

ORDINANCE NO. BG2018 - 22

ORDINANCE AMENDING CODE OF ORDINANCES

ORDINANCE AMENDING CHAPTER 23 (WATER AND SEWER) OF THE CITY OF BOWLING GREEN CODE OF ORDINANCES RELATED TO WATER AND SEWER RATE ADJUSTMENTS AS PROPOSED BY BOWLING GREEN MUNICIPAL UTILITIES (BGMU)

WHEREAS, Bowling Green Municipal Utilities (BGMU) is proposing amendments to Chapter 23 (Water and Sewer), Subchapter 23-1 (General Provisions) related to the addition of gallon-based water and sewer rates and some retitling; and,

WHEREAS, it is in the best interest of the City to revise Chapter 23 (Water and Sewer) as proposed by BGMU.

NOW, THEREFORE, BE IT ORDAINED by the City of Bowling Green, Kentucky as follows:

1. Chapter 23 (Water and Sewer) is hereby amended as follows:

23-1 GENERAL PROVISIONS.

23-1.01 Schedule of Rates; Calculation of Charges.

a. The Board of Commissioners shall fix all rates to be charged for the services of the water and sewerage system and revise same from time to time within the discretion of the Board of Commissioners but the rates so fixed shall be sufficient to provide for the operation and maintenance of the utility, an adequate depreciation account, capital improvements and replacement of infrastructure, principal and interest on all bond issues and amortization thereof as provided therein and sufficient to satisfy all requirements of the bond issues and a fair and reasonable return to the City based upon the fair value of the used and useful property of the utility and the services rendered by the utility.

b. There shall be and there are established as of February 1, 2015 and as of July 1, 2016, 2017, 2018, 2019, 2020 and as of 2021, and thereafter, monthly rates and charges for the use of

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and services rendered by the combined and consolidated municipal water works and sewerage system of the City, which shall be paid by the owner or occupant of each and every residential, commercial and industrial establishment or other property, building and structure of any kind, other than water districts, connected with and being served by the combined and consolidated system. The rates and charges shall be computed and billed monthly, and such rates and charges shall be as follows:

1. During the billing period February 1, 2015 through June 30, 2016, the basic rates shall be:

	<b>Water Rates</b>		<b>Sewer Rates</b>	
	Inside City	Outside City	Inside City	Outside City
<b>Customer Charge:</b>	\$4.04	\$5.66	\$3.82	\$5.35
<b>Volume charge (per ccf/month):</b>				
First 20 ccf	\$2.67	\$3.74	\$3.33	\$4.67
Next 230 ccf	\$2.48	\$3.48	\$3.33	\$4.67
Over 250 ccf	\$2.14	\$2.99	\$3.33	\$4.67

*“ccf” means hundred cubic feet, or 748 gallons*

2. During the billing period July 1, 2016 through June 30, 2017, the basic rates shall be:

	<b>Water Rates</b>		<b>Sewer Rates</b>	
	Inside City	Outside City	Inside City	Outside City
<b>Customer Charge:</b>	\$4.89	\$6.85	\$4.62	\$6.47
<b>Volume charge (per ccf/month):</b>				
First 20 ccf	\$2.81	\$3.93	\$3.50	\$4.91
Next 230 ccf	\$2.61	\$3.66	\$3.50	\$4.91
Over 250 ccf	\$2.25	\$3.14	\$3.50	\$4.91

*“ccf” means hundred cubic feet, or 748 gallons*

3. During the billing period July 1, 2017 through June 30, 2018, the basic rates shall be:

a. For ccf-based meters:

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	<b>Water Rates</b>		<b>Sewer Rates</b>	
	[Inside]	[Outside]	[Inside]	[Outside]
	[City]	[City]	[City]	[City]
	<u>General</u>	<u>Special</u>	<u>General</u>	<u>Special</u>
	<u>Rates</u>	<u>District</u>	<u>Rates</u>	<u>District</u>
<b>Customer Charge:</b>	\$5.73	\$8.02	\$5.42	\$7.59
<b>Volume charge (per ccf/month):</b>				
First 20 ccf	\$2.90	\$4.05	\$3.61	\$5.06
Next 230 ccf	\$2.69	\$3.77	\$3.61	\$5.06
Over 250 ccf	\$2.32	\$3.24	\$3.61	\$5.06

*“ccf” means hundred cubic feet, or 748 gallons*

b. For gallon-based meters:

	<b>Water Rates</b>		<b>Sewer Rates</b>	
	<u>General</u>	<u>Special</u>	<u>General</u>	<u>Special</u>
	<u>Rates</u>	<u>District</u>	<u>Rates</u>	<u>District</u>
<b>Customer Charge:</b>	\$5.73	\$8.02	\$5.42	\$7.59
<b>Volume charge (per gallon/month):</b>				
First 14,960 gallons	\$0.3877	\$0.5414	\$0.4826	\$0.6765
Next 172,040 gallons	\$0.3596	\$0.5040	\$0.4826	\$0.6765
Over 187,000 gallons	\$0.3102	\$0.4332	\$0.4826	\$0.6765

