

ORDINANCE 2025-1

AN ORDINANCE AMENDING ORDINANCE 2002-2 OF THE TOWN COUNCIL OF THE TOWN OF ROYAL CENTER, INDIANA, ESTABLISHING A REVISED SCHEDULE OF RATES AND CHARGES FOR THE USE OF AND SERVICES RENDERED BY THE WATERWORKS SYSTEM OF THE TOWN AND OTHER MATTERS ASSOCIATED THEREWITH

WHEREAS, the Town Council of the Town of Royal Center, Indiana (the “Town”), has constructed and acquired, does now own and operate, a municipal water works system for the treatment and distribution of water to the residents of the Town (the “Waterworks”); and

WHEREAS, the Town anticipates continued improvements and upgrading of the Waterworks for the treatment and distribution of water to the residents; and

WHEREAS, the Town previously has been removed from jurisdiction of the Indiana Utility Regulatory Commission of the approval of its rates and charges with respect to the Waterworks; and

WHEREAS, the Town Council of the Town (the “Town Council”) previously adopted Ordinance 94-1 and Ordinance 2002-2 both containing a schedule of rates and charges for the use of and services rendered by the Waterworks; and

WHEREAS, the Town has maintained the rates reflected in Ordinance 2002-2 since its passage on January 21, 2002. As a result of inflationary increases, the need to continuously approve the wastewater treatment plant, and labor costs associated therewith, the Town has conducted an analysis of its current rates and the income generated therefrom and determined that the rates and charges for the use and services rendered by the Waterworks should be revised to produce sufficient income to continue to operate the Waterworks in a sound physical condition and under financial circumstances ensuring adequate and sufficient services to its residents. It is anticipated that the revised rates and charges will allow a reasonable rate of return on the utility plan and service and allow an amount sufficient to compensate the Town for taxes due the Town which would be paid on the utility property and service were it privately owned; and

WHEREAS, the Town Council now determines that the proper notice has been duly given as required by Indiana Code 8-1.5-3-8.1, and that a public hearing on the proposed revised schedule of rates and charges was held on January 6, 2025 and February 3, 2025.

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF ROYAL CENTER, INDIANA, AS FOLLOWS:

SECTION 1. The following rate schedule shall be Adopted consistent with the rates contained therein:

<u>Consumption Per Month</u> <u>(Rate Per 1,000 Gallons)</u>	<u>Rates</u>		
	2025	2026	2027
First 10,000 Gallons	\$10.55	\$ 12.14	\$13.36
Next 15,000 Gallons	\$ 8.60	\$ 9.89	\$10.88
Over 25,000 Gallons	\$ 7.84	\$ 9.02	\$ 9.93

	<u>Rate</u>
Unmetered Monthly User Rate (5,000 Gallons)	\$100.00 flat rate
Unmetered Monthly User Rate (5,000+ Gallons)	prorated based on \$100 flat rate above

Service charges on a per month basis:

<u>Monthly Service Charge by Meter Size</u>	<u>Rates</u>
5/8 inch meter	\$5.00
3/4 inch meter	\$5.00
1 inch meter	\$9.84

1 ½ inch meter	\$19.70
2 inch meter	\$33.49
3 inch meter	\$73.05
4 inch meter	\$128.40
6 inch meter	\$286.39
8 inch meter	\$507.82
10 inch meter	\$792.33

Private and Public Fire Hydrant Rental and Private Fire Protection Service-Automatic Sprinkler:

<u>Private and Public Fire Hydrant Rental</u>	<u>Rates</u>
Municipal Fire Hydrants – Per Annum	\$265.50
Private Fire Hydrants – Per Annum	\$265.50

<u>Private Fire Protection Service – Automatic Sprinkler, per annum</u>	
2 inch connection	\$29.21
3 inch connection	\$66.38
4 inch connection	\$116.82
6 inch connection	\$265.50
8 inch connection	\$472.59
10 inch connection	\$738.09
12 inch connection	\$1,062.00

[end of rate table]

SECTION 2. The rates referenced herein represent the following increases of the rates contained in Ordinance 2002-2:

- a. All rates contained in Ordinance 2002-2 (excluding meter rates, hydrant rates and connection rates) will be increased by 20% during the 2025 calendar year effective immediately upon passage of this Ordinance;
- b. The 2025 rates (excluding meter rates, hydrant rates, and connection rates) shall be increased by an additional 15% during the calendar year 2026; and
- c. The 2026 rates (excluding meter rates, hydrant rates, and connection rates) shall be increased by an additional 10% during the calendar year 2027.

It is anticipated that the above referenced rate increases will result in Waterworks revenue sufficient to continue to operate the Waterworks in a manner that is in the best interest of the citizens of Royal Center. However, the Town Council anticipates a further review of the rates and revenue generated therefrom in the event that said increases are not sufficient to generate the revenue necessary to operate the Waterworks system with the understanding that the rates have not been increased since January of 2002, nearly 23 years ago.

SECTION 3. This Ordinance shall be in full force and effect from and after its passage and adoption. Except as hereby amended and revised, the Prior Ordinances shall remain in full force and effect.

DULY PASSED, ORDAINED, AND ADOPTED by the Town Council of the Town of Royal Center the 3rd day of February, 2025.



BRANDON SCHMALTZ
President, Royal Center Town Council



TERESA HIATT, COUNCIL MEMBER



RYAN FUNK, COUNCIL MEMBER



TIM MINNICK, COUNCIL MEMBER



JASMINE McMILLAN, COUNCIL MEMBER

ATTEST:



Carrie McIntire, Clerk