SUN PRAIRIE VILLAGE COUNTY WATER AND SEWER DISTRICT

ORDINANCE NO. 89-1 WASTEWATER SERVICE CHARGES

An ordinance establishing procedures for determining equitable service charges to be levied on all users which discharge wastewater to or are connected to the wastewater system operated by the Sun Prairie Village County Water and Sewer District in the Sun Prairie Village, County of Cascade, State of Montana.

Be it ordained and enacted by the Board of Directors of the Sun Prairie Village County Water and Sewer District, State of Montana as follows:

ARTICLE I

Purpose

Sec. 1 The purpose of this ordinance is to generate sufficient revenue to pay costs of operation and maintenance, debt service, and reserves of the complete wastewater system. The costs shall be distributed to all users of the wastewater system in proportion to each user's contribution to the total loading of the treatment works. Factors such as strength (BOD and SS), volume, and delivery flow rate characteristics shall be considered and included as the basis for the user's contribution to ensure a proportional distribution of operation and maintenance costs to each user.

ARTICLE II

Determining The Total Annual Cost Of The Facilities

- Sec. 1 The Sun Prairie Village County Water and Sewer District, or its Engineer, shall determine the total annual costs of operation and maintenance of the wastewater system which are necessary to maintain the capacity and performance, during the service life of the wastewater collection and treatment works, for which such works were designed and constructed. The total annual cost shall include but need not be limited to, labor, repairs, equipment replacement, maintenance, necessary modifications, power, sampling, laboratory tests, bond debt service and a reasonable reserve funds. The debt service cost including principal, interest, reserve, and coverage shall be as specified in the bond resolution.
- Sec. 2 A reserve fund called the Replacement and Depreciation Account -Sewer shall be established within the Wastewater Utility Fund for the purpose of providing sufficient funds to be expended for obtaining and

installing equipment, accessories and appurtenances during the useful life (20 years) of the wastewater facilities necessary to maintain the capacity and performance for which such facilities are designed and constructed. This reserve fund will be an interest bearing account and will be funded from the bond coverage.

ARTICLE III

Determining Each User's Wastewater Contribution Percentage and Debt Service Contribution.

- Sec. 1 The Sun Prairie Village County Water and Sewer District, or its Engineer, shall determine each user's average volume of wastewater, which has been discharged to the wastewater system, which shall then be divided by the average daily volume of all wastewater discharged to the wastewater system, to determine each user's Volume Contribution Percentage. The amount used as the total average daily volume of wastewater shall exclude infiltration and inflow.
- Sec. 2 The Sun Prairie Village County Water and Sewer District, or its Engineer, shall determine each user's average daily poundage of 5-day 20 degree Centigrade Biochemical Oxygen Demand (BOD) which has been discharged to the wastewater system which shall then be divided by the average daily poundage of all 5-day BOD discharged to the wastewater system to determine each user's BOD Contribution Percentage.
- Sec. 3 The Sun Prairie Village County Water and Sewer District, or its Engineer, shall determine each user's average Suspended Solids (SS) poundage which has been discharged to the wastewater system which shall then be divided by the average daily poundage of all Suspended Solids discharged to the wastewater system, to determine the user's Suspended Solids Contribution Percentage.
- Sec. 4 Each user's Volume Contribution Percentage, BOD Contribution Percentage and Suspended Solids Contribution Percentage shall be multiplied by the annual operation and maintenance costs for the processing of the total volume flow, of the total 5-day 20 degree centigrade BOD and of the Suspended Solids, respectively.
- Sec. 5 The Sun Prairie Village County Water and Sewer District will divide the debt service costs including principal, interest, reserve, and coverage costs by the total number of services to arrive at each user's debt service costs.

ARTICLE IV

Determining A Surcharge System For Users With Excess BOD And SS.

