

**RESOLUTION OF THE REGIONAL WATER
RESOURCE AGENCY PROPOSING ITS SCHEDULE
POLICIES 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 complaints, and has established this final Schedule of Wastewater Rates, Rentals, Charges and Policies,

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:

BASIC/CUSTOMER SERVICE CHARGE

The current monthly Basic Service Charge of \$11.95, which provides up to 1,500 gallons of wastewater treatment service that is charged to all RWRA Customers will change to provide 750 gallons of wastewater treatment service on January 1, 2015; and will transition to a Customer Service Charge providing zero (0) gallons of

wastewater treatment service on January 1, 2016. After January 1, 2016, the Customer Service Charge will replace the Basic Service Charge. The Customer Service Charge shall increase to \$12.95 on July 1, 2016; and shall increase to \$13.95 on July 1, 2018.

WASTEWATER USER CHARGE

The Wastewater User Charge will increase to \$4.39 per 1,000 gallons of usage on July 1, 2015; and \$4.60 per 1,000 gallons on July 1, 2018.

ENVIRONMENTAL IMPROVEMENT FEE

The Environmental Improvement Fee customer monthly fee will increase to \$2.95 on July 1, 2015; \$3.95 on July 1, 2016; and \$4.95 on July 1, 2017.

For non-residential customers whose monthly billable volume exceeds 15,000 gallons, the monthly volume charge per 1,000 gallons of usage will increase to \$0.21 on July 1, 2015; \$0.28 on July 1, 2016; \$0.35 on July 1, 2017.

QUALITY SURCHARGE

Beginning January 1, 2014, high-strength waste quality surcharges for Biochemical Oxygen Demand (B.O.D.) and Total Suspended Solids (T.S.S.) for customers exceeding 265 mg/l on either of these parameters will be \$0.220 and \$0.212 per pound respectively. Beginning January 1, 2014, the quality surcharge for customers exceeding 100 mg/l of Fats, Oils and Grease (F.O.G.) will be \$0.221 per pound.

CAPACITY FEE

Beginning January 1, 2014, the Capacity Fee for each new Equivalent Residential Unit (ERU) will be \$525.00. Qualified existing users are allowed to pay the Capacity Fee in monthly installments of \$3.76 per ERU. The Capacity Fee ERU is calculated using the following formula:

(System Net Assets per audit/System Capacity of 21.8 mgd) x 250 gallons per ERU = Capacity Fee per ERU, after rounding to the nearest \$5.

HIGH VOLUME CAPACITY FEE DISCOUNT

Beginning January 1, 2014, new customers with water use over 100,000 gallons per day or customers that expand water use by over 100,000 gallons per day and who are not subject to the Quality Surcharge will have the option to pay a discounted Capacity Fee, calculated as follows:

100,001 – 200,000 gallons = 50% of the Current Capacity Fee per ERU

200,001 + gallons = 25% of the Current Capacity Fee per ERU

Customers, as defined above, that will generate high-strength quality discharges may not qualify for reductions available under the high volume Capacity Fee discount or may not be allowed to connect until adequate pre-treatment is installed. RWRA will review parameters such as B.O.D., T.S.S., F.O.G. or other parameters to determine the available reduction based on the strength of the waste to be discharged.

SYSTEM DEVELOPMENT FEE

Beginning January 1, 2014 the System Development (SD) Fee will be \$2,178.00 per ERU. Qualified existing users are allowed to finance the SD Fee

according to RWRA's adopted Finance Schedule. All customers requiring a permit for new construction shall pay the System Development Fee as a part of the permit application process.

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:

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

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.

CAPACITY AND SYSTEM DEVELOPMENT FEE FINANCING

Customers that have daily flow of 100,000 gallons or less are required to pay the established Capacity and 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 Capacity and/or System Development fees on their monthly billing at an interest rate of 6%.

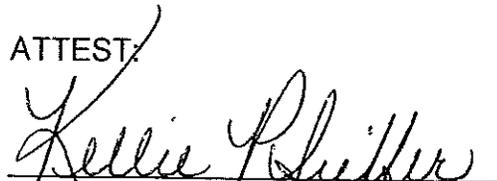
MISCELLANEOUS RATES, RENTALS, AND CHARGES

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 Wastewater User Charge, Customer Charge, Environmental Improvement Fee, Quality Surcharges, System Development Fee and Capacity Fee formula require approval of the Owensboro-Daviess County Rate Review Board.

PUBLICLY READ, ADOPTED, AND APPROVED this the 15th day of
December, 2014.

RWRA BOARD:


Chairman

ATTEST:

Kellie Pfeiffer
RWRA/Rate Review Board Clerk