

ORDINANCE NO. 2017-02

SEWER RATE ORDINANCE

An ordinance establishing a schedule of rates and charges to be collected by the Town of LaPaz from the owners of property served by the sewage works of said Town and other matters connected therewith.

WHEREAS, it is necessary to establish a schedule of rates and charges so as to produce sufficient revenue to pay expenses of maintenance and operation, and to provide funds for necessary replacements and improvements to the sewage works, all in a manner in accordance with the guidelines of U.S. Environmental Protection Agency; now, therefore,

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF LAPAZ:

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

- a) "Ammonia" (or $\text{NH}_3\text{-N}$) shall have the same meaning as defined in the Sewer Use Ordinance.
- b) "Board" shall mean the Town Council of the Town of Lapaz, or any duly authorized officials acting on its behalf.
- c) "BOD" (or Biochemical Oxygen Demand) shall have the same meaning as defined in the Sewer Use Ordinance.
- d) "CBOD" (or Carbonaceous Biochemical Oxygen Demand) shall have the same meaning as defined in the Sewer Use Ordinance.
- e) "COD" (or Chemical Oxygen Demand) shall have the same meaning as defined in the Sewer Use Ordinance.
- f) "Debt Service Costs" shall mean the average annual principal and interest payments on all proposed revenue bonds or other long-term capital debt.
- g) "Excessive Strength Surcharge" shall mean an additional charge which is billed to users for treating sewage wastes with an average strength in excess of "normal domestic sewage."
- h) "Industrial Wastes" shall mean the wastewater discharges from industrial, trade, or business processes as distinct from employee wastes or wastes from sanitary conveniences.
- i) "NPDES (National Pollutant Discharge Elimination System) Permit" shall have the same meaning as defined in the Sewer Use Ordinance.

- j) "Normal Domestic Sewage" (for the purpose of determining surcharges) shall mean wastewater or sewage having an average daily concentration as follows:

S.S. not more than 200 mg/l
BOD not more than 200 mg/l
Ammonia not more than 40 mg/l

As defined by origin, wastewaters from segregated domestic and/or sanitary conveniences as distinct from industrial processes.

- k) "Operation and Maintenance Cost" include all costs, direct and indirect, necessary to provide adequate wastewater collection, transport, and treatment on a continuing basis, and produce discharges to receiving waters that conform with all related Federal, State, and local requirements. (These costs include replacement.)
- l) "Other Service Charges" shall mean tap charges, connection charges, area charges, and other identifiable charges other than excessive strength surcharges.
- m) "Person" shall mean any and all persons, natural or artificial, include any individual, firm, company, municipal or private corporation, association, society, institution, enterprise, governmental agency, or other entity.
- n) "Phosphorus" shall have the same meaning as defined in the Sewer Use Ordinance.
- o) "Replacement Costs" shall mean the 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.
- p) "S.S." (or suspended solids) shall have the same meaning as defined in the Sewer Use Ordinance.
- q) "Shall" is mandatory; "May" is permissive.
- r) "Sewage" shall have the same meaning as defined in the Sewer Use Ordinance.
- s) "Sewer Use Ordinance" shall mean a separate and companion enactment to this Ordinance, which regulates the connection to and use of public and private sewers, which is known as Ordinance No. 90-03, passed and adopted by the Town Council of the Town on October 2, 1990, as the same may have been amended since said date.
- t) "Town" shall mean the Town of LaPaz acting by and through the Town Council.
- u) "User Charges" shall mean a charge levied on users of the wastewater treatment works for the cost of operation and maintenance of such works pursuant to Section 204(b) of Public Law 92-500.

v) "User Class" shall mean the division of wastewater treatment customers by source, function, waste characteristics, and process of discharge similarities, (i.e., residential, commercial, industrial, institutional, and governmental in the User Charge System).

Residential User – shall mean a user of the treatment works whose premises or building is used primarily as a residence for one or more persons, including all dwelling units, etc.

Commercial User – shall mean any establishment involved in a commercial enterprise, business or service which based on a determination by the Town discharges primarily segregated domestic wastes or wastes from sanitary conveniences.

