

## USER CHARGE ORDINANCE

### Ordinance No. 877

An ordinance establishing a User Charge System in the City of St. Mary, County of Ste. Genevieve, State of Missouri, to provide funds needed to pay for all expenses associated with the city's wastewater treatment works.

Whereas, the City of St. Mary Missouri has constructed wastewater treatment works; and

Whereas, the city must pay all expenses associated with said treatment works and charge the users of said treatment works accordingly;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF ALDERMEN, of the City of St. Mary, Missouri, that the following user charge system be established:

#### **Article I**

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, maintaining, and retiring the debt for such public wastewater treatment works.

#### **Article II**

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

Section 1: "BOD" (denoting Biochemical Oxygen Demand) shall mean the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at 20°C, expressed in milligrams per liter (mg/l).

Section 2: "Normal Domestic Wastewater" shall mean wastewater that has a BOD concentration of not more than 250 mg/l and a suspended solids concentration of not more than 300 mg/l.

Section 3: "Operation and Maintenance" shall mean 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.

Section 4: "Replacement" shall mean 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.

Section 5: "Residential Contributor" shall mean any contributor to the city's treatment works whose lot, parcel of real estate, or building is used for domestic dwelling purposes only.

Section 6: "Shall" is mandatory; "May" is permissive.

Section 7: "SS" (denoting suspended solids) shall mean the 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.

Section 8: "Treatment Works" shall mean any devices and systems for the storage, treatment, recycling, and reclamation of municipal sewage, domestic sewage, or liquid industrial wastes. These include interceptor sewers, outfall sewers, sewage collection systems, individual systems, pumping, power, and other equipment and their appurtenances; extensions, improvements, remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and any works including site acquisition of land that will be an integral part of the treatment process or is used for ultimate disposal of residues resulting from such or any other method or system for preventing, abating, reducing, storing, treating, separating, or disposing of municipal waste or industrial waste, including waste in combined storm water and sanitary sewer systems.

Section 9: "Useful Life" shall mean the estimated period during which the treatment works will be operated.

Section 10: "User Charge" shall mean that portion of the total wastewater service charge which is levied in a proportional and adequate manner for the cost of operation, maintenance, and replacement of the wastewater treatment works.

Section 11: "Water Meter" shall mean a water volume measuring and recording device, furnished and/or installed by the City of St. Mary or furnished and/or installed by a user and approved by the City of St. Mary.

### **Article III**

Section 1: The User Charge System shall generate adequate annual revenues to pay the costs of annual operation and maintenance including replacement and cost 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 ordinance.

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

- a. The Operation and Maintenance Account shall be an account designated for the specific purpose of defraying operation and maintenance costs *(excluding replacement)* of the treatment works. Deposits in the Operation and Maintenance Account shall be made monthly from the operation and maintenance revenue in the amount of \$72,250.00 annually.
- b. The Replacement Account shall be an account designated for the purpose of ensuring replacement needs over the useful life of the treatment works. Deposits in the Replacement Account shall be made annually from the replacement revenue in the amount of \$22,750.00 annually. *(See Appendix B for calculation)*

Section 3: Fiscal year-end balances in the Operation and Maintenance Account and the Replacement Account shall be carried over to the same accounts in each subsequent fiscal year, and shall be used for no other purposes than those designated for these 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 operation, 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.

#### Article IV

Section 1: Each user shall pay for the services provided by the *city* based on their use of the treatment works as determined by water meter(s) acceptable to the *city*.

Section 2: For residential contributors, monthly user charges will be based on average monthly water usage.

For industrial and commercial contributors, user charges shall be based on water used during the current month. If a commercial or industrial 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 wastewater meter(s) or separate water meter(s) installed and maintained at the contributor's expense, and in a manner acceptable to the *city*.

Section 3: (Reference is made to Appendix A of this ordinance.)

The base charge per month shall be \$10.55 for Zero Flow.

The minimum billing charge per month shall be \$18.05 which includes a flow charge for up to 1000 gallons of usage. Each 1000 gallons thereafter will have a charge of \$7.50.

Section 4: (Reference is made to Appendix B of this ordinance.)

For those contributors which 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 operation and maintenance including replacement is:

\$ .15 per pound of BOD

\$ .15 per pound of SS

\$ .25 per pound \_\_\_\_\_ *Other pollutant(s), (Specify)*

Section 5: Any user which discharge 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 user shall be as determined by the responsible plant operating personnel and approved by the Board.

Section 6: The user charge rates established in this article apply to all users of the *city's* treatment works, regardless of the user's location.

