

**AN ORDINANCE AMENDING CHAPTER 52:
WATER AND WATERCOURSES
CITY OF FORT WAYNE, CODE OF ORDINANCES**

WHEREAS, the Common Council of the City of Fort Wayne, Indiana last approved a water rate adjustment in January of 2012, which was approved by the Indiana Utility Regulatory Commission following a rate analysis study; and

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

WHEREAS, Crowe Horwath LLP was hired by Fort Wayne City Utilities to analyze the Water Utility's non-recurring fees and propose various adjustments to those non-recurring charges; and

WHEREAS, Crowe Horwath LLP has concluded that the non-recurring fees should be adjusted in various ways as described below; and

WHEREAS, H.J. Umbaugh and Associates was hired by Fort Wayne City Utilities to analyze the Water Utility's pro forma revenues, proposed CIP, and other projected cash flows in order to arrive at water rates that will generate sufficient funds to meet the fiscal needs of the Water Utility including:

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

WHEREAS, H.J. Umbaugh and Associates has concluded that the existing rates and 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 limited to those costs related to the Utility's CIP and therefore recommends that the existing rates and charges should be increased in five (5) phases, each implemented one year after the other, in amounts described below.

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

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

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

SECTION 2. The following miscellaneous rates and charges of the Water Utility are hereby amended to adjust the miscellaneous rates and charges assessed to Fort Wayne Water Utility customers as recommended by Crowe Horwath LLP, which may not be effective until after filing of the tariff with the Indiana Utility Regulatory Commission:

MISCELLANEOUS NON-RECURRING RATES

Bad Check Charge	\$20.00
Reconnection Charge	\$28.00
Same Day Service-Reconnection Charge	\$56.00
Additional Trips	\$56.00 each
Special Service Charge	\$56.00
Service Call Charge	\$28.00
Testing Meter for Accuracy	\$83.00
Service Shut-Off Charge	\$28.00
Shut-Off for Repairs Charge	\$28.00
Door Hanger Fee	\$14.00
Unauthorized Usage Shut-Off Charge	\$71.00
Special Event Water Meter Set-Up Charge	\$383.00 (up to 3")*

Permanent Disconnection Charge	\$1,167.00
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* For meters larger than 3", the meter set-up charge will be equivalent to the actual cost to the Fort Wayne Water Utility in setting up the special event meter.

TEMPORARY METER FEES

Meter Size	Temporary Meter Fee for One Month
3/4"	\$25.00
3"	\$111.00

WATER METER REPLACEMENT (for damaged, frozen, lost or stolen meters)

Meter Size*	Radio Only	Meter Only	Radio & Meter	Pit Meter Only	Pit Meter & Radio
5/8" Meter	\$133.84	\$134.18	\$201.18	\$135.67	\$202.67
5/8" x 3/4" Meter	\$133.84	\$134.18	\$201.18	\$135.67	\$202.67
3/4" Meter	\$133.84	\$159.33	\$226.33	\$160.82	\$227.82
1" Meter	\$133.84	\$184.85	\$251.85	\$186.34	\$253.34

* For any meter sizes not specifically listed, the meter replacement charge will be equivalent to the actual cost to the Fort Wayne Water Utility in replacing the meter.

INDIVIDUAL WATER SERVICE INSTALLATIONS (when performed by the Fort Wayne Water Utility)

Service Size*	Charge
3/4" to 2"	\$1,817.00

* For any service sizes not specifically listed, the water service installation charge will be equivalent to the actual cost to the Fort Wayne Water Utility in performing the installation.

INDIVIDUAL WATER SERVICE INSTALLATIONS—TAP ONLY (when performed by the Fort Wayne Water Utility)

Service Size*	Tap Fee
3/4" to 2"	\$280.00

* For any service sizes not specifically listed, the tap fee will be equivalent to the actual cost to the Fort Wayne Water Utility in installing the tap.