Institutional User – shall mean any establishment involved in a social, charitable, religious, and/or educational function which, based on a determination by the Town discharges primarily segregated domestic wastes or wastes from sanitary conveniences.

Governmental User – shall mean any Federal, State, or local governmental user of the wastewater treatment works.

Industrial User – shall mean any manufacturing or processing facility that discharges industrial waste to a wastewater treatment works.

Section 2. Every person whose premises are served by said sewage works shall be charged for the service provided. These charges are established for each user class, as defined, in order that the sewage works shall recover, from each user and user class, revenue which is proportional to its use of the treatment works in terms of volume and load. User charges are levied to defray the cost of operation and maintenance (including replacement) of the treatment works. User charges shall be uniform in magnitude within a user class.

- a) User charges are subject to the rules and regulations adopted by the U.S. Environmental Protection Agency published in the Federal Register February 17, 1984 (40 CFR 35.2140). Replacement costs, which are covered through the system of user charges, shall be based upon the expected useful life of the sewage works equipment.
- b) The various classes of users of the treatment works for the purpose of the Ordinance, shall be as follows:

Class I – Residential
Commercial
Governmental
Institutional
Industrial

Section 3. For the use of the service rendered by sewage works, rates and charges shall be collected from the owners of each and every lot, parcel of real estate or building that is connected with the Town sanitary system or otherwise discharges sanitary sewage, industrial wastes, water or other liquids, either directly or indirectly, into the sanitary sewage system of the Town. Such rates and charges include user charges, debt service costs, capital improvement costs, excessive strength surcharges and other service charges, which rates and charges shall be payable as hereinafter provided and shall be in an amount determined as follows:

a) **All Class I Users**

The sewage rates and charges shall be determined by equivalent single family dwelling units (ESFDUs). Sewage service bills shall be rendered once each month (or period equaling a month). The schedule on which said rates and charges shall be determined are as follows and shall be applied in accordance with Appendix "A".

<u>Per Equivalent Single Family Dwelling Unit</u>					
	<u>Billing Charge Per Month</u>	<u>Collection and Treatment Charge</u>	<u>Debt Service Charge</u>	<u>Capital Improvement Charge</u>	<u>Total</u>
Single family dwelling unit	\$2.14	\$25.50	\$7.57	\$5.59	\$40.80

b) **Optional Metered Users – Class I**

The Town of LaPaz does not own or operate a municipal water utility and, therefore, water meters and meter readings are not available for determining the sewage flow for individual users. However, all industrial users with industrial process flow discharged to the sanitary sewers shall and any other Class I user, at the owner or other interested party's expense, may install and maintain meters, weirs, volumetric measuring devices or any adequate and approved method of measurement acceptable to the Town for the determination of sewage discharge.

The metered sewage rates and charges shall be determined by equivalent single family connection size (ESFC) and the sewage discharge in 1,000 gallons. Sewage service bills shall be rendered once each month (or period equaling a month). The schedule on which said rates and charges shall be determined is as follows and shall be applied in accordance with Appendix "B".

	<u>Charge Per Bill</u>	<u>Charge Per ESFC Per Month</u>	<u>(Plus)</u>	<u>Charge Per 1,000 Gallons</u>
User Charge	\$2.14	\$11.13	+	\$2.75
Debt Service Charge		6.19	+	0.27
Capital Improvement Charge		2.97	+	0.51
Total	<u>\$2.14</u>	<u>\$20.29</u>		<u>\$3.53</u>

c) For services rendered to the Town, said Town shall be subject to the same rates and charges established in harmony therewith.

- d) In order to recover the costs of monitoring industrial wastes, the Town shall charge the user not less than \$25.00 per sampling event plus the actual cost for collecting and analyzing the sample(s) as determined by the District or by an independent laboratory. The charge will be reviewed on the same basis as all other rates and charges in this ordinance.

Section 4. Storm Water User Rates

A storm water user fee shall be imposed on each and every lot or parcel of real property served with sewer by the Town of LaPaz, Indiana, including those classified as non-profit or tax exempt, for services and facilities provided by the sewage works. This user fee is deemed reasonable and necessary to pay for the repair, replacement, planning, improvement, operation, regulation and maintenance of the existing and future stormwater system of the Town.

