

**ORDINANCE NO \_\_\_\_:2020**

AN ORDINANCE AMENDING THE CITY OF MOREHEAD, KENTUCKY  
CODE OF ORDINANCES, TITLE 5, PUBLIC UTILITIES,  
CHAPTER 51, GAS AND WATER, SECTION 51.02, SERVICE RATES AND CHARGES  
BY INCREASING THE RATES AND CHARGES FOR WATER AND GAS

**WHEREAS**, the City of Morehead Board of City Council established the rates for utilities based upon the recommendation of the Morehead Utility Plant Board;

**WHEREAS**, a water and gas rate adjustment is required to address necessary water capital expenditures to upgrade infrastructure and plants, and to address rising operations costs; and

**WHEREAS**, the Morehead Utility Plant Board has recommended to the Board of City Council that said rates be increased;

**NOW, THEREFORE, BE IT ORDAINED** by the Board of City Council of the City of Morehead, Kentucky that Title 5 of the Morehead Code of Ordinances, Public Utilities, Chapter 51, Gas and Water, Section 51.02 shall be amended effective July 1<sup>st</sup>, 2020 as follows:

§ 51.02(A) SERVICE RATES AND CHARGES.

(A) Rates and charges for the use of the water and gas services and facilities of the system shall be based on the consumption of water, and rates and charges for the use of the gas services and facilities of the system shall be based on the consumption of gas. Rates and charges shall be at least adequate to meet the cost of maintaining, repairing, and operating the system, and making required principal and interest payments and deposits to the debt service or depreciation reserve. On that basis, monthly rates and charges are established and fixed, and will be maintained, at not less than the following:

**~~Water Rates within the Corporate Limits of the City of Morehead~~**

Gallons	Rates
First 2,000 gallons	\$19.89 minimum bill up to and including first 2,000 gallons
Next 4,000 gallons	\$8.04 per 1,000 gallons
Next 4,000 gallons	\$7.01 per 1,000 gallons
Next 20,000 gallons	\$6.01 per 1,000 gallons
Next 20,000 gallons	\$5.02 per 1,000 gallons
Next 250,000 gallons	\$4.02 per 1,000 gallons
Next 300,000 gallons	\$3.43 per 1,000 gallons

**~~Water Rates outside the Corporate Limits of the City of Morehead~~**

Gallons	Rates
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First 2,000 gallons	<del>\$23.87</del> minimum bill up to and including first 2,000 gallons
Next 4,000 gallons	<del>\$9.64</del> per 1,000 gallons
Next 4,000 gallons	<del>\$8.41</del> per 1,000 gallons
Next 20,000 gallons	<del>\$7.25</del> per 1,000 gallons
Next 20,000 gallons	<del>\$6.04</del> per 1,000 gallons
Next 250,000 gallons	<del>\$4.81</del> per 1,000 gallons
Next 300,000 gallons	<del>\$4.14</del> per 1,000 gallons

### **Water Rates within the Corporate Limits of the City of Morehead**

Gallons	Rates
First 2,000 gallons	<u>\$21.91 minimum bill up to and including first 2,000 gallons</u>
Next 4,000 gallons	<u>\$8.86 per 1,000 gallons</u>
Next 4,000 gallons	<u>\$7.72 per 1,000 gallons</u>
Next 20,000 gallons	<u>\$6.62 per 1,000 gallons</u>
Next 20,000 gallons	<u>\$5.53 per 1,000 gallons</u>
Next 250,000 gallons	<u>\$4.43 per 1,000 gallons</u>
Next 300,000 gallons	<u>\$3.78 per 1,000 gallons</u>

### **Water Rates outside the Corporate Limits of the City of Morehead**

Gallons	Rates
First 2,000 gallons	<u>\$26.30 minimum bill up to and including first 2,000 gallons</u>
Next 4,000 gallons	<u>\$10.62 per 1,000 gallons</u>
Next 4,000 gallons	<u>\$9.27 per 1,000 gallons</u>
Next 20,000 gallons	<u>\$7.99 per 1,000 gallons</u>
Next 20,000 gallons	<u>\$6.65 per 1,000 gallons</u>
Next 250,000 gallons	<u>\$5.30 per 1,000 gallons</u>
Next 300,000 gallons	<u>\$4.56 per 1,000 gallons</u>

(B) The Utility Plant Board may establish the following maximum rates for natural gas customers within the corporate limits of the city:

#### **Gas Rates**

First 1,000 MCF	<del>\$3.45</del> <u>\$3.83</u> over purchase cost to MUPB from supplier
All purchases over 1,000 MCF	<del>\$1.60</del> <u>\$1.78</u> per 1,000 MCF over purchase cost to MUPB from supplier

All charges shall be on a pro rata basis per gas consumption over minimum bill. A minimum bill shall be paid by all customers in an amount to equal the MUPB's actual cost

of one thousand (1,000) MCF, from supplier of natural gas plus ~~three dollars and forty-five cents (\$3.45)~~ three dollars and eighty-three cents (\$3.83).

(C) Rates and charges for customers of gas service located outside the corporate limits of the city shall be one hundred twenty percent (120%) of the rate schedule which is to be charged to customers located within the corporate limits of the city.

(D) The industrial charge for gas purchases over 5,000 MCF shall be as follows:

First 5,000 MCF	<del>\$3.45</del> <u>\$3.83</u> over purchase cost to MUPB from supplier per first 1,000 MCF and \$1.60 over purchase cost per each additional 1,000 MCF up to 5,000 MCF
Over 5,000 MCF	After first 5,000 MCF, <del>\$1.10</del> <u>\$1.22</u> over purchase cost to MUPB per 1,000 MCF
Over 25,000 MCF	After first 25,000 MCF, <del>\$0.93</del> <u>\$1.03</u> over purchase cost to MUPB per 1,000 MCF

All other provisions of the Morehead Code of Ordinances shall remain in full force and effect.

This Ordinance shall become effective July 1<sup>st</sup>, 2020 following two readings and publication.

**INTRODUCED, SECONDED AND GIVEN FIRST READING** at a duly convened meeting of the Board of City Council of the City of Morehead, Kentucky held on this the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**INTRODUCED, SECONDED AND GIVEN SECOND READING** at a duly convened meeting of the Board of City Council of the City of Morehead, Kentucky held on this the \_\_\_\_\_ day of \_\_\_\_\_, 2020.

**APPROVED:**

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**LAURA WHITE-BROWN, MAYOR**

**ATTESTED:**

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**CRISSY CUNNINGHAM, CITY CLERK**

DATE OF PUBLICATION: \_\_\_\_\_