

RESOLUTION NO. 2019-01

**A RESOLUTION BY THE BOARD OF SANITARY COMMISSIONERS
OF THE SANITARY DISTRICT OF THE CITY OF HOBART, INDIANA,
MODIFYING SEWER USER FEES WITHIN THE HOBART SANITARY DISTRICT.**

WHEREAS, I.C. 36-9-25-11 provides that the Board of Sanitary Commissioners fix fees for the treatment and disposal of sewage and other waste discharged into the sewerage collection system, it further authorizes the Board to amend those fees from time to time and the statute requires that such fees must at all times be sufficient to produce revenue sufficient to pay operation, maintenance, and administrative expenses, to pay the principal and interest on bonds as they become due and payable, and to provide money for the revolving fund authorized by statute; and,

WHEREAS, the Board has determined that it is necessary to modify the existing sewer user fees in order to pay for these foregoing costs and expenses as well as future improvements, additions, and extensions reasonably anticipated;

WHEREAS, the Board determines that it is desirable to establish such new user charges in three (3) phases: Phase I would be effective upon approval by the City Council. Phase II would be established effective January 1, 2021. Phase III would be established effective January 1, 2022.

NOW THEREFORE BE IT RESOLVED that the Board of Sanitary Commissioners of the Sanitary District of the City of Hobart, Indiana, establishes the following user fees to be paid by any user of the sewerage system and the owner of every parcel of real property or building that is connected with or uses the sewerage collection system of the District:

Section 1. Phase I

Billing Charge (per bill): \$5.68

Base Rates (per month):

Meter Size

(Diameter)

5/8" – 3/4" \$16.72

1" 16.72

1-1/2" 85.22

2" 145.16

3" 330.68

4" 573.29

6" 1,301.12

8" 2,315.79

Treatment Rate (per 1,000 gallons per month): \$5.68

Unmetered Users (per month):

Single Family Home \$54.09

Section 2. Phase II
 Billing Charge (per bill): \$5.02

Base Rates (per month):

<u>Meter Size</u> (Diameter)	
5/8" – 3/4"	\$19.82
1"	19.82
1-1/2"	109.08
2"	187.18
3"	428.92
4"	745.04
6"	1,693.42
8"	3,015.56

Treatment Rate (per 1,000 gallons per month): \$6.23

Unmetered Users (per month):
 Single Family Home \$59.58

Section 3. Phase III
 Billing Charge (per bill): \$4.35

Base Rates (per month):

<u>Meter Size</u> (Diameter)	
5/8" – 3/4"	\$22.92
1"	22.92
1-1/2"	132.94
2"	229.20
3"	527.16
4"	916.80
6"	2,085.72
8"	3,715.33

Treatment Rate (per 1,000 gallons per month): \$6.77

Unmetered Users (per month):
 Single Family Home \$65.08

Section 4. Wholesale Tracking Factor

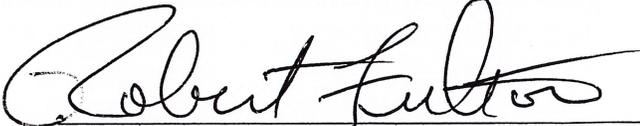
The Treatment Rate established in Sections 1, 2 and 3 will be adjusted periodically to reflect the changes in the cost of whole sewage treatment. The adjustment shall be as reflected in Appendix A, attached, and made part of this Resolution.

Section 5. Multi-Unit Residential Properties

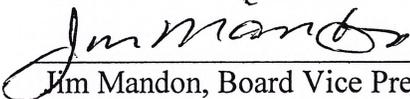
- A. Multi-unit residential properties shall include mobile home parks, apartment buildings or other multi-unit residential buildings or developments of more than four (4) units served by the District.
- B. Multi-unit residential properties shall be subject to the Billing Charge, Treatment Rate and Wholesale Tracking Factor as established in Sections 1, 2, 3, and 4 above.
- C. Multi-unit residential properties shall be subject to a Base Charge equal to the Base Charge for a 5/8-inch meter connection found in Sections 1, 2, and 3, per Equivalent Dwelling Unit (“EDU”).
- D. A connection’s Equivalent Dwelling Unit shall be determined based upon a connection’s peak daily flow measured in gallons divided by 651 gallons.
- E. Surcharge Calculation for Excess Flows - Whenever the average daily flow from a multi-unit residential property exceeds the base average daily flow determined in accordance with this section for a period of not less than five (5) consecutive days (the “qualifying period”), the multi-unit residential property shall, in addition to the total charge per month determined under Section 5, Paragraphs B, C and D above, be billed for and pay a surcharge for a period of twelve months following the month in which the excess flow qualifying period ended. A multi-unit residential property shall be subject to one surcharge per month, even if there were more than one excess flow event during qualifying periods in the preceding twelve (12) months. However, the largest surcharge shall apply in any month when there was more than one excess flow event during a qualifying period within the prior twelve (12) months.

The user’s peak daily flow shall be determined by the District and shall be deemed the base average daily flow for the multi-unit residential property. In the event the average daily flow exceeds the base average daily flow during a qualifying period, then the highest average daily flow during such period, less the base average daily flow shall constitute the excess flow for that qualifying period. This amount, divided by 651 shall yield the number of surcharge EDUs. This number shall be multiplied by the Base Charge for a 5/8-inch meter per EDU established under Paragraph C above, and the product shall constitute the monthly surcharge.

