

SPONSORS: Councilman Woerpel
Councilman Spitale

ORDINANCE NO. _____
AN ORDINANCE OF THE CITY OF HAMMOND, INDIANA,
CONCERNING REMOVAL OF THE CITY OF HAMMOND WATER WORKS
DEPARTMENT FROM THE JURISDICTION OF THE INDIANA UTILITY
REGULATORY COMMISSION

WHEREAS, the City of Hammond, Indiana, (the “City”), has previously established a municipal water utility for purposes of operating water facilities and providing potable water service to customers in and around the City; and

WHEREAS, the rates, charges, evidence of indebtedness, and certain other matters concerning the City’s municipal water utility are regulated by the Indiana Utility Regulatory Commission (the “IURC”); and

WHEREAS, the Common Council of the City (the “Council”) recognizes that more than 93% of municipal water utilities in the State of Indiana have opted out of the IURC’s jurisdiction over rates, charges, evidence of indebtedness, and certain other matters; and

WHEREAS, the Council believes that: (i) the City is capable of appropriately establishing rates and charges, determining appropriate levels of indebtedness, and otherwise operating the City’s municipal water utility without incurring the expense associated with the IURC’s jurisdiction over such matters; and (ii) the City’s municipal water utility should be removed from IURC jurisdiction; and

WHEREAS, the Council believes that it is important to obtain the input of the City’s municipal water utility customers prior to completing the removal of the City’s municipal water utility from the jurisdiction of the IURC; and

WHEREAS, the Council believes that opt-out from IURC jurisdiction pursuant to the procedures described in Indiana Code § 8-1.5-3-9.1 is prudent and in the interests of the City’s municipal water utility customers; and

WHEREAS, pursuant to Indiana Code § 8-1.5-3-9.1, the municipal legislative body must propose an ordinance removing the utility from IURC jurisdiction; and

WHEREAS, pursuant to Indiana Code § 8-1.5-3-9.1, two public meetings in different locations must be held prior to the final vote adopting an ordinance removing the utility from IURC jurisdiction, during which time an explanation of the removal process must be provided; and

WHEREAS, pursuant to Indiana Code § 8-1.5-3-9.1, more than 30 (thirty) days prior to the date of a vote on an ordinance removing the utility from IURC jurisdiction, the municipal legislative body must mail written notice of the final vote meeting to all ratepayers of the City’s municipal water utility and to the IURC; and

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WHEREAS, these requirements of Indiana Code § 8-1.5-3-9.1 have been met prior to the adoption of this Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the Common Council of the City of Hammond, Indiana that:

Section 1. Pursuant to Indiana Code § 8-1.5-3-9.1, the City's municipal water utility is hereby withdrawn and removed from the jurisdiction of the IURC for the approval of rates and charges and the issuance of stocks, bonds, notes, or other evidence of indebtedness, and for any and all other applicable matters permitted by law to be withdrawn and removed from such jurisdiction.

Section 2. Except as described in Section 3 hereof, this ordinance shall take effect sixty (60) days after its adoption by the Common Council, signing by the President thereof, and approval by the Mayor.

Section 3. If, within sixty (60) days of the adoption of this Ordinance, the Council receives a petition: (i) that is signed by at least the number of the registered voters of the City required under Indiana Code § 3-8-6-3 to place a candidate on the ballot; and (ii) that requests the Council to submit the question of removal from IURC jurisdiction to the registered voters of the City at the next election, the Council will certify the public question to the county election board in accordance with Indiana Code § 8-1.5-3-9.1.

Section 4. Within thirty (30) days after this ordinance becomes effective, the Mayor and/or Clerk-Treasurer shall mail to the IURC written notice of the withdrawal of the City's municipal water utility from the IURC's jurisdiction.

ADOPTED AND APPROVED BY the Common Council of the City of Hammond, Indiana, this 11th day of March, 2019.

Robert A. Markovich, President /s/
Hammond Common Council

ATTEST:

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

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PRESENTED BY ME, the undersigned City Clerk of the City of Hammond, Indiana, to the Mayor, for approval and signature, this 12th day of March, 2019.

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana

The foregoing Ordinance No. 9433 consisting of three (3) typewritten pages, including this page, was APPROVED AND SIGNED BY ME, the undersigned Mayor of the City of Hammond, Indiana, this 12th day of March, 2019.

Thomas M. McDermott, Jr., Mayor /s/
City of Hammond, Indiana

PASSED by the Common Council on the 11th day of March, 2019 and approved by the Mayor on the 12th day of March, 2019.

Robert J. Golec, City Clerk /s/
City of Hammond, Indiana