4. During the billing period July 1, 2018 through June 30, 2019, the basic rates shall be:

a. For ccf-based meters:

	<b>Water Rates</b>		<b>Sewer Rates</b>	
	[Inside]	[Outside]	[Inside]	[Outside]
	[City]	[City]	[City]	[City]
	<u>General</u>	<u>Special</u>	<u>General</u>	<u>Special</u>
	<u>Rates</u>	<u>District</u>	<u>Rates</u>	<u>District</u>
<b>Customer Charge:</b>	\$6.58	\$9.21	\$6.22	\$8.71
<b>Volume charge (per ccf/month):</b>				
First 20 ccf	\$2.99	\$4.18	\$3.72	\$5.22
Next 230 ccf	\$2.78	\$3.89	\$3.72	\$5.22
Over 250 ccf	\$2.39	\$3.34	\$3.72	\$5.22

*“ccf” means hundred cubic feet, or 748 gallons*

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b. For gallon-based meters:

	<u>Water Rates</u>		<u>Sewer Rates</u>	
	<u>General Rates</u>	<u>Special District</u>	<u>General Rates</u>	<u>Special District</u>
<b>Customer Charge:</b>	\$6.58	\$9.21	\$6.22	\$8.71
<b><u>Volume charge (per gallon/month):</u></b>				
First 14,960 gallons	\$0.3997	\$0.5588	\$0.4973	\$0.6979
Next 172,040 gallons	\$0.3717	\$0.5201	\$0.4973	\$0.6979
Over 187,000 gallons	\$0.3195	\$0.4465	\$0.4973	\$0.6979

5. During the billing period July 1, 2019 through June 30, 2020, the basic rates shall be:

a. For ccf-based meters:

	<u>Water Rates</u>		<u>Sewer Rates</u>	
	<u>[Inside]</u>	<u>[Outside]</u>	<u>[Inside]</u>	<u>[Outside]</u>
	<u>[City]</u>	<u>[City]</u>	<u>[City]</u>	<u>[City]</u>
	<u>General Rates</u>	<u>Special District</u>	<u>General Rates</u>	<u>Special District</u>
<b>Customer Charge:</b>	\$7.42	\$10.39	\$7.02	\$9.83
<b><u>Volume charge (per ccf/month):</u></b>				
First 20 ccf	\$2.99	\$4.18	\$3.72	\$5.22
Next 230 ccf	\$2.78	\$3.89	\$3.72	\$5.22
Over 250 ccf	\$2.39	\$3.34	\$3.72	\$5.22

*“ccf” means hundred cubic feet, or 748 gallons*

b. For gallon-based meters:

	<u>Water Rates</u>		<u>Sewer Rates</u>	
	<u>General Rates</u>	<u>Special District</u>	<u>General Rates</u>	<u>Special District</u>
<b>Customer Charge:</b>	\$7.42	\$10.39	\$7.02	\$9.83
<b><u>Volume charge (per gallon/month):</u></b>				
First 14,960 gallons	\$0.3997	\$0.5588	\$0.4973	\$0.6979
Next 172,040 gallons	\$0.3717	\$0.5201	\$0.4973	\$0.6979
Over 187,000 gallons	\$0.3195	\$0.4465	\$0.4973	\$0.6979

6. During the billing period July 1, 2020 through June 30, 2021, the basic rates shall be:

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a. For ccf-based meters:

	<u>Water Rates</u>		<u>Sewer Rates</u>	
	<u>[Inside]</u> <u>[City]</u> <u>General</u> <u>Rates</u>	<u>[Outside]</u> <u>[City]</u> <u>Special</u> <u>District</u>	<u>[Inside]</u> <u>[City]</u> <u>General</u> <u>Rates</u>	<u>[Outside]</u> <u>[City]</u> <u>Special</u> <u>District</u>
<b>Customer Charge:</b>	\$8.27	\$11.58	\$7.82	\$10.95
<b>Volume charge (per ccf/month):</b>				
First 20 ccf	\$2.99	\$4.18	\$3.72	\$5.22
Next 230 ccf	\$2.78	\$3.89	\$3.72	\$5.22
Over 250 ccf	\$2.39	\$3.34	\$3.72	\$5.22

*“ccf” means hundred cubic feet, or 748 gallons*

b. For gallon-based meters:

