

**CHAPTER 99****SEWER SERVICE CHARGES**

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**99.01 PURPOSE.** The purpose of this chapter is to collect from all users of the City sewer system the cost in whole or in part of constructing and maintaining the main sewers and sewage treatment plant in proportion to the service provided to each user.

**99.02 SEWER DISTRICT CREATED.** One sewer district is hereby created which includes all of the City.

**99.03 DEFINITIONS.** For use in this chapter, unless the context specifically indicates otherwise, the following terms are defined:

1. “Normal domestic wastewater” means wastewater that has a BOD concentration of not more than 200 mg/l and a suspended solids concentration of not more than 250 mg/l.
2. “Operation and maintenance” means all expenditures during the useful life of the wastewater treatment works for materials, labor, utilities and other items which are necessary for the management and maintenance of said treatment works to achieve the capacity and performance for which such works were designed and constructed.
3. “Replacement” means expenditures for obtaining and installing equipment, accessories or appurtenances which are necessary during the useful life of the wastewater treatment works to maintain the capacity and performance for which such works were designed and constructed. The term “operation and maintenance” includes replacement.
4. “Residential customer” means any customer whose lot, parcel of real estate or building is used for domestic dwelling purposes only.
5. “SS” (denoting suspended solids) means 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.

6. "Treatment works" means any devices and 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 appurtenances, extensions, improvement, remodeling, additions and alterations thereof; and any works, including site acquisition of the land, that will be an integral part of the treatment process or used for ultimate disposal of residues resulting from such treatment; or any other method or system for preventing, abating, reducing, storing, treatment, separating or disposing of municipal waste or industrial waste, including waste in sanitary sewer systems.
7. "Useful life" means the estimated period during which a treatment works will be operated.
8. "User charge" means 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.
9. "Water meter" means a water volume measuring and recording device, furnished and/or installed by the City or furnished and/or installed by a user and approved by the City.

**99.04 SEWER SERVICE CHARGES REQUIRED.** Every person whose premises now or hereafter is directly or indirectly served by a connection to the City sewer system shall pay to the City sewer service fees as hereinafter provided. Each separate dwelling unit within a multiple dwelling unit, apartment building, condominium or other like structure or premises and each separate business occupying separable premises within a single building or structure, if connected directly or indirectly to the City sewer system, shall be deemed a user for the purposes of this chapter and shall be charged as a separate user as provided in Section 99.05.

**99.05 RATE SETTING AND ACCOUNTS.** The minimum service charge, rate or rental for all users of the City sewer system shall be established in accordance with the following provisions:

1. **General Rates.** 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 by 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.

2. That portion of the total user charge collected which is designated for operation and maintenance including replacement purposes as established in Section 99.06 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. Operation and Maintenance Account: an account designated for the specific purpose of defraying operation and maintenance costs, excluding replacement, of the wastewater treatment works.
  - B. Replacement Account: an account designated for the specific purpose of ensuring replacement needs over the useful life of the treatment works. Deposits in the Replacement Account shall be made annually from the operation, maintenance and replacement revenue in the amount of \$3,000 annually.
3. Fiscal year-end balances in the Operation and Maintenance Account and the Replacement 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. Moneys 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 rates 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.

**99.06 RATE AND MANNER OF PAYMENT.** The minimum service charge or rate for all users of the City sewer system shall be in accordance with the following rate schedule. For each user, user charges shall 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. The basic charge per month shall be \$10.88 for each user who receives services for residences or businesses within the corporate limits of the City. In addition, each resident user shall pay \$4.15 for each 1,000 gallons used.

Annually each contributor shall pay an increase as determined by the annual CPI-U for the Midwest Region as published by the Bureau of Labor Statistics or a minimum 3% increase, whichever is greater. The % increase shall apply to the base rate and per 1,000 gallon rate.

In addition to sewer basic charges and usage per gallons fees as stated above, an assessment in the amount of \$1.00 per month will be added to utility bills for sewer service users. This assessment will be applied against the new public works building debt and will remain in effect until June 1, 2034.

**99.07 SURCHARGES.** For those customers who contribute wastewater the strength of which is greater than normal domestic sewage, a surcharge will be collected in addition to the sewer user charge. The surcharge for operation and maintenance including replacement is \$0.12 per pound of BOD.

**99.08 ADDITIONAL CHARGES.** Any user which discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge from the wastewater 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 wastewater 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.

**99.09 SPECIAL RATES.** Where, in the judgment of the Public Works Director, special conditions surround the use of City or private water to the extent that the application of the sewer charges provided in herein would be inequitable or unfair to either the City or the customer, a special rate may be established by the City. Such rates shall be subject to the approval by resolution of the Council. Such rates may include, among others, the following cases:

1. Where the nature of the use of the City or private water is such in the opinion of the Public Works Director that the resulting sewage or industrial waste has characteristics making it more or less difficult to treat or purify than ordinary domestic wastes.
2. Where a major proportion of the water consumed is not polluted and/or is not discharged into or does not reach the sanitary sewer system.

**99.10 PRIVATE WATER SYSTEMS.** Users whose premises have private water systems shall pay a monthly charge based upon the number of occupants or employees of the premises, as follows:

1. Residences:
 

One person.....	\$11.75
Two persons.....	\$15.00
Three persons.....	\$18.25
Four persons.....	\$21.50
Five persons.....	\$24.75
Six persons.....	\$28.00
  
2. Businesses:
 

One person non-public businesses.....	\$10.50
Businesses with less than 5 employees.....	\$15.50
Businesses with 5 to 15 employees.....	\$25.00
Commercial and industrial businesses with more than 15 employees.....	\$50.50
Water-intensive businesses.....	\$.003/1000 gal. usage

These rates apply to each separate unit or business located in a single building or structure as provided in Section 99.04. Each user shall cooperate with and promptly respond to inquiries of the City for determination of the number of premises occupants or number of employees.

As used in this section, “water intensive businesses” are those businesses which on average use a significantly higher amount of water than normal, regardless of the number of employees in those businesses. Businesses which qualify under this category shall be determined by the City Administrator or Council. Those businesses which are determined to be water-intensive businesses shall be notified in writing of such designation, and shall have the opportunity for a review hearing with the full Council within fifteen (15) days of said designation and written notice, if said written request for hearing is received by the City within the fifteen days.

**99.11 SEWER MAINTENANCE AND IMPROVEMENT FEE.** Effective August 1, 2015, in addition to the sewer user charges established in this chapter, a fee of ten dollars (\$10.00) shall be charged to each utility customer each billing cycle. Said fee shall be used for sewer maintenance and sewer improvements.

SEWER MAINTENANCE AND IMPROVEMENT FEES, to include increases as follows:

Amount of Increase	Effective Date
Increase of \$4.00	August 2019
Increase of \$4.00	July 2020
Increase of \$4.00	July 2021
Increase of \$12.50	July 2022

There shall be maintained a specified wastewater maintenance and replacement account for allocation of the requested 99.11 SEWER MAINTENANCE AND IMPROVEMENT FEES.

**99.12 PAYMENT OF BILLS.** All sewer service charges are due and payable under the same terms and conditions provided for payment of a combined service account as contained in Section 92.03 of this Code of Ordinances. Sewer service may be discontinued in accordance with the provisions contained in Section 92.04 if the combined service account becomes delinquent, and the provisions contained in Section 92.07 relating to lien notices shall also apply in the event of a delinquent account.

**99.13 LIEN FOR NONPAYMENT.** 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)*

**99.14 ANNUAL REVIEW.** 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. 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.