

ORDINANCE NO. 2001-05

USER CHARGE ORDINANCE

AN ORDINANCE ESTABLISHING THE RATES FOR SERVICES TO BE FURNISHED BY THE SEWER SYSTEM OF THE CITY OF GASSVILLE, ARKANSAS, AND FOR OTHER PURPOSES.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF GASSVILLE.

ARTICLE I

Section 1: The City hereby establishes as rates, to be charged for sewer services furnished by the City's system, which the City Council finds and declares to be reasonable and necessary, to be charged to all users who contribute wastewater to the Gassville/Cotter treatment works. The proceeds of such charges so derived will be used for the purpose of operating and maintaining, including replacement (OM&R), the public wastewater treatment works. (Replacement is defined as expenditures for obtaining and installing equipment, accessories or appurtenances during the useful life of the treatment works necessary to maintain the capacity and performance for which they were designed and constructed.)

All users of the municipally owned wastewater treatment system shall be charged \$4.07 per 1,000 gallons of metered water consumption for operation and maintenance including replacement. In the case of users not on a metered basis, the utility superintendent shall establish water consumption based on a comparison of the non-metered user with a metered user of similar class. Example: a non-metered family of four will be compared to a typical family of four with a water meter to establish water consumption.

All sewer users shall be classified by City of Gassville as residential, commercial or industrial.

User Charge Methodology:

Total annual OM&R cost in \$/1,000 gal. =

Total annual OM&R \$ / (No. of 1,000 gal. sold annually)

\$ 174,401 / 42,871 = \$4.07

Section 2: Excessive Strength Charges

For any user, when the BOD exceeds * 250 mg/l, the suspended solids exceed 250 mg/l, or when other pollutant concentrations exceed the range of concentrations of these pollutants in normal domestic sewage, a surcharge shall be added to the basic charge. This surcharge shall be calculated by the following formula:

$$Cs = (Bc(B) + Sc(S) + Pc(P)) Vu$$

Symbols and Definitions:

Cs = A surcharge for wastewaters of excessive strength

Bc = O&M cost for treatment of a unit of biochemical oxygen demand (BOD)

B = Concentration of BOD from a user above a base level

Sc = O&M cost for treatment of a unit of suspended solids (SS)

S = Concentration of SS from a user above a base level

Pc = O&M cost for treatment of a unit of any pollutant

P = Concentration of any pollutant from a user above a base level

Vu = volume contribution from a user per unit of time

* Maximum limit for average domestic waste.

Section 3: Charges for 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 operation and maintenance charges.

Section 4: Toxic Pollutants 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.

Section 5: Debt Service

Annual Debt Service* / No. 1,000 Sold Annually

$$\text{\$ } 36,889 / [(42,871) (80\%)] = \text{\$ } 1.08$$

*Annual debt service to be partially funded by a 1% sales tax.

Section 6: Administration Costs

Admin Costs / No. 1,000 Sold

$$\text{\$ } 12,609 / 42,871 = \text{\$ } .29$$

Section 7: Total User Charge - Per 1,000 gallons

Minimum bill per user = OM&R for 1,000 gal. + Debt Service + Administrative Charge

$$\text{\$ } 5.44 = \text{\$ } 4.07 + \text{\$ } 1.08 + \text{\$ } 0.29$$

Total User Charge Per 1,000 gallons, Beyond First 1,000 = OM&R for 1,000 gal. + Debt Service

$$\text{\$ } 5.15 = \text{\$ } 4.07 + \text{\$ } 1.08$$

Section 8: Billing

Users will be billed on a monthly basis with payment due 10 days after the date of billing. Users on metered water service will be billed on the same notice as water charges and will be designated as a separate entry. Users of the wastewater system not on metered water service will be billed monthly on an individual notice for wastewater service at the rate established by the utility. Users with delinquent accounts of 20 days will be notified in writing by the utility where, during which hours of the day, and before whom disputed bills appropriately may be considered.

If the user waives the opportunity to be heard, the water and/or wastewater services will be discontinued until such bill is paid.

Section 9: Records

A financial management system shall be established and maintained by the City of Gassville 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.

Article II

Section 1: Review and Revision

The Gassville Mayor will review the user charges at least annually and recommend to the Gassville City Council 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 2: 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 which are attributable to wastewater treatment. Costs shall be broken down to show the operation and maintenance costs attributable to that user.

Article III

Section 1: Any user who feels his user charge is unjust and inequitable may make written application to the Gassville Water Department 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.

Section 2: Review of the request shall be made by the Gassville Mayor 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.

Article IV

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.

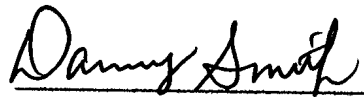
The user charge system shall take precedence over any terms or conditions of agreements or contracts between the City of Gassville and any of the users which are inconsistent with applicable Federal regulations regarding user charge systems.

Article V

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 useful life of the treatment works.

Passed and adopted by the City Council of the City of Gassville, State of Arkansas, on the

17th day of April, 2001.



Danny Smith, Mayor

Attest:



Wanda Watson, Recorder/Treasurer