	<u>Water Rates</u>		<u>Sewer Rates</u>	
	<u>General</u> <u>Rates</u>	<u>Special</u> <u>District</u>	<u>General</u> <u>Rates</u>	<u>Special</u> <u>District</u>
<b>Customer Charge:</b>	\$8.27	\$11.58	\$7.82	\$10.95
<b>Volume charge (per gallon/month):</b>				
First 14,960 gallons	\$0.3997	\$0.5588	\$0.4973	\$0.6979
Next 172,040 gallons	\$0.3717	\$0.5201	\$0.4973	\$0.6979
Over 187,000 gallons	\$0.3195	\$0.4465	\$0.4973	\$0.6979

7. During the billing period July 1, 2021 through June 30, 2022, the basic rates shall be:

a. For ccf-based meters:

	<u>Water Rates</u>		<u>Sewer Rates</u>	
	<u>[Inside]</u> <u>[City]</u> <u>General</u> <u>Rates</u>	<u>[Outside]</u> <u>[City]</u> <u>Special</u> <u>District</u>	<u>[Inside]</u> <u>[City]</u> <u>General</u> <u>Rates</u>	<u>[Outside]</u> <u>[City]</u> <u>Special</u> <u>District</u>
<b>Customer Charge:</b>	\$9.11	\$12.76	\$8.61	\$12.06
<b>Volume charge (per ccf/month):</b>				
First 20 ccf	\$2.99	\$4.18	\$3.72	\$5.22
Next 230 ccf	\$2.78	\$3.89	\$3.72	\$5.22
Over 250 ccf	\$2.39	\$3.34	\$3.72	\$5.22

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*“ccf” means hundred cubic feet, or 748 gallons*

b. For gallon-based meters:

	<u>Water Rates</u>		<u>Sewer Rates</u>	
	<u>General Rates</u>	<u>Special District</u>	<u>General Rates</u>	<u>Special District</u>
<b>Customer Charge:</b>	\$9.11	\$12.76	\$8.61	\$12.06
<b><u>Volume charge (per gallon/month):</u></b>				
First 14,960 gallons	\$0.3997	\$0.5588	\$0.4973	\$0.6979
Next 172,040 gallons	\$0.3717	\$0.5201	\$0.4973	\$0.6979
Over 187,000 gallons	\$0.3195	\$0.4465	\$0.4973	\$0.6979

c. “Special District” shall mean service areas designated by BGMU and approved by the Board of Commissioners. Special Districts generally include those areas and customers served by BGMU-owned and maintained infrastructure outside of the city limits of the City of Bowling Green, Kentucky. In addition, Special Districts include wastewater services for the 74-acre tract of annexed property served by BGMU and formerly known as the Cooksey Farm on Lovers Lane. Future designations of Special Districts and the applicable rates applied to them will be determined on a case-by-case basis at the discretion of BGMU and subject to Board of Commissioners approval.

[e]d. A credit or discount against the basic monthly water and sewer rates of 10% of such basic rates shall be allowed to residential customers with respect to the first seven hundred cubic feet (7 ccf) of water and/or sewer used in any month where the aggregate income of the customer and all other members of the household is less than twenty-two thousand dollars (\$22,000) per year. No such discounts shall be allowed unless the customer has made written application therefore and has furnished to Bowling Green Municipal Utilities such information as it may require under regulations adopted by it.

[d]e. The Bowling Green Municipal Utilities Board may adjust the rates and charges each year to reflect any increase in the operation and maintenance expenses of the combined and consolidated municipal water and sewer utility. An Annual Cost Adjustment will be determined by the

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Bowling Green Municipal Utilities Board with any such increase not to exceed the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U) for the twelve (12) month period ending December 31st of the most recently audited fiscal year of Bowling Green Municipal Utilities over the previous twelve (12) month period ending December 31st. To the extent that any Annual Cost Adjustment determined by the Bowling Green Municipal Utilities Board is less than the maximum allowed, then any such difference may not be added to any future Annual Cost Adjustment. In no event shall the Annual Cost Adjustment in any year be negative.

...

2. The provisions of this Ordinance are hereby declared to be severable, and if any section, phrase or provision shall for any reason be declared invalid, such declaration of invalidity shall not affect the validity of the remainder of this Ordinance.

3. All prior Municipal Orders or Ordinances or parts of any Municipal Order or Ordinance in conflict herewith are hereby repealed.

4. This Ordinance is adopted pursuant to KRS 83A.060 in that it was introduced on May 1, 2018, and given final reading on May 15, 2018, and said Ordinance shall be in full force and effect upon signature, recordation and publication in summary pursuant to KRS Chapter 424.

ADOPTED: May 15, 2018

APPROVED: Bruce Wilkerson  
Mayor, Chairman of Board of Commissioners

ATTEST: Katie Schaller-Ward  
City Clerk

SPONSORED BY: Katie Schaller-Ward, Interim City Manager, 04/06/2018, 4:00 p.m.