

**ORDINANCE NO. 10 - 08**

AN ORDINANCE OF THE CITY OF BEREAS, KENTUCKY, PROVIDING FOR REVISION OF THE CURRENT RATES OF THE SEWER UTILITY AND ADOPTING NEW RATES, BY REVISING SECTION 31.383 OF THE CODE OF ORDINANCES OF THE CITY OF BEREAS, AND BY ADDING A NEW SECTION 31.389 PROVIDING FOR REVENUE STABILIZATION ADJUSTMENT

**WHEREAS**, the rates and charges for the City of Berea Municipal sewer utility system have not been revised since April, 1985; 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 sewer 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 sewer utility must be revised in order to continue the efficient and proper management of the sewer utility system;

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

**SECTION I**

That the following rates be and the same are hereby adopted by the City of Berea for the operation of the sewer utility, and that the Code of Ordinances of the City of Berea, Kentucky, be amended by revising Section 31.383 of the Code of Ordinances of the City of Berea, Kentucky, so that such section shall read as follows:

§ 31.383 SEWER RATES

(A) The rates and charges for sewer service shall be based insofar as possible upon the quantity of water supplied to the respective premises as the same is measured by water meter(s) used by the utility companies supplying water to sewer customers. There shall be charged monthly to the

owner or occupant of each and every lot, parcel of land, building or premises, within the corporate limits, discharging sewage, water or other liquid wastes connected with the municipal sewer system, the following rates for user charges and rates for debt service charges based upon the water meter readings or estimated water consumption as follows:

1) Commodity Charge

First 200 cubic feet (minimum bill)	\$6.9000/monthly
Over 200 cubic feet	\$2.63/100 cubic feet

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

3) Reconnect charges: \$20.00

4) 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 Sewer Utility.

5) Additional Charges: There shall be added to the bill of each customer as a separate item an amount equal to the proportionate part of any license, franchise or similar fee or tax now or hereafter imposed upon the Berea Municipal Sewer Utility by any governmental body or entity, including but not limited to Berea Independent School District or the Madison County School District, or similar administrative or governmental body.

## SECTION II

That the Code of Ordinances of the City of Berea, Kentucky, be amended by adding a section to be numbered 31.389, which section shall read as follows:

### Section 31.389. 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. The Revenue Stabilization Adjustment shall be applied as charge or credit per

cubic foot or gallon, whichever is applicable.

**SECTION III**

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

**SECTION IV**

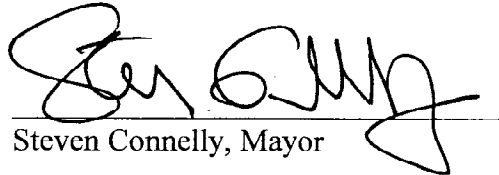
This Ordinance shall be effective on the date of publication, and the rates shall be effective for meter reading on or after that date. All ordinance or parts of ordinances in conflict with this ordinance are hereby repealed. This ordinance shall be published according to law.

FIRST READING: May 6, 2008.

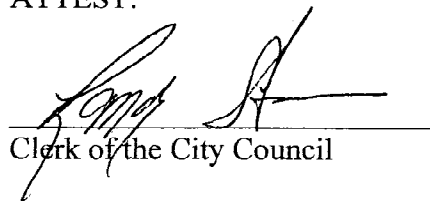
SECOND READING & ENACTMENT: September 16, 2008.

CITY OF BEREA, KENTUCKY

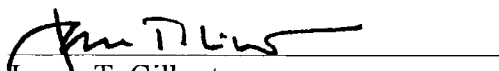
APPROVED:

  
Steven Connelly, Mayor

ATTEST:

  
Clerk of the City Council

PREPARED BY:

  
James T. Gilbert  
Corporation Counsel