

APPROVED BY UTILITY COMMISSION

1/18/24

BoMC

ORDINANCE NO.

**ORDINANCE AMENDING CODE OF ORDINANCES
FOR RATES FOR WATER AND WATER UTILITY
SERVICE AS ADOPTED BY THE CITY UTILITY
COMMISSION OF THE CITY OF OWENSBORO,
KENTUCKY ON.**

WHEREAS, the water system of the City of Owensboro, Kentucky, is operated by the City Utility Commission of the City of Owensboro, Kentucky, pursuant to applicable State Statutes and Ordinances of said City; and

WHEREAS, the City Utility Commission and Board of Commissioners last adopted a schedule of rates and charges for water and water utility service furnished by said Commission operating as Owensboro Municipal Utilities (“OMU”) effective on October 1, 2018; and

WHEREAS, the City Utility Commission of the City of Owensboro has further reviewed the future adequacy of said rates and charges,

WHEREAS, in order that the water system may continue to be operated in the future on a sound financial basis, the City Utility Commission has determined the need to amend Chapter 26, Article III, Division 2. Rates and Charges of the City Code of Ordinances for Water and Water Utility Services,

WHEREAS, the City Utility Commission of the City of Owensboro has recommended the adoption of said amendment to the Code of Ordinances by the Board of Commissioners of the City of Owensboro,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF OWENSBORO, KENTUCKY AS FOLLOWS:

SECTION 1. That Division 2 of Article III of Chapter 26 of the Code of Ordinances of the City of Owensboro, Kentucky, entitled "RATES AND CHARGES" is hereby amended, as recommended by the City Utility Commission, effective for all billings on or after March 1, 2024.

DIVISION 2. RATES AND CHARGES

Sec. 26-51. Schedule of water rates and charges

The following schedule of rates and charges recommended by the City Utility Commission is hereby approved and adopted by the City to become effective for all billings on or after March 1, 2024.

SCHEDULE I. WATER CHARGES

CUSTOMER USAGE

Applicable to all metered water usage March 1, 2024 through February 28, 2025 for residential, commercial and industrial customers:

<u>Monthly Water Usage</u>	<u>Charges per 100 cubic feet for service inside city limits of Owensboro, KY</u>	<u>Charges per 100 cubic feet for service outside city limits of Owensboro, KY</u>
First 40,000 cu. ft.	\$2.32	\$3.48
Next 460,000 cu. ft.	2.05	3.07
Over 500,000 cu. ft.	1.93	2.88

Applicable to all metered water usage effective March 1, 2025 for residential, commercial and industrial customers:

<u>Monthly Water Usage</u>	Charges per 100 cubic feet for service inside city <u>limits of Owensboro, KY</u>	Charges per 100 cubic feet for service outside city <u>limits of Owensboro, KY</u>
First 40,000 cu. ft.	\$2.57	\$3.86
Next 460,000 cu. ft.	2.27	3.41
Over 500,000 cu. ft.	2.14	3.20

IRRIGATION USAGE

Applicable to all separately metered irrigation/sprinkler water usage March 1, 2024 through February 28, 2025 for residential, commercial and industrial customers:

<u>Monthly Water Usage</u>	Charges per 100 cubic feet for service inside city <u>limits of Owensboro, KY</u>	Charges per 100 cubic feet for service outside city <u>limits of Owensboro, KY</u>
All Usage	\$2.51	\$3.77

Applicable to all separately metered irrigation/sprinkler water usage effective March 1, 2025 for residential, commercial and industrial customers:

<u>Monthly Water Usage</u>	Charges per 100 cubic feet for service inside city <u>limits of Owensboro, KY</u>	Charges per 100 cubic feet for service outside city <u>limits of Owensboro, KY</u>
All Usage	\$3.01	\$4.52

CUSTOMER SERVICE CHARGE

A monthly Customer Service Charge for the period March 1, 2024 to February 28, 2025, as follows:

<u>Meter Size</u>	<u>Inside Corporate Limits of Owensboro, KY</u>	<u>Outside Corporate Limits of Owensboro, KY</u>
5/8" and 3/4"	\$ 10.15	\$15.23
1"	17.00	25.61
1 1/2"	53.50	80.20
2"	85.50	128.20
3"	160.50	240.70
4"	256.70	385.10
6"	513.30	770.00
8"	962.40	1443.70
10"	1,818.00	2,727.10
12"	3,956.70	5,935.10

Fire Protection Service:

Connection Size (inches)	Monthly Charge	
	<u>Inside City Limits</u>	<u>Outside City Limits</u>
2"	\$28.30 per month	\$42.80 per month
3"	41.00 per month	60.60 per month
4"	49.80 per month	74.70 per month
6"	73.00 per month	108.60 per month
8"	101.50 per month	153.10 per month
10"	121.00 per month	181.60 per month
12"	163.90 per month	245.50 per month

A monthly Customer Service Charge effective March 1, 2025, as follows:

<u>Meter Size</u>	<u>Inside Corporate Limits of Owensboro, KY</u>	<u>Outside Corporate Limits of Owensboro, KY</u>
5/8" and 3/4"	\$10.90	\$16.35
1"	18.06	27.21
1 1/2"	53.50	80.20
2"	85.50	128.20
3"	160.50	240.70
4"	256.70	385.10
6"	513.30	770.00
8"	962.40	1,443.70
10"	1,818.00	2,727.10
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8"	101.50 per month	153.10 per month
10"	121.00 per month	181.60 per month
12"	163.90 per month	245.50 per month

PAYMENT

Monthly bills are rendered net, payable within fourteen (14) days. Unpaid bills are delinquent on the fifteenth (15th) day after date of issue and will be assessed a late fee for each month that it remains unpaid. The amount of the late fee shall be established by the City Utility Commission from time to time, but it shall not exceed eight percent (8%) of the delinquent amount of the payment and shall be added to the customer's account balance.

