



1 WHEREAS, the Board, desiring to make said amended system of fees and charges  
2 effective in the City by obtaining the adoption of same in the manner specified by §36-9-25-11,  
3 scheduled public hearing upon such proposed amendments on November 29, 2016 at 6:00 p.m.  
4 at the Hobart City Hall Council Chamber and gave due notice thereof by publication, which  
5 notice was published in two newspapers of general circulation in the City, *The Times* and *Post-*  
6 *Tribune*, both on November 16, 2016 all as required by I.C. §5-3-1-1, *et seq.*; and  
7

8 WHEREAS, the Board duly conducted said Public Hearing on November 29, 2016 and at  
9 the conclusion of same adopted its Resolution Number 2016-05 confirming its adoption of said  
10 Revised System of User Fees and Charges, which is attached hereto and made a part hereof as  
11 Appendix "A," and recommending its adoption by Ordinance of the Council as required by the  
12 provisions of I.C. §36-9-25-11; and  
13

14 WHEREAS, the Board determined that it is desirable to establish such new user charges  
15 in three (3) phases: after approval of the proposed new rate system by the Common Council of  
16 the City, Phase I would be effective January 1, 2017. Phase II would be effective January 1,  
17 2018, and Phase III would be effective January 1, 2019; and  
18

19 WHEREAS, the Council has carefully evaluated the materials prepared by the Board in  
20 connection with the proposed rate system, and has had the opportunity to ask questions  
21 concerning the proposed adoption of the newly revised rate system; and  
22

23 WHEREAS, the Council has concluded that the adoption of the proposed newly revised  
24 system of Sanitary Sewer rates and charges proposed is in the best interest of all of the residents  
25 of the District, that the expense of proper maintenance, planning and development for the Waste  
26 Water system require adequate resources which are not otherwise obtainable, and that failure to  
27 address the waste water management needs of the District will expose it to worsening overflows,  
28 inundations, legal challenges by governmental authorities and even higher costs to its residents;  
29 and  
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31 WHEREAS, the Council now desires to approve said newly revised system of rates and  
32 charges and spread same upon the public record.  
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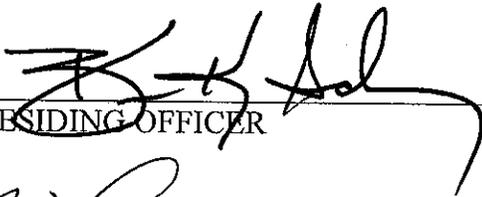
34 THEREFORE, BE IT ORDAINED by the Common Council of the City of Hobart,  
35 Indiana that:  
36

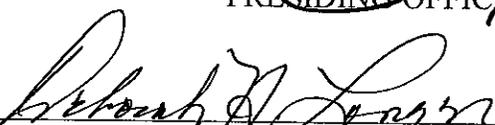
37 *SECTION ONE.* The User Fee system of Rates and Charges for the  
38 Hobart Sanitary District which is proposed to take effect on January 1, 2017, and  
39 remain in effect until further notice, as described and set out on Exhibit "A,"  
40 attached, is hereby adopted and approved in every respect.  
41

42 *SECTION TWO.* The Cost of Service Study Report of Umbaugh &  
43 Associates Dated November 8, 2016 is accepted and approved.  
44

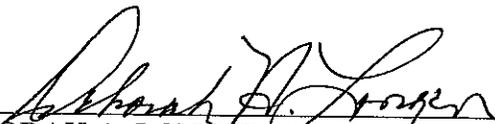
45  
46 *SECTION THREE.* All ordinances or portions thereof in effect prior to  
47 the effective date and in conflict with the provisions of this ordinance are hereby  
48 repealed.

1  
2 ALL OF WHICH is PASSED and ADOPTED by the Common Council of the City of  
3 Hobart, Indiana on this 21<sup>st</sup> day of December, 2016.  
4

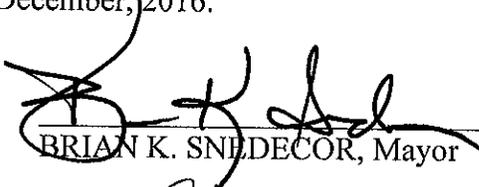
5  
6  
7   
8 \_\_\_\_\_  
9 PRESIDING OFFICER

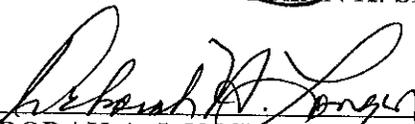
10 ATTEST:   
11 \_\_\_\_\_  
12 DEBORAH A. LONGER, Clerk-Treasurer  
13

