

**ORDINANCE NO. 40 - 2000**

**ORDINANCE OF THE  
COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA  
REGARDING THE IMPLEMENTATION OF  
NEW RATES AND CHARGES  
FOR WATER UTILITY SERVICES**

**WHEREAS**, the City of Valparaiso, Indiana owns and operates a municipal water system through the Department of Water Works ("Department"), which is governed by its Board of Directors ("Board"), and collects rates and charges for the water utility services supplied by the Department, and

**WHEREAS**, the existing rates and charges for such services can be reduced and still sufficient to pay the necessary expenses incident to the operation of the Water Works and maintain the Water Works property in a sound physical and financial condition,

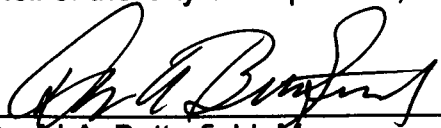
**WHEREAS**, the Board advises that said rates can be reduced due to the department's reengineering efforts and new AMR/Meter Change-Out program, which is now under way, and


**WHEREAS**, the Board recommends to the Common Council that the rates and charges for the water utility services charged by the Department be amended and approved as shown in the Appendix "A" – Schedule of Rates and Charges for the Water Utility Services, now

**THEREFORE BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF VALPARAISO, INDIANA THAT:**

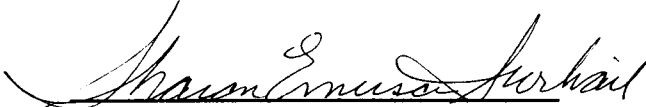
1. The schedule of rates and charges for the water utility services rendered by the Department, a copy of which is attached as Appendix "A" is hereby approved.
2. That the schedule of rates and charges for the water utility services shall become effective upon final adoption of this ordinance, after a public hearing is hereby set on October 23, 2000 at 7:30 p.m. at a regular Common Council meeting held in the Council Chambers at City Hall, for the purpose of hearing comments from the public on the new rates.

Adopted and passed by the Common council of the City of Valparaiso, Indiana  
this 23<sup>rd</sup> day of October, 2000.


  
\_\_\_\_\_  
David A. Butterfield, Mayor

Attest:   
Sharon Emerson Swihart  
Clerk-Treasurer

Presented by me to the Mayor of the City of Valparaiso, Indiana this 23 of  
October, 2000, at 10:10 o'clock (~~a.m.~~/p.m.)

  
\_\_\_\_\_  
Sharon Emerson Swihart  
Clerk-Treasurer

This Ordinance is approved and signed by me this 23 day of October  
2000 at 10:10 o'clock (~~a.m.~~/p.m.)

  
\_\_\_\_\_  
David A. Butterfield, Mayor

**ATTACHMENT "A"**  
**to Ordinance # 40 – 2000**

**VALPARAISO DEPARTMENT OF WATER WORKS**  
**PROPOSED RATE BLOCKS**

*Schedule of Rates and Charges for Water Utility Services*

<u>Consumption per Month</u>		<u>Current Rate Per</u> <u>100 Cubic Feet</u>	<u>Proposed Rate Per</u> <u>100 Cubic Feet</u>
First	2,000 cf	\$ 1.98	\$ 1.75
Next	8,000 cf	1.61	1.42
Next	1,490,000 cf	1.25	1.10
Over	1,500,000 cf	0.88	0.88

**VWD LABOR REDUCTION  
1997 - 2000**

**1997 Total Labor Force**

**39 Full Time Employees  
2 Part Time (Summer) Employees**

**2000 Total Labor Force**

**32 Full Time Employees  
1 Part Time Employee  
3 Part Time (Summer) Employees**

## VWD OPERATING BUDGET YEARS 1997 THROUGH 2000

<u>YEAR</u>	<u>OPERATING BUDGET</u>	<u>% CHANGE FROM PAST YEAR</u>
1997	\$2,608,589	-----
1998	\$2,721,514	4.33%
1999	\$2,775,069	1.98%
2000	\$2,674,139	-3.64%

**VALPARAISO DEPARTMENT OF WATER WORKS  
SCHEDULE OF RATE CHANGES  
1994 – 2000**

<b>1994</b>	<b>14.5%</b>	<b>Increase</b>
<b>1995</b>	<b>31.0%</b>	<b>Increase</b>
<b>1998</b>	<b>19.5%</b>	<b>Decrease*</b>
<b>2000</b>	<b>12.0%</b>	<b>Decrease**</b>

\* Revenue Reduction – Rates did not decrease across the Board due to Rate Restructuring

\* Councilmatic Action Pending

**VALPARAISO MUNICIPAL UTILITY**  
**Schedule of Performance Indicators**  
**And Operational Statistics\***

**(6) Number of Customers Per Full-time Employees**

<b>Utility</b>	<b>1997 - Ranking</b>		<b>2000 - Ranking</b>		<b>% Increase</b>
<b>Average</b>	<b>401.67</b>		<b>430.87</b>		<b>7.30%</b>
Indianapolis	695.10	1	699.16	1	0.58%
Fort Wayne	452.88	2	529.57	3	16.9%
Logansport	408.88	3	414.12	4	1.28%
Evansville	378.89	4	606.97	2	60.2%
South Bend	361.17	5	400.16	5	10.1%
Northwest IN (IN-Amer.)	320.25	6	387.77	6	21.1%
Michigan City	289.16	7	311.75	8	7.81%
<b>Valparaiso</b>	<b>234.08</b>	<b>8</b>	<b>337.87</b>	<b>7</b>	<b>44.3%</b>
Bloomington	190.22	9	190.44	9	1.16%

\* Compiled by Municipal Consultants and H.J Umbaugh & Associates.

