

TANEY COUNTY REGIONAL SEWER DISTRICT
USER CHARGE RATE RESOLUTION

RESOLUTION NO. 01-2017

A RESOLUTION TO MEMORIALIZE THE USER CHARGE SYSTEM FOR THE TANEY COUNTY REGIONAL SEWER DISTRICT TO PROVIDE FUNDS NEEDED TO PAY EXPENSES ASSOCIATED WITH THE DISTRICT'S SEWERAGE SYSTEM.

WHEREAS, the Taney County Regional Sewer District, (the "District" as hereinafter defined) Taney County, Missouri has constructed a sewerage system (the "System" as hereinafter defined) and

WHEREAS, the District must pay all expenses associated with the System and charge the users of the System accordingly, has established a charge system for the expenses and desires to memorialize the established charge system.

NOW, THEREFORE, BE IT RESOLVED BY THE TANEY COUNTY REGIONAL SEWER DISTRICT, TANEY COUNTY, MISSOURI, AS FOLLOWS:

ARTICLE I

It is determined and declared to be necessary and conducive for the protection of the public health, safety, welfare, and convenience of the District to collect rates, fees, and charges for the use of and services provided by the System. The proceeds of such charges so derived will be used for the purpose of operating and maintaining the System; paying the principal of and interest on all revenue bonds or other obligations of the District now outstanding or hereinafter issued or incurred ("Revenue Bonds", as hereinafter defined) that are payable solely from the revenues of the System (the "System Revenues", as hereafter defined); and providing funds sufficient to meet the requirements of the resolutions of the District authorizing the issuance of the Revenue Bonds (the "Bond Ordinances", as hereinafter defined), including replacement of the System.

ARTICLE II

Unless the context specifically indicates otherwise, the meaning of terms used in this ordinance shall be as follows:

Section 1: "Shall" is mandatory; "May" is permissive.

Section 2: "System" shall mean the sewerage system of the District, consisting of all properties and assets, real and personal and tangible and intangible, of the District, now or hereafter existing, which are held or used for collecting and treating sewerage, including, but not limited to, the District's treatment facilities and all collection lines and equipment connected therewith.

Section 3: "System Revenues" shall mean all income and revenues derived by the District from the Operation of the System.

Section 4: "Operation and Maintenance" shall mean all expenditures during the useful life of the System for materials, labor, utilities, and other items which are necessary for managing and maintaining the System to achieve the capacity and performance for which the System was

designed and constructed; provided; however, that the terms “Operation and Maintenance” shall also have the meaning given to them by the Bond Ordinances, and in the event of any conflict in the meaning hereinabove prescribed and the terms of the Bond Ordinances, the Bond Ordinances shall govern.

Section 5: “Replacement” shall mean expenditures for obtaining and installing equipment, accessories, or appurtenances which are necessary during the useful life of the System to maintain the capacity and performance for which the System was designed and constructed; however, that the term “Replacement” shall also have the meaning given to it by the Bond Ordinances, and in the event of any conflict in the meaning hereinabove prescribed and the terms of the Bond Ordinances, the Bond Ordinances shall govern.

Section 6: “User Charge” shall mean that portion of the total System Revenues which is levied and collected in a proportional and adequate manner to pay the cost of Operation and Maintenance, to pay the principal of and interest on the Revenue Bonds and to meet all requirements of the Bond Ordinances, including the cost of Replacement.

Section 7: “Residential Contributor” shall mean a home, abode, or place where an individual, or single family, is living at a specific point in time. Owners of Apartments, Condominium Units, or Mobile Home Parks, under single ownership, shall be considered Commercial and be billed at the Non-Residential Contributor rate.

Section 8: “Non-Residential Contributor” shall mean any contributor to or user of the System who is not a Residential Contributor, specifically it shall mean a Commercial or Industrial Contributor as defined below.

Section 9: “Commercial Contributor” shall mean one location where an activity providing goods or services is carried out. Schools, churches, and other not-for-profit organizations as deemed by the District will be billed at the Non-Residential Contributor rate.

Section 10: “Industrial Contributor” shall mean:

- a. Heavy Industry: A use engaged in the basic processing and manufacturing of materials or products predominately from extracted or raw materials, or a use engaged in storage of, or manufacturing process using flammable or explosive materials, or storage or manufacturing processes that potentially involve hazardous or commonly recognized offensive conditions.
- b. Light Industry: A use engaged in the manufacture, predominantly from previously prepared materials, or finished products or parts, including processing, incidental storage, sales, and distribution of such products, but excluding basic industrial processing.
- c. Commercial and Industrial users can be subject to surcharges as described in this Resolution Article IV, Section 4 at the discretion of the District.

Section 11: “Normal Domestic Wastewater” shall mean wastewater that has a BOD concentration of not more than 240 mg/l and a suspended solids concentration of not more than 240 mg/l.

Section 12: “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° C, expressed in milligrams per liter (mg/l).

