

**ORDINANCE NO. 1-8014**

**AN ORDINANCE AMENDING RATES AND CHARGES  
FOR THE USE OF AND SERVICES RENDERED BY THE  
SEWAGE WORKS SYSTEM OF THE TOWN OF  
REYNOLDS, INDIANA**

WHEREAS, the Town of Reynolds, Indiana (the "Town") has established, acquired, and financed its Sewage Works for the purpose of providing for the collection, treatment and disposal of sewage from inhabitants in and around the Town; and

WHEREAS, the current schedule of rates and charges of the Sewage Works are set forth in and billed and collected by the Town pursuant to Ordinance No. 2013-2, adopted by the Town Council of the Town (the "Council") on April 2, 2013 (the "2013 Ordinance"); and

WHEREAS, H. J. Umbaugh & Associates, LLP, Certified Public Accountants, the financial advisor to the Town, has prepared a rate report concerning the current rates and charges of the Sewage Works (the "Report") as in effect pursuant to the 2013 Ordinance; and

WHEREAS, based upon the Report, 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 as enacted pursuant to 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 must be increased in order to provide sufficient revenue to meet such requirements and that it is necessary to adopt an Ordinance amending the rates and charges to reflect such increase in the rates and charges of the Sewage Works; and

WHEREAS, the Council finds that customers of the Sewage Works located outside of the corporate boundaries of the Town should be required to pay a surcharge for the use of the Sewage Works equal to 25% of the rates and charges set forth herein; 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 Town to meet its legal revenue requirements for the Sewage Works;

NOW THEREFORE, be it ordained by the Town Council of the Town of Reynolds, Indiana that:

Section 1. Metered Users. The sewage rates and charges shall be based on the quantity of water used on or in the property or premises subject to such use, except as otherwise provided in this Ordinance. In the event a user is both a water and sewer customer of the Town and the sewage flow is measured separately by a sewage flow meter, the monthly bill shall be based on the flow measured by the sewage flow meter at the rates and charges as established below.

a. METERED RATES PER MONTH

All Usage – rate per 1,000 gallons \$2.57

b. BASE MONTHLY CHARGE

Each user shall pay a base monthly charge in accordance with the following applicable size of meter installed:

5/8 – 3/4 inch meter	\$ 44.95
1 inch meter	108.70
1-1/4 inch meter	172.45
1-1/2 inch meter	215.05
2 inch meter	342.55
3 inch meter	640.20
4 inch meter	1,065.35
6 inch meter	2,128.25
8 inch meter	3,403.75

Section 2. Unmetered Users. 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). The schedule of which said rates and charges shall be determined is as follows:

UNMETERED USERS

Residential single family dwelling unit \$57.80  
(assuming 5,000 per month)

Section 3. Surcharge. Customers of the Sewage Works located outside the corporate boundaries of the Town shall pay a surcharge of 25% in addition to the schedules of rates set forth above.

Section 4. Tap Fee. A tap charge shall be collected from each customer prior to connection to the Sewage Works. This charge shall be \$2,000 for a 5/8 inch – 3/4 inch connection. For larger size connections, the charge shall be an amount sufficient to reimburse the Town for the labor, material and overhead necessary for tapping the main, installation of

service from the main to the property line, and the cost of furnishing and installing a suitable water meter. In no event shall the charge for such connection be less than \$2,000.

Section 5. Sprinkler Credit. In order that domestic and residential users of sewage services shall not be penalized for the sprinkling of lawns during the months of June, July, August, and September, the billing for sewage service for residences and/or domestic users for said months of June, July, August, and September shall be based on the average water usage for the previous months of December, January, February, and March. In the event the average water usage for said previous months of December, January, February, and March is greater than the water usage for said months of June, July, August, and/or September, then the billing for sewage service shall be computed on the actual water used in the month for which the sewage bill is being rendered. 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 residence. Said sprinkling rate shall not apply to any premises which are partially or wholly used for industrial or commercial purposes. In the event a portion of such premises shall be used for commercial or industrial purposes, the owner shall have the privilege of separating the water so that the residential portion of the premises is served through a separate meter, and in such case, the water usage as registered by the water meter serving such portion of the premises used for residential purposes would qualify under the sprinkling rate. A user of sewage services shall not be eligible for the foregoing sprinkler credit if that user was (voluntarily or involuntarily) disconnected from water for any portion of the previous months of December, January, February, and March.

Section 6. Sampling Fees. In order to recover the cost of monitoring industrial wastes, the Town shall charge the user not less than \$22.00 per sampling event plus the actual cost for collecting and analyzing the sample(s) as determined by the Town or by an independent laboratory. This charge will be reviewed on the same basis as all other rates and charges in this ordinance.

Section 7. Late Fees. Use of sewer services as above provided shall be charged and collected each month. All sewer bills shall be rendered as of the first day of the month following the month for which charges are made, and shall be due and payable upon receipt. A late fee of ten percent (10%) shall be charged if full payment is not received by the fifteenth (15th) of the month in which said sewer bills are rendered and each month thereafter until paid in full.

Section 8. Supersede. All Ordinances and parts of Ordinances in conflict herewith, are hereby repealed.

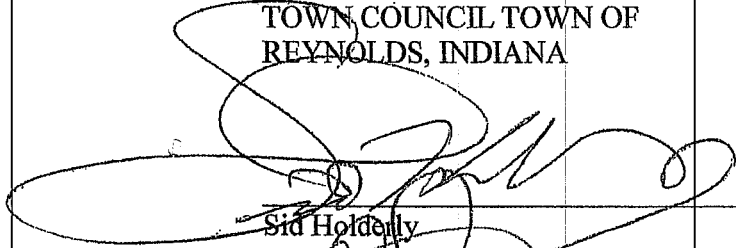
Section 9. Severability. The invalidity of any section, clause, sentence, or provision of this Ordinance shall not affect the validity of any other part of this Ordinance which can be given effect without such invalid part or parts.

Section 10. Effective Date. This Ordinance and the rates and charges set forth herein, shall be effective from and after the first day of the first full billing cycle commencing after the adoption date of this Ordinance.

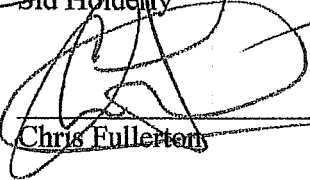
*[Signature Page Follows]*

Passed and adopted by the Town Council of the Town of Reynolds, Indiana, on this 14 day of January 2013.

TOWN COUNCIL TOWN OF  
REYNOLDS, INDIANA

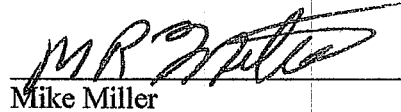


Sid Holderly



Chris Fullerton

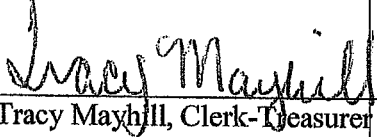
Judi Snowberger



Mike Miller

Scott Denton

Attest:



Tracy Mayhill, Clerk-Treasurer