

CHAPTER 720: USER CHARGE SYSTEM

SECTION 720.010: PURPOSE

It is determined and declared to be necessary and conducive to the protection of the public health, safety, welfare and convenience of the City to collect charges from all users who contribute wastewater to the City's treatment works. The proceeds of such charges so derived will be used for the purpose of operating and maintaining and retiring the debt for such public wastewater treatment works. This Chapter becomes effective when the sewer becomes available.

SECTION 720.020: DEFINITIONS

Unless the context specifically indicates otherwise, the meaning of terms used in this Chapter shall be as follows:

BOD (denoting BIOCHEMICAL OXYGEN DEMAND): The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at twenty degrees centigrade (20°C), expressed in milligrams per liter (mg/l).

MAY: Is permissive.

NORMAL DOMESTIC WASTEWATER: Wastewater that has a BOD concentration of not more than one hundred eighty (180) mg/l and a suspended solids concentration of not more than two hundred twenty (220) mg/l.

OPERATION AND MAINTENANCE: All expenditures during the useful life of the treatment works for materials, labor, utilities, and other items which are necessary for managing and maintaining the sewage works to achieve the capacity and performance for which such works were designed and constructed.

REPLACEMENT: Expenditures for obtaining and installing equipment, accessories, or appurtenances which are necessary during the useful life of the treatment works to maintain the capacity and performance for which such works were designed and constructed. The term "operation and maintenance" includes replacement.

RESIDENTIAL CONTRIBUTOR: Any contributor to the City's treatment works whose lot, parcel of real estate, or building is used for domestic dwelling purposes only.

SHALL: Is mandatory.

SS (denoting SUSPENDED SOLIDS): Solids that either float on the surface of or are in suspension in water, sewage, or other liquids and which are removable by laboratory filtering.

TREATMENT WORKS: Any devices and systems for the storage, treatment, recycling, and reclamation of municipal sewage, domestic sewage, or liquid industrial wastes. These include intercepting sewers, outfall sewers, sewage collection systems, individual systems, pumping, power, and other equipment and their appurtenances; extensions improvement, remodeling, additions and alterations thereof; elements essential to provide reliable operation, such as standby power and pumping unit; and any works, including site acquisition of the land that will be an integral part of the treatment process or is used for ultimate disposal of residues resulting from such treatment (including land for composting sludge, temporary storage of such compost, and land used for the storage of treated wastewater in land treatment systems before land application); or any other method or system for preventing, abating, reducing, storing, treating, separating, or disposing of municipal waste or industrial waste.

USEFUL LIFE: The estimated period during which a treatment works will be operated.

USER CHARGE: That portion of the total wastewater service charge which is levied on a proportional and adequate manner for the cost of operation, maintenance, and replacement of the wastewater treatment works.

WATER METER: A water volume measuring and recording device, furnished and/or installed by the City of Seligman or furnished and/or installed by a user and approved by the City of Seligman.

SECTION 720.030: COLLECTIONS AND DISBURSEMENTS

A. The following user charges are hereby adopted to govern the sewer services furnished by the municipality in a uniform manner for the benefit of the municipality and its sewer users. They are subject to change from time to time. All such changes must be approved by the State Director of the Farmers Home Administration, United States Department of Agriculture, or his/her successor, so long as the municipality has unpaid obligations which are held by or insured by the United States of America. If any portion of this Chapter shall be declared invalid by competent authority, such voidance shall not affect the validity of the remaining portions.

B. The user charge system shall generate adequate annual revenues to pay costs of annual operation and maintenance including replacement and costs associated with debt retirement of bonded capital associated with financing the treatment works, which the City may by ordinance designate to be paid by the user charge system. That portion of the total user charge which is designated for operation and maintenance including replacement of the treatment works shall be established by this Chapter.

C. That portion of the total user charge collected which is designated for operation and maintenance, including replacement purposes as established in Section 720.040, shall be deposited in a separate non-lapsing fund known as the Operation, Maintenance, and Replacement Fund, and will be kept in two (2) primary accounts as follows:

1. An account designated for the specific purpose of defraying operation and maintenance costs of the treatment works (Operation and Maintenance Account).

