

ORDINANCE #10, 2024

AN ORDINANCE OF THE CITY OF VALPARAISO, INDIANA INCREASING THE RATES AND CHARGES FOR THE USE AND SERVICES RENDERED BY THE SEWAGE WORKS OF THE CITY AND OTHER MATTERS RELATED THERETO

WHEREAS, the City of Valparaiso, Indiana (the "City") has established, acquired, and financed its sewage works pursuant to Indiana Code 36-9-23, as amended (the "Act"), for the purpose of providing for the collection, treatment and disposal of sewage from inhabitants in and around the City; and

WHEREAS, Baker Tilly Municipal Advisors, LLC, municipal advisor to the City, has prepared a rate report concerning the current rates and charges of the sewage works (the "Report"); and

WHEREAS, based upon the Report, the Common Council of the City (the "Council") finds that the current rates and charges for the use of and service rendered by the sewage works do not produce sufficient revenues to pay all the legal and necessary expenses incident to the operation of such sewage works, including legal expenses, maintenance costs, operating charges, repairs, lease rentals and interest charges on bonds or other obligations of the sewage works, to provide a sinking fund for the liquidation of indebtedness, and to provide adequate funds to be used as working capital and funds for making extensions and replacements and to make payments in lieu of taxes; and

WHEREAS, based upon the Report, the Council finds that the current rates and charges of the sewage works as set forth in Ordinance No. 28, 2013, adopted by the Council on November 25, 2013 (the "2013 Ordinance"), do not produce an income sufficient to maintain the sewage works property in a sound physical and financial condition to render adequate and efficient service; and

WHEREAS, the Council finds that the current rates and charges for the use of and service rendered by the sewage works as set forth in the 2013 Ordinance must be increased in order to provide sufficient revenue to meet such requirements and that such rates should be increased in phases as herein provided; and

WHEREAS, in addition and in connection therewith, the Council has determined that the sprinkling rate period relating to the use of the sewage works as set forth in Ordinance No. 9, 2001, adopted by the Council on March 26, 2001 (the "2001 Ordinance"), be reduced from a period of five (5) months to a period of (3) months as herein provided; and

WHEREAS, the Council finds that the rates and charges set forth herein are based upon the cost of providing service to the customers of the sewage works and will enable the City to meet its legal revenue requirements for the sewage works; and

WHEREAS, the Council has caused notice of a public hearing on the rates and charges set forth herein to be duly advertised and mailed, and has held a public hearing thereon, all pursuant to the Act;

NOW THEREFORE, be it ordained by the Common Council of the City of Valparaiso, Indiana that:

Section 1. The rates and charges set forth in Section 2 of the 2013 Ordinance are hereby amended and restated as follows:

For General Service customers, the use of and the service rendered by the sewage works, rates and charges shall be collected from the owners of each and every lot, parcel of real estate or building that are connected with the City sanitary system or otherwise discharges sanitary sewage, industrial wastes, water or other liquids, either directly or indirectly, into the sanitary sewage system of the City of Valparaiso, Indiana. Such rates and charges include User Charges, debt service costs, excessive strength surcharges and other service charges, which rates and charges shall be payable as hereinafter provided and shall be in an amount determinable as follows:

- (a) The sewage rates and charges shall be based on the quantity of water used on or in the property or premises subject to such rates and charges, as the same is measured by the water meter there in use, plus a base charge based on the size of the water meter installed, except as herein otherwise provided. For the purposes of billing and collecting the charges for sewage service, the water meters shall be read monthly and the users shall be billed each month (or period equaling a month). The water usage schedules on which the amount of said rates and charges shall be determined shall be as follows:

FOR USERS (GENERAL SERVICE) LOCATED INSIDE OF THE CITY:

<u>Base Rate</u>	<u>Effective from adoption through June 30, 2025</u>	<u>Effective July 1, 2025 through June 30, 2026</u>	<u>Effective July 1, 2026 through June 30, 2027</u>	<u>Effective July 1, 2027 through June 30, 2028</u>	<u>Effective July 1, 2028 and Thereafter</u>
5/8" meter	\$ 20.12	\$ 21.71	\$ 23.43	\$ 25.28	\$ 27.28
3/4" meter	20.12	21.71	23.43	25.28	27.28
1" meter	46.56	50.24	54.21	58.49	63.11
1 1/4" meter	104.88	113.17	122.11	131.76	142.17
1 1/2" meter	104.88	113.17	122.11	131.76	142.17
2" meter	179.11	193.26	208.53	225.00	242.78
3" meter	408.78	441.07	475.91	513.51	554.08
4" meter	726.87	784.29	846.25	913.10	985.23
6" meter	1,627.94	1,756.55	1,895.32	2,045.05	2,206.61
8" meter	3,299.68	3,560.35	3,841.62	4,145.11	4,472.57
10" meter	5,150.72	5,557.63	5,996.68	6,470.42	6,981.58
 Flow Rate per 100 cu.ft.	 \$4.70	 \$5.07	 \$5.47	 \$5.90	 \$6.37