#### Article V

Bills shall be submitted on a monthly basis by the first (1<sup>st</sup>) day of the month following the close of the period for which the service was rendered as set forth in the rate schedule. Bills not paid by the tenth (10<sup>th</sup>) day of the month shall be subject to a ten percent (10%) late charge. A second notice shall be mailed to all users who have failed to pay by the tenth (10<sup>th</sup>) day of the month. Failure of owner to submit a bill shall not excuse the user from his or her obligation to pay for the water or sewer used when the bill is submitted. Failure to pay a bill by the twentieth (20<sup>th</sup>) day of the month shall result in disconnection of the service and such disconnection shall be shut off on the twenty-first (21<sup>st</sup>) day of the month for non-payment. Any damage resulting to the water or sewer user or any property of the user or land owner of the property occupied by the water or sewer user shall not be the responsibility of the Owner, its agents or employees. The owner, its agents and employees shall not be liable to the water or sewer user or landowner of any property used, held, occupied, rented or leased by the water or sewer user for any such damage when disconnection is made according to these Rules and Regulations, and it shall be immaterial that no notice of such disconnection was given to the water or sewer user or to said property owner.

The occupant/renter of the premises receiving water and sewer services and the owner of such premises shall be jointly and severally liable to pay for such services rendered on such premises. The city shall have power to sue the occupant or the owner or both, of such real estate in a civil action to receive any sums due for such services, plus a reasonable attorney's fee to be fixed by the court. Any unpaid water or sewer charges shall be due and payable at such time or times as specified in the billing and shall, if not paid by the due date, become delinquent and shall bear interest at ten percent (10%) from the date of delinquency until paid. If such charges become delinquent, there shall be a lien upon any real property so charges, upon the City Board of Aldermen, by and through its City Clerk, filing with the Recorder of Deeds a Notice of

Delinquency. A similar notice shall be filed with the Recorder of Deeds when the delinquent amounts, plus interest and any recording fees and attorney's fees, have been paid in full. The lien may be enforced by suit or foreclosure.

In the event that meters cannot be read at the close of the period for which billing is made because of inclement weather or the condition of the earth around the meters, which in the opinion of the Owner makes reading unusually difficult, costly or impossible, then the bills shall be estimated. The bill shall be estimated by using the average amount of water or sewer used by the user in the previous six months. The meter reading and the bill rendered for any period shall be considered the actual amount of water or sewer consumed for the period or periods estimated.

**Article VI**

Section 1: The city shall 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.

Section 2: The city will notify each user at least annually, conjunction with a regular bill, of the rate being charged for operation and maintenance including replacement of the treatment works.

**Article VII**

This ordinance shall be in full force and effect from and after its passage and approval.  
First reading was on May 31, 2012  
Second reading was on July 16, 2012

Passed and adopted by the Board of Aldermen of the City of St. Mary, State of Missouri on the 16<sup>th</sup> day of July, 2012 by the following vote: 3 ayes and 1 nay.

Passed and Approved this 16<sup>th</sup> day of July, 2012

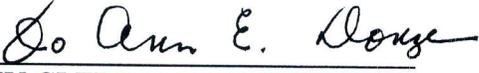
  
MAYOR CARLTON WYATT

ATTEST:

  
CITY CLERK JOANN E. DONZE

<u>ALDERMAN</u>	<u>AYE</u>	<u>NAY</u>	<u>ABSTAIN</u>	<u>ABSENT</u>
Dennis Bovey	x			
Clyde Cassoutt	x			
Brenda Franklin	x			
Frank Gerardot		x		

I, JoAnn E. Donze, Clerk of the City of St. Mary, Missouri, do hereby certify that the foregoing Ordinance was duly read on May 31st, 2012 and July 16th, 2012 and adopted by the Board of Aldermen at a meeting so convened on July 16th, 2012.

  
CITY CLERK JOANN E. DONZE

### APPENDIX "A" TO USER CHARGE ORDINANCE

This appendix presents the methodology to be used in calculating user charge rates and surcharges, and illustrates the calculations followed in arriving at the first year's user charges and surcharges. The unit costs established in this appendix are based on estimates of expenses and loadings. The actual expenses and loadings that occur may differ from these estimates and certainly they will change as time passes. Therefore, the unit costs must be reestablished whenever necessary to reflect actual expenses and loadings. Once the system is in use, the expenses and loadings can be determined from operating records and the unit costs can be adjusted based on these figures.

1. Expenses: The total annual expenses associated with the treatment works, as defined in Article II, Section 8, are estimated as follows:

<u>ITEM</u>	<u>ANNUAL EXPENSE</u>
Billing and Collection	<u>\$ 5,000</u>
Administration	<u>\$ 2,000</u>
Power	<u>\$ 11,000</u>
Labor (including fringe benefits)	<u>\$ 15,000</u>
Material Costs and misc repairs	<u>\$ 9,000</u>
Replacement Costs (See Appendix B)	<u>\$ 22,750</u>
Debt Service (existing & proposed)	<u>\$17,400</u>
Chemicals, Insurance, misc, testing	<u>\$ 8,350</u>
Sludge hauling	<u>\$4,500</u>
TOTAL	<u>\$95,000</u>