

ORDINANCE NO. 2009-\_\_\_\_\_

AN ORDINANCE AMENDING ORDINANCE NO. 2001-02-01  
WITH RESPECT TO THE ESTABLISHMENT OF RATES  
FOR SEWER SERVICES AND OTHER MATTERS

WHEREAS, the City of Batesville owns and operates sewage collection, pumping, and treatment facilities (treatment works); and

WHEREAS, in order to finance the proper and reasonable expense of operation, repair, replacements, and maintenance of the treatment works and sewage collection system;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF BATESVILLE, ARKANSAS:

**Section 1.0:** That Ordinance No. 2001-02-01 is hereby repealed and the following is substituted therefor:

SEWER

**Section 2.0:** Monthly sewer rates for customers inside the city limits are set forth below:

**2.1 Monthly Sewer Charges.** Monthly sewer charges shall be based upon water consumption.

**2.2 User Classification.** The City shall classify all users of the sanitary sewer system as either domestic or commercial, on the basis of whether the water consumption for the individual user is for domestic or commercial purposes.

**2.3 Definition of User.** The term “user” is hereby defined as any person or entity whose buildings or premises are connected with and use the sanitary sewer system of the City or otherwise discharge sewer, industrial water, water or other liquids either directly or indirectly into the sewer system of the City.

**2.4 Domestic User Fee.** For each domestic user, the average monthly water consumption for the months of January, February, and March of the current year in which sewer bills are rendered and the month of December of the preceding calendar year shall be computed and a uniform monthly charge for each domestic user shall be determined by applying the schedule of rates shown below to the average monthly water consumption of each user.

**2.5 Fee for New Domestic User.** In the event a new customer has not established a four-winter-months’ average use as set out above, the billing shall be based on the actual month’s usage until a four-winter-months’ average use has been determined.

**2.6 Basis of Commercial User’s Bill.** For each commercial user, the monthly water consumption for the month in which the sewer bills are rendered shall be computed and the sewer charge for each commercial user shall be determined by applying the schedule of rates shown below to the monthly water consumption for each user, provided that in the case of a commercial user using an appreciable amount of water that does not reach the sewer system, the City, upon request by such commercial user, shall determine the volume of the water usage that does reach the sewer system and the schedule of rates shall be applied to that volume.

**2.7 Users Not on Metered Basis.** For users of the sanitary sewer system who do not use water provided by the City's water system (or an appreciable amount thereof), water consumption and sewer discharge shall be determined by the City, and the schedule of rates set forth above shall be applied.

**2.8. Minimum User Charge.** The minimum bill per user shall consist of charges for:

**OM&R for 1,000 gal. + Debt Service for 1,000 gal. + Administrative cost**

**2.8.1 Operations, Maintenance and Replacement (OM&R)** is the cost of operating, maintaining, and replacing the wastewater treatment works. Replacement is defined as expenditures for obtaining and installing equipment, accessories, or appurtenances during the useful life of the treatment works to maintain the capacity and performance for which they were designed and constructed.

OM&R cost in \$/1000 gal. =

$$\frac{\text{Total annual OM\&R}}{\text{No. of 1,000 gal. sold annually}}$$

**2.8.2 Debt Service** is defined as the annual charges for the long term debt necessary to construct the wastewater treatment works. Debt service is paid for by user charges.

**2.8.3 Administrative Cost** is defined as a fixed billing cost or administrative overhead that is added as a separate charge that is essentially the same for each user.

**2.9 Total Rate Schedule for Users Inside City Limits**

**2.9.1** Commencing with the July 1, 2009, billing period, the schedule of rates that shall apply is:

Minimum charge for 0-1000 gallons	\$ 8.17
Over 1000 gallons—per 1000 gallons	\$ 2.64

**2.9.2** Commencing with the January 1, 2010, billing period, the schedule of rates that shall apply is:

Minimum charge for 0-1000 gallons	\$10.32
Over 1000 gallons—per 1000 gallons	\$ 3.34

**Section 3.0 Total Rate Schedule for Users Outside City Limits.** For users of the sanitary sewer system located outside the City, the monthly rates for sewer services of the system shall be 125% of the sewer rates set forth above for users located inside the City limits.

