

ORDINANCE NUMBER 1984-4

AN ORDINANCE AMENDING RATES AND CHARGES TO BE COLLECTED BY THE TOWN OF CLOVERDALE, INDIANA FROM THE OWNERS OF PROPERTY SERVED BY THE SEWAGE WORKS OF SAID TOWN AND OTHER MATTERS CONNECTED THEREWITH.

WHEREAS, the Town of Cloverdale has heretofore constructed and has in operation a sewage works for the purpose of collecting sewage and wastes and conveying the same away from premises where produced and disposing of the same in a sanitary manner, and

WHEREAS, the Town has constructed additions, extensions and improvements to said works under the provisions of Chapter 61 of the Acts of the General Assembly of the State of Indiana for the year 1932 and the Acts Amendatory thereof and Supplemental thereto; and

WHEREAS, additions, extensions and improvements have been constructed in part from the proceeds of a grant offer made by the United States Government acting through the Environmental Protection Agency, one of the conditions of which grant offer requires the establishment of an proportionate system of charges to users of the sewage works; and

WHEREAS, said Chapter 61 of the Acts of 1932 and the Acts Amendatory thereof and Supplemental thereto require that the rates and charges to be collected for the use of and the service rendered by such sewage works be fixed by an ordinance finally adopted after due notice and public hearing;

NOW THEREFORE, BE IT ORDAINED by the Board of Trustees of the Town of Cloverdale, Indiana:

Section 1. Unless the context specifically indicates otherwise, the meaning of terms used in this Ordinance shall be as follows:

(a) "User charge" shall mean that charge applied uniformly to all users of the sewage works, to cover operation and maintenance expenses and depreciation, based on the quantity of sewage produced as measured by the water meter.

(b) "Surcharge" shall mean the additional charge applied to industrial users or other users whose waste contains BOD or suspended solids in excess of allowable limits.

(c) "Annual revenues required" shall mean the total amount of revenues necessary to operate the sewage works in an efficient and economical manner and meet all known or anticipated expenditures, including but not limited to operation and maintenance expenses, debt service, replacement and depreciation.

(d) "Operation and maintenance expenses" shall mean all ordinary and necessary expenses incurred in the normal operation of the sewage works, including but not limited to salaries and wages, electrical power, chemicals, supplies, minor repairs, insurance and taxes.

(e) "Debt service" shall mean the total principal of and interest on the outstanding revenue bonds of the sewage works due and payable within the next twelve (12) calendar months.

(f) "Replacement" shall mean expenditures for obtaining and installing equipment, accessories, or appurtenances which are necessary during the service life of the treatment works, to maintain the capacity and performance for which such works were designed and constructed.

(g) "Service life" shall mean the estimated useful life of the sewage works. For purposes of determining depreciation, the Town adopts the following service lives for components of its sewage works;

Structures 50 years

(includes buildings, sewers, lift stations)

Process Equipment 30 years

(includes major process equipment such as clarifier mechanism and vacuum filters, steel process tankage and chemical storage facilities, and electrical generating facilities on standby service only.)

Auxiliary Equipment 15 years

(includes instruments and control facilities, sewage pumps and electric motors, mechanical equipment such as compressors, aeration systems, centrifuges, Chlorinators, and electrical generating facilities on regular service.)

(h) "Depreciation" shall mean an annual operating cost reflecting capital consumption and obsolescence (reduction of future service potential) of the sewage works.

(i) "Annual flow" shall mean the total amount of waste treated by the treatment plant during the preceding year.

(j) "Normal domestic sewage" shall mean wastes such as are normally discharged from individual residences and other housing units. Normal domestic sewage shall not include any waste containing a loading in excess of 200 milligrams per liter (mg/l) BOD and 250 mg/l suspended solids.

(k) "Industrial wastes" shall mean the liquid wastes from any manufacturing or industrial user.

(l) "BOD" (denoting Biochemical Oxygen Demand) shall mean the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at 20 degrees C., expressed in parts per million by weight.

(m) "Suspended solids" shall mean 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.

Section 2. For the use of and the services rendered by the sewage works, rates and charges shall be collected from the owner of each and every lot, parcel of real estate or building that is connected with the Town's sanitary sewage system or otherwise discharges sanitary sewage, industrial waste, water or other liquids either directly or indirectly, into the sanitary sewage system of the

Town of Cloverdale, which rates and charges shall be payable as hereinafter provided and shall be in an amount determinable as follows:

(a) The sewage rates and charges shall be based on the volume of sewage discharged into the sanitary sewage system of the Town of Cloverdale, from the property or premises subject to such rates and charges, as the same is measured by the water meter there in use, except as otherwise provided in this ordinance and the rates herein set forth shall become effective for all service rendered as provided in Section 6 and Section 12.

