ORDINANCE 15-2020

AN ORDINANCE ESTABLISHING A SCHEDULE OF RATES AND CHARGES TO BE COLLECTED BY THE CITY OF RENSSELAER FROM THE OWNERS OF PROPERTY SERVED BY THE SEWAGE WORKS OF SAID CITY AND OTHER MATTERS CONNECTED THEREWITH.

WHEREAS, the City has heretofore constructed and has in operation sewage works for the purpose of collecting and disposing of the sewage of the City in a sanitary manner; and

WHEREAS, it is necessary to establish a new schedule of rates and charges so as to produce sufficient revenue to pay expenses of maintenance operation, and to provide funds for necessary replacements and improvements to the sewage works, and to pay the principal and interest on the existing and proposed revenue bonds in accordance with the applicable bond ordinance; now therefore,

BE IT ORDAINED BY THE COMMON COUNCIL OF THE CITY OF RENSSELAER, INDIANA

<u>Section 1.</u> Unless the context specifically indicates otherwise, the meaning of terms used in this ordinance shall be as follows:

- (A) "Ammonia" (or NH₃-N) shall have the same meaning as defined in the Sewer Use Ordinance.
- (B) "Board" shall mean the Board of Public Works of the City of Rensselaer, or any duly authorized officials acting in its behalf.
- (C) "BOD" (or Biochemical Oxygen Demand) shall have the same meaning as defined in the Sewer Use Ordinance.
- (D) "City Users" The class of users who are connected to the City's sanitary collection sewers and are either (b) located within the City limits of the City of Rensselaer, Indiana, or (b) outside the City limits, but the user connected to the sanitary collection system before May 24, 1993. A user owning a property outside the City limits that was classified as a City User loses that classification when the property is sold.
- (E) "Rural Users" The class of users who (a) convey their sanitary sewage to the Rensselaer Sewage Treatment Plant through a collection system the user owns and maintains, and (b) are located within the City limits of the City of Rensselaer, Indiana or are located outside the City limits, but the user was connected to the sanitary collection system before May 24, 1993.
- (F) "Wholesale City Users" The class of users who are connected to the City's sanitary collection sewers and are located outside the City limits of the City of Rensselaer, Indiana. Wholesale City Users are billed at a rate 125% of the rates billed to users within the City of Rensselaer.

- (G) "Wholesale Rural Users" The class of users who (a) convey their sanitary sewage to the Rensselaer Sewage Treatment Plant through a collection system the user owns and maintains, and (b) are located outside the City limits of the City of Rensselaer, Indiana. Wholesale Rural Users are billed at a rate 125% of the rates billed to users within the City of Rensselaer.
- (H) "CBOD" (or Carbonaceous Biochemical Oxygen Demand) shall have the same meaning as defined in the Sewer Use Ordinance.
- (I) "COD" (or Chemical Oxygen Demand) shall have the same meaning as defined in the Sewer Use Ordinance.
- (J) "City" shall mean the City of Rensselaer acting by and through the Board of Public Works.
- (K) "Debt Service Costs" shall mean the average annual principal and interest payments on all proposed revenue bonds or other long-term capital debt.
- (L) "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".
- (M) "Industrial Wastes" shall mean the wastewater discharges from industrial, trade, or business processes as distinct from employee wastes or wastes from sanitary conveniences.
- (N) "NPDES" (National Pollutant Discharge Elimination System) Permit shall have the same meaning as defined in the Sewer Use Ordinance.
- (O) "Normal Domestic Sewage" (for the purpose of determining surcharges) shall mean wastewater or sewage having an average daily concentration as follows:

S.S. nor more than 200 mg/l BOD nor more than 200 mg/l Ammonia not more than 20 mg/l

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

- (P) "Operation and Maintenance Costs" 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.)
- (Q) "Other Service Charges" shall mean tap charges, connection charges, area charges, and other identifiable charges other than excessive strength surcharges.

