

SIXTH AMENDMENT TO ORDINANCE # 85-3

PROVIDING FOR THE ESTABLISHMENT OF A CITY WATER AND SEWER RATE SCHEDULE AND TO CONTROL AND DIRECT THE DEVELOPMENT, FINANCIAL MANAGEMENT AND OPERATION OF THE WATER SYSTEM AND THE WASTE WATER SYSTEM OF THE CITY OF HINDMAN, KENTUCKY.

WHEREAS, the City of Hindman owns public water utility service systems which include a potable water treatment and distribution system, and a wastewater collection and treatment system which serves the citizens within the corporate boundaries of the City of Hindman, and several other communities adjacent to the City, and;

WHEREAS, to insure proper and timely operation and development of said systems, as well as to insure that a proper and permanent plan of management, control and operation of said systems be provided for, in order that said system will be operated efficiently, and in strict compliance with the provisions of any ordinances and contracts authorizing, issuing and/or selling bonds, the acquisition of loans, and /or the administration of grants, and to assure that said systems will not be subjected to political or partisan control or influence;

WHEREAS, it has become necessary to adjust the rates for customers of the City of Hindman Water System due to increased water costs from the suppliers for that area, and to otherwise institute certain charges that will assure the economic viability of the system;

NOW THEREFORE, the City Council of the City of Hindman, Kentucky pursuant to KRS 6.350, does ordain as follows:

Section 1. The governing body of the City of Hindman, Kentucky has declared that no emergency exists, but finds it necessary to automatic increase the water and sewer rates each year as determined by the CPI increase plus one (1) percent; therefore the legislative body hereby declares that this amended ordinance shall take effect immediately upon final passage.

Section 2. The governing body of the City of Hindman has chosen to classify its water and sewer customers upon a reasonable basis and has established a different service rate for each class, and had provided that such rates are uniform as to all water and sewer users in the same class.

In determining and defining special classes, the City of Hindman has as its objectives the interest of public health, safety and general welfare of the entire community, and reasonable ultimate quality of financial burden to users similarly situated.

The City of Hindman has established a basic sewer service charge for persons

not on water and a basic schedule of graduated charges applying to all water and sewer users alike, and has in its discretion established one or more special classes of users.

In prescribing a schedule of charges and in determining the aggregate of revenues required to be raised, the governing body of the City of Hindman has considered the cost and value of the existing water and sewer system. Charges may be varied by the City in its discretion.

WHEREAS, the City of Hindman, Kentucky wishes to adopt the rates for water and sewer as follows:

5/8x3/4 Inch Connection

First 2,000 gallons	\$18.25 (Minimum Bill)
Next 8,000 gallons	\$6.75 per 1,000
Over 10,000 gallons	\$5.84 per 1,000

1 Inch Connection

First 5,000 gallons	\$38.50 (Minimum Bill)
Next 5,000 gallons	\$6.75 per 1,000
Over 10,000 gallons	\$5.84 per 1,000

2 Inch Connection

First 15,000 gallons	\$101.45 (Minimum Bill)
All Over	\$5.84 per 1,000

3 Inch Connection

First 30,000 gallons	\$189.05 (Minimum Bill)
All over	\$5.84 per 1,000

4 Inch Connection

First 50,000 gallons	\$305.85 (Minimum Bill)
All Over	\$5.84 per 1,000

6 Inch Connection

First 100,000 gallons	\$597.85 (Minimum Bill)
All Over	\$5.84 per 1,000

SEWER RATES:

The sewer shall be 110% of the water bill.

UNMETERED SEWER RATES:

Flat rate

\$35.00

ADDITIONAL CHARGES:

- 1) Tap fees will be in accordance with the following schedule:

5/8x3/4 Inch Water Meter:

Water Connection fee of \$720.00 will be charged. The customer will also be required to obtain a water permit from the local Health Department. This permit must be presented to City of Hindman Water and Sewer Department before hookup will be considered. Meters larger than 5/8x3/4 inch shall be at actual cost.

Sewer Connection fee of \$400.00 will be charged. The customer will also be required to obtain a water permit from the local Health Department. This permit must be presented to City of Hindman Water and Sewer Department before hookup will be considered.

- 2) Water/Sewer deposit shall be in the amount of \$100.00 for Water and \$100.00 for Sewer. Deposits may be waived for a customer showing satisfactory credit or payment history with the following criteria being considered: (a) Previous history with the utility. If the customer has no previous history with the utility, statements from other utilities, banks, etc., may be presented by the customer as evidence of good credit; (b) Whether the customer has an established income or line of credit; (c) Length of time the customer has resided or been located in the area; (d) Whether the customer owns the property to be served; (e) Whether another customer with a good payment history is willing to sign as a guarantor for an amount equal to the required deposit. When a customer terminates service the deposit will be refunded after the account is paid in full. If the account has a balance the deposit will be applied to account.
- 3) Meter Turn-On Charge of \$35.00 will be assessed for new service turn-ons, seasonal turn-ons, temporary service, or transfer of service. The charge will not be made for initial installation of service where a meter connection/tap-on charge is applicable.
- 4) Customers will be entitled to a maximum of only one water adjustment per year. The customer's bill will be based on two components. The first step will be to

calculate the customer's average monthly usage over a twelve-month period. The second step will be to deduct the customer's average monthly usage (as calculated above) from the total amount of water that passed through the meter. The usage calculated in step one will be billed at the utility's regular rates, while the remaining usage will be charged at the per thousand gallon wholesale rate charged by our supplier plus a 10% conveyance charge. All water passing through the meter must be accounted and paid for by the customer. Therefore, the customer will owe the amount of their bill plus the leak adjustment rate for the remainder of the water that passed through the meter.

