on bonds or other obligations; provide the sinking fund for the liquidation of bonds or other evidence of indebtedness and reserves against default in the payment of interest and principal on bonds; and provide adequate funds to be used as working capital, as well as funds for making improvements, additions, extensions and replacements; and,

WHEREAS, the Board of Trustees has caused a financial study to be made of its sewage works by its financial advisor, H.J. Umbaugh & Associates, Certified Public Accountants; and,

WHEREAS, based upon the advice of its financial advisor, the Board of Trustees finds that the current rates and charges of the sewage works are not sufficient to enable the District to meet the requirements of the Act and that the rates and charges for the use of and service rendered by the sewage works of the District should be increased to enable the District to meet the requirements of the Act; and,

WHEREAS, the Act requires that the rates and charges to be collected shall be fixed by ordinance after due notice and public hearing, which notice and hearing have been properly conducted; therefore, said Board of Trustees hereby authorizes the establishment and collection of the rates and charges as set forth in this ordinance.

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES of Jennings Northwest Regional Utilities:

Section 1. The Schedule of Rates and Charges is hereby amended as follows:

<u>Monthly Sewer Rates Based on Metered Water Usage</u> (Rate per thousand gallons as measured by metered water usage)	<u>Present Rates</u>	<u>Rates Effective</u>		
		<u>8/1/2013</u>	<u>8/1/2014</u>	<u>8/1/2015</u>
First 2,000 Gallons	\$11.06	\$11.61	\$12.19	\$12.80
Next 5,000 Gallons	7.76	8.15	8.56	8.99
Over 7,000 Gallons	5.56	5.84	6.13	6.44
<u>Minimum Monthly Sewer Rate Charge</u>				
Minimum rate (2,000 gallons allowed)	\$22.12	\$23.22	\$24.38	\$25.60
<u>Monthly Sewer Rates When Water Usage is Unmetered</u>				
If water usage is unmetered, flat rate (assuming 3,650 gallons per month)	\$34.92	\$36.67	\$38.50	\$40.43
<u>Debt Service Surcharge (per month)</u>	\$27.06	\$28.41	\$29.83	\$31.32

The purpose of the above rate changes is to establish the future sewer rate structure commencing August 1, 2013 and including a five percent (5%) annual rate increase thereafter.

Section 2. The invalidity of any section, clause, sentence or provision of this ordinance shall not affect the validity of any other part of this ordinance which can be given effect without such invalid part or parts.

Section 3. This ordinance shall be in full force and effect from and after its date of passage and the rates and charges set forth herein shall apply to the next billing period of the District following adoption of this ordinance.

SO INTRODUCED this 8th day of December, 2009.

JENNINGS NORTHWEST REGIONAL UTILITIES,

By: Edwin Whitaker
EDWIN WHITAKER, President

Brian Roney
BRIAN RONEY, Vice President

Cadie Mathis
CADIE MATHIS, Treasurer

Thomas H. Trulock
THOMAS TRULOCK, Member

ATTEST:

Dorothy Vaughn
DOROTHY VAUGHN, Secretary

SO ADOPTED this 18th day of January, 2010.

JENNINGS NORTHWEST REGIONAL UTILITIES,

By:

Edwin Whitaker
EDWIN WHITAKER, President

Brian Romey
BRIAN ROMEY, Vice President

Cadie Mathis
CADIE MATHIS, Treasurer

Thomas Trulock
THOMAS TRULOCK, Member

ATTEST:

Dorothy Vaughn Secretary
DOROTHY VAUGH, Secretary