Sec. 1 The Sun Prairie Village County Water and Sewer District, or its Engineer, will determine the average Suspended Solids (SS) and Biochemical Oxygen Demand (BOD) daily loadings for the average residential user. The Sun Prairie Village County Water and Sewer District, or its Engineer, will assess a surcharge rate for all non-residential users discharging wastes with BOD and SS strengths greater than the average residential user. Such users will be assessed a surcharge sufficient to cover the cost of treating such users' above normal strength wastes. Normal strength wastes are considered to be 200 p.p.m. BOD and 250 p.p.m. SS. The surcharge rate structure for such above normal strength waste dischargers is attached. (Appendix A).

ARTICLE V

Wastes Prohibited From Being Discharged to the Wastewater

- Sec. 1 The discharge of any waters containing toxic or poisonous solids, liquids, or gases in sufficient quantity, either singly, or by interaction with other wastes, to contaminate the sludge of any municipal systems, or to injure or interfere with any sewage treatment process, constitute a hazard to humans or animals, create a public nuisance, or create any hazard in or have an adverse effect on the waters receiving any discharge from the treatment works is hereby prohibited.
- Sec. 2 Each user that discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge of the Sun Prairie Village County Water and Sewer District treatment works shall pay for such increased costs.

ARTICLE VI

Prohibition of Clear Water Connections

Sec. 1 No person shall make connection of roof down spouts, exterior foundation drains, areaway drains, or other source of surface runoff or groundwater to a building sewer or building drain which in turn is connected directly or indirectly to a public sanitary sewer.

ARTICLE VII

Determining Each User's Wastewater Service Charge.

- Sec. 1 Each user's wastewater operation and maintenance and debt service costs as determined in Articles III, & IV shall be added together to determine such user's annual wastewater service charge. Residential users may be considered to be one class of user and an equitable service charge may be determined for each user based upon an estimate of the total wastewater contribution of this class of user. The governing body may classify industrial, commercial, and other non-residential establishments into users classes provided that the wastes from these establishments are reasonably equivalent to the wastes from the other users within the class with respect to volume, suspended solids, and BOD. Each user's wastewater treatment costs contribution will be assessed in accordance with the attached rate schedule. (Appendix B)
- Sec. 2 In determining charges for wastewater services, the Board may differentiate among an occupied lot (a developed lot for which an application and agreement for water and sewer services has been signed and submitted to the district and for which the owner has not requested the district to shut off water service), a developed lot (lot within the district whose water lines have been connected to the district water at the curb stop serving the address or where the owner has paid or is paying required connection, turn on and bond debt opportunity fees) and an undeveloped lot (lot that is not a developed lot).

ARTICLE VIII

Payment Of The User's Wastewater Service Charge And Penalties.

Sec. 1 The District shall submit a monthly statement to the user for the user's wastewater service charge. Payment for the wastewater service charge shall be due on the tenth day of the month for which services is billed. Should payment not be made within thirty days of the due date the account shall be deemed delinquent and a "Notice of Violation", issued. Charges shall conform to the "Water and Sewer Rate Schedule" for properties as defined in Article VII, Section 1 above; see Appendix B. Should any user fail to pay the user wastewater service charge and penalty within thirty (30) days of the due date, the District may stop the wastewater service to the property by terminating water service. The cost of restoring service after receipt of full payment shall be an additional \$30.00.

