

1 **BILL NO. G-12-01-30 (AS AMENDED)**

2 **GENERAL ORDINANCE NO. 4-12**

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4 **AN ORDINANCE AMENDING CHAPTER 52:**
5 **WATER AND WATERCOURCES**
6 **CITY OF FORT WAYNE, CODE OF ORDINANCES**

7 **WHEREAS**, the Common Council of the City of Fort Wayne, Indiana last approved
8 a water rate adjustment in October 2005, which was approved by the Indiana Utility
9 Regulatory Commission following a rate analysis study and became effective as of
10 September 1, 2006; and

11 **WHEREAS**, the Fort Wayne Water Utility has developed a Capital Improvements
12 Plan (CIP) that will allow the Water Utility to continue to provide its customers with safe,
13 reliable and affordable drinking water through sustainable levels of capital spending on
14 treatment facilities' parts and equipment, field maintenance equipment, water main
15 replacement and other structures and facilities positioned throughout the service territory;
16 and

17 **WHEREAS**, Crowe Horwath LLC was hired by Fort Wayne City Utilities to analyze
18 the Water Utility's pro forma revenues, proposed capital improvements plan, and other
19 projected cash flows in order to arrive at water rates that will generate sufficient funds to
20 meet the fiscal needs of the Water Utility including:

- 21 (A) Payment of all of the legal and other necessary expenses incident to the
22 operation of the utility;
- 23 (B) Provision of a sinking fund, a debt service reserve, adequate money for
24 working capital and making extensions and replacements to the extent not
25 provided for through depreciation;
- 26 (C) Provision of money for the payment of any taxes that may be assessed
27 against the utility; and
- 28 (D) Meeting the financial obligations of the Utility's CIP.

29 **WHEREAS**, Crowe Horwath LLP has concluded that the existing rates and
30 charges for the use of and services rendered by the Fort Wayne Water Utility do not
produce sufficient revenue to satisfy the requirements of I.C. 8-1.5-3-8, including but not

1 limited to those costs related to the Utility's CIP and therefore recommends that the
2 existing rates and charges should be increased in three phases accomplished 12 months
3 apart in amounts described below.

4 **WHEREAS**, the Board of Public Works of the City of Fort Wayne, Indiana
5 recommends that the Common Council act in accordance with I.C. 8-1.5-3-8 to find and
6 elect that the rates and charges for water service to be paid by users of the system should
7 be sufficient to carry out the obligations of the Water Utility as outlined above, to provide a
8 fair and reasonable return on the Utility plant of the City and to compensate the City for
9 taxes that would be due to the City on the Utility property were it privately owned;

10 **NOW THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE**
11 **CITY OF FORT WAYNE, INDIANA:**

12 **SECTION 1.** That the Common Council of the City of Fort Wayne, Indiana now
13 finds and elects that the rates and charges for water service to be paid by users of the
14 system should be sufficient to carry out the obligations of the Water Utility as outlined
15 above, to provide a fair and reasonable return on the Utility plant of the City and to
16 compensate the City for taxes that would be due to the City on the Utility property were it
17 privately owned;

18 **SECTION 2.** The following sections of Chapter 52 of the Fort Wayne Code of
19 Ordinances are hereby amended to adjust the rates and charges assessed to Fort Wayne
20 Water Utility customers as recommended by Crowe Horwath LLP in three phases, the first
21 phase to be effective upon approval of said rates and charges by the Indiana Utility
22 Regulatory Commission, the second phase effective 12 months later, and the third phase
23 effective 12 months after the second as shown below:

24 **Sec. 52.15 Water Usage Schedule - Inside City**

25 There shall be and hereby are established for the use of and the service rendered
26 by the waterworks system of the City the following rates and charges based on the use of
27 water supplied by the City Waterworks System

28 (A) Metered rates per month

Metered Rates Per Month

Rate Per 100 Cubic Feet

(cubic feet)	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
First 2,500 cubic feet	\$ 1.82	\$ 1.98	\$ 2.08
Next 9,500 cubic feet	\$ 1.63	\$ 1.77	\$ 1.86
Over 12,000 cubic feet	\$ 1.52	\$ 1.65	\$ 1.73

(B) Monthly service charges. Each user shall pay a monthly service charge, in addition to usage charges calculated under the metered rate schedule, as follows:

Size of Meter
(inches)

Monthly Service Charges

	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
5/8"	\$ 8.94	9.72	10.21
3/4"	\$ 8.94	9.72	10.21
1"	\$ 22.76	24.76	26.00
1 1/2"	\$ 50.99	55.46	58.24
2"	\$ 90.45	98.37	103.31
3"	\$ 203.66	221.50	232.62
4"	\$ 362.05	393.77	413.53
6"	\$ 814.21	885.53	929.98
8"	\$ 1,447.86	1,574.69	1,653.74
10"	\$ 2,262.06	2,460.22	2,583.72

Sec. 52.16 Cost for Private Fire Protection Service - Inside City.

Fire protection service for use in extinguishing fire only, shall be as follows:

	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
Private Hydrant Rental (monthly)	\$ 38.09	\$ 41.43	\$ 43.51
Private Fire Line Connection (Quarterly Charge)			
1"	\$ 12.57	13.67	14.36
2"	\$ 12.57	13.67	14.36
3"	\$ 28.57	31.07	32.63
4"	\$ 50.28	54.69	57.43
6"	\$ 114.28	124.29	130.53
8"	\$ 203.41	221.23	232.34
10"	\$ 317.68	345.51	362.86
12"	\$ 457.10	497.15	522.10
16"	\$ 812.50	883.68	928.04

1 **Sec. 52.17 Cost for Municipal Service.**

2 Municipal service to the City shall be \$ 38.09 for Phase I, \$ 41.43 for Phase II and
3 \$43.51 for Phase III, per month, for each fire hydrant inside the city limits.

