

## CHAPTER 99

# SEWER USER CHARGE SYSTEM

99.01 Purpose  
99.02 Definitions  
99.03 Use of Funds  
99.04 Accounts Designated  
99.05 Year-end Balances  
99.06 Charges Based on Usage  
99.07 Minimum Charge

99.08 Responsibility for Increased Costs  
99.09 Application  
99.10 Payment of Bills  
99.11 Lien for Nonpayment  
99.12 Review of User Charge System  
99.13 Notification of Rate Change

**99.01 PURPOSE.** 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's treatment works. The proceeds of such charges so derived will be used for the purpose of operating, maintaining, and retiring the debt for such public wastewater treatment works.

**99.02 DEFINITIONS.** For use in this chapter, the following terms are defined:

1. "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 the sewer works to achieve the capacity and performance for which such works were designed and constructed.
2. "Replacement" means 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. The term "operation and maintenance" includes replacement.
3. "Treatment works" means any devices and systems used 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 their appurtenances; extensions, improvement, remodeling, additions and alterations 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 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.
4. "Useful life" means the estimated period during which the wastewater treatment works will be operated.
5. "User" means each individual unit, even if it is located in a multiple unit being used for dwelling purposes, industrial purposes, commercial purposes, other purposes or a combination thereof and as may be determined by the City.
6. "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.

**99.03 USE OF FUNDS.** 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 which the City may by ordinance designate to be paid by the user charge system. The total user charge shall be divided into a portion designated for operation and maintenance including replacement of the treatment works and a portion adequate to pay the debt service for the treatment works. This chapter shall establish those portions of the total user charge and shall describe a system for allocating said charges between active and non-active users of the system.

**99.04 ACCOUNTS DESIGNATED.** That portion of the total user charge collected which is designated for operation and maintenance including replacement purposes as established in Section 99.05 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:

1. Operation and Maintenance Account. An account designated for the specific purpose of defraying operation and maintenance costs (excluding replacement) of the treatment works.
2. 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 at least quarterly from revenue in the amount of \$5,600.00 annually.

**99.05 YEAR-END BALANCES.** 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 rate 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 CHARGES BASED ON USAGE.** Each user shall pay for the services provided by the City based on said user's use of the treatment works as determined by water meters acceptable to the City.

1. User Rates Within the City Limits.
  - A. First 1,000 gallons of water used @ \$15.00 (minimum monthly charge)
  - B. All water used over 1,000 gallons @ \$2.75 per 1,000 gallons.
2. User Rates Outside the City Limits.
  - A. First 1,000 gallons of water used @ \$22.50 (minimum monthly charge)
  - B. All water used over 1,000 gallons @ \$4.125 per 1,000 gallons.
3. **Exception.** If a homeowner is using a single-purpose meter as set forth in Section 91.10 of Chapter 91, and timely complies with the requirements of Section 91.10 of Chapter 91, that homeowner shall be exempt from sewer charges associated with that single-purpose meter. The water used shall be charged in accordance with Chapter 92.

**99.07 MINIMUM CHARGE.** The City shall charge the minimum monthly fee for each dwelling unit served. Where multiple dwelling units are served through a single water meter, the City shall credit the sewer meter account with a monthly use of 1,000 gallons multiplied by the number of dwelling units served by the meter. The incremental charge per 1,000-gallon unit used shall be applied for all water used in an amount greater than this credit. In the event a user does not have a meter, the rate shall be established by the Council.

**99.08 RESPONSIBILITY FOR INCREASED COSTS.** Any user which discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge from the City's 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 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 APPLICATION.** The user charge rates established in this chapter apply to all users of the City's treatment works, regardless of their location.

**99.10 PAYMENT OF BILLS.** All sewer user 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.

**99.11 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 user charges remaining unpaid and delinquent shall constitute a lien upon the premises served and shall be certified to the County Treasurer for collection in the same manner as property taxes.

*(Code of Iowa, Sec. 384.84 [1])*

**99.12 REVIEW OF USER CHARGE SYSTEM.** The City shall review the user charge system at least every two (2) years 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 any user classes.

**99.13 NOTIFICATION OF RATE CHANGE.** 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.