Section 13: “SS” (denoting Suspended Solids) shall mean solids that either float on the surface or are in suspension in water, sewage, or other liquids and which are removable by laboratory filtering.

Section 14: “Treatment Facilities” shall mean that part of the System consisting of any devices and systems for 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 is used for ultimate disposal of residues resulting from such treatment (including land for composting sludge, temporary storage of such compost, and the land used for the storage of treated wastewater in land treatment systems before land application); or any other method or system preventing, abating, reducing, storing, treating, separating, or disposing of municipal waste or industrial waste, including waste in combined storm water and sanitary sewer systems.

Section 15: “Useful Life” shall mean the estimated period during which the Treatment Facilities will be operated.

Section 16: “Water Meter” shall mean a water volume measuring and recording device, furnished, and/or installed and approved by the District.

Section 17: “Bond Ordinances” shall mean the ordinances duly adopted by the governing body of the District, which authorize the issuance of Revenue Bonds.

Section 18: “Revenue Bonds” shall mean all bonds or other obligations of the District now outstanding or hereinafter issued which are payable solely from the System Revenues.

ARTICLE III

Section 1: Unless otherwise provided by the Bond Ordinances, the User Charges shall be collected and disbursed as provided by in this Article III.

Section 2: The user charge system shall generate adequate annual System Revenues to pay costs of Operation and Maintenance, to pay principal of and interests on the Revenue Bonds, and to provide funds to meet the requirements of the Bond Ordinances, including Replacement, which the District may by resolution designate or have designated to be paid by the user charge system. The user charge system may consider other sources of funds available to the District to help fund the Operation and Maintenance, Replacement, and debt service associated with the District's System.

Section 3: That portion of the total User Charge collected which is to be for Operation and Maintenance and, after meeting the requirements of the Bond Ordinances, for Replacement may be deposited in two separate non-lapsing funds and accounts as follows:

- a. Operation and Maintenance Fund Account
An account designed for the specific purposes of defraying Operation and Maintenance costs (excluding replacement) of the system (Operation and Maintenance Account).
- b. Replacement Fund Account
After making the deposits required by the Bond Ordinances, in an account designated for the specific purpose of ensuring replacement needs over the useful life of the System (Replacement Account). Deposits in the Replacement Account shall be made yearly or as otherwise determined by the District.

Section 4: 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 purpose than those designated for these accounts. Monies which have been transferred from other sources to meet temporary shortages in the Operation and Maintenance Account and the Replacement Account shall be returned to their respective accounts upon appropriate adjustment of the user charge rates for operation and maintenance and for replacement. The user charge rates shall be adjusted such that the transferred monies will be returned to their respective accounts within the fiscal year following the fiscal year in which the monies were borrowed.

ARTICLE IV

Section 1: This article will set the rates to be charged to users for the collection and treatment of sewerage. Each user shall pay for the sewerage collection and treatment services provided by the District, based on the determined non-metered flat rate for Residential Contributors or the volumetric charge for Non-Residential Contributors as given in Section 3 of this Article below.

Section 2: For industrial and commercial contributors (Non-Residential Contributors) User Charges for the collection and treatment of sewerage shall be based on water used during the current month. If a commercial or industrial contributor has a consumptive user of water, or in some other manner uses water which is not returned to the wastewater collection system, the User Charge for that contributor may be based on a wastewater meter or separate water meters installed and maintained at the contributor's expense and in a manner acceptable to the District.

Section 3:

- a. For Residential Contributors, the minimum monthly flat rate charge for the collection and treatment of sewerage for each separate structure shall be as follows:

<u>Unit</u>	<u>Cost/ Month</u>
Residential	\$37.50

- b. For each Non-Residential Contributors, the minimum volumetric charge for the collection and treatment of the first 2,000 gallons of sewerage shall be as follows:

<u>Unit</u>	<u>Minimum Monthly Rate</u>
Non-Residential Contributor	\$37.50

In addition, each Non-Residential Contributor shall pay a user charge of \$7.98 per 1,000 gallons of water (or wastewater) above the minimum monthly rate.

To qualify for the metered rate, the contributor must be Non-Residential and shall have a District approved meter and approved meter reading method.

Section 4: For those contributors who contribute wastewater, the strength of which is greater than normal domestic sewage, a Surcharge in addition to the normal User Charge will be collected.

The Surcharge is: \$0.87 per pound BOD and \$0.65 per pound TSS.

Section 5: The District shall restrict the users from discharging industrial or other waste waters that fail to meet the criteria set forth in the District's Sewer Use Regulation and from discharging surface water, rainwater, and ground water into the District's interceptors, pumping systems, or any other part of the District's collection system. Any user which discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge, or any water user which discharges any substances which singly or by interaction with other substances causes identifiable increases in the cost of operation, maintenance, or replacement of the System, shall pay for such increased costs. If tests conducted by the District indicate wastewater discharged by the user exceed the quality criteria established in the District's Sewer Use Regulation, the District may:

1. Require pretreatment to an acceptable condition before discharge, in keeping with good engineering practices and recommendations of the regulatory agencies.
2. Require a surcharge payment to cover the additional cost of pumping and treatment for characteristics outside the established limits in keeping with good engineering practices and the recommendations of regulatory agencies. Such charges shall be as determined by the District.

