

City of Rochester

320 Main Street * Rochester, IN 46975
Ph: 574-223-2510 * Fax: 574-223-6509 * www.rochester.in.us



Trent O'Dell, Mayor

Beth Stocking, Clerk-Treasurer

Dear Rochester Resident,

We want to offer an explanation behind the substantial water rate hikes that will occur over the course of the next year. We have spent countless hours with our municipal financial advisors deliberating on what we must do to keep our water utility in the black while we face increasing maintenance and repair needs. Additionally, a portion of the rate increase, 25-30%, is in place for growth, infrastructure needed for housing, and business development. As much as we regret these rate increases, it is absolutely necessary in order to continue offering water service and to move our community forward. Our current rates are less than half of the state average as we have not had any rate increases for nearly 15 years. Thus, our cash reserves are minimal to be able to meet the current maintenance and growth demands.

This, like our Sewer Department, is a standalone utility that must cash flow itself, and with the high cost of short and long-term needs, these rate increases are necessary to support the bond we must take out to finance them. We also are shifting the fire protection cost from your property tax bill to the water utility. This allows us to better align the cost associated with fire protection infrastructure and capacity with those that benefit. I know this is a lot to absorb so we will be phasing these increases in by having 30% of the rate increase of this to occur in January 2025, another 20% in July 2025, and the final 50% of the increase in January 2026. When all of this is complete, we will be near the state average for municipally-owned water utilities, yet still well under several Indiana communities who have sold those utilities off to a public utility company.

We are looking at several ways to help offset this increased cost of living to our citizens. We have formed a Sidewalk Committee, to partner with our Tree Board, to score, evaluate and recommend replacement at no cost to the homeowner. This will be done each year to the limit of our \$50,000 budget. Also, we are considering an Individual Housing Tax Abatement for those who need or wish to do upgrading to their homes which could increase their assessed value. Finally, we are working very hard to get a discount grocery store in town that I believe will help dramatically in reducing weekly costs to our families. We are always open to more ideas, so please feel free to share those with us in hopes to continue to make our community better and an affordable place to live and do business.

