

**RESOLUTION OF THE REGIONAL WATER
RESOURCE AGENCY'S SCHEDULE FOR
WASTEWATER RATES, RENTALS, CHARGES AND
POLICIES PURSUANT TO KRS CHAPTER 76**

WHEREAS, the Regional Water Resource Agency (RWRA) published, pursuant to Chapters 76 and 424 of the Kentucky Revised Statutes, the Schedule of Wastewater Rates, Rentals, Charges and Policies set out below; and

WHEREAS, the Schedule was open for inspection at the Administrative Offices of the Regional Water Resource Agency, 1722 Pleasant Valley Road, Owensboro, Kentucky, for thirty (30) days; and

WHEREAS, the Board of RWRA has examined and heard all comments, and has established this final Schedule of Wastewater Rates, Rentals, Charges and Policies,

WHEREAS, on the 9th day of December, 2022, by Resolution of its Board, the Regional Water Resource Agency gave final approval for the Schedule of Wastewater Rates, Rentals, Charges and Policies for its services set forth herein, to be recommended and forwarded to the Owensboro-Daviess County Rate Review Board for approval; and

WHEREAS, on the 15th day of December, 2022, the Owensboro-Daviess County Rate Review Board adopted the Schedule of Wastewater Rates, Rentals, Charges and Policies set forth herein,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGIONAL WATER RESOURCE AGENCY:

That RWRA submits for approval or disapproval to the Owensboro Daviess County Rate Review Board the Schedule of Wastewater Rates, Rentals,

Charges and Policies set forth below for bills issued on or after the dates identified below:

CUSTOMER SERVICE CHARGE

The current monthly Customer Service Charge rate, which is based on the comparison of the square of the meter size to a typical 1" meter as follows:

5/8" Meter = \$18.45
1" Meter = \$18.45
1 1/2" Meter = \$41.51
2" Meter = \$73.80
3" Meter = \$166.05
4" Meter = \$295.20
5" Meter = \$461.25
6" Meter and Larger = \$664.20

shall be revised as follows effective July 1, 2024:

5/8" Meter = \$22.45
1" Meter = \$22.45
1 1/2" Meter = \$50.51
2" Meter = \$89.80
3" Meter = \$202.05
4" Meter = \$359.20
5" Meter = \$561.25
6" Meter and Larger = \$808.20

The base Customer Service Charge for a 1" meter shall increase by \$3.00 effective July 1, 2025, and then shall increase by \$3.00 effective July 1, 2026, and then shall increase

by \$2.00 effective July 1, 2027. Refer to the attached Schedule of Values titled Exhibit 1.

WASTEWATER USER CHARGE

The current monthly Wastewater User Charge of \$4.39 per 1,000 gallons of usage shall increase by \$0.30 per 1000 gallons effective July 1, 2024, and then shall increase by \$0.20 per 1,000 gallons effective July 1, 2025, and then shall increase annually by \$0.10 per 1,000 gallons effective July 1, 2026 through July 1, 2027. Refer to the attached Schedule of Values titled Exhibit 1.

ENVIRONMENTAL IMPROVEMENT FEE

The current monthly Environmental Improvement Fee of \$9.95 shall remain constant beginning July 1, 2023 and shall remain constant until further action is taken by both the RWRA Board and the Rate Review Board. Refer to the attached Schedule of Values titled Exhibit 1.

For non-residential customers whose monthly billable volume exceeds 15,000 gallons, the current monthly volume charge of \$0.63 per 1,000 gallons of usage (for every gallon of usage above 15,000 gallons) shall remain constant beginning July 1, 2023 and shall remain constant until further action is taken by both the RWRA Board and the Rate Review Board. Refer to the attached Schedule of Values titled Exhibit 1.