VLACD

Rate per connection	\$28.65	\$30.91	\$33.35	\$35.98	\$38.82
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FOR USERS (GENERAL SERVICE) LOCATED OUTSIDE OF THE CITY:

<u>Base Rate</u>	<u>Effective from adoption through June 30, 2025</u>	<u>Effective July 1, 2025 through June 30, 2026</u>	<u>Effective July 1, 2026 through June 30, 2027</u>	<u>Effective July 1, 2027 through June 30, 2028</u>	<u>Effective July 1, 2028 and Thereafter</u>
5/8" meter	\$ 23.12	\$ 24.94	\$ 26.92	\$ 29.05	\$ 31.34
3/4" meter	23.12	24.94	26.92	29.05	31.34
1" meter	53.50	57.73	62.29	67.21	72.51
1 1/4" meter	120.51	130.03	140.30	151.39	163.35
1 1/2" meter	120.51	130.03	140.30	151.39	163.35
2" meter	205.80	222.06	239.60	258.53	278.95
3" meter	469.69	506.79	546.82	590.02	636.64
4" meter	835.17	901.15	972.34	1,049.15	1,132.03
6" meter	1,870.50	2,018.28	2,177.72	2,349.76	2,535.39
8" meter	3,791.33	4,090.84	4,414.02	4,762.73	5,138.98
10" meter	5,918.18	6,385.72	6,890.19	7,434.51	8,021.84
Flow Rate per 100 cu.ft.	\$5.40	\$5.83	\$6.29	\$6.78	\$7.32
<u>VLACD</u>					
Rate per connection	\$32.92	\$35.52	\$38.32	\$41.34	\$44.60

- (b) For users of the sewage works that are unmetered water users or accurate meter readings are not available, the monthly charge shall be determined by equivalent single-family dwelling units, except as herein provided. Sewage service bills shall be rendered once each month (or period equaling a month). This schedule on which said rates and charges shall be determined is as follows:

FOR USERS (UNMETERED) LOCATED INSIDE OF THE CITY:

<u>Monthly Rate</u>	<u>Effective from adoption through June 30, 2025</u>	<u>Effective July 1, 2025 through June 30, 2026</u>	<u>Effective July 1, 2026 through June 30, 2027</u>	<u>Effective July 1, 2027 through June 30, 2028</u>	<u>Effective July 1, 2028 and Thereafter</u>
Residential: Single-Family Residence/Unit	\$57.72	\$62.27	\$67.19	\$72.48	\$78.24

FOR USERS (UNMETERED) LOCATED OUTSIDE OF THE CITY:

<u>Monthly Rate</u>	<u>Effective from adoption through June 30, 2025</u>	<u>Effective July 1, 2025 through June 30, 2026</u>	<u>Effective July 1, 2026 through June 30, 2027</u>	<u>Effective July 1, 2027 through June 30, 2028</u>	<u>Effective July 1, 2028 and Thereafter</u>
Residential: Single-Family Residence/Unit	\$66.32	\$71.58	\$77.24	\$83.29	\$89.90

- (c) For the service rendered to the City of Valparaiso, said City shall be subject to the same rates and charges hereinabove provided for users located inside of the City, or to rates and charges established in harmony therewith.