- a) For the purpose stated herein, there is hereby assessed a stormwater user fee. The rates and charges for the cost of stormwater shall be as follows:

The stormwater system rate is applicable to all sewage works accounts within the sewage works service area.

<u>Type of User</u>	<u>Monthly Charge</u>
Residential	\$3.00
Non-Residential	\$6.00

- b) For the purpose of this Section, Non-Residential Property shall include, but not necessarily be limited to:
- Agricultural property;
 - Apartment and Condominium property;
 - Mobile Home Parks;
 - Commercial property;
 - Industrial property
 - Institutional property
 - Governmental property
 - Churches
 - Schools
 - Federal, State and Local Government owned property; and
 - Any other property not mentioned herein not specifically defined as either Residential property or Vacant Residential property.
- c) These rates and charges shall be billed monthly, and all provisions of the Indiana Code and the Town of LaPaz Utilities department rules and regulations, which apply to the payment and collection of rates and charges for sewage services, shall apply equally to the rates and charges for stormwater utilities services.

Section 5. The quantity of water discharged into the sanitary sewage system shall be determined by the Town in such manner as the Town shall reasonably elect, and the sewage service shall be billed at the above appropriate rates; except as hereinafter provided in this section, the Town may make proper allowances in determining the sewage bill for quantities of water shown on the records to be consumed, but which are also shown to the satisfaction of the Town that such quantities do not enter the sanitary sewage system.

- a) In the event a lot, parcel of real estate or building other than a single family dwelling unit discharging sanitary sewage, industrial wastes, water or other liquids into the Town's sanitary sewage system, either directly or indirectly, and the water used thereon or therein is not measured by a water meter not acceptable to the Town, then the amount of water used shall be otherwise measured or determined by the Town. In order to ascertain the rate or charge provided in this Ordinance, the owner or other interested party shall, at his or her expense, install and maintain meters, weirs, volumetric measuring devices or any adequate and approved method of measurement acceptable to the Town for the determination of sewage discharge.
- b) In the event two or more lots, parcels of real estate or buildings discharge sanitary sewage, water or other liquids into the Town's sanitary sewage system, either directly or indirectly, are users of water and the quantity of water is measured by a single water meter, then in each such case, for billing purposes, the quantity of water used shall be averaged for each user and the appropriate base charge and the flow rates and charges shall apply to each of the number of residential lots, parcels of real estate or buildings served through the single water meter.
- c) In the event a lot, parcel of real estate or building other than a single family dwelling unit discharges sanitary sewage, industrial waste, water or other liquids into the Town's sanitary sewage system, either directly or indirectly, and uses water in excess of 20,000 gallons per month, and it can be shown to the satisfaction of the Town that a portion of water as measured by the water meter or meters does not and can not enter the sanitary sewage system, then the owner or other interested party shall, at his or her expense, install and maintain meters, weirs, volumetric measuring devices or any adequate and approved method of measurement acceptable to the Town for the determination of sewage discharge.

Section 6. In order that the rates and charges may be justly and equitably adjusted to the service rendered to users, the Town shall base its charges not only on the volume, but also on strength and character of the stronger-than-normal domestic sewage and wastes which it is required to treat and dispose of. The Town shall require the user to determine the strength and content of all sewage and wastes discharged, either directly or indirectly into the sanitary sewage system, in such manner, by such method and at such times as the Town may deem practicable in light of the conditions and attending circumstance of the case, in order to determine the proper charge. The user shall furnish a central sampling point available to the Town at all times.

- a) Normal sewage domestic waste strength should not exceed biochemical oxygen demand in excess of 200 milligrams per liter of fluid, suspended solids in excess of 200 milligrams per liter of fluid, or ammonia in excess of 40 milligrams per liter of fluid.

Additional charges for treating stronger-than-normal domestic waste shall be made on the following basis:

1) **Rate Surcharge Based Upon Suspended Solids**

There shall be an additional charge of 20 cents per pound of suspended solids for suspended solids received in excess of 200 milligrams per liter of fluid.

2) **Rate Surcharge Based Upon BOD**

There shall be an additional charge of 20 cents per pound of biochemical oxygen demand for BOD received in excess of 200 milligrams per liter of fluid.