- Sec. 2 Owner(s) of property within the boundary of the District shall grant as security for the District receiving wastewater and treatment of said wastewater from the Owner(s) property, a contractual lien right to the District. The lien hereby granted against each of the Owner(s) lot(s) shall be in the amount of the fees and charges payable with respect to each such lot, together with interest thereon at the rate of per annum from the date or dates the fees and charges are first due. Should Owner(s) fail to make payment for services received and after reasonable effort on the part of the District to collect, the District may perfect the lien provided herein by filing a Notice of Lien on any or all of said lots. In an action to foreclose any such lien, the District shall be entitled to recover it's reasonable attorney fees and costs incurred in establishing and foreclosing it's lien. The lien against the subject lots shall secure such attorney fees and costs in addition to all other fees, charges and interest that may be payable by Owner(s). The lien granted herein by this section may be foreclosed in the manner provided forthe foreclosure of construction liens under the laws of the State of Montana.
 - Sec. 3 Any owner of a lot within the District that is serviced by or capable of being served by the sewer system may become a sewer user by making an application for sewer service, providing any necessary easements, paying any delinquent service charges with respect to the lot, and paying the cost of installation as provided in this ordinance. Charges for sewer shall be made on the basis of then existing rates (see Appendix C). All applications for the use of sewer must be made at the office of the District on the printed form for that purpose. The applicant must agree to conform to Ordinance 89-2, Regulation of Sewer Use, and to all other rules, regulations, policies and ordinances of the District regarding sewer use.
- Sec. 4 Any property owner desiring to make connection to the sewer system of the District must make application in writing. A property owner desiring to tape into the sewer mains of the District shall pay an extension fee in advance in the amount of \$50.00 per tap. A property owner desiring to tap into the mains of the District for a pipe larger than 4 inches must pay for all costs associated with tapping into the main and must pay in advance the following extension fee.

Size of Pipe Tapping into District Main	Extension Fee
6 inch	\$ 75.00
Larger than 6 inches	\$150.00

The District reserves the right to approve the contractor/plumber tapping into the District's sewer mains. The corporation of any tap m u s t b e inspected by the District's agent and approved before any trench is covered. All

extension fees described herein are subject to change at the discretion of the Board of Directors.

ARTICLE IX

Ordinance violations

- Sec. 1 Enforcement action for violations of this Ordinance shall be taken as described in the Enforcement Action and Grievance Procedures Ordinance.
- Sec. 2 Enforcement actions for violation of the Ordinance may include imposition of fines, termination of water and/or wastewater service, imposition of disconnect and reconnect charges and a requirement that any delinquent payments be made prior to resumption of service in the case where water an/or wastewater serviced has been terminated, or as provided in Section 1 of Article V, Enforcement Action of the Enforcement and Grievance Procedure Ordinance.

ARTICLE X

Review Of Each User's Wastewater Service Charge.

Sec. 1 The District shall review the total annual cost of the facilities as well as each user's Wastewater Contribution Percentages and Debt Service Costs not less often than every two years or as prescribed in the statutes of the State of Montana and will revise the system as necessary to assure equity of the service charge system established herein and to assure that sufficient funds are obtained to adequately operate and maintain the wastewater collection and treatment works. If a significant user, such as an industry, has completed in-plant modifications which would change that user's Wastewater Contribution Percentage, the user can present at a regularly scheduled meeting of the Board of Directors such factual information and the District shall then determine if the user Wastewater Contribution Percentage is to be changed. The District shall notify the user of its findings as soon as possible.

ARTICLE XI

Notification

Sec. 1 Each user will be notified, at least annually, in conjunction with a regular bill, of the rate and that portion of the user charges which are attributable to wastewater collection and treatment services.

ARTICLE XII

Validity

- Sec. 1 All ordinances or parts of ordinances in conflict herewith are hereby repealed.
- Sec. 2 The invalidity of any article section, clause, sentence or provision of these ordinances shall not affect the validity of any other part of this ordinance which can be given effect without such invalid part or parts.

ARTICLE XIII

Ordinance in Force

Sec. 1 This ordinance shall be in full force and effect from and after its passage, approval, recording, and publication as provided by law.