QUALITY SURCHARGE

The current high-strength waste quality surcharge of \$0.220 for Biochemical Oxygen Demand (B.O.D.) shall remain unchanged for customers exceeding 265mg/L on B.O.D., with a Chemical Oxygen Demand (C.O.D.) to B.O.D.

ratio of 2.24 or less. In the event that the C.O.D. to B.O.D. ratio is equal to or greater than 2.25, a quality surcharge of \$0.10 for C.O.D. exceeding 600 mg/L will take effect, with a multiplier of 1.5. Any C.O.D. to B.O.D. ratio greater than 4.125 will have a multiplier of 2. The current high-strength waste quality surcharge of \$0.212 for Total Suspended Solids (T.S.S.) for customers exceeding 265 mg/l on T.S.S. shall remain unchanged. The current quality surcharge for customers exceeding 100 mg/l of Fats, Oils and Grease (F.O.G.) shall remain unchanged at \$0.221 per pound.

CAPACITY FEE

The current Capacity Fees as follows:

5/8" Meter = \$0.53

1" Meter = \$0.53

1 1/2" Meter = \$1.19

2" Meter = \$2.12

3" Meter = \$4.77

4" Meter = \$8.48

5" Meter = \$13.25

6" Meter and Larger = \$19.08

shall remain constant beginning July 1, 2023 and shall remain constant until further action is taken by both the RWRA Board and the Rate Review Board. Refer to the attached Schedule of Values titled Exhibit 1.

SYSTEM DEVELOPMENT FEE

The current System Development (SD) Fee of \$2,178.00 per ERU shall remain constant beginning July 1, 2023 and shall remain constant until further action is

taken by both the RWRA Board and the Rate Review Board. Refer to the attached Schedule of Values titled Exhibit 1. All customers requiring a permit for new construction shall pay the System Development Fee as a part of the permit application process with the exception of the financing option set out below. Qualified existing users are allowed to finance the System Development Fee at 4.5% over twenty (20) years.

NONRESIDENTIAL SYSTEM DEVELOPMENT FEE

New or expanding nonresidential customers with calculated flow of more than 100,000 gallons per day have the option to pay a Nonresidential System Development Fee as follows:

Step 1:

Calculate the System Development Fee that would be applicable.

Step 2:

Option a: Establish a cost estimate for the provision of sewer service to the proposed site, adequate to provide required service as determined by RWRA. This estimate is based on the assumption that the System Development lines, lift station(s), etc., do not exist, and the service would have had to be extended to the RWRA system, at a location (in RWRA's system) that existed prior to July 1, 1997, that is adequate to accept the proposed flow.

OR

Option b: Establish a cost estimate for the provision of service to the proposed site, based on a percentage of the costs of the system development project, or portion thereof, that provides service to the site or is used to transport the flow. This estimate could be based on percentage of line or lift station used, projected flow during

peak and off-peak hours, or any other reasonable engineering estimate for the projected use of RWRA facilities.

Step 3:

Compare the calculated System Development Fee in Step 1 to the applicable cost established in Step 2(a) or (b), and charge the lower of the two fees to the potential customer.

NEW CONSTRUCTION SYSTEM DEVELOPMENT FEE FINANCING

Customers that have daily flow of 100,000 gallons or less are required to pay the established System Development Fees outlined herein, at the time of permit issuance by RWRA.

Customers that have a daily flow above 100,000 gallons have the option to finance System Development fees on their monthly billing at an interest rate of 4.5% over twenty (20) years.

ASSESSMENT FEE

The costs associated with the capital construction (i.e., construction, engineering, easement acquisition, etc.) shall remain pro-rata to all properties within a defined assessment zone when RWRA constructs necessary wastewater facilities in unsewered areas. Property owners may elect to pay the related costs in a lump sum or allowed to finance the Assessment Fee at a rate of 6.00% (set by KRS 76.172) over twenty years. Owners choosing to finance their assessment shall have an apportionment warrant (lien) filed on the benefited property.