**Section 4.0 No Services Furnished Without Fee.** None of the facilities or services afforded by the sewage treatment works shall be furnished without a charge being made therefore. Any vacant, unoccupied property attached to the sewer system having an in-service water meter shall be considered to be a contributor to the sewer system at such

time as a sewer tap is completed and as such is subject to the monthly usages and services set forth in the above mentioned rate structure.

**Section 5.0 Excessive Strength Charges.** Charges for commercial users whose five-day biochemical oxygen demand (BOD<sub>5</sub>) or total suspended solids exceed the limits set forth in Batesville Ordinance No. 93-1-1, relating to pretreatment requirements, shall pay an additional surcharge in accordance with said ordinance.

**Section 6.0 Extraneous Flows.** The costs of operation and maintenance for all flows not directly attributable to users (such as Infiltration/Inflow) shall be distributed among users on the same basis as other operation and maintenance charges.

**Section 7.0 Toxic Pollutant Charges.** Each user that discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge of the treatment works shall pay for such increased costs in accordance with Ordinance No. 93-1-1, relating to Pretreatment requirements.

**Section 8.0 Billing Procedure.** Bills for sewer services shall be rendered monthly. If a bill is not paid on or before the twentieth (20<sup>th</sup>) day following the original date of billing, a ten (10) percent penalty shall be added to the bill. If a bill is not paid on or before the thirtieth (30<sup>th</sup>) day following the original date of billing, the City shall disconnect the water services to the premises.

**Section 9.0 Records.** A financial management system shall be established and maintained by the City of Batesville, Arkansas, to document compliance with Federal regulations pertaining to the Revolving Loan. The system will account for all revenues generated and expenditures for operation and maintenance and replacement.

**Section 10.0 Fees for Work Related to Water and Sewer Services.** Fees relating to disconnection and reconnection of water services shall be charged in accordance with Ordinance No. 2007-10-01, as amended, which sets forth the fees for work related to water and sewer services.

**Section 11.0 Review and Revision.** The City of Batesville, Arkansas, will review the user charges at least annually and revise the rates as necessary to ensure that adequate revenues are generated 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.

**Section 12.0 Notification:** Each user shall be notified at least annually, in conjunction with the regular bill, of the sewer use rate and the portion of the user charges that are attributable to wastewater treatment. Costs shall be broken down to show the sewer rate for operation and maintenance costs attributable to that user.

**Section 13.0 Dispute Resolution.** Any user who feels his user charge is unjust and inequitable may make written application to the City of Batesville requesting a review of

his user charge. Said written request shall, where necessary, show the actual or estimated average flow and/or strength of his wastewater in comparison with the values upon which the charge is based, including how the measurements or estimates were made. Review of the Request shall be made by the City Public Works Engineer and, if substantiated, the user charges for that user shall be recomputed based on the revised flow and/or strength data and the new charges shall be applicable to the next billing cycle/period.

**Section 14.0 Declaration of Fair and Reasonable Rates.** The City Council hereby finds and declares that the above sewer rates are fair, reasonable, and necessary minimum rates, and will produce revenues at least sufficient for the reasonable operation and maintenance expenses of the sewage treatment works, including establishing and maintaining a reserve, and providing depreciation funds for replacement or repairs of sewer facilities.

**Section 15.0 Conflict with Other Ordinances, Invalidity of Sections.** All ordinances or parts of ordinances in conflict herewith are hereby repealed.

**Section 16.0. Separability.** 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 can be given effect without such invalid part or parts. The user charge system shall take precedence over any terms or conditions of agreements or contracts between the City of Batesville, Arkansas, and any of the users which are inconsistent with applicable Federal regulations regarding user charge systems.

**Section 17.0 Emergency.** An immediate necessity existing for the preservation of the public peace, health, and safety, **AN EMERGENCY** is hereby declared to exist by reason of which this ordinance shall be in full force and effect from and after its passage, approval, and publication, for the fiscal support of the treatment works.

**PASSED AND APPROVED** this \_\_\_\_ day of \_\_\_\_\_, 2009.

**APPROVED**

The City of Batesville, Arkansas

\_\_\_\_\_  
Rick Elumbaugh, Mayor

Attest:

\_\_\_\_\_  
Denise Johnston, Clerk