

Ordinance # 261-95  
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USER CHARGE ORDINANCE  
CITY OF MT. STERLING  
MT. STERLING, KENTUCKY

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Prepared by:

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## **USER CHARGE ORDINANCE**

This ordinance establishes user charges in the City of Mt. Sterling to provide funds needed to pay for operation, maintenance and replacement (OM&R) and debt service expenses associated with the City's wastewater treatment works.

WHEREAS, the City of Mt. Sterling has constructed wastewater treatment works; and

WHEREAS, it is the City's intent to establish proportional user charges that place the costs of abatement directly on the sources of pollution, conserve potable water, and maintain financial self-sufficiency; and

WHEREAS, the City must pay the OM&R and debt service expenses associated with the said treatment works and charge the users of said treatment works accordingly;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY OF MT. STERLING, that the following user charges are 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 of Mt. Sterling treatment works. The proceeds of such charges so derived will be used for the purpose of operating and maintaining the public wastewater treatment works.

## ARTICLE II

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

1. **Biochemical Oxygen Demand (BOD).** The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure, five (5) days at 20° Celsius expressed in terms of weight and concentration in milligrams per liter (mg/l).
2. **Debt Service.** Charges levied on users of the wastewater treatment works to support the annual debt service obligations of the system.
3. **Normal Domestic Wastewater.** Wastewater that has a BOD concentration of not more than 225 mg/l and a suspended solids concentration of not more than 225 mg/l and ammonia- nitrogen of not more than 30 mg/l.
4. **Operation and Maintenance.** Those functions that result in expenditures during the useful life of the treatment works for materials, labor, utilities and other items which are necessary for managing and for which such works were designed and constructed. The term "operation and maintenance" includes replacement as defined in Section 4.
5. **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.
6. **Residential User.** Any contributor to the City's treatment works whose lot, parcel or real estate, or building is used for domestic dwelling purposes only.
7. **Commercial User.** All retail stores, restaurants, office buildings, laundries and other private businesses and service establishments.
8. **Industrial User (IU).** A source of indirect discharge which does not constitute a "discharge of pollutants" under regulations issued pursuant to Section 402 of the Clean Water Act.
9. **Institutional User.** All social, charitable, religious and educational activities such as schools, churches, hospitals, nursing homes, penal institutions and similar institutional users.

10. **Governmental User.** All legislative, judicial, administrative and regulatory activities of Federal, State and Local governments.
11. **Shall.** Is mandatory; **May.** Is permissive.
12. **Suspended Solids (SS) or Total Suspended Solids (TSS).** Total suspended matter that either floats on the surface, of or is in suspension, water, wastewater or other liquids and that is removable by laboratory filtering as prescribed in Standard Methods for the Examination of Water and Wastewater and 40 CFR 136.
13. **Treatment Works.** Any devices and systems for the storage, treatment, recycling and reclamation of municipal wastewater, domestic wastewater or liquid industrial wastes. These include intercepting sewers, outfall sewers, wastewater collection systems, pumping, power and other equipment and their appurtenances; extensions, improvements, remodeling, additions and alternations 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 storm water and sanitary sewer systems.
14. **Useful Life.** The estimated period during which a treatment works will be operated.
15. **User Charge.** The total wastewater service charge which is levied in a proportional and adequate manner for the cost of operation, maintenance, replacement and debt service expenses of the wastewater treatment works.
16. **Water Meter.** A water volume measuring and recording device, furnished and/or installed by a user and approved by the City.

### **ARTICLE III**

1. The revenues collected, as a result of the user charge levied, shall be deposited in a separate non-lapsing fund known as the Operation, Maintenance and Replacement Fund.
2. Fiscal year-end balances in the Operation, Maintenance and Replacement Fund shall be used for no other purposes than those designated. 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 six months of the fiscal year in which the monies were borrowed.

## ARTICLE IV

1. The following schedule of user charge rates shall apply to each user of the wastewater treatment works. This schedule includes rates for OM&R and rates for debt service charges, each based on the volume of metered or estimated water consumption.

