

CHAPTER 99

SEWER SERVICE CHARGES

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

99.02 GENERATION OF REVENUES BY USER CHARGE. 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 leave a balance of net revenues sufficient to pay the principal of and interest on revenue bonds and pledge orders as they become due.

99.03 OPERATION, MAINTENANCE AND REPLACEMENT FUND. All portions of the total user charge collected which is designated for operation and maintenance including replacement purpose shall remain in sewer fund, in accordance with *Code of Iowa Sec. 384.84*.

99.04 FISCAL YEAR-END BALANCES. Fiscal year-end balances in the sewer fund shall be carried over to the sewer fund in the subsequent fiscal year, and shall be used for no other purposes than those designated for this account. Moneys which have been transferred from other sources to meet temporary shortages in the sewer 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 shall be adjusted such that the transferred moneys will be returned to their respective accounts within the fiscal year following the fiscal year in which the moneys were borrowed.

99.05 USE OF TREATMENT WORKS DETERMINED BY WATER METERS; APPLICABILITY OF RATES. Each user shall pay for the services provided by the City based on said user's use of the treatment works as determined by water meters acceptable to the City. The user charge rates established in this chapter apply to all users, regardless of their location, of the City's treatment works.

99.06 BASIS OF USER CHARGE. For residential customers, monthly user charges shall be based on the water usage for that month. For industrial and commercial customers, user charges may be based on water used during the current month. If a commercial or industrial customer 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 customer may be based on a wastewater meter or separate water meter installed and maintained at the customer’s expense, and in a manner acceptable to the City.

99.07 MINIMUM CHARGE. The minimum charge per month shall be \$7.72. In addition, each customer shall pay a user charge rate for operation and maintenance including replacement and debt service of \$2.1295 per 1,000 gallons of water (or wastewater) as determined in the preceding section.

99.08 RATE WHEN PRIVATE WATER SUPPLY USED. The charge or rate for the use of and service rendered by the sewage treatment plant to all contributors of sewage and industrial wastes, using either a private water supply or a private water supply in addition to water furnished by the City, or its successor, shall be figured on the following basis: The quantity of water from such privately owned supplies, used and discharged into the sanitary utilities, shall be determined to the satisfaction of the City at the expense of the owner. If the estimated quantity of water from any such supply exceeds fifty (50) gallons per day, the City may require that such water supply be metered at the expense of the owner. After the quantity of water from such private water supply or from such private water supply in addition to water purchased from the City or its successor that is used and discharged into the sanitary utilities has been determined, the equivalent net water bill at current rates of the City or its successor shall be computed. The sewage service rates for the premises shall then be calculated by the application of the proper percentage as set out under Section 99.07.

99.09 SURCHARGES FOR CERTAIN WASTEWATER CUSTOMERS. For those customers (Wells Enterprises, Inc. and Dean Foods) 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. There will be two rate blocks used for these customers:

1. Block No. 1 – Discharge up to the 2010 (winter season) Treatment Agreement Limits. Rates will be the same as the residential/commercial user rates. These rates include operation and maintenance costs plus debt service on past and proposed improvements to the existing plant.

Volume, per 1,000 gal	\$2.1295
CBOD, per pound (for concentrations in excess of 200 mg/l).....	\$0.1865
TSS, per pound (for concentrations in excess of 240 mg/l).....	\$0.2421
TKN (ammonia nitrogen), per pound	\$0.8270
Oil and grease, per pound (for concentrations in excess of 100 mg/l).....	\$0.5000

2. Block No. 2 – Discharge in excess of the 2010 (winter season) Treatment Agreement Limits. These rates are operation and maintenance costs only and do not include debt service costs for existing plant improvements or for the industrial treatment plant.

Volume, per 1,000 gal	\$1.4326
CBOD, per pound (for concentrations in excess of 200 mg/l).....	\$0.0911
TSS, per pound (for concentrations in excess of 240 mg/l).....	\$0.1443
TKN (ammonia nitrogen), per pound	\$0.7039

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Oil and grease, per pound (for concentrations in excess of 100 mg/l)\$0.5000

99.10 PAYMENT OF INCREASED COSTS. 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 caused 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 by the responsible plant operating personnel and approved by the Council.

99.11 PAYMENT OF BILLS. All sewer user charges are due and payable under the same terms and conditions provided for payment of a combined service account as contained in Section 92.04 of this Code of Ordinances. Sewer service may be discontinued in accordance with the provisions contained in Section 92.05 if the combined service account becomes delinquent, and the provisions contained in Section 92.08 relating to lien notices shall also apply in the event of a delinquent account.

99.12 LIEN FOR NONPAYMENT. Except as provided for in Section 92.07 of this Code of Ordinances, the owner of the premises served and any lessee or tenant thereof shall be jointly and severally liable for sewer service charges to the premises. Sewer service charges remaining unpaid and delinquent shall constitute a lien upon the premises served and shall be certified by the Clerk to the County Treasurer for collection in the same manner as property taxes.

(Code of Iowa, Sec. 384.84)

99.13 REVIEW OF SYSTEM AND REVISION OF RATES. The City shall review the user charge system at least every five (5) 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.

99.14 NOTIFICATION OF RATE CHANGE. The City will notify each user of any rate change. This notice will be in conjunction with a regular bill. This notice will include the rate being charged for operation and maintenance including replacement of the treatment works.

99.15 REIMBURSEMENT FOR CONSTRUCTION OF SEWERS. The City will reimburse developers in amounts established by the Council for the construction of new sanitary sewer main and new sanitary sewer manholes which are needed in subdivisions to provide the sanitary sewer main extension to the end of lots or frontage of the most remote lots in the subdivision. The City shall also reimburse for the construction of sanitary sewer main and manholes in subdivisions that are beyond that stated above but which are necessary for connecting two existing or future subdivisions or necessary in order to loop the sanitary sewer system. The total reimbursable amount will then be divided by the number of lots to determine the amount to be reimbursed per lot. The reimbursable amount per lot will be paid to the developer for dwellings as to which occupancy permits are issued within five (5) years of the City’s acceptance of the public improvements contained in the subdivision, as follows: one half (1/2) of the reimbursable amount per lot upon issuance of an occupancy permit for the

dwelling situated upon such lot, and the remaining half of the reimbursable amount per lot one year thereafter.

99.16 FIXED MONTHLY CAPITAL COST CHARGE. The City of Le Mars will bill Wells Enterprises, Inc. \$83,333 per month and Dean Foods \$21,250 per month fixed cost associated with the construction and financing of the new Industrial Wastewater Treatment Facility. Billing will be retroactive to August 2014 (when the new Industrial Wastewater Treatment Facility was operational.)