

ORDINANCE NO. 14-10

AN ORDINANCE PROVIDING FOR PAYMENT OF FIRE HYDRANT RENTAL COSTS BY INDIANA AMERICAN WATER COMPANY RATEPAYERS

WHEREAS, Indiana American Water Company owns and operates fire hydrants in the City of West Lafayette which serve resident, business, and city owned property in the City limits; and,

WHEREAS, the rental cost of the fire hydrants in the City limits are currently paid by the City with revenue from City taxpayers; and,

WHEREAS, the cost to the City taxpayers for fire hydrant rentals will be in excess of \$260,000 in the year 2011; and

WHEREAS, State-mandated circuit breaker limits have significantly reduced the funds available for city services including, primarily, public safety services; and,

WHEREAS, Indiana Code § 8-1-2-103(d) provides for the payment of fire hydrant rental costs imposed by Indiana American Water Company and approved by the Indiana Utility Regulatory Commission from the ratepayers of Indiana American Water Company rather than City taxpayers; and,

WHEREAS, the majority of Indiana cities operate under IC § 8-1-2-103(d) which provides that the cost of fire hydrant rentals is paid by ratepayers instead of taxpayers; and

WHEREAS, paying fire hydrant rental costs from ratepayers is prudent and necessary to allow tax funds to be used for maintaining city services, including, primarily, public safety services to the public; and,

WHEREAS, paying fire hydrant rental costs from ratepayers who directly benefit from the fire hydrants is a fair and reasonable method of paying for such costs;

NOW THEREFORE, BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF WEST LAFAYETTE that the provisions of IC § 8-1-2-103(d) are hereby adopted such that the charges for production, storage, transmission, sale and delivery, or furnishing of water for public fire protection purposes shall be added to the basic rates of all customers of Indiana American Water Company and its successors and assigns as regulated by the Indiana Utility Regulatory Commission.

The effective date for addition of these changes in the basic rate shall be January 1, 2011 and that after said date, the cost of any fire hydrant installed at the request of the City shall be paid by or on behalf of the City.