

General
ORDINANCE NO. 40-2004

AN ORDINANCE TO CHANGE THE METHOD
OF RECOVERING THE COSTS OF PROVIDING
WATER FOR PUBLIC FIRE PROTECTION PURPOSES

WHEREAS, the City of Marion (the "City") owns and operates a municipally owned water utility for purposes of providing water utility service to the public in and around the City; and

WHEREAS, the City's municipally owned utility provides water for public fire protection purposes, the costs of which are currently recovered through directly billing the City pursuant to rate schedules approved by the IURC; and

WHEREAS, Ind. Code § 8-1-2-103(d) and (f) authorize a change in the way such costs are to be recovered upon passage of an ordinance by the City; and

WHEREAS, Ind. Code § 8-1-2-103(d) and (f) provide that such a change shall also be reflected in the rates of certain customers located outside the municipal limits of the City and within 1,000 feet of a fire hydrant; and

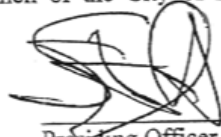
WHEREAS, this Council desires that the effective date of the change authorized herein shall coincide with the City's pending proposal to increase water rates and charges, which is currently pending before the Indiana Utility Regulatory Commission in Cause No. 42720.

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Marion, Indiana, as follows:

1. Pursuant to Ind. Code § 8-1-2-103(d) and (f), the costs for the production, storage, transmission, sale, delivery, and furnishing of water for public fire protection purposes ("public fire costs") shall be included in the basic rates and charges of all customers of the City's water utility in and adjacent to the City in the manner and to the extent permitted by such statute.
2. Effective upon the date of this change in the manner of recovering public fire costs, the City's municipally owned utility shall cease directly billing the City for public fire costs (other than charges for the construction cost for new hydrants installed on and after the date of the change).
3. Public fire protection costs shall also be reflected in the rates of customers located in areas adjacent to the City and within 1,000 feet of a fire hydrant.
4. Notwithstanding this change in the recovery of public fire costs, the construction cost of any fire hydrants installed at the request of the City (or other adjacent governmental unit) shall continue to be paid for by or on behalf of the City (or other governmental unit).

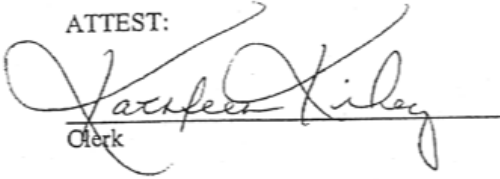
5. The change in method of recovering public fire costs described in Ind. Code § 8-1-2-103(d) and (f) shall be effective upon the first day of the first month following the effective date of the new schedule of rates for which approval has been sought in Cause No. 42720.

PASSED by the Common Council of the City of Marion, Indiana, this 21 day of Dec., 2004.

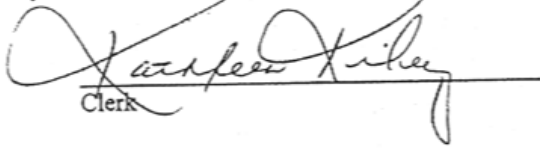


Presiding Officer, Common Council of the City of Marion, Indiana

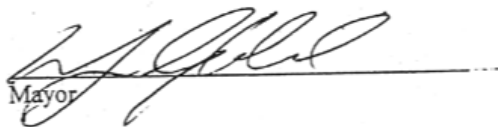
ATTEST:


Clerk

Presented by me to the Mayor of the City of Marion, Indiana this 22 day of Dec. 2004, at 8:00 A.M.


Clerk

Signed and approved by me, Mayor of the City of Marion, Indiana, this 22nd day of December 2004, at 12:50 P.M.


Mayor

Prepared by: Nicholas K. Kile
Barnes & Thornburg
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Indianapolis, Indiana 46204

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