- 5) All Customers who do not pay their bill after being provided with a cut off notice will be disconnected and reconnect fee of \$35.00 must be paid before they can be reconnected. Reconnection shall be made during normal business hours within 24 hours of receiving payment. If a customer requests that their meter be reconnected after hours or on weekends the service charge will be \$75.00.
- 6) A partial payment contract is available for customers with an outstanding balance. This allows the customer to continue water service so long as the current bill is paid plus the agreed upon amount to be paid toward the balance.
- 7) A meter re-read charge \$20.00 will be assessed when a customer requests the utility to re-read the customer's meter and the re-read proves that the original meter reading was correct.
- 8) In the event a customer wishes a meter tested, the meter will be sent off to be tested. If the meter is not accurate, there will be no charge to the customer, and the customer's bill will be adjusted. If the meter test shows the meter to be accurate, there will be a service charge of \$25.00 and the customer will have to pay the cost of having the meter tested. The city water and sewer system reserves the right to have any meter tested if deems necessary at its own expense.
- 9) A meter test charge of \$25.00 will be assessed for a 5/8x3/4 meter when a customer requests the utility perform a test on the customer's meter to check for accuracy and the test shows the customer's meter is not more than two percent (2%) fast. The meter in question will be sent to a testing facility. Meters larger than 5/8x3/4 will be charged the actual cost.

PUBLIC HEARING DATE IS OCTOBER 25, 2010 AT 6:00 P.M. AT HINDMAN CITY HALL AT THIS TIME, THE PUBLIC WILL HAVE A CHANCE TO SPEAK CONCERNING THEIR FEELINGS ON THIS ORDINANCE.

USER APPEAL TO CIRCUIT COURT

1) Any water/sewer user, or prospective water/sewer user, affected by the Amended Ordinance may, within thirty (30) days after publication of the Amended Ordinance, file an action in the circuit court of the county in which the city is situated attacking the validity of the Amended Ordinance from the standpoint of whether the governing body acted in conformity with the procedures made mandatory by KRS 96.910 to 96.927. Provided, however that if any aggrieved sewer user of city clerk a written notarized statement of intent to file such an action, the time for filing actions in the circuit court shall be fifteen (15) days after such notice of intent to sue is filed with the clerk, or thirty (30) days after publication of the Amended Ordinance, whichever is later.

2.) Proceedings in the circuit court shall be tried according to the practice prescribed for equity cases.

3.) In the event an action is filed as provided for by this section, the effective date of the proposed water and sewer charge as prescribed by the Second Ordinance shall be the date judgment is entered by the circuit court, if such judgment is favorable.

Adopted this 25th day of October, 2010, by 5 ayes and 0 nays

Janice Jewell
MAYOR

Glenda Bentley
COUNCIL MEMBER

Chet Hardshaw
COUNCIL MEMBER

Calvin Cooper
COUNCIL MEMBER

Robert S. Young
COUNCIL MEMBER

COUNCIL MEMBER

Patricia Hall
COUNCIL MEMBER

Orlene Gibson
WATER/SEWER CLERK

Rebecca S. Patrick
CITY CLERK



City of Hindman

Janice Jarrell, Mayor

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APPLICATION FOR WATER AND/OR SEWER HOOKUP

The undersigned, hereinafter referred to as the **APPLICANT**, does hereby make application for water and/or sewer service to the **CITY OF HINDMAN, KENTUCKY**, hereinafter referred to as the **CITY** under terms and conditions:

1. The connection fee of the proposed system for each service is as follows:
Sewer Connection. \$ 400.00
 $\frac{3}{4}$ inch Residential Water \$ 720.00
1 inch Residential Water Actual Cost
Larger than One Inch Actual Cost
2. The **APPLICANT** understands that in consideration of his/her paying the
Connection fee and signing the application he/she is entitled to receive
water and/or sewer service upon availability thereof. The **CITY** will
make connection to the main line and install the meter. The
APPLICANT will install the pipe from the meter to his point of use.
3. The **APPLICANT** agrees to abide by the rules and regulations of the
CITY and agrees to grant the **CITY** all rights of way and easements
needed across the property of disturbed surface caused by the installation
of the system.

WITNESS THE SIGNATURE OF THE APPLICANT ON THIS _____ DAY
OF _____, 20____

SIGNATURE OF APPLICANT _____

ADDRESS OF APPLICANT _____