Section 6: The User Charge Rates established in this article apply to all users served by the Taney County Regional Sewer District.

ARTICLE V

All users will be billed monthly based on actual water used for Non-Residential Contributors or on a flat rate charge if a Residential Contributor. For Residential Contributors, each separate habitable structure will be billed a flat rate charge.

Sewer bills will be mailed out to each customer on or about the 1st of each month; and will be considered delinquent, incurring late penalties, if not paid by the 20th of each month. In accordance with established District policy, non-payment may result in the termination of water service (if applicable) until such bill is paid. The sewer customer will be responsible for all fees associated with water service termination for non-payment of sewer bills; which may include, but is not limited to, shutoff and turn-on fees, and lost revenue reimbursed to the water provider.

As per Chapter 204 of the Revised Statutes of Missouri, a lien may be placed on the property until such bill is paid. If a lien is placed on a property, the customer will also be responsible to pay for lien placement *and* release fees.

It shall be the duty of the District to notify customers if their account becomes delinquent. The District may proceed immediately to cause water service to each delinquent customer to be discontinued upon proper notification.

ARTICLE VI

Section 1: Application for sewerage services shall be made to the District office by the owner or tenant of the property to be served and requires payment of a \$100 deposit for Residential Contributors and a \$200 deposit for Non-Residential Contributors. All deposits are refundable once the sewer account is closed and will be refunded to the account holder and/or applied to any remaining amounts owed as applicable. At the request of the property owner, deposits paid by property owners, where the property owner is the sewer account holder, may be refunded or credited to the account after one year of the account being in good standing. Deposits for sewer accounts held in a tenant's name will be held by the District until such time as the tenant ceases to be a Residential or Non-Residential Contributor.

Section 2: All new connections must be made in accordance with the District's Sewer Use Regulation *and* User Charge Rate Resolution. By submittal of said application, applicant agrees to be and to remain in compliance with the District's duly adopted Sewer Use Regulation *and* User Charge Rate Resolution. Upon approval of such application, the applicant shall have the right to connect with sewerage collection facilities. The District will prescribe a capacity/connection fee to be paid by such applicant at the time of application along with grinder pump impact fees, if applicable. The District shall have the right to inspect all such service lines and connections and to reject such service lines and connections due to poor workmanship or inadequate materials.

Section 3: In accordance with separate and previously adopted policies, the following capacity/connection *and* grinder pump impact fees apply to all new connections to the District's System:

Capacity/Connection Fees

\$1,500 per each Residential Contributor

\$7.40 per gallon of average daily flow capacity contributed by each Non-Residential Contributor

Grinder Pump Impact Fees

\$1,995 per Simplex Grinder Station

\$3,990 per Duplex Grinder Station

Section 4: An application for voluntary shut-off of sewer services may be submitted to the District office by the property owner of record for situations where a structure will be vacant for an extended period. A sewer customer requesting a voluntary shut-off of sewer services shall pay fees associated with the shut-off *and* turn-on of sewer services.

ARTICLE VII

Section 1: It shall be a misdemeanor for any person to tamper with or destroy any portion of the System or to make any connection without written permission from the District. Upon conviction, there shall be imposed a fine of not less than fifty dollars (\$50) nor more than five hundred dollars (\$500).

Section 2: The user of each premise receiving sewer service shall be held responsible for the proper use of the System Plumbing facilities that are to be connected to the sewerage system and they shall be installed in accordance with the National Plumbing Code and shall be inspected for compliance by a designated representative of the District before any connection is made. No grease, petroleum products, milk, whey, paints, acids, chemicals, metals, animal wastes, food products, or other materials detrimental to the Treatment Facilities and process shall be discharged into the system.

ARTICLE VIII

Section 1: The District will review the user charge system each year and revise user charge rates as necessary to ensure that the System generates adequate revenue to pay the costs of Operation and Maintenance, to pay principal of and interests on the Revenue Bonds, and to provide funds to meet the requirements of the Bond Ordinances, including Replacement, and that the system continues to provide for the proportional distribution of operation and maintenance and replacement costs among users and user classes. The user charge system may consider other sources of funds available to the District to help fund the Operation and Maintenance, Replacement, and debt service associated with the District.

Section 2: The District will notify each user at least annually of all rate changes, if any, in conjunction with a regular bill charged for sewerage service.

ARTICLE IX

This Resolution shall become effective immediately upon approval by the Taney County Regional Sewer District Board of Trustees, and supersedes and replaces all previous User Charge Rate Resolutions.

The Regional Sewer District of Taney County, Missouri, this 21st day of February, 2017 passed this Resolution.