### Wastewater Services Monthly Rate Schedule

First 100 cubic feet	\$3.56 (Minimum Bill)
Next 600 cubic feet	\$1.88 per 100 cubic feet
Next 1300 cubic feet	\$1.65 per 100 cubic feet
Next 1300 cubic feet	\$1.48 per 100 cubic feet
Next 3400 cubic feet	\$1.37 per 100 cubic feet
Next 6600 cubic feet	\$1.37 per 100 cubic feet
Over 13,300 cubic feet	\$1.19 per 100 cubic feet

2. For residential, industrial, institutional and commercial users, monthly user charges will be based on actual water usage. If residential, commercial, institutional or industrial user has a consumptive use of water or in some other manner uses water which is not discharged into the wastewater collection system, the user charge for that contributor may be based on readings of a wastewater meter(s) or separate water meter(s) installed and maintained at the user's expense.
3. For those users whose wastewater has a greater strength than normal domestic wastewater, a surcharge in addition to the normal user charge, will be collected.

The following surcharge rates shall apply to each user of the treatment works that has received permission from the Superintendent or designated authority to contribute excessive strength sewage:

Biochemical Oxygen Demand	<del>\$0.185</del> per pound	0.25 / lb
Suspended Solids	<del>\$0.153</del> per pound	0.21 / lb
Ammonia-nitrogen	<del>\$0.465</del> per pound	0.51 / lb
PHOSPHORUS		0.15 / lb

4. Method of Billing Surcharges. The excessive strength surcharge shall be based on the formula

$$\{[0.185(A-225)] + [0.153(B - 225)] + [0.465(C - 30)]\} \times 0.006238 \times D = \text{Surcharge Payment} \\ (\$/\text{month})$$

Where:

- A = User's average BOD concentration, mg/l.
- B = User's average SS concentration, mg/l.
- C = User's average Ammonia concentration, mg/l.
- D = User's flow for month in 100 cubic feet.

No reduction in wastewater service charges, fees or taxes shall be permitted because of the fact that certain wastes discharged to the wastewater works contain less than 225 mg/l of BOD, 225 mg/l of SS or 30 mg/l of ammonia-nitrogen.

#### ARTICLE V

1. The City of Mt. Sterling shall maintain financial records to accurately account for revenues generated by the treatment system and expenditures for operation and maintenance of the system, including normal replacement costs.
2. The City shall review, not less often than annually, the wastewater contribution of users, the total cost of OM&R of the wastewater works, debt service obligation, and user charge rates. Based on such review, the City shall revise, when necessary, the schedule of user charge rates to accomplish the following:
  - a. Maintain an equitable distribution of OM&R costs among users of the treatment system; and
  - b. Generate sufficient revenues to offset costs associated with the proper operation and maintenance of the wastewater system and to meet debt service requirements.
  - c. Excessive strength and toxicity surcharges shall be reviewed at the time of and in conjunction with the review of user charges. Surcharge rates shall be revised where necessary to reflect current treatment and monitoring costs.
  - d. Each user shall be notified, at least annually, in conjunction with a regular bill of the rate and that portion of the total charge which is attributable to OM&R of the wastewater system.

#### ARTICLE VI

1. All users shall be billed monthly. Billings for any particular month shall be made within ten days after the end of the month. Payments are due within twenty days after the end of the month. Any payment not received within twenty days after the end of the month shall be considered delinquent.
2. A late payment penalty of 5 percent of the user charge bill will be added to each delinquent bill after twenty (20) days or portions thereof of delinquency. When any bill is more than sixty (60) days in default, water and/or wastewater service to such premise shall be disconnected until such bill is paid.

**ARTICLE VII**

1. All ordinances or parts of ordinances in conflict herewith are hereby repealed.
2. The invalidity of any section, clause, sentence or provision of this ordinance shall not affect the validity of any other part of the ordinance which can be given without such invalid part or parts.

**ARTICLE VIII**

This ordinance shall be in full force and effect when it is adopted, signed and published as required by law.

GIVEN first reading and approval April 18, 1995

GIVEN second reading and final adoption May 16, 1995

PUBLISHED in the Mt. Sterling Advocate

APPROVED:

Bert May  
Mayor, Mt. Sterling

ATTEST:

Louis W. Baxter  
City Clerk