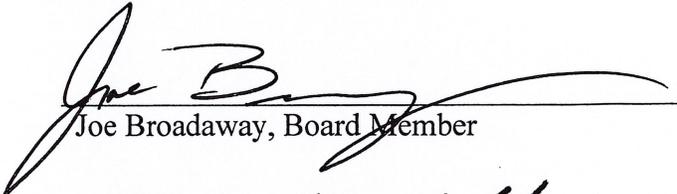
ADOPTED this 22nd day of OCTOBER, 2019, in regular meeting assembled.



Robert Fulton, Board President



Jim Mandon, Board Vice President

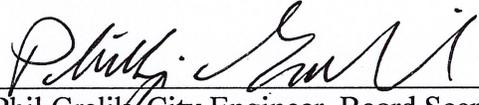


Joe Broadway, Board Member



David Hill, Board Member

ATTEST:



Phil Gralik, City Engineer, Board Secretary

HOBART (INDIANA) SANITARY SEWAGE DISTRICT

APPENDIX "A"

Wholesale Sewage Treatment Cost Adjustment

(Applicable to the Treatment Rate Charge and Unmetered Single Family User Charge)

The rate adjustment shall be on the basis of a Wholesale Sewage Treatment Cost Adjustment Tracking Factor, occasioned solely by changes in the cost of wholesale sewage treatment. The rate adjustment is calculated as follows:

	Gary Sanitary District <u>Base Rates (1)</u>	Gary Sanitary District <u>Adjusted Rates (2)</u>	<u>Difference</u>
Flow	\$0.2688		
Ammonia	0.1898		
CBOD	0.1692		
Phosphorus	1.6571		
TSS	0.3308		

Change in Wholesale Treatment Costs:

	<u>Change in Rate</u>	<u>Units of Service (3)</u>	<u>Increased Treatment Costs</u>
Flow			
Ammonia			
CBOD			
Phosphorus			
TSS			
Total increase in treatment costs			<u>0.0000</u>
New Gary Sanitary District capital from true-up			
Less: current Gary Sanitary District capital in rates			<u>(181,000.59)</u>
Change in Gary Sanitary District capital			
 Total increase in treatment costs and capital			
Divided by: Hobart Sanitary District previous 12 month treated flow (in 1,000 gallons)			
 Current tracking factor per 1,000 gallons			<u>\$ 0.000</u>

- (1) These are the Gary Sanitary District rates that were in effect in November 2019 when Hobart Sanitary District retail rates were adjusted.
- (2) Rates reflected in Gary Sanitary District's most recently accepted True-Up Report, _____.
- (3) Units of service reflected in Gary Sanitary District's most recently accepted True-Up Report, _____.

Note: The assumed monthly usage for the Unmetered Single Family user shall be 5,585 gallons.

HOBART (INDIANA) SANITARY SEWAGE DISTRICT

ILLUSTRATIVE TRACKER CALCULATION

Wholesale Sewage Treatment Cost Adjustment

(Applicable to the Treatment Rate Charge and Unmetered Single Family User Charge)

The rate adjustment shall be on the basis of a Wholesale Sewage Treatment Cost Adjustment Tracking Factor, occasioned solely by changes in the cost of wholesale sewage treatment. The rate adjustment is calculated as follows:

	Gary Sanitary District <u>Base Rates (1)</u>	Gary Sanitary District <u>Adjusted Rates (2)</u>	<u>Difference</u>
Flow	\$0.2688	\$0.3557	\$0.0869
Ammonia	0.1898	0.2102	0.0204
CBOD	0.1692	0.1677	(0.0015)
Phosphorus	1.6571	1.5780	(0.0791)
TSS	0.3308	0.3164	(0.0144)

Change in Wholesale Treatment Costs:

	<u>Change in Rate</u>	<u>Units of Service (3)</u>	<u>Increased Treatment Costs</u>
Flow	\$0.0869	1,260,037	\$109,497.22
Ammonia	0.0204	162,473	3,314.45
CBOD	(0.0015)	2,129,954	(3,194.93)
Phosphorus	(0.0791)	32,020	(2,532.78)
TSS	(0.0144)	2,185,608	<u>(31,472.76)</u>
Total increase in treatment costs			<u>75,611.20</u>

New Gary Sanitary District capital from true-up (4)	\$181,000.58
Less: current Gary Sanitary District capital in rates	<u>(181,000.59)</u>
Change in Gary Sanitary District capital	<u>(0.01)</u>

Total increase in treatment costs and capital	75,611.19
Divided by Hobart Sanitary District previous 12 month treated flow (in 1,000 gallons)	<u>518,549</u>

Current tracking factor per 1,000 gallons	<u><u>\$0.1458</u></u>
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- (1) These are the Gary Sanitary District negotiated rates that were in effect in November 2019 when Hobart Sanitary District retail rates were adjusted.
- (2) Rates reflected in Gary Sanitary District's 2018 unaccepted True-Up Report. Rates are for illustrative purposes only.
- (3) Units of service reflected in Gary Sanitary District's 2018 unaccepted True-Up Report. Rates are for illustrative purposes only.
- (4) Capital amount reflected in Gary Sanitary District's 2018 unaccepted True-Up Report. Rates are for illustrative purposes only.

Note: The assumed monthly usage for the Unmetered Single Family user shall be 5,585 gallons.