WATER LAB FEES

Chloride	\$15.00
Res. Chlorine	\$10.00
Color	\$5.00
Fluoride	\$15.00
Langlier Index	\$101.00
M.B.A.S	\$27.00
NO3/NO2	\$25.00
Phosphate	\$28.00
Sulfate	\$15.00
TDS	\$20.00
TSS	\$12.00
Turbidity	\$15.00
Bacti	\$50.00
Titration Package	\$73.00 (Total)
Alkalinity	\$35.00
pH	\$8.00
Total Hardness	\$30.00

SECTION 3. The following sections of Chapter 52 of the Fort Wayne Code of Ordinances are hereby amended to adjust the rates and charges assessed to Fort Wayne Water Utility customers as recommended by H.J. Umbaugh and Associates in five (5) phases, the first phase to be effective June 1, 2019, the second phase effective June 1, 2020, the third phase effective June 1, 2021, the fourth phase effective June 1, 2022, and the fifth phase effective June 1, 2023, as shown below:

Sec. 52.15 Water Usage Schedule - Inside City

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

(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>	<u>Phase IV</u>	<u>Phase V</u>
First 2,500 cubic feet	\$2.17	\$2.30	\$2.44	\$2.58	\$2.73
Next 9,500 cubic feet	\$2.02	\$2.14	\$2.27	\$2.40	\$2.54
Over 12,000 cubic feet	\$1.97	\$2.09	\$2.21	\$2.34	\$2.48

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

<u>Size of Meter</u> (inches)		<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>	<u>Phase IV</u>	<u>Phase V</u>
5/8"	\$	9.64	10.21	10.81	11.44	12.11
3/4"	\$	9.64	10.21	10.81	11.44	12.11
1"	\$	24.55	26.01	27.54	29.15	30.87
1 1/2"	\$	54.98	58.24	61.68	65.29	69.14
2"	\$	97.53	103.31	109.40	115.81	122.64
2 1/2"	\$	97.53	103.31	109.40	115.81	122.64
3"	\$	219.59	232.61	246.33	260.76	276.14
4"	\$	390.35	413.50	437.90	463.56	490.91
6"	\$	877.83	929.88	984.74	1,042.45	1,103.95
8"	\$	1,560.99	1,653.56	1,751.12	1,853.74	1,963.11
10"	\$	2,438.81	2,583.43	2,735.85	2,896.17	3,067.04
12"	\$	2,438.81	2,583.43	2,735.85	2,896.17	3,067.04

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

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

<u>Size of Meter</u> (inches)		<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>	<u>Phase IV</u>	<u>Phase V</u>
5/8"	\$	2.65	2.81	2.98	3.15	3.34

3/4"	\$	2.65	2.81	2.98	3.15	3.34
1"	\$	6.79	7.19	7.61	8.06	8.54
1 1/2"	\$	15.26	16.16	17.11	18.11	19.18
2"	\$	27.13	28.74	30.44	32.22	34.12
2 1/2"	\$	42.40	44.91	47.56	50.35	53.32
3"	\$	61.06	64.68	68.50	72.51	76.79
4"	\$	108.54	114.98	121.76	128.90	136.51
6"	\$	244.21	258.69	273.95	290.00	307.11
8"	\$	434.16	459.91	487.04	515.58	546.00
10"	\$	678.37	718.60	761.00	805.59	853.12
12"	\$	976.85	1,034.78	1,095.83	1,160.05	1,228.49

Private Hydrant Fee (Monthly)	\$ 33.80	\$ 35.80	\$ 37.91	\$ 40.13	\$ 42.50
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Private Fire Line Connection (Monthly
Charge)

1"	\$	0.30	0.32	0.34	0.36	0.38
1 1/2"	\$	0.88	0.93	0.98	1.04	1.10
2"	\$	1.88	1.99	2.11	2.23	2.36
2 1/2"	\$	3.39	3.59	3.80	4.02	4.26
3"	\$	5.45	5.77	6.11	6.47	6.85
4"	\$	11.63	12.32	13.05	13.81	14.62
6"	\$	33.80	35.80	37.91	40.13	42.50
8"	\$	72.01	76.28	80.78	85.51	90.56
10"	\$	129.51	137.19	145.28	153.79	162.86
12"	\$	209.21	221.62	234.70	248.45	263.11
16"	\$	445.82	472.26	500.12	529.43	560.67

Sec. 52.18 Charges for Customers Outside Corporate Limits.