Sec. 2 Passed and adopted by the Boar	rd of Directors of the Sun Prairie
Village County Water and Sewer	District, State of Montana on the
14 day of December,	by the following vote:
Ayes (MA)	Namely
Nays	Namely
Approved this <u>H</u> day of <u>Decem</u>	ber 2006
(Signed) Josepha	, President
Attest: (Signed)	, Secretary

(SEAL)

Appendix A

SURCHARGE RATE STRUCTURE FOR ABOVE NORMAL STRENGTH WASTES

The Sun Prairie Village County Water and Sewer District, or its Engineer, will determine the average total suspended solids (SS) and 5-day biochemical oxygen demand (BOD) daily loadings for the average residential user or in lieu of such a determination will consider the average residential strength wastes to be 200 mg/l BOD and 250 mg/l SS. The Sun Prairie Village County Water and Sewer District, or its Engineer, will assess a surcharge rate for all non-residential users discharging wastes with BOD and SS strengths greater than the average residential user. The surcharge will be sufficient to cover the costs of treating such user's above normal strength wastes. Such users will pay an additional service charge equal to 7.5 percent of the monthly operation and maintenance cost for each 50 mg/l over 200 mg/l of BOD and 4 percent of the monthly operation and maintenance cost for each 50 mg/l over 250 mg/l SS.

APPENDIX B RATE SCHEDULE

MINIMUM BILL FOR DEBT SERVICE

All services which are connected to the system shall be assessed a monthly charge for debt service equal to \$14.30. Services which do not have any use for the month shall also be assessed the \$14.30 per month for debt service.

OPERATION AND MAINTENANCE COSTS ONLY EXCLUSIVE OF DEBT SERVICE

CLASS	EQUIVALENT USER UNITS		
Assembly Hall 30 seats or less Each Additional 10 seats	1 E.U. 1/3 E.U.	\$11.64 \$ 3.88	
Bars/Taverns 5 seats or less Each Additional 10 seats	1 E.U. 1/5 E.U.	\$11.64 \$ 2.33	
Barber Shop/Beauty School First Chair Each Additional Chair	1 E.U. 1/2 E.U.	\$11.64 \$ 5.82	
Car Wash Each Stall	2 E.U.	\$23.28	
Church 45 seats or less Each Additional 100 seats	1 E.U. 1/3 E.U.	\$11.64 \$ 3.88	
Dentist Office First Chair Each Additional Chair	3 E.U. 2 1/2 E.U.	\$34.92 \$29.10	
Doctor's Office First Examining Room Each Additional Examining Rm.	1 E.U. 1/2 E.U.	\$11.64 \$ 5.82	
Launderette First Machine Each Additional Machine	2 E.U. 4/3 E.U.	\$23.28 \$ 5.52	
Motel/Hotel First Unit Each Additional Unit	1 E.U. 1/4 E.U.	\$11.64 \$ 2.91	
Mobile Home Park (Seasonal) First Trailer Space Each Additional Space	1 E.U. 1/4 E.U.	\$11.64 \$ 2.91	

CLASS	EQUIVALENT USER UNITS	MONTHLY CHARGE	
Offices 10 employees or less Each Additional 5 employees	1 E.U. 1/2 E.U.	\$11.64 \$ 5.82	
Residences/Apartments Per living unit	1 E.U.	\$11.64	
Restaurant First 3 seats Each Additional seat	1 E.U. 1/4 E.U.	\$11.64 \$ 2.91	
Drive-In First Stall Each Additional Stall	1 E.U. 1/3 E.U.	\$11.64 \$ 3.88	
Schools Elementary First 10 students Each Additional 20	1 E.U. 1 E.U.	\$11.64 \$11.64	
Jr. High First 10 students Each Additional 15 students	1 E.U. 1 E.U.	\$11.64 \$11.64	
Service Stations Full/self service w/o wash rack Additional per wash rack	1 E.U. 2 E.U.	\$11.64 23.28	
Stores First 1000 square feet Each Additional 1,000 sq. ft.	1 E.U. 1/2 E.U.	\$11.64 \$ 5.82	
Swimming Pool First 15 lockers Each Additional 20 lockers	1 E.U. 1 E.U.	\$11.64 \$11.64	

TOTAL BILL

The total bill shall be the sum of the billings for debt service and operation and maintenance costs.