

Chapter 715

USER CHARGE SYSTEM

Section 715.010. Purpose. [Ord. No. 183 (VI) §1, 1-14-1991]

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 wastewater treatment works. The proceeds of such charges so derived will be used for the purpose of operating and maintaining the public wastewater treatment works.

Section 715.020. Definitions. [Ord. No. 183 (VI) §2, 1-14-1991]

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). (Test shall not utilize nitrification inhibitor.)

NORMAL DOMESTIC WASTEWATER — Wastewater that has a BOD concentration of not more than three hundred (300) mg/l and a suspended solid concentration of not more than three hundred fifty (350) mg/l.

OPERATION AND MAINTENANCE — All expenditures during the useful life of the treatment works for materials, labor, utilities, billing, equipment replacement, 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; *MAY*: Is permissive.

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 or 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 or 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 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, including waste in combined stormwater and sanitary sewer systems.

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 in 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 and approved by the City of Diamond.

Section 715.030. User Charge Accounts. [Ord. No. 183 (VI) §3, 1-14-1991]

- A. The user charge system shall generate adequate annual revenues to pay costs of annual operation and maintenance including replacement 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.
- B. That portion of the total user charge collected which is designated for the operation and maintenance including replacement purposes as established in Section 715.040, shall be deposited in a separate non-lapsing fund known as the "Operation, Maintenance, Replacement Fund" and will be kept in three (3) primary funds as follows: [Ord. No. 382, 3-18-2013]
 1. A sub-fund designated for the specific purpose of defraying the operation and daily maintenance costs (excluding replacement or equipment repair schedule) of the treatment works (Operation Fund).
 2. A sub-fund designated for the specific purpose of ensuring long-term repair and maintenance of equipment over the useful life of the treatment works (Maintenance Fund). Deposits in the Maintenance Fund shall be made at least once monthly from the operation, maintenance, replacement revenue in the amount of one thousand dollars (\$1,000.00) per month to equal twelve thousand dollars (\$12,000.00) annually.
 3. A sub-fund designated for the specific purpose of ensuring replacement needs over the useful life of the treatment works (Replacement Fund). Deposits in

the Replacement Fund shall be made at least once monthly from the operation, maintenance, replacement revenue in the amount of one thousand dollars (\$1,000.00) per month to equal twelve thousand dollars (\$12,000.00) annually.

4. Additional accounts are to be maintained for the specific purpose of debt retirement costs of the treatment works as required by applicable lenders (Debt Service Account/Debt Service Reserve Account).
- C. Fiscal year-end balances in the operation and maintenance account, the replacement account, and the debt retirement account shall be carried over to the same accounts in the 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 adjustments of the user charge rates for operation, maintenance and replacement. The user charge rate 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.

Section 715.040. User Charge Rates. [Ord. No. 183 (VI) §4, 1-14-1991; Ord. No. 329, 4-12-2010]

- 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 meters acceptable to the City.
- B. For residential contributors, monthly user charges will be based on actual monthly water usage. For industrial and commercial contributors, user charges shall be based on water used during the current month. If an industrial or commercial 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 or a separate water meter installed and maintained at the contributor's expense and in a manner acceptable to the City.
- C. Users living within the corporate limits of the City of Diamond shall pay a base user charge rate of eight dollars (\$8.00) for operation and maintenance, replacement and debt retirement and three dollars and forty-seven cents (\$3.47) per thousand gallons of water used, as determined in Subsection (B) of this Section. [Ord. No. 352, 3-12-2012; Ord. No. 381, 3-18-2013]
- D. (Reference is made to Appendix A of this ordinance.¹) For those users who contribute to 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: [Ord. No. 352, 3-12-2012]
 1. \$0.154 per pound BOD in excess of three hundred (300) mg/l.

¹. Editor's Note: Appendix A is on file in the office of the City Clerk.

2. \$0.132 per pound SS in excess of three hundred fifty (350) mg/l.
- E. Any user who 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 who 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 City Council.
- F. The user charge rates established in this Section apply to all users of the City's treatment works, regardless of their location.

Section 715.050. Monthly Billing. [Ord. No. 183 (VI) §5, 1-14-1991]

- A. All users shall be billed monthly. Billings for any particular month shall be made within thirty (30) days after the end of that month. Payments are due when the billings are made. Any payment not received within thirty (30) days after the billing is made shall be delinquent.
- B. A late payment penalty of ten percent (10%) of the unpaid balance of the user charge bill will be added to each delinquent bill for each thirty (30) days of delinquency. When any bill is thirty (30) days in default, rendition of water and/or sewer service to such premises shall be discontinued until such bill is paid following due notice and opportunity for hearing.

Section 715.060. City To Review User Charge System. [Ord. No. 183 (VI) §6, 1-14-1991]

- A. The City will review the user charge system at least every two (2) years 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.
- C. Revenue related to operation of the treatment works (e.g., sale of sludge or effluent, lease of property, sale of crops grown on City-owned property) will be used to defray operation and maintenance costs. The user charge rate will be reduced proportionately.

Section 715.070. Applicability. [Ord. No. 183 (VI) §7, 1-14-1991]

The provisions of this Chapter shall take precedence over any items or conditions of agreements, or contracts between the City, and uses which are inconsistent with the requirements of Section 204(b)(1)(A) of the Clean Water Act and corresponding regulations.