The following rates and charges shall apply to customers located outside the corporate limits of the City of Fort Wayne:

(A) Metered rates per month

<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>	<u>Phase IV</u>	<u>Phase V</u>
First 2,500 cubic feet	\$ 2.47	\$ 2.60	\$ 2.73	\$ 2.86	\$ 3.00
Next 9,500 cubic feet	\$ 2.30	\$ 2.42	\$ 2.54	\$ 2.66	\$ 2.79
Over 12,000 cubic feet	\$ 2.25	\$ 2.36	\$ 2.48	\$ 2.60	\$ 2.73

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

<u>Size of Meter</u> (inches)	<u>Monthly Service Charges</u>				
	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>	<u>Phase IV</u>	<u>Phase V</u>
5/8"	\$ 11.01	11.56	12.13	12.72	13.34
3/4"	\$ 11.01	11.56	12.13	12.72	13.34
1"	\$ 28.01	29.41	30.86	32.38	33.98
1 1/2"	\$ 62.70	65.83	69.10	72.49	76.07
2"	\$ 111.20	116.76	122.55	128.57	134.92
2 1/2"	\$ 111.20	116.76	122.55	128.57	134.92
3"	\$ 250.35	262.87	275.91	289.46	303.77
4"	\$ 445.02	467.27	490.47	514.57	540.02
6"	\$ 1,000.74	1,050.78	1,102.93	1,157.14	1,214.36
8"	\$ 1,779.55	1,868.54	1,961.27	2,057.67	2,159.44
10"	\$ 2,780.26	2,919.29	3,064.17	3,214.77	3,373.76
12"	\$ 2,780.26	2,919.29	3,064.17	3,214.77	3,373.76

(C) Fire Protection Service for use in extinguishing fire only, shall be as follows:

Public Fire Protection
(Monthly Charge)

Size of Meter
(inches)

5/8"	\$	3.02	3.18	3.34	3.50	3.67
3/4"	\$	3.02	3.18	3.34	3.50	3.67
1"	\$	7.74	8.12	8.52	8.95	9.39
1 1/2"	\$	17.40	18.26	19.16	20.10	21.10
2"	\$	30.93	32.48	34.09	35.76	37.53
2 1/2"	\$	48.34	50.75	53.27	55.89	58.65
3"	\$	69.61	73.09	76.72	80.49	84.47
4"	\$	123.74	129.93	136.37	143.08	150.16
6"	\$	278.40	292.32	306.82	321.90	337.82
8"	\$	494.94	519.70	545.48	572.29	600.60
10"	\$	773.34	812.02	852.32	894.20	938.43
12"	\$	1,113.61	1,169.30	1,227.33	1,287.66	1,351.34

		<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>	<u>Phase IV</u>	<u>Phase V</u>
Private Hydrant Fee		\$ 38.53	\$ 40.45	\$ 42.46	\$ 44.54	\$ 46.75
(Monthly)						

Private Fire Line Connection (Monthly
Charge)

1"	\$	0.34	0.36	0.38	0.40	0.42
1 1/2"	\$	1.00	1.05	1.10	1.15	1.21
2"	\$	2.14	2.25	2.36	2.48	2.60
2 1/2"	\$	3.86	4.06	4.26	4.46	4.69
3"	\$	6.21	6.52	6.84	7.18	7.54
4"	\$	13.26	13.92	14.62	15.33	16.08