If a customer has been overcharged for water service because of a malfunction in the metering system or a billing error, overcharges will be refunded to the customer for the entire period of inaccurate billing, if that period is discernible by OMU. If the period of inaccurate billing is not discernible, overcharges will be calculated based on a time period that is the shortest of: 1) the time elapsed since the customer's service began, 2) the time elapsed since the date of installation of the faulty meter or the implementation of the error resulting in the overcharge (if applicable), or 3) a period of thirty-six (36) months.

If a customer has been undercharged for water service because of a malfunction in the metering system or a billing error, undercharges will be billed to the customer, and the customer shall pay the charges for the entire period of inaccurate billing, if that period is discernible by OMU. If the period of inaccurate billing is not discernible, undercharges will be calculated based on a time period that is the shortest of: 1) the time elapsed since the customer's service began, 2) the time elapsed since the date of installation of the faulty meter or implementation of the error resulting in the undercharge (if applicable), or 3) a period of thirty-six (36) months. A customer shall have the option to pay the amount undercharged in equal payments spread over the same number of months as the undercharges were accumulated.

This provision does not limit OMU's right to bill for or recover undercharges for any period of time where they result from the altering, tampering with, or bypassing the meter or other utility equipment by a customer, or anyone acting for the customer, in any manner that prevents or reduces the recording of the measurement of the water provided to the customer.

OTHER FEES AND CHARGES

The City Utility Commission may establish fees or charges to recover costs it incurs for the connection, restoration, relocation, or discontinuance of any service requested by any person; establish any penalty, interest, sanction or other fee or charge for failure to pay a charge or fee, or for the violation or breach of or failure to pay and perform as agreed pursuant to a contractual arrangement, or reflected in a published schedule; and may establish charges to customers for nonessential services provided by OMU on a voluntary basis.

SCHEDULE II. SPECIAL RATES

1. Owensboro Municipal Utilities facilities - The rate as determined under Schedule I above.

2. Southeast Daviess County Water District
The rate as determined under the provisions of the Agreement between the City Utility Commission of the City of Owensboro and the Southeast Daviess County Water District dated May 14, 1992, and approved by the Board of Commissioners of the City by Ordinance 32-92, as amended by Amendment to Agreement Dated May 14, 1992, dated December 1, 2008 and approved by the Board of Commissioners of the City by Ordinance 45-2008, as amended by Amendment No. 2 to Agreement Dated May 14, 1992, dated March 1, 2014, as amended by Amendment No. 3 to Agreement Dated May 14, 1992 dated June 1, 2018 and approved by the Board of Commissioners of the City by and through this ordinance.

3. East Daviess County Water Association
The rate as determined under the provisions of the Agreement between the City Utility Commission of the City of Owensboro and the East Daviess County Water Association dated May 14, 1992, and approved by the Board of Commissioners of the City by Ordinance 31-92, as amended by Amendment No. 1 to Agreement Dated May 14, 1992, dated March 1, 2014, as amended by Amendment No. 2 to Agreement Dated May 14, 1992, dated June 1, 2018 and approved by the Board of Commissioners of the City by and through this ordinance.

4. West Daviess County Water District
The rate as determined under the provisions of the Agreement between the City Utility Commission of the City of Owensboro and the West Daviess County Water District dated May 14, 1992, and approved by the Board of Commissioners of the City by Ordinance 33-92, as amended by Amendment to Agreement Dated May 14, 1992, dated December 1, 2008 and approved by the Board of Commissioners of the City by Ordinance 46-2008, as amended by Amendment No. 2 to Agreement Dated May 14, 1992, dated March 1, 2014. As amended by Amendment No. 3 to Agreement Dated May 14, 1992, dated June 1, 2018 and approved by the Board of Commissioners of the City by and through this ordinance.

SCHEDULE III. TAPPING FEES

5/8, 3/4, and 1" tap	Charged at average cost of installation, including labor, material and overhead, established annually.
1 1/2" tap and larger	Charged at actual cost of installation, including labor, material and overhead.

SCHEDULE IV. ADDITIONAL CHARGES

All applicable taxes shall be added to the rates herein provided.

INTRODUCED AND PUBLICLY READ ON FIRST READING, this the _____ day of _____, 2024.

PUBLICLY READ AND APPROVED ON SECOND READING, this the _____ day of _____, 2024.

Tom Watson, Mayor

ATTEST:

Beth Cecil, City Clerk