

**ORDINANCE NO. 08 - 08**

AN ORDINANCE OF THE CITY OF BEREAS, KENTUCKY, PROVIDING FOR REVISION OF THE CURRENT RATES AND TARIFFS OF THE WATER UTILITY AND ADOPTING NEW RATES, TARIFFS, AND REGULATIONS.

**WHEREAS**, in January 2005, the City of Berea purchased the water and electric utilities from Berea College; and

**WHEREAS**, at the time of such purchase the City continued the rates and tariffs approved by the Kentucky Public Service Commission for the Berea College Electric and Water Utilities; and

**WHEREAS**, the City has contracted for and received a "Retail Rates and Revenue Requirement" study from The Prime group, LLC, which recommends for a revision of rates in order to provide for a return on investment sufficient to permit the water utility to continue to provide quality service to consumers; and

**WHEREAS**, the City Council has determined that the rates and tariffs charged for the municipal water utility must be revised in order to continue the efficient and proper management of the water utility system and to conserve the water resources of the city water utility;

**NOW, THEREFORE**, the City Council of the City of Berea, Kentucky, does ordain as follows:

**SECTION I**

That the following rates and tariffs be and the same are hereby adopted by the City of Berea for the operation of the water utility:

**A) Class 1 Residential**

First 200 cubic feet (minimum bill)	\$ 10.00/monthly
Cubic feet over first 200	\$3.76/100 cubic feet

**B) Class 2 Commercial**

First 200 cubic feet (minimum bill)	\$ 10.45/monthly
Next 1,800 cubic feet	\$ 3.86 /100 cubic feet
Next 3,000 cubic feet	\$ 3.51 /100 cubic feet
Next 5,000 cubic feet	\$ 3.11 /100cubic feet
Next 5,000 cubic feet	\$ 2.56 /100 cubic feet
Over 15,000 cubic feet	\$ 2.26 /100 cubic feet

**C) Class 3 Industrial**

First 200 cubic feet (minimum bill)	\$ 10.45/monthly
Next 1,800 cubic feet	\$ 3.86 /100 cubic feet
Next 3,000 cubic feet	\$ 3.51 /100 cubic feet
Next 5,000 cubic feet	\$ 3.11 /100 cubic feet
Next 5,000 cubic feet	\$ 2.56 /100 cubic feet
Over 15,000 cubic feet	\$ 2.26 /100 cubic feet

**D) Class 7 Fire Protection**

6 inch sprinkler line	\$ 41.00/monthly
8 inch sprinkler line	\$ 57.00/monthly
10 inch sprinkler line	\$ 74.00/monthly
12 inch sprinkler line	\$ 90.00/monthly

**E) All Classes**

1) Late Payment Charge: 10% will be added in bill is not paid by the 10<sup>th</sup> day after billing date.

2) Reconnect charges: \$20.00

3) Discontinuance of Service for non-payment: If the account is not paid by the 20<sup>th</sup> day after the date of mailing of the monthly bill, service may be discontinued in accordance with the rules and regulations of the Berea Municipal Water Utility.

4) Additional Charges: There shall be added to the bill of each customer as a separate item (a) a franchise replacement fee equal to 3% of the gross bill for the water service provided, pursuant to Ordinance No. 16-04; and (b) an amount equal to the proportionate part of any license, franchise or similar fee or tax now or hereafter imposed upon the Berea Municipal Water Utility by any governmental body or entity, including but not limited to Berea Independent School District or the Madison County School District, or the Kentucky River Authority or other similar administrative or governmental body.

5) Revenue Stabilization Adjustment: A monthly adjustment, which may either be a charge or credit, shall be applied for the purpose of providing for the difference between Berea's budgeted cost of service and projected revenues for the current fiscal year. Cost of service shall include operation and maintenance expenses, interest and principal on debt, average extensions and replacements, and margins. The adjustment shall be determined prior to the beginning of each fiscal year and remain in effect for the entire fiscal year. For customers taking service under Residential Service - Class 1, Commercial -Class 2, or Industrial - Class 3, the Revenue Stabilization Adjustment shall be applied as charge or credit per cubic foot or gallon, whichever is applicable.

## SECTION II

The Rules and Regulations of the Berea Municipal Water Utility attached hereto as Exhibit A are hereby approved and adopted.

## SECTION III

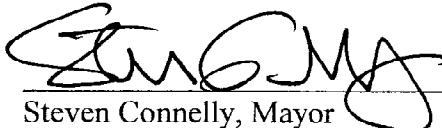
This Ordinance shall be effective on the 25 day of Sept., 2008. All ordinance or parts of ordinances in conflict with this ordinance are hereby repealed. This ordinance shall be published according to law.

FIRST READING: May 6, 2008.

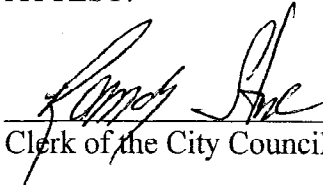
SECOND READING & ENACTMENT: September 16, 2008.

CITY OF BERA, KENTUCKY

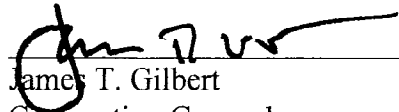
APPROVED:

  
\_\_\_\_\_  
Steven Connelly, Mayor

ATTEST:

  
\_\_\_\_\_  
Clerk of the City Council

PREPARED BY:

  
James T. Gilbert  
Corporation Counsel