(b) Each month a user and debt service charge, covering operation and maintenance costs replacement and debt service, shall be uniformly applied to all users on the basis of the volume of sewage at the rate of \$1.95 per 1,000 gallons.

Additionally, there shall be a charge of \$3.00 per billing per month which charge shall cover the fixed operational costs of the sewage works.

(c) A minimum charge according to water meter size shall be assessed

as follows:

<u>METER SIZE</u>	<u>MINIMUM MONTHLY CHARGE</u>	<u>MINIMUM GALLONS PER MONTH</u>
5/8 x 3/4 and 3/4 inch	\$ 6.90	2000
1 inch	10.80	4000
1 1/2 inch	20.55	9000
2 inch	32.25	15000
3 inch	57.60	28000
4 inch	96.60	48000

The minimum charge for any service where the user is not a metered water customer shall be \$12.75 per month. The customer may have the option of purchasing a water meter from the Water Utility at the Utility's cost and installing same on customer's water system. Installation shall be at the customer's expense and shall be inspected prior to it's acceptance by a representative of the Town Utilities.

The utility will then cause the customer's meter to be read monthly and the customer shall be billed according to usage as provided hereinbefore.

(d) In the event two or more residential lots, parcels of real estate, or buildings discharging 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 will be averaged for each user and the minimum charge and the sewage 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.

(e) In the event two or more dwelling units, such as trailers, apartments or housekeeping rooms, discharging sanitary sewage, water or other wastes into the Town's Sanitary System, either directly or indirectly, are users of water and the quantity of water is measured by a single water meter, then in such event, billing shall be for a single service in the manner set out elsewhere herein.

Section 3. In order that the rates and charges may be justly and equitably adjusted to the service rendered, the Town shall impose in addition to the charge based upon volume a surcharge based upon the strength and character of the sewage

and waste which it is required to treat and dispose of. The Town shall have the right to measure and determine or cause to be measured and determined, the strength and content of all sewage and waste discharged either directly or indirectly into the Town's sanitary sewage system in such manner and by such methods as may be deemed practical in the light of the conditions and attending circumstances in order to determine the proper charge. Any and all commercial and industrial installations having an effluent discharge into the Town's sewers with an average B.O.D. (Biological Oxygen Demand) exceeding 200 parts per million concentration and/or an average daily suspended solids exceeding 250 parts per million concentration shall be deemed to be discharging sewage of such strength as to require a surcharge for the treatment and disposal thereof. The Town is authorized to prohibit the dumping of waste into the Town's sewage system, which, in the Town's discretion are deemed harmful to the operation of the sewage treatment works of said Town and is further authorized to require methods of pre-treatment of said wastes to reduce the harmful characteristics of the waste prior to discharge thereof into the Town's system.

The surcharge to be imposed by the Town for the treatment of such waste shall be based upon the following formula:

$$\text{Surcharge} = (\text{Bo} (\text{BOD}_5 - \text{ba}) + \text{So} (\text{SS}-\text{Sa}) \times (8.34 \times \text{V}))$$

For the purposes of the foregoing formula, the following definitions shall apply:

Bo = Average unit cost of treatment, chargeable to BOD, dollars per pound

BOD₅ = The concentration of BOD₅ in the wastewater from a specific user, parts per million

Ba = Maximum concentration of BOD₅ in parts per million which can be discharged into the Town's collection system without a surcharge - 200 parts per million

So = Average unit cost of treatment (including sludge treatment) chargeable to suspended solids, dollars per pound

SS = The concentration of suspended solids in the wastewater from a specific user

Sa = Maximum concentration of suspended solids in parts per million which can be discharged into the Town's collection system without a surcharge = 250 parts per million

V = Volume in thousand gallons

The Town shall for the purpose of computing said surcharge periodically determine the average cost of treatment chargeable to BOD in terms of dollars per pound (bo) and the average unit cost of treatment including sludge treatment chargeable to suspended solids in terms of dollars per pound (So). At this time, the average cost of treatment of BOD has been determined to be \$1.30 per pound and suspended solids, \$1.12 per pound.

The surcharges herein imposed shall be reviewed annually after the effective date of this ordinance and the required adjustments made to maintain the equity of charges to various classes of users.

