

**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, on the 20th day of February, 2017, 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 2nd day of March, 2017, the Owensboro-Daviess County Rate Review Board adopted the Schedule of Wastewater Rates, Rentals, Charges and Policies set forth herein,

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:

CUSTOMER SERVICE CHARGE

The current monthly Customer Service Charge of \$12.95, providing zero (0) gallons of wastewater treatment service, shall be revised to be dependent on the size of the meter providing service, with the 1" meter being considered as the base effective July 1, 2017. The monthly rate shall be based on the comparison of the square of the meter size to a typical 1" meter as follows:

5/8" Meter = \$14.05

1" Meter = \$14.05

1 1/2" Meter = \$31.61

2" Meter = \$56.20

3" Meter = \$126.45

4" Meter = \$224.80

5" Meter = \$351.25

6" Meter and Larger = \$505.80

The base Customer Service Charge for a 1" meter shall increase by \$1.10 annually effective July 1, 2017 through July 1, 2021. 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 remain constant beginning July 1, 2017 through June 30, 2022. Refer to the attached Schedule of Values titled Exhibit 1.

ENVIRONMENTAL IMPROVEMENT FEE

The current monthly Environmental Improvement Fee of \$3.95 shall increase by \$1.20 annually effective July 1, 2017 through July 1, 2021. 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 \$0.28 per 1,000 gallons of usage (for every gallon of usage above 15,000 gallons) shall increase by \$0.07 annually effective July 1, 2017 through July 1, 2021. 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.) and \$0.212 for Total Suspended Solids (T.S.S.) for customers exceeding 265 mg/l on either of these parameters 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

Capacity Fees shall be revised to be charged to every customer of RWRA that is connected to the system. The Capacity Fee shall be dependent on the size of the meter providing service, with the 1" meter being considered as the base effective July 1, 2017. The monthly rate shall be based on the comparison of the square of the meter size to a typical 1" meter 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

The base Capacity Fee for a 1" meter shall remain constant beginning July 1, 2017 through June 30, 2022. Refer to the attached Schedule of Values titled Exhibit 1.

The Capacity Fee for all permits, other than single family residential permits, issued during the transition to the revised charge above should include the following schedule:

Permits issued in March 2017 – 20% Capacity Fee Reduction

Permits issued in April 2017 – 40% Capacity Fee Reduction

Permits issued in May 2017 – 60% Capacity Fee Reduction

Permits issued in June 2017 – 80% Capacity Fee Reduction

SYSTEM DEVELOPMENT FEE

The current System Development (SD) Fee of \$2,178.00 per ERU shall remain constant beginning July 1, 2017 through June 30, 2022. Refer to the attached Schedule of Values titled Exhibit 1. Qualified existing users are allowed to finance the System Development Fee at 4.5% over twenty (20) years. 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.

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.

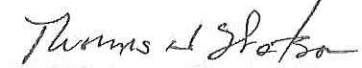
MISCELLANEOUS RATES, RENTALS, AND CHARGES

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.

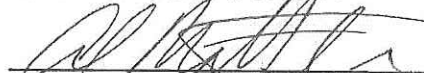
PUBLICLY READ, ADOPTED, AND APPROVED this the 2nd day of March, 2017.

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, 2016	\$12.95	5/8" Meter	N/A
		\$12.95	1" Meter	
		\$12.95	2" Meter	
		\$12.95	3" Meter	
		\$12.95	4" Meter	
		\$12.95	5" Meter	
	\$12.95	6" Meter and larger		
	July 1, 2017	\$14.05	5/8" Meter	
		\$14.05	1" Meter	
		\$31.61	1 1/2" Meter	
		\$56.20	2" Meter	
		\$126.45	3" Meter	
		\$224.80	4" Meter	
	July 1, 2018	\$351.25	5" Meter	
		\$505.80	6" Meter and larger	
		\$15.15	5/8" Meter	
		\$15.15	1" Meter	
		\$34.09	1 1/2" Meter	
		\$60.60	2" Meter	
	July 1, 2019	\$136.35	3" Meter	
		\$242.40	4" Meter	
		\$378.75	5" Meter	
		\$545.40	6" Meter and larger	
		\$16.25	5/8" Meter	
\$16.25		1" Meter		
\$36.56	1 1/2" Meter			
\$65.00	2" Meter			
\$146.25	3" Meter			
\$260.00	4" Meter			
\$406.25	5" Meter			
\$585.00	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, 2020	\$17.35 \$17.35 \$39.04 \$69.40 \$156.15 \$277.60 \$433.75 \$624.60	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, 2021	\$18.45 \$18.45 \$41.51 \$73.80 \$166.05 \$295.20 \$461.25 \$664.20	5/8" Meter 1" Meter 1 1/2" Meter 2" Meter 3" Meter 4" Meter 5" Meter 6" Meter and larger	N/A
Wastewater User Charge	July 1, 2016 July 1, 2017 July 1, 2018 July 1, 2019 July 1, 2020 July 1, 2021	\$4.39 / \$3.284 \$4.39 / \$3.284 \$4.39 / \$3.284 \$4.39 / \$3.284 \$4.39 / \$3.284 \$4.39 / \$3.284	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, 2016 July 1, 2017 July 1, 2018 July 1, 2019 July 1, 2020 July 1, 2021	\$3.95 \$5.15 \$6.35 \$7.55 \$8.75 \$9.95	Per Meter Per Meter Per Meter Per Meter Per Meter 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, 2016	\$0.28 / \$0.209	Per 1,000 gallons/100 cubic feet treated	N/A
	July 1, 2017	\$0.35 / \$0.262	Per 1,000 gallons/100 cubic feet treated	
	July 1, 2018	\$0.42 / \$0.314	Per 1,000 gallons/100 cubic feet treated	
	July 1, 2019	\$0.49 / \$0.367	Per 1,000 gallons/100 cubic feet treated	
	July 1, 2020	\$0.56 / \$0.419	Per 1,000 gallons/100 cubic feet treated	
	July 1, 2021	\$0.63 / \$0.471	Per 1,000 gallons/100 cubic feet treated	
Quality Surcharge	July 1, 2016 Through July 1, 2022	\$0.220 \$0.212 \$0.221	Per pound for B.O.D. exceeding 265 mg/l 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	Varies*	\$525.00 per ERU, New Customers after July 1, 1997	6.00% N/A
		July 1, 2016	5/8" Meter	
July 1, 2017		1" Meter		
Through July 1, 2022		1 1/2" Meter		
		2" Meter		
		3" Meter		
	4" Meter			
	5" Meter			
	6" Meter and larger			
System Development Fee**	July 1, 2016	\$2,178.00	Per ERU to be charged per the Resolution	4.50%
	July 1, 2017	\$2,178.00	Per ERU to be charged per the Resolution	
	July 1, 2018	\$2,178.00	Per ERU to be charged per the Resolution	
	July 1, 2019	\$2,178.00	Per ERU to be charged per the Resolution	
	July 1, 2020	\$2,178.00	Per ERU to be charged per the Resolution	
	July 1, 2021	\$2,178.00	Per ERU to be charged per the Resolution	

*See Rate Resolution for additional information on the transitional Capacity Fee for all permits, other than single family residential permits, during March 2017 - June 2017.

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