Sincerely,

Mayor

APPENDIX A – WATER RATES AND CHARGES

ROCHESTER (INDIANA) MUNICIPAL WATER UTILITY

SCHEDULE OF RATES AND CHARGES

City Code		Phase I - January 1, 2025		Phase II - July 1, 2025		Phase III - January 1, 2026	
		Inside City	Outside City*	Inside City	Outside City*	Inside City	Outside City*
52.097	Usage per 1,000 gallons per month:						
	First 2,500 gallons	\$5.82	\$6.64	\$7.36	\$8.40	\$11.05	\$12.61
	Next 22,500 gallons	5.09	5.81	6.21	7.08	8.90	10.15
	Next 175,000 gallons	4.04	4.61	4.97	5.67	7.20	8.22
	Over 200,000 gallons	2.73	3.11	3.72	4.24	6.10	6.96
52.098	Minimum Charge per Month						
			Gallons Allowed				
	5/8 inch meter 2,500	\$14.55	\$16.60	\$18.40	\$21.00	\$27.65	\$31.50
	3/4 inch meter 5,237	28.48	32.50	35.40	40.38	52.00	59.30
	1 inch meter 10,758	56.58	64.58	69.68	79.47	101.10	115.35
	1 1/4 inch meter 17,092	88.82	101.38	109.02	124.31	157.50	179.65
	1 1/2 inch meter 21,776	112.66	128.59	138.10	157.47	199.20	227.20
	2 inch meter 28,879	144.75	165.21	177.40	202.29	255.80	291.80
	3 inch meter 44,928	209.58	239.19	257.17	293.29	371.35	423.70
	4 inch meter 62,829	281.10	320.79	345.14	393.66	498.80	569.20
	6 inch meter 104,828	451.58	515.33	554.87	632.92	802.65	916.10
	8 inch meter 200,000	836.08	954.08	1,027.88	1,172.55	1,487.90	1,698.40
	10 inch meter 287,500	1,074.95	1,226.20	1,353.38	1,543.55	2,021.65	2,307.40
	12 inch meter 537,500	1,757.45	2,003.70	2,283.38	2,603.55	3,546.65	4,047.40
52.099(A)	Public Fire Protection						
	Municipal hydrants - per hydrant - per annum	\$300.00	\$300.00	\$300.00	\$300.00	\$	\$
	Public fire protection surcharge - per month						
	5/8 inch meter	\$2.35	\$2.70	\$2.35	\$2.70	\$4.85	\$5.55
	3/4 inch meter	3.53	4.05	3.53	4.05	7.28	8.33
	1 inch meter	5.88	6.75	5.88	6.75	12.13	13.88
	1 1/4 inch meter	9.40	10.80	9.40	10.80	19.40	22.20
	1 1/2 inch meter	11.75	13.50	11.75	13.50	24.25	27.75
	2 inch meter	18.80	21.60	18.80	21.60	38.80	44.40
	3 inch meter	37.60	43.20	37.60	43.20	77.60	88.80
	4 inch meter	58.75	67.50	58.75	67.50	121.25	138.75
	6 inch meter	117.50	135.00	117.50	135.00	242.50	277.50
	8 inch meter	188.00	216.00	188.00	216.00	388.00	444.00
	10 inch meter	270.25	310.50	270.25	310.50	557.75	638.25
	12 inch meter	505.25	580.50	505.25	580.50	1,042.75	1,193.25
	Private Fire Protection						
52.099(A)	Private hydrants - per hydrant - per annum	\$450.00	\$450.00	\$450.00	\$450.00	\$600.00	\$600.00
52.100	Sprinkling system connections - per annum						
	Meter Size						
	2"	\$34.00	\$34.00	\$34.00	\$34.00	\$34.00	\$34.00
	4"	207.00	207.00	207.00	207.00	207.00	207.00
	6"	600.00	600.00	600.00	600.00	600.00	600.00
	8"	1,279.00	1,279.00	1,279.00	1,279.00	1,279.00	1,279.00
	10"	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00	2,300.00
52.018.1	System Development Charges						
			Meter Ration				
	5/8 inch meter 1.0	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000	\$1,000
	3/4 inch meter 1.5	1,500	1,500	1,500	1,500	1,500	1,500
	1 inch meter 2.5	2,500	2,500	2,500	2,500	2,500	2,500
	1 1/2 inch meter 5.0	5,000	5,000	5,000	5,000	5,000	5,000
	2 inch meter 8.0	8,000	8,000	8,000	8,000	8,000	8,000
	3 inch meter 16.0	16,000	16,000	16,000	16,000	16,000	16,000
	4 inch meter 25.0	25,000	25,000	25,000	25,000	25,000	25,000
	6 inch meter 50.0	50,000	50,000	50,000	50,000	50,000	50,000
	8 inch meter 80.0	80,000	80,000	80,000	80,000	80,000	80,000
	10 inch meter 115.0	115,000	115,000	115,000	115,000	115,000	115,000
	Unmetered 1.0	1,000	1,000	1,000	1,000	1,000	1,000
52.017	Meter Deposits						
	Single Family Residence	\$75	\$75	\$75	\$75	\$75	\$75
	Business or Commercial	125	125	125	125	125	125
52.018	Tapping Fees						
	1" tap	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800	\$1,800
	Larger than 1" tap					\$1,000 + customer responsible for installation	
	Road Cut Fee	1,500	1,500	1,500	1,500	1,500	1,500
	Boring Fee	800	800	800	800	800	800
52.025	Turn on / off (fee applicable for each turn ON AND turn off)						
	Monday - Friday 7 am - 3 pm EST	\$20	\$20	\$20	\$20	\$20	\$20
	After business hours and on Saturdays	75	75	75	75	75	75
	Sundays and holidays	100	100	100	100	100	100
52.104	Disconnection of Service for Non-Payment						
	Turn -on Charge (no shutoff prior 12 months)	\$75	\$75	\$75	\$75	\$75	\$75
	Turn -on Charge (1 shutoff prior 12 months)	125	125	125	125	125	125
	Turn -on Charge (2 or more shutoffs prior 12 months)	250	250	250	250	250	250
	Past Due Notice Threshold	10	10	10	10	10	10

* Outside City rate differential is approximately 14.1%.

CITY OF ROCHESTER, INDIANA
WATER BOARD

A RESOLUTION REQUESTING RATE INCREASE

RESOLUTION NO. 32-2024

WHEREAS, the City of Rochester, Indiana Water Board (the "Board") is charged with the operation of the waterworks under IC 8-1.5; and

WHEREAS, the Board previously determined that there is a need to undertake certain projects for the improvement of the waterworks; and

WHEREAS, the Board pursuant to Resolution No. 30-2024 requested the Common Council of the City of Rochester, Indiana to issue waterworks revenue bonds for the payment of such costs (the "Bonds"); and

WHEREAS, the Board has determined that the rates and charges currently imposed are not sufficient to meet the financial requirements of the waterworks.

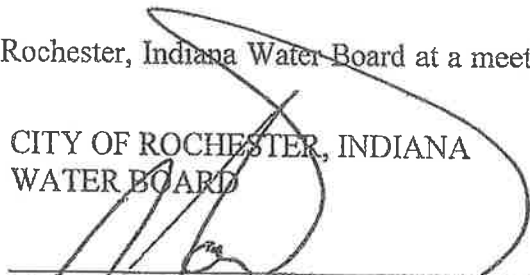
NOW, THEREFORE, BE IT RESOLVED that:

Section 1. The Board requests that the City take all necessary steps to increase its waterworks user rates to ensure sufficient revenues to meet the needs of the waterworks, including sufficient revenues to provide for payment of the principal and interest on the Bonds.

Section 2. The proposed rates and charges are set forth in Exhibit A hereto, subject to adjustment as may be deemed necessary.

By resolution passed by the City of Rochester, Indiana Water Board at a meeting this 4th day of November 2024.

CITY OF ROCHESTER, INDIANA
WATER BOARD



Marvin Davis, President



Cassie Smith, Secretary

Rachel Stephen, Member

Attest:-

Beth Stocking
Clerk Treasurer