

The following ordinance, having been previously introduced on _____, 2020 and a public hearing having been held thereon on _____, 2020, was offered by Councilmember _____ and seconded by Councilmember _____:

Ordinance No. _____

AN ORDINANCE ESTABLISHING THE RATE STRUCTURE FOR TALLULAH WATER SERVICE AND PROVIDING FOR OTHER MATTERS IN CONNECTION THEREWITH.

WHEREAS, the Mayor and the City Council, acting as the governing authority (the "**Governing Authority**"), of the City of Tallulah (the "**City**") previously established the rates the City charged customers for Tallulah Water Service; and

WHEREAS, the current rate structure fails to provide sufficient revenues to allow the City to meet its rate covenants obligations under existing bond and debt agreements (the "**Rate Covenants**") and to issue new debt for immediate and necessary construction and repairs; and

WHEREAS, the Governing Authority of the City desire to implement new rates the City will charge customers for Tallulah Water Service sufficient to meet its current obligations as well as future obligations as set forth in Rate Covenants and to issue new debt for immediate and necessary construction and repairs.

THEREFORE, BE IT ORDAINED, that the Governing Authority of the City does hereby establish the rate structure for Tallulah Water Service customers as set forth below:

[THE REMAINDER OF THIS PAGE INTENTIONALLY BLANK]

<u>RESIDENTIAL</u>	
\$30.00	0 – 1,000 gallons
\$6.05	Above 1,000 gallons per 1,000
No bill will be rendered for less than \$30.00 per month.	
<u>COMMERCIAL</u>	
\$50.00	0 – 1,000 gallons
\$7.05	Above 1,000 gallons per 1,000
No bill will be rendered for less than \$50.00 per month.	

<u>SPRINKLER RATES</u>	
<u>Monthly Rate:</u>	<u>Size:</u>
\$13.00	Up to but less than 4 inches
\$21.00	4 inch services
\$31.50	6 inch services
\$41.00	8 inch services

This service is available to sprinkler systems on customer's premises only for the purpose of protection from and/or extinguishment of fires. No bill will be rendered for less than the monthly rate.

<u>FIRE HYDRANT RATE:</u>	
\$22.00 per month	Stand-by service for protection from and/or extinguishment of fire from City furnished fire hydrant
Bulk Sales or temporary services from fire hydrants-optional rate will apply plus \$45.00 service charge for each water installation, or water relocation. Monthly minimum - \$77.00	

<u>SERVICE CHARGES:</u>	
\$100.00	Turn on fee
\$75.00	Reconnect fee
No charge	Turn off fee (at customer's request for repair)
\$70.00	Meter Test (if meter is found to be inaccurate, no fee will not be charged)
\$15.00	Insufficient Funds (NSF) check fee

Service to New Customers (Outside City Limits):

New customers outside the City limits shall be charged based upon a fair return to the City on all capital costs incurred by the City, including but not limited to, the cost of constructing water lines, related labor and ancillary costs, such charges to be evidenced by written agreement between each new prospective customer and the City prior to the City taking any steps toward the provision of water service.

BE IT FURTHER ORDAINED, that rates charged for water shall at all times be sufficient to allow the City to meet its Rate Covenants by collecting water revenues sufficient to pay the reasonable and necessary expenses of operating and maintaining the water system in each fiscal year and furthermore to provide net revenues in an amount equal to at least 125% of the principal, interest and other payments falling due in each fiscal year on all bonds or other debt obligations payable from net revenues of the water system. An annual calculation shall be made at the time of delivery of the City's annual audited financial statements (the "**Delivery Date**") by either the auditor of, or a financial advisor to, the City. In the event the annual calculation shows insufficient net revenues to meet Rate Covenants, rates shall be adjusted in the billing system of the City so that within sixty (60) days from the Delivery Date, the City shall begin billing rates, on a prospective basis, sufficient to be in minimum compliance with the Rate Covenants; and

BE IT FURTHER ORDAINED, that in the event the Consumer Price Index ("**CPI**") increases annually from one fiscal year to the next, any such increase shall be automatically factored into rates, whereby rates shall be adjusted on a prospective basis, in an amount equivalent to the increase in CPI. The auditor of, or a financial advisor to, the City shall make the determination of any CPI increase and issue its written finding to the City and the City shall within sixty (60) days from the Delivery Date implement the rates reflecting the CPI increase.

BE IT FURTHER ORDAINED that this Ordinance and the rates herein shall become effective beginning on the first day of the next billing cycle after publication of this Ordinance upon its adoption or ____ day of _____, 2020.

[THE REMAINDER OF THIS PAGE INTENTIONALLY BLANK]

WHEREUPON, the presiding officer declared the above Ordinance duly adopted on this the _____ day of _____, 2020.

Charles M. Finlayson, Mayor

Vanessa Stubblefield, Deputy Clerk

**STATE OF LOUISIANA
PARISH OF MADISON**

I, the undersigned Deputy Clerk of the City of Tallulah, Parish of Madison, State of Louisiana (the "City"), do hereby certify that the foregoing pages constitute a true and correct copy of:

**AN ORDINANCE ESTABLISHING THE RATE STRUCTURE FOR
TALLULAH WATER SERVICE AND PROVIDING FOR OTHER
MATTERS IN CONNECTION THEREWITH.**

IN FAITH WHEREOF, witness my official signature, on this, the ___ day of _____,
2020.

Vanessa Stubblefield, Deputy Clerk