- (R) "Person" shall mean any and all persons, natural or artificial, including any individual, firm, company, municipal or private corporation, association, society, institution, enterprise, government agency, or other entity.
- (S) "Phosphorus" shall have the same meaning as defined in the Sewer Use Ordinance.
- (T) "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.
- (U) "S.S." (or suspended solids) shall have the same meaning as defined in the Sewer Use Ordinance.
- (V) "Shall" is mandatory; "May" is permissive.
- (W) "Sewage" shall have the same meaning as defined in the Sewer Use Ordinance.
- (X) "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.
- (Y) "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.
- (Z) "User Class" shall mean the division of wastewater treatment customers by source, function, waste characteristics, and process or discharge similarities, (i.e., residential, commercial, industrial, institutional, and governmental in the User Charge System.

<u>Residential User</u> – 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.

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

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

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

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

(AA) "West Side Sanitary Sewer" – The sanitary sewer installed by the City as shown on the map contained in Exhibit A. The installed sewers consist of an 8-inch and 10-inch gravity sewer along the north side of State Road 114 beginning just east of Interstate 65 to just east of County Road 850W including a branch that crosses to the south of State Road 114 approximately 250 feet west of the Yeoman Ditch. Also, consisting of a wastewater lift station designated as "I-65 East" located to the north of State Road 114 approximately 200 feet west of the Yeoman Ditch. Also, consisting of an 8-inch diameter force main extending from said lift station east along State Road 114 to County Road 850W, then south along County Road 850W to Bunkum Road, then east along Bunkum Road approximately 10,000 feet to a location directly north of the City's wastewater treatment plant, then south through easements and across the Iroquois River, connecting to the headworks of the wastewater treatment plant.

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, for 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 recovered through the system of user charges, shall be based upon the expected useful life of the sewage works equipment. The various classes of user of the treatment works for the purpose of this Ordinance shall be as follows:

City Users - Residential Rural Users - Residential - Commercial - Commercial - Governmental - Institutional - Industrial - Industrial - Industrial

Wholesale City Users - Wholesale Wholesale Rural Users - Wholesale

Section 3. For the use of the service rendered by the 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 City's sanitary system or otherwise discharges sanitary sewage, industrial wastes, water, or other liquids, either directly or indirectly, into the sanitary sewage system of the City of Rensselaer. Such rates and charges shall include I/I charges, user charges, debt service 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) City Users and Rural Users

- (1) The sewage rates and charges shall be based on the quantity of water used on or in the property or premises subject to such rates and charges as the same is measured by the water meter there in use, plus a base charge based on the size of water meter installed except as herein otherwise provided. For the purposes of billing and collecting the charges for sewage service, the water meters shall be read monthly. In situations where it is impracticable for a meter to be read, the monthly reading may be estimated and reconciled with the next meter reading. The users shall be billed each month (or period equaling a month). The water usage schedule on which the amount of said rates and charges shall be determined is as follows:
 - (a) Treatment rate per 100 cubic feet of usage per month:

	<u>Ph</u>	<u>ase I</u>	<u>Pha</u>	ise II	<u>Pha</u>	se III
	Effective 1/1/2021		Effective 1/1/2022		Effective 1/1/2023	
	(City Rates)	(Rural Rates)	(City Rates)	(Rural Rates)	(City Rates)	(Rural Rates)
Flow Charge	\$ 4.91	\$ 6.15	\$ 5,31	\$ 6.64	\$ 5.52	\$ 6.90

Plus:

(a) Base rate per month:

	<u>Ph</u>	<u>ase I</u>	Pha	ise II	<u>Pha</u>	se III
	<u>Effective</u>	e 1/1/2021	<u>Effective</u>	1/1/2022	Effective	e 1/1/2023
Meter Size	(City Rates)	(Rural Rates)	(City Rates)	(Rural Rates)	(City Rates)	(Rural Rates)
5/8" –3/4"	\$ 20.50	\$ 25.63	\$ 22.10	\$ 27.63	\$ 23.00	\$ 28.75
1"	47.10	58.88	50.90	63.63	52.90	66.13
1-1/4" – 1-1/2"	105.70	132.13	114.20	142.75	118.80	148.50
2"	179.90	224.88	194.30	242.88	202.10	252.63
3"	498.40	623.00	538.30	672.88	559.80	699.75
4"	729.00	911.25	787.30	984.13	818.80	1,023.50
6"	1,632.80	2,041.00	1,763.40	2,204.25	1,833.90	2,292.38
8"	2,908.10	3,635.13	3,140.70	3,925.88	3,266.30	4,082.88