A flat rate of \$30.00 per 500 gallons will be charged to septic tank waste delivered to the waste water treatment plant for treatment and disposal.

Section 4. (a) The rates and charges shall be prepared and billed by the

Town of Cloverdale, Indiana, and shall be collected in the manner provided by law and ordinance. Said rates and charges will be billed to the tenant or tenant occupying the property served, unless otherwise requested in writing by the owners, but such billing shall in no wise relieve the owner from liability in the event payment is not made as herein required. The owners of the property served, which are occupied by tenants, shall have the right to examine the collection records of the Town for the purpose of determining whether such rates and charges have been paid by such tenants, provided that such examination shall be made in the office in which said records are kept and during the hours that such office is open for business.

(b) All billings and charges shall become due the 15th of every month. A delinquent fee of 10% shall be added to all current charges if not paid by the 15th of each month.

Section 5. The Town shall make and enforce such by-laws and regulations as may be deemed necessary for the safe, economic and efficient management of the Town's sewage works, including the sewer system and the treatment plant for the construction and use of house sewers and connections to the sewer system, and for the regulation, collection, rebating and refunding of rates and charges.

Section 6. The rates and charges herein set forth shall become effective beginning as of the first day of the calendar month immediately following the month in which this ordinance is adopted. These rates and charges shall be extended to and cover any additional premises thereafter served, without the necessity of any notice or hearing.

Section 7. (a) Every industrial user or user whose discharge is of a strength in excess of normal domestic sewage shall submit to the Town periodic reports containing characteristics of their waste discharge. Unless the Town requires more frequent reports, the user shall submit within thirty days after the close of a calendar quarter the report for the calendar quarter. The Town shall specify the form and content of the report to each user.

(b) For purposes of verifying reports submitted by industrial or high strength users, the Town may collect and analyze samples of waste at any time and as frequently as deemed necessary.

(c) In the case of a potential industry applying for connection to the Town's sewage works, the Town shall require a report from such potential user which shall set forth the anticipated BOD, suspended solids and flow of the user's waste.

Section 8. At the time of the adoption of this Ordinance, the Town has classified all users as being of one class. On the basis of strength of usage it is determined that there are no industrial users of the sewage works and on the basis of there being only a small number of commercial users, and those having wastes of the same character as normal domestic sewage, it is determined that for user charge purposes, only one class of user is practical. At such time as different classes of users can be clearly defined, user charges shall be determined for each class of user by allocating the annual revenues required to each class.

Section 9. (a) The Town shall keep proper books and records relative to the revenues and expenses of the sewage works and shall maintain in its files all reports relative to strength and character of usage. All such records shall be made available for inspection by representatives of the Environmental Protection Agency at all reasonable times.

(b) The Town shall report monthly to the Environmental Protection Agency such information as requested by the Agency in the form the Agency shall prescribe.

Section 10. (a) The Town has been issued National Pollution Discharge Elimination System Permit No. IN0022616 by the Environmental Protection Agency governing discharge from a publicly owned treatment works. The provisions contained in this Ordinance are set forth in accordance with the conditions relative to the Permit and directives of the Environmental Protection Agency.

(b) Reference is made to two other ordinances of the Town, Ordinance No. 12, governing connection to and use of the sewage works and Ordinance No. 11, providing for a system of industrial cost recovery from the industrial users of the sewage works.

Section 11. (a) The Clerk-Treasurer shall cause to be transferred monthly the amount of \$1362.18 to the Sewage Bond and Interest account for retirement of current construction obligations. This transfer shall be made on the first working day of each month.

(b) The Clerk-Treasurer shall cause to be transferred monthly an amount equal to 2% gross revenue to the Sewage Depreciation Fund. This shall be done at the monthly closing of the Sewage utility ledger.

(c) The Clerk-Treasurer shall cause to be transferred monthly any cash operating funds in excess of \$7000.00 to the Sewage Depreciation Fund. This shall be done at the monthly closing of the Sewage utility ledger.

Section 12. All ordinances or parts of ordinances in conflict herewith are hereby repealed. 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.

Section 13. This ordinance shall be in full force and effect from and after its passage and publication as provided by law and as indicated in Section 6.

Approved and adopted by the Board of Trustees of the Town of Cloverdale on the 27 day of December, 1984.

David L. Hayes
Board President

Bill Wehler
Member of the Board

S. Allen
Member of the Board

Attest Ruby Barrett
Clerk-Treasurer