For Large Service customers, the use of and the service rendered by the sewage works, rates and charges shall be collected from the owners of each and every lot, parcel of real estate or building that are connected with the City sanitary system or otherwise discharges sanitary sewage, industrial wastes, water or other liquids, either directly or indirectly, into the sanitary sewage system of the City of Valparaiso, Indiana. Such rates and charges include User Charges, debt service costs, excessive strength surcharges and other service charges, which rates and charges shall be payable as hereinafter provided and shall be in an amount determinable as follows:

- (a) The sewage rates and charges shall be based on the quantity of water used on or in the property or premises subject to such rates and charges, as the same is measured by the water meter there in use, plus a base charge based on the size of the water meter installed, except as herein otherwise provided. For the purposes of billing and collecting the charges for sewage service, the water meters shall be read monthly and the users shall be billed each month (or period equaling a month). The water usage schedules on which the amount of said rates and charges shall be determined shall be as follows:

FOR USERS (LARGE SERVICE) LOCATED INSIDE OF THE CITY:

<u>Base Rate</u>	<u>Effective from adoption through June 30, 2025</u>	<u>Effective July 1, 2025 through June 30, 2026</u>	<u>Effective July 1, 2026 through June 30, 2027</u>	<u>Effective July 1, 2027 through June 30, 2028</u>	<u>Effective July 1, 2028 and Thereafter</u>
5/8" meter	\$ 20.12	\$ 21.71	\$ 23.43	\$ 25.28	\$ 27.28
3/4" meter	20.12	21.71	23.43	25.28	27.28
1" meter	46.56	50.24	54.21	58.49	63.11
1 1/4" meter	104.88	113.17	122.11	131.76	142.17
1 1/2" meter	104.88	113.17	122.11	131.76	142.17
2" meter	179.11	193.26	208.53	225.00	242.78
3" meter	408.78	441.07	475.91	513.51	554.08
4" meter	726.87	784.29	846.25	913.10	985.23
6" meter	1,627.94	1,756.55	1,895.32	2,045.05	2,206.61
8" meter	3,299.68	3,560.35	3,841.62	4,145.11	4,472.57
10" meter	5,150.72	5,557.63	5,996.68	6,470.42	6,981.58
Flow Rate per 100 cu.ft.	\$2.22	\$2.40	\$2.59	\$2.79	\$3.01
Flow Rate per 1,000 gal.	\$2.98	\$3.22	\$3.47	\$3.74	\$4.04

FOR USERS (LARGE SERVICE) LOCATED OUTSIDE OF THE CITY:

Base Rate	Effective from adoption through June 30, 2025	Effective July 1, 2025 through June 30, 2026	Effective July 1, 2026 through June 30, 2027	Effective July 1, 2027 through June 30, 2028	Effective July 1, 2028 and Thereafter
5/8" meter	\$ 23.12	\$ 24.94	\$ 26.92	\$ 29.05	\$ 31.34
3/4" meter	23.12	24.94	26.92	29.05	31.34
1" meter	53.50	57.73	62.29	67.21	72.51
1 1/4" meter	120.51	130.03	140.30	151.39	163.35
1 1/2" meter	120.51	130.03	140.30	151.39	163.35
2" meter	205.80	222.06	239.60	258.53	278.95
3" meter	469.69	506.79	546.82	590.02	636.64
4" meter	835.17	901.15	972.34	1,049.15	1,132.03
6" meter	1,870.50	2,018.28	2,177.72	2,349.76	2,535.39
8" meter	3,791.33	4,090.84	4,414.02	4,762.73	5,138.98
10" meter	5,918.18	6,385.72	6,890.19	7,434.51	8,021.84
Flow Rate per 100 cu.ft.	\$2.55	\$2.75	\$2.97	\$3.20	\$3.46
Flow Rate per 1,000 gal.	\$3.42	\$3.69	\$3.99	\$4.30	\$4.64

Section 2. The rates and charges set forth in Section 3 of the 2013 Ordinance are hereby amended and restated as follows:

In order that the rates and charges for General Service and Large Service customers may be justly and equitably adjusted to the service rendered to users, the City shall base its charges not only on the volume, but also on the strength and character of the stronger-than-normal domestic sewage and wastes which it is required to treat and dispose of. The City shall require the user to determine the strength and content of all sewage and wastes discharged, either directly or indirectly into the sanitary sewage system, in such manner and by such method as the City may deem practicable in the light of the conditions and attending circumstances of the case, in order to determine the proper charge. The user shall furnish a central sampling point available to the City at all times.