6"	\$	38.53	40.45	42.46	44.54	46.75
8"	\$	82.09	86.20	90.47	94.92	99.62
10"	\$	147.64	155.02	162.71	170.71	179.15
12"	\$	238.50	250.43	262.86	275.78	289.42
16"	\$	508.23	533.65	560.13	587.67	616.74

(D) *Large industrial customers*

<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>	<u>Phase IV</u>	<u>Phase V</u>
First 2,500 cubic feet	\$ 2.20	\$ 2.33	\$ 2.47	\$ 2.61	\$ 2.76
Next 9,500 cubic feet	\$ 2.03	\$ 2.15	\$ 2.28	\$ 2.41	\$ 2.55
Over 12,000 cubic feet	\$ 1.84	\$ 1.87	\$ 1.96	\$ 2.05	\$ 2.15
Monthly Service Charge	(Based on Outside City Monthly Service Charges)				
Monthly Public Fire Protection	(Based on Outside City Public Fire Protection Services)				

(E) *City of New Haven*

	<u>Phase I</u>	<u>Phase II</u>	<u>Phase III</u>	<u>Phase IV</u>	<u>Phase V</u>
Demand charge (per \$ month)	11,383.19	12,136.30	12,930.01	13,764.87	14,654.68
Commodity charge (per 100 cubic feet of water metered)	1.6849	1.7126	1.7932	1.8778	1.9684
Monthly Service Charge	(Based on Inside City Monthly Service Charges)				
Monthly Public Fire Protection	(Based on Inside City Private Fire Protection Services).				

SECTION 4. The following section 52.22 is added as a new section to Chapter 52 of the Fort Wayne Code of Ordinances, as shown below:

Sec. 52.22 System Development Charge.

A system development charge ("SDC") shall be assessed for all permanent connections to the Fort Wayne water system in accordance with the Fort Wayne Water Utility's connection policies after filing of the tariff with the Indiana Utility Regulatory Commission, as follows:

<u>Size of Meter</u>	<u>SDC</u>
5/8"	\$ 580.00
3/4"	\$ 870.00
1"	\$ 1,450.00
1 1/2"	\$ 2,900.00
2"	\$ 4,640.00
3"	\$ 8,700.00
4"	\$ 14,500.00
6"	\$ 29,000.00
8"	\$ 46,400.00
10"	\$ 66,700.00

SECTION 5. All references to "Utility Center, Inc. (*aka Aqua Indiana*)" contained in Chapter § 52.15, § 52.16, § 52.18 are hereby eliminated.

SECTION 6. Except for the foregoing amendments, the remaining sections of Chapter 52 of the City of Fort Wayne, Indiana, Code of Ordinances shall remain in full force and effect. Further, except for the foregoing amendments, the schedule of miscellaneous rates and charges of the Water Utility shall remain in full force and effect.

SECTION 7. All ordinances or parts of ordinances in conflict herewith are hereby repealed, and the existing schedule of water rates and charges shall remain in full force and effect until June 1, 2019.

SECTION 8. 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 hereof; provided however, the schedule of rates and charges herein set out shall not become effective until June 1, 2019 or as otherwise set forth herein.

Council Member

Approved as to form and legality

Carol Helton, City Attorney

CITY COUNCIL MEMORANDUM

TO: Members of City Council
FROM: Justin Brugger
SUBJECT: Ratification of IURC-Approved Water Tariff
DATE: May 7, 2019
CC: Kumar Menon, Matthew Wirtz



Council Districts Impacted: All
Council Introduction Date: May 14, 2019
Council Discussion Date: May 21, 2019

In June of last year, City Council approved a five-year water plan. Subsequently, this plan was submitted to the Indiana Utility Regulatory Commission for review and approval, which was received in April 2019. As you may recall from last year's discussion, the final step in this process is ratification of the IURC-Approved Tariff by the City Council through the attached ordinance.

Should you have any questions, please do not hesitate to let me know. I can be reached directly at (260) 427-2836, or via email at justin.brugger@cityoffortwayne.org.