

ORDINANCE NO. 2020-1

AN ORDINANCE AMENDING THE NEW CONNECTION CHARGE OF THE TOWN OF MORGANTOWN WATER UTILITY AND NEW SERVICE DEPOSIT COLLECTED BY THE MORGANTOWN WATER UTILITY AND SEWAGE WORKS

WHEREAS, the Town of Morgantown, Indiana owns and operates a Water Utility and Sewage Works;

WHEREAS, the Town Council for the Town of Morgantown, Indiana (the "Council") is the governing board of the Water Utility and Sewage Works and as such sets reasonable rates and charges that produce sufficient revenue to:

- (1) pay all the legal and other necessary expenses incident to the operation of the utility, including:
 - (A) maintenance costs;
 - (B) operating charges;
 - (C) upkeep;
 - (D) repairs;
 - (E) depreciation;
 - (F) interest charges on bonds or other obligations, including leases; and
 - (G) costs associated with the acquisition of utility property under IC 8-1.5-2;
- (2) provide a sinking fund for the liquidation of bonds or other obligations, including leases;
- (3) provide a debt service reserve for bonds or other obligations, including leases, in an amount established by the municipality, not to exceed the maximum annual debt service on the bonds or obligations or the maximum annual lease rentals;
- (4) provide adequate money for working capital;
- (5) provide adequate money for making extensions and replacements to the extent not provided for through depreciation;

WHEREAS, the Water Utility, among other charges, imposes a charge whenever a new connection of a separately metered water service line is made to a main line which is a part of the Water Utility's system ("New Connection Charge") to recoup the Water Utility's costs to make the physical connection and all other costs attendant thereto;

WHEREAS, the typical service line, for most residential and commercial properties in Town, connected to a main line which is a part of the Water Utility's system is not larger than three quarters of an inch ($\frac{3}{4}$ ");

WHEREAS, the Water Utility's costs to connect a new service line, larger than three quarters of an inch (¾"), to a main line which is a part of the Water Utility's system tend to be significantly higher;

WHEREAS, the Water Utility's current New Connection Charge, as set by the Council upon adoption of Ordinance 2015-9, is Three Hundred Fifty and 00/100 Dollars (\$350.00) for all new connections, irrespective of the size of the service line;

WHEREAS, the Council has determined that the current New Connection Charge is insufficient and needs to be increased and that a higher charge should be imposed for the connection of larger service lines;

WHEREAS, both the Water Utility and Sewage Works require, for each new account, at the time of activation of service, a deposit ("New Service Deposits") to be paid as security against nonpayment for services;

WHEREAS, currently, the amount of the New Service Deposits is \$75.00 for each, which the Council has deemed to be insufficient;

WHEREAS, a public hearing on a proposed increase of the New Connection Charge and New Service Deposits was held on February 10, 2020.

ACCORDINGLY, BE IT ORDAINED by the Town Council for the Town of Morgantown Indiana that:

Section 1. For a new connection to a main line, which is a part of the Water Utility's system, of a separately metered water service line **not larger** than three quarters of an inch (¾"), the New Connection Charge shall be One Thousand, Six Hundred Seventy-Five and 00/100 Dollars (\$1,675.00).

For a new connection to a main line, which is a part of the Water Utility's system, of a separately metered water service line **larger** than three quarters of an inch (¾"), the New Connection Charge shall be the actual costs incurred by the Water Utility, which shall be determined by the Water Utility at the time a new connection is requested.

New Connection Fees shall be paid in full prior to and as a condition of a new connection being made.

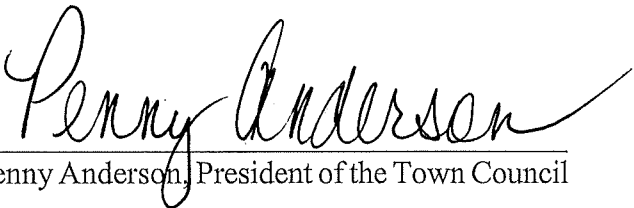
Section 2. The New Service Deposit collected by the Town's Sewage Works, at the time a new service is activated shall be \$100.00. The New Service Deposit collected by Town's Sewage Works, at the time a new service is activated, shall be \$100.00

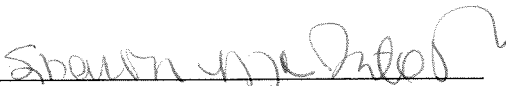
Section 3. The Council hereby authorizes and directs the appropriate officials and representatives of the Town to take all necessary actions to implement, bill, and collect the increased New Connection Charge and New Service Deposits approved and adopted herein, beginning as soon as is practicable and without delay or preference.

Section 4. All prior ordinances and parts of prior ordinances in conflict herewith are repealed as of the effective date of this Ordinance. All prior ordinances and parts of prior ordinances not in conflict with this Ordinance shall remain unchanged and in full force and effect.

Introduced and adopted on first reading by the Town Council of the Town of Morgantown on the 13th day of January, 2020.

Passed and adopted, on second and final reading on the 10th day of February, 2020.


Penny Anderson, President of the Town Council

Attest: 
Sharon McIntosh, Clerk Treasurer