(2) For City and Rural Users of the sewage works that are unmetered water users or accurate meter readings are not available, the monthly charge shall be determined by equivalent single family dwelling units, except as herein provided. Sewage service bills shall be rendered once each month (or period equaling a month). The schedule on which said rates and charges will be determined is as follows:

	<u>Ph</u>	ase I	<u>Pha</u>	se II	<u>Pha</u>	se III
	Effective	e 1/1/2021	Effective	1/1/2022	Effective	e 1/1/2023
	(City Rates)	(Rural Rates)	(City Rates)	(Rural Rates)	(City Rates)	(Rural Rates)
User Charge	\$ 52.49	\$ 65.62	\$ 56.69	\$ 70.87	\$ 58.95	\$ 73.71

- (3) For the service rendered to the City of Rensselaer, said City shall be subject to the same rates and charges established in harmony therewith.
- (4) In order to recover the cost of monitoring industrial wastes, the City shall charge the user not less than \$75.00 per sampling event plus the actual cost for collecting and analyzing the sample as determined by the City or by an independent laboratory. This charge will be reviewed on the same basis as all other rates and charges in this ordinance.
- (5) In addition to the rates and charges under Section 3(A)(1)(a) users connecting to the City's West Side Sanitary Sewer shall pay a debt service charge to assist in defraying the costs of furnishing such service. The charge shall be effective upon commencement of construction and continue until either June 30, 2022 (after six-month deferral enacted for April through September 2020) or upon payoff of the Bonds associated with the project, whichever is sooner. The debt service charge shall be determined as follows:

Rate per equivalent dwelling unit (EDU)

Monthly Rate
\$75.30\$

An equivalent dwelling unit is a factor determined by the City based on the ratio of a customer's maximum daily flow to the maximum daily flow for an average residential customer.

Until users connecting to the West Side Sanitary Sewer are connected to the City's municipal water utility, monthly water usage used to determine the monthly sewer bill as calculated in accordance with Section 3(A)(1)(a) and (b) shall be estimated by the City based on information provided by the user.

- (B) Wholesale City Users and Rural Users
 - (1) Wholesale City Users and Rural Users shall be those users who own and maintain their own collection system, do not make use of the City's collection system, and whose billable flow is determined by a meter located at a point so as to record all of the Wholesale City Users and Rural Users' inflow and infiltration.
 - (2) The sewage rates and charges shall be based on the quantity of flow generated by the user. For the purpose of billing and collecting the charges for sewage service, the meter shall be read monthly. In situations where it is impracticable for a meter to be read, the monthly reading may be estimated and reconciled with the next meter reading. The users shall be billed each month (or period equaling a month). The usage schedule on

which the amount of said rates and charges shall be determined is as follows:

(a) Treatment rate per 1,000 gallons of usage per month:

	<u>Ph</u>	ase I	Pha	ase II	<u>Pha</u>	<u>se III</u>
	Effective 1/1/2021		Effective 1/1/2022		Effective 1/1/2023	
	(Wholesale	(Wholesale	(Wholesale	(Wholesale	(Wholesale	(Wholesale
	City Rates)	Rural Rates)	City Rates)	Rural Rates)	City Rates)	Rural Rates)
User Charge	\$ 5.67	\$ 7.08	\$ 6.12	\$ 7.65	\$ 6.37	\$ 7.96

(b) Monthly billing rate:

	<u>Phase I</u> Effective 1/1/2021		<u>Phase II</u> Effective 1/1/2022		Phase III Effective 1/1/2023	
	(Wholesale	(Wholesale	(Wholesale	(Wholesale	(Wholesale	(Wholesale
	City Rates)	Rural Rates)	City Rates)	Rural Rates)	City Rates)	Rural Rates)
User Charge	\$ 52.40	\$ 65.40	\$ 56.60	\$ 70.60	\$ 58.90	\$ 73.40