2. An account designated for the specific purpose of ensuring replacement needs over the useful life of the treatment works (Replacement Account). Deposits in the Replacement Account shall be made at least annually from the operation, maintenance, and replacement revenue in accordance with the requirements of City Ordinance No. 149 passed July 15, 1991.

D. Fiscal year end balances in the Operation and Maintenance Account and the Replacement Account shall be carried over to the same accounts the subsequent fiscal year, and shall be used for no other purposes other than those designated for those accounts. Monies which have been transferred from other sources to meet temporary shortages in the Operation, Maintenance, and Replacement Fund shall be returned to their respective accounts upon appropriate adjustment of the user charge rates for operations, maintenance, and replacement. The user charge rate(s) shall be adjusted such that the transferred monies will be returned to their respective accounts within the fiscal year following the fiscal year in which the monies were borrowed.

E. In addition to the requirements of Subsections (A, B and C), the revenues from the user charge system shall be managed in accordance with Sections 12, 13, 14, 15, 16, 17, 18 and 19 of City Ordinance No. 149 which authorized the issuance of two hundred twenty-five thousand dollars (\$225,000.00) Combined Waterworks and Sewerage System Revenue Bonds Series A.

SECTION 720.040: ACTUAL USE RATE STRUCTURE FOR SEWERAGE

A. Each user shall pay for the services provided by the City based on his/her use of the treatment works as determined by water meter(s) acceptable to the City.

B. Residential contributors, user charges shall be based on water used during the current month. If any contributor has a consumptive use of water, or in some other manner uses water which is not returned to the wastewater collection system, the user charge for that contributor may be based on a wastewater meter(s) or separate water meter(s) installed and maintained at the contributor's expense, and in a manner acceptable to the City.

C. For some residential contributors, monthly user charges will be based on average monthly water usage during the months of January, February and March. If a residential contributor has not established a January, February and March average, his/her monthly user charge shall be the median charge of all other residential contributors. The use of a winter month average as a basis for calculating user charges

is used because this procedure charges for water actually reaching the sewer and does not include water used for consumptive purposes such as lawn sprinkling, gardening and car washing.

D. For industrial and commercial contributors, user charges shall be based on water used during the current month. If any contributor has a consumptive use of water, or in some other manner uses water which is not returned to the wastewater collection system, the user charge for that contributor may be based on a wastewater meter(s) or separate water meter(s) installed and maintained at the contributor's expense, and in a manner acceptable to the City.

E. (Reference is made to Appendix A of this Chapter, which is on file in the City offices.) The minimum charge per month shall be fifteen dollars (\$15.00) which includes two thousand gallons of sewer at no additional charge. In addition, each contributor shall pay a user charge for the operation and maintenance including replacement of \$0.008 per gallon of water (or wastewater) as determined in the preceding Section.

F. For these contributors who contribute wastewater, the strength of which is greater than normal domestic sewage, a surcharge in addition to the normal user charge will be collected. The surcharge for either BOD, or SS in excess of the values stated in Section 720.020 shall be pro-rated based on excess strength, and applied to the normal sewer bill. Other pollutants will be charged as determined on investigation by a licensed engineer and approved by the Board of Aldermen. See Appendix C, (on file in the office of the City Clerk). This appendix is hereby incorporated as part of this Chapter.

G. Any user which discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge from the City's treatment works, or any user which discharges any substance which singly or by interaction with other substances causes identifiable increases in the cost of operation, maintenance, or replacement of the treatment works, shall pay for such increased costs. The charge to each such user shall be as determined on investigation by a licensed engineer and approved by the Board of Aldermen.

H. The user charge rates established in this Section apply to all users, regardless of their location, or the City's treatment works.

SECTION 720.050: BILLING

All users shall be billed monthly in accordance with the "Utility Billing Policy", a certain document being marked and designated, a copy of which is on file in the office of the City Clerk of the City of Seligman.

SECTION 720.060: REVISION PROCEDURE

A. The City will review the user charge system annually and revise user charge rates as necessary to ensure that the system generates adequate revenues to pay the costs of operation and maintenance including replacement and that the system continues to provide for the proportional distribution of operation and maintenance including replacement costs among users and user classes.

B. The City will notify each user at least annually, in conjunction with a regular bill, of the rate being charged for operation and maintenance, including replacement of the treatment works.