14 PRESENTED by me to the Mayor of the City of Hobart on the 21<sup>st</sup> day of  
15 December, 2016 at the hour of 6:45 pm.  
16

17  
18   
19 \_\_\_\_\_  
20 DEBORAH A. LONGER, Clerk-Treasurer  
21

22 APPROVED, EXECUTED and RETURNED by me to the Common Council of  
23 the City of Hobart on this 21<sup>st</sup> day of December, 2016.  
24

25  
26   
27 \_\_\_\_\_  
28 BRIAN K. SNEDECOR, Mayor  
29

30 ATTEST:   
31 \_\_\_\_\_  
32 DEBORAH A. LONGER, Clerk-Treasurer  
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**EXHIBIT A**  
**to**  
**City of Hobart Ordinance No. 2016-42**

**Rates, Fees and Charges of the Hobart Sanitary District**  
**Effective January 1, 2017**

The Board of Commissioners of the Sanitary District of the City of Hobart, Indiana, establishes the following user fees to be paid by any user of the District's sanitary sewer system and the owner of every parcel of real property or building that is connected with or uses the sewage collection system of the District:

**Section 1. Effective January 1, 2017:**

Phase I

Billing Charge (per bill): \$6.35

Base Rates (per month):

Meter Size

(Diameter)

5/8" – 3/4"	\$ 12.31
1"	12.31
1-1/2"	36.18
2"	57.07
3"	121.72
4"	206.27
6"	459.91
8"	813.51

Treatment Rate (per 1,000 gallons per month): 5.22

Unmetered Users (per month):

Single Family Home 47.78

**Section 2. Effective January 1, 2018**

Phase II

Billing Charge (per bill): \$6.35

Base Rates (per month):

Meter Size

(Diameter)

5/8" – 3/4"	\$ 13.62
1"	13.62

1-1/2"	61.36
2"	103.14
3"	232.44
4"	401.54
6"	908.82
8"	1,616.02

Treatment Rate (per 1,000 gallons per month): \$5.13

Unmetered Users (per month):  
 Single Family Home \$48.60

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**Section 3. Effective January 1, 2019**

Phase III

Billing Charge (per bill): \$6.35

Base Rates (per month):

Meter Size

(Diameter)

5/8" – 3/4"	\$ 14.92
1"	14.92
1-1/2"	86.54
2"	149.20
3"	343.16
4"	596.80
6"	1,357.72
8"	2,418.53

Treatment Rate (per 1,000 gallons per month): \$5.04

Unmetered Users (per month):  
 Single Family Home \$49.42

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**Section 4. Wholesale Tracking Factor**

The Treatment Rate established in Sections 1, 2 and 3 will be adjusted periodically to reflect the changes in the cost of wholesale sewage treatment. The adjustment shall be as reflected in Appendix A, below, and made part of this Resolution.

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1  
2 **Section 5. Multi-Unit Residential Properties**  
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- 4 A. Multi-unit residential properties shall include mobile home parks, apartment  
5 buildings or other multi-unit residential buildings or developments of more  
6 than four (4) units served by the District.  
7
- 8 B. Multi-unit residential properties shall be subject to the Billing Charge,  
9 Treatment Rate and Wholesale Tracking Factor as established in Sections 1,  
10 2, 3, and 4 above.  
11
- 12 C. Multi-unit residential properties shall be subject to a Base Charge equal to  
13 the Base Charge for a 5/8-inch meter connection found in Sections 1, 2, and  
14 3, per Equivalent Dwelling Unit (“EDU”).  
15
- 16 D. A connection’s Equivalent Dwelling Unit shall be determined based upon a  
17 connection’s peak daily flow measured in gallons divided by 651 gallons.  
18
- 19 E. Surcharge Calculation for Excess Flows - Whenever the average daily flow  
20 from a multi-unit residential property exceeds the base average daily flow  
21 determined in accordance with this section for a period of not less than five  
22 (5) consecutive days (the “qualifying period”), the multi-unit residential  
23 property shall, in addition to the total charge per month determined under  
24 Section 5, Paragraphs B, C and D above, be billed for and pay a surcharge  
25 for a period of twelve months following the month in which the excess flow  
26 qualifying period ended. A multi-unit residential property shall be subject  
27 to one surcharge per month, even if there were more than one excess flow  
28 event during qualifying periods in the preceding twelve (12) months.  
29 However, the largest surcharge shall apply in any month when there was  
30 more than one excess flow event during a qualifying period within the prior  
31 twelve (12) months.  
32

