

## **ORDINANCE NO. 1349**

### **AN ORDINANCE OF THE TOWN COUNCIL OF THE TOWN OF ST. JOHN, LAKE COUNTY, INDIANA CONCERNING WATER RATES AND CHARGES**

WHEREAS, pursuant to Ind. Code Art. 8-1.5 (the "Act"), the Town of St. John, Lake County, Indiana (the "Town") owns, operates, manages and controls a waterworks system (the "Waterworks System"); and

WHEREAS, the Town's existing schedule of rates and charges for water service contains a New Customer Connection Service Charge, as more particularly described in prior ordinances of the Town Council of the Town (the "Town Council"), to be paid by new customers of the Waterworks System; and

WHEREAS, existing customers have, through rates and charges, paid for the capital costs of the Waterworks System; and

WHEREAS, there is no current charge for new customers to pay for such new customer's proportionate share of the historical capital costs of the Waterworks System; and

WHEREAS, it is necessary and advisable for new customers to pay, upon connection, an additional fee by which they can pay their proportionate share paid by or on behalf of existing customers so as to finance further improvements and extensions to the Waterworks System and other lawful revenue requirements; and

WHEREAS, the Town Council deems it necessary to institute a new System Development Charge to apply to new customers of the Waterworks System, which new System Development Charge will be charged only to new customers of the Waterworks System and will be based on historical costs incurred to establish the Waterworks System; and

WHEREAS, the Town Council has relied upon the advice and recommendation of its rate consultant, H.J. Umbaugh and Associates (the "Financial Advisor"), which has recommended the appropriate level of System Development Charge; and

WHEREAS, the System Development Charge recommended to the Town Council by the Financial Advisor is computed pursuant to a methodology which is widely accepted in the industry for purposes of computing rates and charges which are non-discriminatory, reasonable, just and equitable; and

WHEREAS, the Town Council has reviewed the System Development Charge recommended by the Financial Advisor and, with the advice and consultation of the Financial Advisor, has elected to reduce such System Development Charge for each category of new customer in accordance with the schedule of rates and charges set forth below and adopted herein in order to mitigate the impact of the charge to new customers; and

WHEREAS, the Act authorizes this Town Council to adopt by Ordinance a non-discriminatory, reasonable and just schedule of rates and charges for water service; and

WHEREAS, the Town has duly opted out of the jurisdiction of the Indiana Utility Regulatory Commission (the "IURC"), and therefore the Town Council is the proper body to establish the final schedule of rates and charges for water service; and

WHEREAS, there was published a Notice of Public Hearing, giving notice to present and future customers of the Waterworks System of a public hearing to be held regarding the proposed schedule of rates and charges; and

WHEREAS, such public hearing was held on this day regarding the schedule of rates and charges, and present and future customers of the Waterworks System were given an opportunity to be heard concerning such proposed schedule of rates and charges; and

WHEREAS, the schedule of rates and charges adopted herein is non-discriminatory, reasonable, just and equitable.

NOW, THEREFORE, BE IT ORDAINED by the Town Council of the Town of St. John, Lake County, Indiana as follows:

**SECTION ONE:** Effective July 1, 2004, a one time charge known as a System Development Charge will be collected from new customers of the Waterworks System in accordance with the following schedule:

<u>Meter Size</u>	<u>Ratio</u>	<u>Base Charge</u>	<u>Total Charge</u>
5/8", 3/4", 1"	1.00	\$ 1,000.00	\$ 1,000.00
1 1/2"	5.00	\$ 1,000.00	\$ 5,000.00
2"	8.00	\$ 1,000.00	\$ 8,000.00
3"	15.00	\$ 1,000.00	\$ 15,000.00
4"	25.00	\$ 1,000.00	\$ 25,000.00
6"	50.00	\$ 1,000.00	\$ 50,000.00

**SECTION TWO:** Such rates and charges shall be collected by the Town at the same time and the same manner as the collection of the New Customer Connection Service Charge.

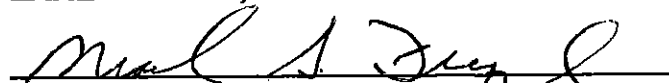
**SECTION THREE:** All ordinances and parts of ordinances in conflict herewith are hereby repealed.

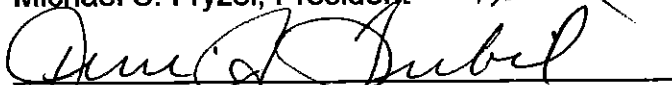
**SECTION FOUR:** This Ordinance shall be in full force and effect from and after its passage.

**PASSED AND ADOPTED** by the Town Council of the Town of St. John, Lake County, Indiana this 17<sup>th</sup> day of June, 2004.

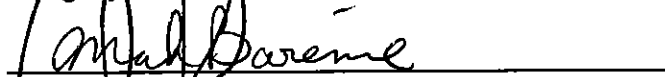
5 AYE 0 NAY


**TOWN COUNCIL, TOWN OF ST. JOHN,  
LAKE COUNTY, INDIANA**

  
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Michael S. Fryzel, President

  
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Jenn A. Teibel, Vice-President

  
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Gregory J. Volk, Member

  
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Mark Barents, Member

  
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Charles E. Pearson, Member

ATTEST:

  
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Sherry P. Sury, Clerk-Treasurer