**DRAFT<sup>1</sup>**

**VALPARAISO MUNICIPAL UTILITY  
Schedule of Performance Indicators  
And Operational Statistics<sup>2</sup>**

**(9) Total Operation & Maintenance Expenses per Customer**

<b>Utility</b>	<b>1997<sup>3</sup></b>	<b>Ranking</b>	<b>2000<sup>4</sup></b>	<b>Ranking</b>	<b>% Increase</b>
<b>Average</b>	<b>196.67</b>		<b>207.91</b>		<b>5.57%</b>
<b>Valparaiso</b>	<b>277.02</b>	<b>1</b>	<b>270.70</b>	<b>1</b>	<b>(2.28%)<sup>5</sup></b>
Bloomington	220.11	2	227.78	4	3.48%
Logansport	208.29	3	229.69	3	10.03%
Michigan City	200.79	4	216.40	5	7.77%
Northwest IN (IN-Amer.)	198.62	5	248.29	2	25.01%
Fort Wayne	186.13	6	184.60	6	(0.82%)
Evansville	168.69	7	164.88	8	(2.25%)
Indianapolis	167.54	8	179.09	7	6.99%
South Bend	142.87	9	149.79	9	4.84%

<sup>1</sup> Based on Preliminary Analysis. Must be verified by Rate Consultant

<sup>2</sup> Compiled by Municipal Consultants and H.J Umbaugh & Associates

<sup>3</sup> Based on Year End 1996 Operating Expenses

<sup>4</sup> Based on Year End 1999 Operating Expenses

<sup>5</sup> Based on 2000 Operating Budget, the Total O&M Exp/Customer is \$266.02, which is a decrease of (1.72%) or (4.0%) since Year End 1996.



VALPARAISO DEPARTMENT OF WATER WORKS  
BOARD OF DIRECTORS  
RESOLUTION NO. 2000 - 05

RECOMMENDATION TO THE CITY COUNCIL  
TO IMPLEMENT A NEW SCHEDULE OF RATES & CHARGES  
FOR WATER UTILITY SERVICES

**WHEREAS**, the City of Valparaiso, Indiana ("City"), owns and operates a municipal water system, through the Department of Water Works ("Department"), which is governed by its Board of Directors ("Board"), and collects rates and charges for the water utility services by the Department, and

**WHEREAS**, the existing rates and charges for such services can, in the Board's judgment, be reduced and still be sufficient to pay the necessary expenses incident to the operation of the Water Works and maintain the Water Works property in a sound physical and financial condition,

**WHEREAS**, the Board believes that said rates can be reduced due to the department's reengineering efforts and new AMR/Meter Change Out program, which is now under way, now

**THEREFORE BE IT RESOLVED** by the Board of Directors of the Department of Water Works of the City of Valparaiso, Indiana that:

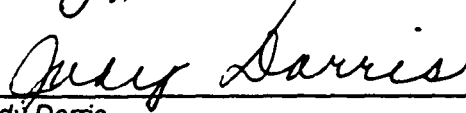
The Board recommends to the City Council that department's first three rate blocks for metered consumption be reduced by twelve percent (12%) as shown on Appendix "A",

**ADOPTED AND PASSED** by the Board of Directors of the Department of Water Works of the City of Valparaiso, Indiana, this 25th day of July, 2000.

DEPARTMENT OF WATER WORKS  
OF THE  
CITY OF VALPARAISO, INDIANA



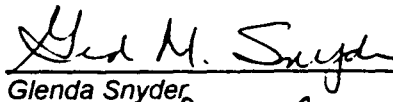
Jack Barkley, President



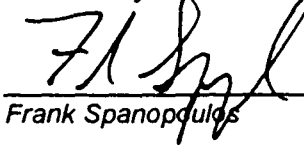
Judy Dorris

absent

Robert Schwartz



Glenda Snyder



Frank Spanopoulos

Recommended:



John Hardywick  
General Manager

Attest: absent  
Robert Schwartz, Secretary

**ATTACHMENT "A"**

**VALPARAISO DEPARTMENT OF WATER WORKS  
PROPOSED RATE BLOCKS**

**Schedule of Rates and Charges for Water Utility Services**

<u>Consumption per Month</u>	<u>Current Rate per 100 Cubic Feet</u>	<u>Proposed Rate per 100 Cubic Feet</u>
First            2,000 Cubic Feet	\$    1.98	\$    1.75
Next            8,000 Cubic Feet	1.61	1.42
Next           1,490,000 Cubic Feet	1.25	1.10
Over            1,500,000 Cubic Feet	0.88	0.88