33 The user’s peak daily flow shall be determined by the District and shall be  
34 deemed the base average daily flow for the multi-unit residential property.  
35 In the event the average daily flow exceeds the base average daily flow  
36 during a qualifying period, then the highest average daily flow during such  
37 period, less the base average daily flow shall constitute the excess flow for  
38 that qualifying period. This amount, divided by 651 shall yield the number  
39 of surcharge EDUs. This number shall be multiplied by the Base Charge for  
40 a 5/8-inch meter per EDU established under Paragraph C above, and the  
41 product shall constitute the monthly surcharge.  
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**APPENDIX "A"**  
**WHOLESALE SEWAGE TREATMENT COST ADJUSTMENT**  
 (Applicable to the Treatment Rate Charge and Unmetered Single Family User Charge)

The rate adjustment shall be on the basis of a Wholesale Sewage Treatment Cost Adjustment Tracking Factor, occasioned solely by changes in the cost of wholesale sewage treatment. The rate adjustment is calculated as follows:

	Gary Sanitary District <u>Base Rates (1)</u>	Gary Sanitary District <u>Adjusted Rates (2)</u>	<u>Difference</u>
Flow	\$0.2370		
Ammonia	0.1884		
CBOD	0.1820		
Phosphorus	1.8021		
TSS	0.3690		

Change in Wholesale Treatment Costs:

	<u>Change in Rate</u>	<u>Units of Service (3)</u>	<u>Increased Treatment Costs</u>
Flow			
Ammonia			
CBOD			
Phosphorus			
TSS			
Total increase in treatment costs			<u>0.0000</u>
New Gary Sanitary District capital from true-up			
Less: current Gary Sanitary District capital in rates			<u>(164,406.96)</u>
Change in Gary Sanitary District capital			
Total increase in treatment costs and capital			
Divided by: Hobart Sanitary District previous 12 month treated flow (in 1,000 gallons)			<u>_____</u>
Current tracking factor per 1,000 gallons			<u>\$ 0.000</u>

- (1) These are the Gary Sanitary District rates that were in effect in December 2016 when Hobart Sanitary District retail rates were adjusted.
- (2) Rates reflected in Gary Sanitary District's most recently accepted True-Up Report, \_\_\_\_\_.
- (3) Units of service reflected in Gary Sanitary District's most recently accepted True-Up Report, \_\_\_\_\_.

Note: The assumed monthly usage for the Unmetered Single Family user shall be 5,585 gallons.

**Hobart Sanitary District  
Illustrative Tracker Calculation**

**Wholesale Sewage Treatment Cost Adjustment** (Applicable to the Treatment Rate Charge and Unmetered Single Family User Charge)

The rate adjustment shall be on the basis of a Wholesale Sewage Treatment Cost Adjustment Tracking Factor, occasioned solely by changes in the cost of wholesale sewage treatment. The rate adjustment is calculated as follows:

	Gary Sanitary District Base Rates (1)	Gary Sanitary District Adjusted Rates (2)	Difference
Flow	\$0.2370	\$0.2743	\$0.0373
Ammonia	0.1884	0.1935	0.0051
CBOD	0.1820	0.1724	(0.0096)
Phosphorus	1.8021	1.6883	(0.1138)
TSS	0.3690	0.3372	0.0318

Change in Wholesale Treatment Costs:

	<u>Change in Rate</u>	<u>Units of Service (3)</u>	<u>Increased Treatment Costs</u>
Flow	\$0.0373	1,351,178	\$50,398.94
Ammonia	0.0051	155,666	793.90
CBOD	(0.0096)	1,249,214	(11,992.45)
Phosphorus	(0.1138)	25,056	(2,851.37)
TSS	0.0318	1,007,335	<u>32,033.25</u>
Total increase in treatment costs			<u>68,382.27</u>

New Gary Sanitary District capital from true-up (4)	\$322,589.24
Less: current Gary Sanitary District capital in rates	<u>(164,406.96)</u>
Change in Gary Sanitary District capital	<u>158,182.28</u>

Total increase in treatment costs and capital	226,564.55
Divided by: Hobart Sanitary District previous 12 month treated flow (in 1,000 gallons)	<u>588,232</u>

Current tracking factor per 1,000 gallons \$ 0.3852

- (1) These are the Gary Sanitary District rates that were in effect in December 2016 when Hobart Sanitary District retail rates were adjusted.
- (2) Rates reflected in Gary Sanitary District's 2015 unaccepted True-Up Report. Rates are for illustrative purposes only.
- (3) Units of service reflected in Gary Sanitary District's 2015 unaccepted True-Up Report. Rates are for illustrative purposes only.
- (4) Capital amount reflected in Gary Sanitary District's 2015 unaccepted True-Up Report. Rates are for illustrative purposes only.