3) **Rate Surcharge Based Upon Ammonia**

There shall be an additional charge of 47 cents per pound of ammonia for ammonia received in excess of 40 milligrams per liter of fluid.

- b) The determination of Suspended Solids, Biochemical Oxygen Demand, and Ammonia contained in the waste shall be in accordance with the latest copy of "Standard Methods for the Elimination of Water, Sewage and Industrial Wastes," as written by the American Public Health Association, the American Water Works Association and the Water Pollution Control Federation, and in accordance with "Guidelines Establishing Testing Procedures for Analysis of Pollutants," 40 CFR Part 136.

Section 7. Such rates and charges shall be prepared, billed and collected by the Town in the manner provided by law and ordinance.

- a) The rates and charges for all users shall be prepared and billed monthly.
- b) The rates and charges shall be billed directly to property owners.
- c) As is provided by statute, all rates and charges not paid by the 15th day of the month following receipt are hereby declared to be delinquent and a penalty of ten percent (10%) of the amount of the rates and charges shall thereupon attach thereto.

Section 8. The owner of any building, parcel of real estate, or plotted lot connecting to the sewer system shall pay a connection fee in the amount of four hundred and fifty dollars (\$450.00) for each single family dwelling unit or business entity to be served by said connection, plus all costs of construction of necessary local or lateral sewer adequate to serve such property and all other costs of said connection, including septic tank replacement or repair, excavation, backfill and pavement replacement, etc.

Section 9. On a biennial basis, within a reasonable period of time following the normal accounting period, the Town shall cause a study to be made for the purpose of reviewing the fairness, equity and proportionality of the rates and charges for sewage services on a continuing basis. Said studies shall be conducted by officers or employees of the Town or by a firm of certified public accountants, or a firm of consulting engineers which firms shall have experience in such studies, or by such combination of officers, employees, certified public accountants or engineers as the Town shall determine to be best under the circumstances. The Town shall, upon completion of the study revise and adjust the rates and charges, as necessary, in accordance therewith in order to maintain the proportionality and sufficiency of the rates.

Section 10. The Town shall make and enforce such by-laws and regulations as may be deemed necessary for the safe, economical and efficient management of the Town's sewage system, pumping stations and sewage treatment works, for the construction and use of house sewers and connections to the sewage treatment works, the sewage collection system and for the regulation, collection and rebating and refunding of such rates and charges.

The Town is hereby authorized to prohibit dumping of wastes into the Town's sewage system which, in its discretion, are deemed harmful to the operation of the sewage treatment works of the Town, or to require method affecting pretreatment of said wastes to comply with the pretreatment standards included in the National Pollutant Discharge Elimination System (NPDES) Permit issued to the sewage works or as contained in the EPA General Pretreatment Regulations, 40 CFR Part 403 and any amendments thereto or the Town's Pretreatment Program Plan.

Section 11. That the rules and regulations promulgated by the Town, after approval by the Town Council shall, among other things, provide for an appeal procedure whereby a user shall have the right to appeal a decision of the administrator of the sewage system and user charge system to the Town Council and that any decision concerning the sewage system or user charges of the Town Council may be appealed to the circuit court of the county under appeal procedures provided for the Indiana Administrative Adjudication Act.



Section 12. The invalidity of any section, clause, sentence, or provision of this ordinance shall not affect the validity of any other part of this ordinance which shall be given effect without such invalid part or parts.

Section 13. The Board is hereby further authorized to enter into special rate contracts with customers of the sewage works where clearly definable reduction in cost to the sewage works can be determined, and such reduction shall be limited to such reduced costs.

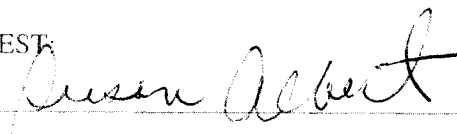
Section 14. The rates and charges as herein set forth shall become effective immediately upon adoption of this Ordinance.

Section 15. This ordinance shall be in full force and effect from and after its passage, approval, recording and publication as provided by law.

PASSED AND ADOPTED BY THE TOWN COUNCIL OF THE TOWN OF LAPAZ ON THE
14 DAY OF March, 2019.

ATTEST:



Susan Albert, Clerk-Treasurer