MISCELLANEOUS RATES, RENTALS, AND CHARGES

RWRA establishes, administers and enforces Wastewater System User Regulations, as required by the Kentucky Division of Water, the Environmental Protection Agency, and the Clean Water Act. Enforcement of these regulations can result in charges including, but not limited to, fines, penalties, cleanup costs, repair reimbursements, and termination of service charges. RWRA may establish fees for these and other services and adjust such fees without approval of the Owensboro-Daviess County Rate Review Board. The Customer Services Charge, Wastewater User Charge, Environmental Improvement Fee, Quality Surcharges, Capacity Fee, System Development Fee, and Assessment Fee format require approval of the Owensboro-Daviess County Rate Review Board.

PUBLICLY READ, ADOPTED, AND APPROVED this the 15th day of December, 2022.

RATE REVIEW BOARD:



Mayor Tom Watson
City of Owensboro
Co-Chairman

RATE REVIEW BOARD:



Judge-Executive Al Mattingly
Daviess County Fiscal Court
Co-Chairman

ATTEST:



Kellie Pfeiffer
RWRA/Rate Review Board Clerk

**Exhibit 1
Schedule of Values**

Type of Fee	Date	Proposed Rate	Description of Rate	Interest Rate Charge	
Customer Service Charge	July 1, 2022	\$18.45	5/8" Meter	N/A	
		\$18.45	1" Meter		
		\$41.51	1 1/2" Meter		
		\$73.80	2" Meter		
		\$166.05	3" Meter		
		\$295.20	4" Meter		
	\$461.25	5" Meter	6" Meter and larger		
	\$664.20	6" Meter and larger			
	July 1, 2023	\$18.45			5/8" Meter
		\$18.45			1" Meter
		\$41.51			1 1/2" Meter
		\$73.80			2" Meter
		\$166.05	3" Meter		
		\$295.20	4" Meter		
	\$461.25	5" Meter	6" Meter and larger		
	\$664.20	6" Meter and larger			
	July 1, 2024	\$22.45			5/8" Meter
		\$22.45			1" Meter
		\$50.51			1 1/2" Meter
		\$89.80			2" Meter
		\$202.05	3" Meter		
		\$359.20	4" Meter		
	\$561.25	5" Meter	6" Meter and larger		
	\$808.20	6" Meter and larger			
July 1, 2025	\$25.45	5/8" Meter			
	\$25.45	1" Meter			
	\$57.26	1 1/2" Meter			
	\$101.80	2" Meter			
	\$229.05	3" Meter			
	\$407.20	4" Meter			
\$636.25	5" Meter	6" Meter and larger			
\$916.20	6" Meter and larger				

**Exhibit 1
Schedule of Values**

Type of Fee	Date	Proposed Rate	Description of Rate	Interest Rate Charge
Customer Service Charge continued	July 1, 2026	\$28.45 \$28.45 \$64.01 \$113.80 \$256.05 \$455.20 \$711.25 \$1,024.20	5/8" Meter 1" Meter 1 1/2" Meter 2" Meter 3" Meter 4" Meter 5" Meter 6" Meter and larger	N/A
	July 1, 2027	\$30.45 \$30.45 \$68.51 \$121.80 \$274.05 \$487.20 \$761.25 \$1,096.20	5/8" Meter 1" Meter 1 1/2" Meter 2" Meter 3" Meter 4" Meter 5" Meter 6" Meter and larger	
Wastewater User Charge	July 1, 2022 July 1, 2023 July 1, 2024 July 1, 2025 July 1, 2026 July 1, 2027	\$4.39 / \$3.284 \$4.39 / \$3.284 \$4.69 / \$3.508 \$4.89 / \$3.658 \$4.99 / \$3.733 \$5.09 / \$3.807	Per 1,000 gallons/100 cubic feet treated Per 1,000 gallons/100 cubic feet treated Per 1,000 gallons/100 cubic feet treated Per 1,000 gallons/100 cubic feet treated Per 1,000 gallons/100 cubic feet treated Per 1,000 gallons/100 cubic feet treated	N/A
Environmental Improvement Fee	July 1, 2022 Through June 30, 2028	\$9.95	Per Meter	N/A

