

NOTICE OF A PUBLIC HEARING ON PROPOSED WATER RATES AND CHARGES

Property owners, ratepayers and other interested parties in or served or to be served by the waterworks of the Town of Hope ("Town") are hereby notified that Ordinance No. 2018 - 02, establishing rates and charges for services to be rendered by the waterworks, will be introduced at a meeting of the Town Council to be held on July 17, 2018. The Ordinance will amend the final phase of a two-phase rate adjustment originally approved pursuant to the adoption of Ordinance 2015-04 on September 21, 2015. The Town Council will hold a Public Hearing at 5:30 p.m., on July 17, 2018, in the Town Hall on the matter of the proposed amended rates and charges. Adoption of Ordinance No. 2018 - 02 would provide for an overall 10% reduction in the Phase Two rates originally approved pursuant to Ordinance No. 2015-04, as follows:

HOPE MUNICIPAL WATER UTILITY					
<u>SCHEDULE OF CURRENT PHASE 1, APPROVED PHASE 2 AND PROPOSED REVISED WATER RATES AND CHARGES</u>					
OVERALL RATE REDUCTION OF 10.2%					
<u>METERED RATES PER MONTH</u>					
	CURRENT RATES	ORIGINAL APPROVED PHASE 2 (2)	REVISED FINAL RATE PROPOSED (3)		
	PHASE 1 (1)	PHASE 2 (2)	PROPOSED (3)		
FIRST 5,000 GALLONS	\$ 11.25	\$ 14.46	\$ 13.12		
NEXT 10,000 GALLONS	9.86	12.67	11.61		
NEXT 20,000 GALLONS	8.48	10.90	10.11		
OVER 35,000 GALLONS	7.09	9.11	8.60		
PLUS WHOLESALE WATER COST TRACKING FACTOR			WCTF		
ADDITIONAL COST / 1,000 GALLONS			\$0.00		
<u>MINIMUM MONTHLY CHARGE</u>					
WATER METER SIZE:	MINIMUM GALLONS	APPROVED & RATES PHASE 1 (1)	ORIGINAL APPROVED PHASE 2 (2)	REVISED FINAL RATE PROPOSED (3)	
5/8 INCH METER	2,500	\$ 28.13	\$ 36.16	\$ 32.81	
3/4 INCH METER	2,500	28.13	36.16	32.81	
1 INCH METER	5,000	56.25	72.30	65.62	
1 1/4 INCH METER	10,000	105.55	135.66	123.69	
1 1/2 INCH METER	15,000	154.85	199.01	181.76	
2 INCH METER	30,000	282.05	362.55	333.46	
3 INCH METER	57,500	483.98	622.10	577.59	
PLUS WHOLESALE WATER COST TRACKING FACTOR			WCTF		
ADDITIONAL COST / 1,000 GALLONS			\$0.00		
<u>FIRE HYDRANT RENTAL</u>					
		RATE PER ANNUM			
		PHASE 1 (1)	PHASE 2 (2)	PROPOSED (3)	
PRIVATE HYDRANTS - PER HYDRANT		\$ 461.41	\$ 593.20	\$ 500.63	
PUBLIC HYDRANTS - PER HYDRANT		EXEMPT FROM CHARGES			
<u>FIRE PROTECTION - AUTOMATIC SPRINKLER SYSTEMS</u>					
		RATE PER ANNUM			
		PHASE 1 (1)	PHASE 2 (2)	PROPOSED (3)	
1 INCH CONNECTION		\$ 12.86	\$ 16.54	\$ 13.95	
1 1/4 INCH CONNECTION		20.02	25.73	21.72	
1 1/2 INCH CONNECTION		28.78	37.01	31.23	
2 INCH CONNECTION		51.25	65.89	55.61	
3 INCH CONNECTION		115.36	148.31	125.17	
4 INCH CONNECTION		204.98	263.52	222.40	
6 INCH CONNECTION		461.41	593.20	500.63	
<p>(1) RATES WERE ADOPTED PER ORDINANCE 2015-04.</p> <p>(2) RATE ORDINANCE ADOPTED PRIOR TO CLOSING ON THE 2015 SRF BONDS.</p> <p>(3) PROPOSED AMENDMENTS AFTER COMPLETION OF SRF PROJECT - REDUCTION IN ORIGINAL RATES, PLUS \$0.913 WCTF.</p>					
<p>WHOLESALE WATER COST TRACKING FACTOR (WCTF): THE METERED RATES & CHARGES SHALL BE SUBJECT TO A WHOLESALE WATER COST TRACKING FACTOR (WCTF) OCCASIONED SOLELY BY THE CHANGES IN THE COST OF PURCHASING WATER FROM THE TOWN'S WHOLESALE WATER PROVIDER (EASTERN BARTHOLOMEW WATER COMPANY). THE BASE COST OF WATER PURCHASED IMBEDDED IN THE BASE RATES & CHARGES AT THE TIME OF ADOPTION IN 2018 AMOUNTED TO \$2.202 PER 1,000 GALLONS. AFTER ADJUSTING FOR UNACCOUNTED FOR WATER LOSSES, THE BASE COST OF WATER SOLD AMOUNTED TO APPROXIMATELY \$3.934 PER 1,000 GALLONS.</p>					
WATER COST TRACKING FACTOR - PER 1,000 GALLONS				WCTF	
				\$0.00	

The revised final Phase 2 rates will become effective upon adoption of the ordinance. The proposed overall rate reduction is due to the 2015 capital improvement project receiving a \$925,000 grant from the Indiana Finance Authority's State Revolving Fund (SRF) Drinking Water Program, in addition to a \$550,000 OCRA grant that had already been contemplated. The proposed revised rates result in an overall decrease of approximately 10%, as compared with the Phase Two rates adopted in 2015. The proposed rates represent an increase of approximately \$.91 per 1,000 gallons due to the cost of purchasing water from the Town's wholesale supplier plus an 8.5% across-the-board increase over the Phase One rates adopted back in 2015.

At the Public hearing and prior to final adoption of said ordinance (contemplated to be considered at the August, 2018 Town Council meeting) all interested parties may appear and be heard. A copy of Ordinance No. 2018 - 02 may be examined at the office of the Clerk-Treasurer.

Dated this 5th day of July, 2018.

/s/ Diane Burton
Clerk-Treasurer