Section 4. The quantity of water discharged into the sanitary sewage system and obtained from sources other than the utility that serves the City shall be determined by the City in such manner as the City shall reasonably elect, and the sewage service shall be billed at the above appropriate rates; except as hereinafter provided in this section, the City 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 City 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 City's sanitary sewage system, either directly or indirectly, is not a user of water supplied by the water utility serving the City, and the water used thereon or therein is not measured by a water meter, or is measured by a water meter not acceptable to the City, then the amount of water used shall be otherwise measured or determined by the City. In order to ascertain the rate or charge provided in this ordinance, the owner of other interested party shall, at his expense, install and maintain meters, weirs, volumetric measuring devices, or any adequate and approved method of measurement acceptable to the City for the determination of sewage discharge.
- (B) In the event a lot, parcel of real estate, or building discharging sanitary sewage, industrial wastes, water, or other liquids into the City's sanitary sewage system, either directly or indirectly, is a user of water supplied by the water utility serving the City, and in addition, is a user of water from another source which is not measured by a water meter or is measured by a meter not acceptable to the City, then the amount of water used shall be otherwise measured or determined by the City. In order to ascertain the rates or charges, the owner or other interested party shall, at his expense, install and maintain meters, weirs, volumetric measuring devices, or any adequate and approved method of measurement acceptable to the City for determination of sewage discharge.

- (C) In the event two (2) or more residential lots, parcels of real estate, or buildings discharging sanitary sewage, water, or other liquids into the City'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 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.
- (D) In the event two (2) or more dwelling units such as mobile homes, apartments, or housekeeping rooms discharging sanitary sewage, water, or other liquids into the City'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, billing shall be for a single service in the manner set out elsewhere herein, except that the minimum bill shall be in the amount shown below per month per dwelling unit served through the single water meter.

Effective 1/1/2021	\$20.50
Effective 1/1/2022	22.10
Effective 1/1/2023	23.00

In the case of mobile home courts, the number of dwelling units shall be computed and interpreted as the total number of mobile home spaces available for rent plus any other dwelling units served through a meter. A dwelling unit shall be interpreted as a room or rooms or any other space or spaces in which cooking facilities are provided.

(E) In the event a lot, parcel of real estate, or building discharging sanitary sewage, industrial wastes, water, or other liquids into the City's sanitary sewage system, either directly or indirectly, and uses water in excess of 10,000 gallons per month, and it can be shown to the satisfaction of the City that a portion of water as measured by the water meter or meters does not and cannot enter the sanitary sewage system, then the owner or other interested party shall, at his expense, install and maintain meters, weirs, volumetric measuring devices, or any adequate and approved method of measurement acceptable to the City for the determination of sewage discharge.

Section 5. In order that the rates and charges may be justly and equitably adjusted to the service rendered to users, the City shall base its charges not only on the volume, but also on the strength and character of the stronger-than-normal domestic sewage and wastes which it is required to treat and dispose of. The City 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 City may deem practicable in light of the conditions and attending circumstances of the case, in order to determine the proper charge. The user shall furnish a central sampling point available to the City at all times.

(A) Normal sewage domestic waste strength should not exceed ammonia in excess of 20 milligrams per liter of fluid, suspended solids in excess of 200 milligrams per liter of fluid, or biochemical oxygen demand in excess of 200 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 per pound of suspended solids for suspended solids received in excess of 200 milligrams per liter of fluid.

	Phase I	Phase II	<u>Phase III</u>
	Effective	Effective	Effective
	1/1/2021	1/1/2022	1/1/2023
Suspended Solids	\$ 0.44	\$ 0.48	\$ 0.50

(2) Rate Surcharge Based Upon BOD

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

	Phase I	Phase II	Phase III
	Effective	Effective	Effective
	1/1/2021	1/1/2022	1/1/2023
BOD	\$ 0.44	\$ 0.48	\$ 0.50

(3) Rate Surcharge Based Upon Ammonia

There shall be an additional charge per pound of ammonia received in excess of 20 milligrams per liter of fluid.

	Phase I	<u>Phase II</u>	Phase III
	Effective	Effective	Effective
	1/1/2021	<u>1/1/2022</u>	1/1/2023
Ammonia	\$ 1.75	\$ 1.89	\$ 1.97

(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 Test Procedures for Analysis of Pollutants", 40 CFR Part 136.