**Exhibit 1
Schedule of Values**

Type of Fee	Date	Proposed Rate	Description of Rate	Interest Rate Charge
Environmental Improvement Fee - (volume surcharge) (To be applied to nonresidential usage above 15,000 gallons/2,005 cubic feet monthly)	July 1, 2022 Through June 30, 2028	\$0.63 / \$0.471	Per 1,000 gallons/100 cubic feet treated	N/A
Quality Surcharge	July 1, 2023 Through June 30, 2028	\$0.220 \$0.100 \$0.100 \$0.212 \$0.221	Per pound for B.O.D. exceeding 265 mg/l; COD:BOD ratio less than 2.25 Per pound for C.O.D. exceeding 600 mg/l; COD:BOD ratio between 2.25 and 4.125 and with a multiplier of 1.5 Per pound for C.O.D. exceeding 600 mg/l; COD:BOD ratio greater than 4.125 and with a multiplier of 2.0 Per pound for T.S.S. exceeding 265 mg/l Per pound for F.O.G. exceeding 100 mg/l	N/A
Capacity Fee Charged to all RWRA customers regardless of volume treated	July 1, 2023 Through June 30, 2028	\$0.53 \$0.53 \$1.19 \$2.12 \$4.77 \$8.48 \$13.25 \$19.08	5/8" Meter 1" Meter 1 1/2" Meter 2" Meter 3" Meter 4" Meter 5" Meter 6" Meter and larger	N/A
System Development Fee*	July 1, 2023 Through June 30, 2028	\$2,178.00 \$2,178.00 \$2,178.00 \$2,178.00 \$2,178.00 \$2,178.00	Per ERU to be charged per the Resolution Per ERU to be charged per the Resolution Per ERU to be charged per the Resolution Per ERU to be charged per the Resolution Per ERU to be charged per the Resolution Per ERU to be charged per the Resolution	4.50%

*See Rate Resolution dated 12/15/2022 for add'l information on non-residential SD, new construction SD financing and Misc. Rates, Rentals & Charges

RESOLUTION OF THE REGIONAL WATER RESOURCE AGENCY PROPOSING WASTEWATER RATES, RENTALS, CHARGES AND POLICIES PURSUANT TO KRS CHAPTER 76 FOR THE FACILITIES/COMPLIANCE PLAN

WHEREAS, the Regional Water Resource Agency (RWRA) has been issued an Agreed Order DOW-19-3-0105 and an Amended Agreed Order DOW-20-3-0189 by the Commonwealth of Kentucky Energy and Environmental Cabinet Division of Enforcement (DOW) requiring RWRA to, among other action items, upgrade "...Aeration capabilities and control to enhance biological treatment efficiency." To bring the David Hawes Plant (DHP) and the Max Rhoads Plant (MRP) into compliance with its current Kentucky Pollutant Discharge Elimination System Permits (Permit); and

WHEREAS, RWRA recognizes the need for additional capacity at both DHP and MRP for anticipated future growth; and

WHEREAS, RWRA recognizes both the DHP and MRP plants are currently operating with aging equipment susceptible to sudden and catastrophic failure; and

WHEREAS, RWRA anticipates the imminent nutrient limits being placed on future Permits by the DOW; and

WHEREAS, the RWRA published, pursuant to Chapters 76 and 424 of the Kentucky Revised Statutes, the Facilities/Compliance Plan (FCP) Rates, Rentals, Charges and Policies set out below; and

WHEREAS, the FCP Rates, Rentals, Charges and Policies were open for inspection at the Administrative Offices of the Regional Water Resource Agency, 1722 Pleasant Valley Road, Owensboro, Kentucky, for thirty (30) days; and

WHEREAS, the Board of RWRA has examined and heard all comments, and has established this final FCP Rates, Rentals, Charges and Policies,

WHEREAS, on the 9th day of December, 2022, by Resolution of its Board, the Regional Water Resource Agency authorized the Agency to borrow up to \$69,000,000.00 to construct upgrades to the RWRA facilities in connection with the Agreed Order and Amended Agreed Order;

WHEREAS, this borrowing will create debt service outside that scheduled to be served by RWRA's existing rates rentals and charges ("Debt Service");

WHEREAS, the Regional Water Resource Agency has proposed to its Board the FCP Rates, Rentals, Charges and Policies to retire the Debt Service.