4 **Sec. 52.18 Charges for Customers Outside Corporate Limits.**

5 There shall be and hereby are established for the use of and the service rendered
6 by the waterworks system of the City of Fort Wayne the following rated and charges
7 based on the use of water supplied by said waterworks system:

8 (A) Metered rates per month.

9

<u>Metered Rates Per Month</u> (cubic feet)	<u>Rate Per 100 Cubic Feet</u>		
	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
11 First 2,500 cubic feet	\$ 2.09	\$ 2.27	\$ 2.39
12 Next 9,500 cubic feet	\$ 2.03	\$ 2.21	\$2.32
13 Over 12,000 cubic feet	\$ 1.90	\$ 2.06	\$ 2.17

14
15 (B) Monthly service charges. Each user shall pay a monthly services charge in
16 addition to usage charges calculated under the metered rate schedule, as follows:

17

<u>Size of Meter</u> (inches)	<u>Monthly Service Charges</u>		
	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
21 5/8"	\$ 10.27	11.17	11.73
3/4"	\$ 10.27	11.17	11.73
22 1"	\$ 26.17	28.47	29.90
1 1/2"	\$ 58.64	63.77	66.97
23 2"	\$ 104.01	113.12	118.80
3"	\$ 234.21	254.73	267.52
24 4"	\$ 416.36	452.83	475.56
6"	\$ 936.33	1,018.35	1,069.48
25 8"	\$ 1,665.04	1,810.90	1,901.81
26 10"	\$ 2,601.36	2,829.24	2,971.27

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1 (C) Fire Protection Service.

2 For each fire hydrant

	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
3 Private Hydrant Rental (monthly)	\$ 47.62	\$ 51.79	\$ 54.39
4 Private Fire Line Connection (Quarterly Charge)			
5 2"	\$ 15.71	17.09	17.95
6 3"	\$ 35.71	38.84	40.79
7 4"	\$ 62.85	68.36	71.79
8 6"	\$ 142.85	155.36	163.16
9 8"	\$ 254.26	276.54	290.42
10 10"	\$ 397.11	431.89	453.57
11 12"	\$ 571.38	621.43	652.63
12 16"	\$ 1,015.63	1,104.60	1,160.05

13 (D) The rates and charges for water and fire protection service to the City of New Haven
14 are as follows:

	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>
15 Demand charge (per month)	\$8,121.43	\$8,832.87	\$9,276.28
16 Commodity charge 17 (per 100 cubic feet of water metered)	\$ 1.0899	\$ 1.1854	\$ 1.2449

18 Monthly Service Charge

19 Based on in-city monthly service charge

20 Fire Protection Services

21 Based on in-city rates and charges per size of connection and number of hydrants

22 **SECTION 3.** Except for the foregoing amendments, the remaining sections of
23 Chapter 52 of the City of Fort Wayne, Indiana, Code of Ordinances shall remain in full
24 force and effect.

25 **SECTION 4.** All ordinances or parts of ordinances in conflict herewith are hereby
26 repealed, and the existing schedule of water rates and charges shall remain in full force
27 and effect until the schedule of rates and charges fixed by this ordinance shall be
28 approved by the Indiana Utility Regulatory Commission, and until such time as the order
29 of said Commission approving said new rates and charges shall direct.
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SECTION 5. This Ordinance shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor and due legal publication thereof; provided however, the schedule of rates and charges herein set out shall not become effective unless approved by the Indiana Utility Regulatory Commission, or until such time as said Commission shall direct.



Council Member

Approved as to form and legality



Carol Helton, City Attorney

Read the first time in full and on motion by Crawford and duly adopted, read the second time by title and referred to the Committee on Regulation (and the City Plan Commission for recommendation) and Public Hearing to be held after due legal notice, at Room 030 - Council Discussion Garden Level - Citizens Square, Fort Wayne, Indiana, on _____, the _____ day of _____, 2012, at _____ o'clock _____ M., E.S.T.

DATED: 1-24-12

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Read the third time in full and on motion by _____ PASSED _____ and duly adopted, placed on its passage. by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
<u>TOTAL VOTES</u>	<u>7</u>	<u>2</u>	_____	_____
<u>BENDER</u>	<u>✓</u>	_____	_____	_____
<u>CRAWFORD</u>	<u>✓</u>	_____	_____	_____
<u>DIDIER</u>	<u>✓</u>	_____	_____	_____
<u>HARPER</u>	_____	<u>✓</u>	_____	_____
<u>HINES</u>	<u>✓</u>	_____	_____	_____
<u>JEHL</u>	_____	<u>✓</u>	_____	_____
<u>PADDOCK</u>	<u>✓</u>	_____	_____	_____
<u>SHOAFF</u>	<u>✓</u>	_____	_____	_____
<u>SMITH</u>	<u>✓</u>	_____	_____	_____

DATED: 2-21-12

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as (ANNEXATION) (APPROPRIATION) (GENERAL) (SPECIAL) (ZONING) ORDINANCE (RESOLUTION) NO. G-04-12 on the 21st day of February, 2012

ATTEST:
Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

SEAL
[Signature]
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 22nd day of February, 2012, at the hour of 3:30 o'clock P. M., E.S.T.

Sandra E. Kennedy
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 23rd day of FEBRUARY 2012, at the hour of 1:30 o'clock _____ P.M., E.S.T.

Thomas C. Henry
THOMAS C. HENRY, MAYOR