<u>Section 6.</u> Such rates and charges shall be prepared, billed, and collected by the City 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 may be billed to the tenant or tenants occupying the properties served, unless otherwise requested in writing by the owner, but such billing shall in no way relieve the owner from the liability in the event payment is not made as herein required.

The owners of properties served which are occupied by a tenant or tenants shall have the right to examine the collection records of the City for the purpose of

determining whether bills have been paid by such tenant or tenants, provided that such examination shall be made at the office at which such records are kept and during the hours that such office is open for business.

Section 7. In order that the rates and charges for sewage services may remain fair and equitable and be in proportion to the cost of providing services to the various users of user classes, the City shall cause a study to be made within a reasonable period of time following the date on which this ordinance goes into effect. Such study shall include, but not be limited to, an analysis of the cost associated with the treatment of excessive strength effluents from industrial users or user classes, the financial position of the sewage works, and the adequacy of its revenue to provide reasonable funds for the operation and maintenance, replacements, debt service requirements, and capital improvements to the wastewater treatment systems.

Thereafter within a reasonable period of time, the City shall cause a similar study to be made for the purpose of reviewing this fairness, equity, and proportionality of the rates and charges conducted by officers or employees of the City 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 City shall determine to be best under the circumstances. The City shall, upon completion of said 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 8. The City may make and enforce such by-laws and regulations as may be deemed necessary for the safe, economical, and efficient management of the City'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 City is hereby authorized to prohibit dumping of wastes into the City's sewage system which, in its discretion, are deemed harmful to the operation of the sewage treatment works of the City, or to require method affecting pretreatment of said wastes to comply with the pretreatment standards included in the NPDES Permit issued to the sewage works or as contained in the EPA General Pretreatment Regulation, 40 CFR Part 403 and any amendments thereto, or the City's Pretreatment Program Plan.

Section 9. The owner of any residential lot, parcel of real estate, or building connecting to the sewage works shall, prior to being permitted to make a connection, pay a connection charge in the amount of One Thousand Five Hundred Dollars (\$1,500) for each connection. The Council, acting as Utility Board, now finds such a connection charge to be reasonable and equitable pro rata cost of construction of a local or lateral sewer adequate to serve the property so connecting and the cost of providing a connection to the sewer, excavation, backfilling, pavement replacement, and installation of a sewer line from the sewer to the property line. All commercial, institutional, governmental, and industrial users will be charged actual time and material for the installation of a sewage tap, with the minimum fee being One Thousand Five Hundred Dollars (\$1,500). The Utility Board now finds that such a method of charging said users is just and reasonable, as this class of users often times has unique requirements not found with residential taps that result in greater overall cost to construct and connect the tap. Provided, however, no connection charge will be required of any customer connecting to a local or lateral sewer within 180 days of the date on which said sewer was available for connection. Connection charges will be imposed on any connection and on all connections made to future extensions of the system.

- Section 10. That the rules and regulations promulgated by the City, after approval by the Utility Board 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 Utility Board, and that any decision concerning the sewage system or user charges of the Utility Board may be appealed to the circuit court of the county under appeal procedures provided for in the Indiana Administrative Adjudication Act.
- <u>Section 11.</u> 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.
- <u>Section 12.</u> 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.
- <u>Section 13.</u> The rates and charges as herein set forth shall become effective on the first full billing period occurring after the adoption of this ordinance.
- <u>Section 14.</u> Any person who believes himself aggrieved through the enforcement of this ordinance has the right to seek administrative relief before the City.

<u>Section 15.</u> 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 COMMON COUNCIL OF THE CITY OF RENSSELAER, INDIANA, ON THE THE DAY OF COUNCIL OF THE CITY OF **AYE** NAY Council Member Council Member Council Member Council Member Council Member Council Member ATTEST: Presented by me to the Mayor of the City of Rensselaer, Indiana, on the 1844 day of 2020 at 6:00 o'clock p.m. rieda Bretzinger, Clerk-Treasurer

> Stephen A Wood, Mayor City of Rensselaer

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Approved by me this 18th day of Ochher, 2020