WHEREAS, on the 9th day of December, 2022, by Resolution of its Board, the Regional Water Resource Agency gave final approval for the FCP Rates, Rentals, Charges and Policies for its services set forth herein, to be recommended and forwarded to the Owensboro-Daviess County Rate Review Board for approval; and

WHEREAS, on the 15th day of December, 2022, the Owensboro-Daviess County Rate Review Board adopted the FCP Rates, Rentals, Charges and Policies set forth herein,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF REGIONAL WATER RESOURCE AGENCY:

That RWRA submits for approval or disapproval to the Owensboro Daviess County Rate Review Board the FCP Rates, Rentals, Charges and Policies set forth below:

FACILITIES/COMPLIANCE PLAN

The FCP rate, which shall be based on the comparison of the meter size to a typical 1" meter, with a minimum charge equal to that for a 1" meter, shall be established as follows:

5/8" Meter =	\$9.98
1" Meter =	\$9.98
1 1/2" Meter =	\$33.68
2" Meter =	\$79.84
3" Meter =	\$269.46
4" Meter =	\$638.72
5" Meter =	\$1,247.50
6" Meter and Larger =	\$2,155.68

MISCELLANEOUS RATES, RENTALS, AND CHARGES


For all Transported Waste delivered to any of the RWRA facilities, RWRA shall charge an additional FCP Transported Waste Fee to the following categories:

Description	FCP Fee Rate \$/Gallon
Domestic Waste Inside Daviess County	\$0.0328
Domestic Waste Outside Daviess County	\$0.0655
Brown Grease Inside Daviess County	\$0.0441
Brown Grease Outside Daviess County	\$0.0882
Yellow Grease Inside DC	\$0.0630
Yellow Grease Outside DC	\$0.1260
Industrial Waste Inside Daviess County	\$0.0090
Leachate Inside Daviess County	\$0.0090
Industrial Waste Outside Daviess County	\$0.0180
Leachate Outside Daviess County	\$0.0180

These FCP Rates, Rentals, Charges and Policies shall commence on July 1, 2023 and shall expire upon the retirement of the Debt Service.

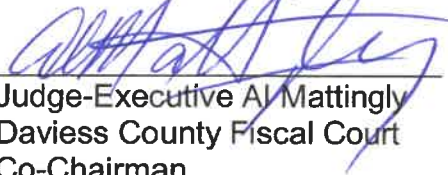
PUBLICLY READ, ADOPTED, AND APPROVED this 15th day of December, 2022.

RATE REVIEW BOARD:




Mayor Tom Watson
City of Owensboro
Co-Chairman

RATE REVIEW BOARD:



Judge-Executive Al Mattingly
Daviess County Fiscal Court
Co-Chairman

ATTEST:



Kellie Pfeiffer
RWRA/Rate Review Board Clerk

Facilities/Compliance Plan

Exhibit 1

Schedule of Values

Type of Fee	Date	Proposed Rate	Description of Rate	Interest Rate Charge
Facilities/Compliance Fee	July 1, 2023	\$9.98 \$9.98 \$33.68 \$79.84 \$269.46 \$638.72 \$1,247.50 \$2,155.68	5/8" Meter 1" Meter 1 1/2" Meter 2" Meter 3" Meter 4" Meter 5" Meter 6" Meter and larger	NA
Transported Waste Fee	July 1, 2023	\$0.0328 \$0.0655 \$0.0441 \$0.0882 \$0.0630 \$0.1260 \$0.0090 \$0.0090 \$0.0180 \$0.0180	Domestic Waste Inside Daviess County Domestic Waste Outside Daviess County Brown Grease Inside Daviess County Brown Grease Outside Daviess County Yellow Grease Inside DC Yellow Grease Outside DC Industrial Waste Inside Daviess County Leachate Inside Daviess County Industrial Waste Outside Daviess County Leachate Outside Daviess County	NA