- (a) Normal sewage domestic waste strength should not exceed a Biochemical Oxygen Demand of 240 milligrams per liter of fluid or Chemical Oxygen Demand in excess of 480 milligrams per liter of fluid, suspended solids in excess of 200 milligrams per liter of fluid, phosphorus in excess of 10 milligrams per liter of fluid, or NH₃ in excess of 30 milligrams per liter of fluid. Additional charges for treating stronger-than-normal domestic waste shall be made on the following basis:
 - (1) Rate Surcharge Based Upon Suspended Solids – There shall be an additional charge per pound for suspended solids received in excess of 200 milligrams per liter of fluid as follows:

FOR USERS (SUSPENDED SOLIDS) LOCATED INSIDE OF THE CITY:

	<u>Effective from adoption through June 30, 2025</u>	<u>Effective July 1, 2025 through June 30, 2026</u>	<u>Effective July 1, 2026 through June 30, 2027</u>	<u>Effective July 1, 2027 through June 30, 2028</u>	<u>Effective July 1, 2028 and Thereafter</u>
Per Pound	\$0.17	\$0.19	\$0.20	\$0.22	\$0.23

FOR USERS (SUSPENDED SOLIDS) LOCATED OUTSIDE OF THE CITY:

	<u>Effective from adoption through June 30, 2025</u>	<u>Effective July 1, 2025 through June 30, 2026</u>	<u>Effective July 1, 2026 through June 30, 2027</u>	<u>Effective July 1, 2027 through June 30, 2028</u>	<u>Effective July 1, 2028 and Thereafter</u>
Per Pound	\$0.20	\$0.21	\$0.23	\$0.25	\$0.27

- (2) Rate Surcharge Based Upon BOD – There shall be an additional charge per pound of biochemical oxygen demand for BOD received in excess of 240 milligrams per liter of fluid as follows:

FOR USERS (BOD) LOCATED INSIDE OF THE CITY:

	<u>Effective from adoption through June 30, 2025</u>	<u>Effective July 1, 2025 through June 30, 2026</u>	<u>Effective July 1, 2026 through June 30, 2027</u>	<u>Effective July 1, 2027 through June 30, 2028</u>	<u>Effective July 1, 2028 and Thereafter</u>
Per Pound	\$0.14	\$0.15	\$0.16	\$0.18	\$0.19

FOR USERS (BOD) LOCATED OUTSIDE OF THE CITY:

	<u>Effective from adoption through June 30, 2025</u>	<u>Effective July 1, 2025 through June 30, 2026</u>	<u>Effective July 1, 2026 through June 30, 2027</u>	<u>Effective July 1, 2027 through June 30, 2028</u>	<u>Effective July 1, 2028 and Thereafter</u>
Per Pound	\$0.16	\$0.17	\$0.19	\$0.20	\$0.22

- (3) Rate Surcharge Based Upon COD – There shall be an additional charge per pound of chemical oxygen demand for COD received in excess of 480 milligrams per liter of fluid as follows:

FOR USERS (COD) LOCATED INSIDE OF THE CITY:

	<u>Effective from adoption through June 30, 2025</u>	<u>Effective July 1, 2025 through June 30, 2026</u>	<u>Effective July 1, 2026 through June 30, 2027</u>	<u>Effective July 1, 2027 through June 30, 2028</u>	<u>Effective July 1, 2028 and Thereafter</u>
Per Pound	\$0.07	\$0.08	\$0.08	\$0.09	\$0.10

FOR USERS (COD) LOCATED OUTSIDE OF THE CITY:

	<u>Effective from adoption through June 30, 2025</u>	<u>Effective July 1, 2025 through June 30, 2026</u>	<u>Effective July 1, 2026 through June 30, 2027</u>	<u>Effective July 1, 2027 through June 30, 2028</u>	<u>Effective July 1, 2028 and Thereafter</u>
Per Pound	\$0.08	\$0.09	\$0.09	\$0.10	\$0.11

- (4) Rate Surcharge Based Upon Phosphorous – There shall be an additional charge per pound of phosphorous received in excess of 10 milligrams per liter of fluid as follows:

FOR USERS (PHOSPHOROUS) LOCATED INSIDE OF THE CITY:

	Effective from adoption through <u>June 30, 2025</u>	Effective July 1, 2025 through <u>June 30, 2026</u>	Effective July 1, 2026 through <u>June 30, 2027</u>	Effective July 1, 2027 through <u>June 30, 2028</u>	Effective July 1, 2028 and <u>Thereafter</u>
Per Pound	\$0.54	\$0.58	\$0.63	\$0.68	\$0.73

FOR USERS (PHOSPHOROUS) LOCATED OUTSIDE OF THE CITY:

	Effective from adoption through <u>June 30, 2025</u>	Effective July 1, 2025 through <u>June 30, 2026</u>	Effective July 1, 2026 through <u>June 30, 2027</u>	Effective July 1, 2027 through <u>June 30, 2028</u>	Effective July 1, 2028 and <u>Thereafter</u>
Per Pound	\$0.62	\$0.67	\$0.72	\$0.78	\$0.84

- (5) Rate Surcharge Based Upon NH₃ (Nitrogen as Ammonia) – There shall be an additional charge per pound of NH₃ received in excess of 30 milligrams per liter of fluid as follows:

FOR USERS (NH₃) LOCATED INSIDE OF THE CITY:

	Effective from adoption through <u>June 30, 2025</u>	Effective July 1, 2025 through <u>June 30, 2026</u>	Effective July 1, 2026 through <u>June 30, 2027</u>	Effective July 1, 2027 through <u>June 30, 2028</u>	Effective July 1, 2028 and <u>Thereafter</u>
Per Pound	\$0.29	\$0.31	\$0.34	\$0.37	\$0.39

FOR USERS (NH₃) LOCATED OUTSIDE OF THE CITY:

	Effective from adoption through <u>June 30, 2025</u>	Effective July 1, 2025 through <u>June 30, 2026</u>	Effective July 1, 2026 through <u>June 30, 2027</u>	Effective July 1, 2027 through <u>June 30, 2028</u>	Effective July 1, 2028 and <u>Thereafter</u>
Per Pound	\$0.33	\$0.36	\$0.39	\$0.42	\$0.45

Section 3. The sprinkling rate period as set forth in the 2001 Ordinance is hereby amended and restated as follows:

In order that the single-family domestic and residential users of sewage service shall not be penalized for the use of water for lawn care and other uses during the summer consumption months. The billing for sewage services for residences and/or domestic uses for the billing months of July, August and September shall be based upon the average water usage for the previous six (6) billing months of November, December, January, February, March and April. The sprinkling rate allowance shall not be available to users who have occupied the billed premises for less than three (3) months and not received 3 bills prior to the sprinkling rate billing period. In the event the water usage for the billing months of July, August and September is less than the average of the previous months, then the billing for sewage services shall be computed on the actual water used in the month for which the sewage service bill is being charged. Domestic and/or residential

sewage service as applicable to the sprinkling rate shall apply to each lot, parcel of real estate or building, which is occupied and used as a single-family residence.

The sprinkling rate set out herein shall not apply to any premises, which are partially or wholly used for multi-family, commercial, industrial or other non-residential purposes. The owner of any multi-family, commercial, industrial or other non-residential property, which is used partially for residential purposes shall have the right to obtain separate water service for the residential portion of the premises and, if such separation of water service is obtained by the owner, then that water service used solely for residential purposes would qualify for the sprinkling rate provided herein. In the event that a user who does not qualify for the sprinkling allowance desires to be considered for such allowance, then such user shall petition the Valparaiso City Utilities in writing for consideration for this allowance.

Section 4. All ordinances and parts of ordinances, and all provisions of the Valparaiso City Code, in conflict herewith are hereby repealed. The rates and charges herein set forth which amend the rates and charges set forth in 2013 Ordinance and the 2001 Ordinance shall likewise amend the corresponding rates and charges as set forth in the Valparaiso City Code.

Section 5. If any section, sentence, or provision of this ordinance or the application thereof to any person or circumstance shall be declared invalid, such invalidity shall not affect any of the other parts of this ordinance which can be given effect without the invalid part, and to this end the provisions of this ordinance are declared to be severable.

Section 6. This ordinance shall be in full force and effect from and after its passage and execution by the Mayor.

PASSED AND ADOPTED by the Common Council of the City of Valparaiso, Porter County, Indiana, this 22nd day of April, 2024.

COMMON COUNCIL OF THE CITY OF
VALPARAISO, INDIANA

By: _____

Presiding Officer

Valparaiso Common Council

ATTEST:

Holly Taylor

Holly Taylor, Clerk-Treasurer
City of Valparaiso

22nd Presented by me to the Mayor of the City of Valparaiso, Porter County, Indiana, this
day of April, 2024.

Holly Taylor
Holly Taylor, Clerk-Treasurer
City of Valparaiso

Signed and approved by me upon this 22nd day of April, 2024.

Jon Costas
Jon Costas, Mayor
City of Valparaiso