

## CHAPTER 55: COLLECTION OF SEWER SERVICE CHARGES

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### **§ 55.01 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 and maintaining the public wastewater treatment works.

(Ord. 0-95-006, passed 9-25-95; Am. Ord. 0-2008-004, passed 1-14-08)

### **§ 55.02 DEFINITIONS.**

For the purpose of this chapter, the following definitions shall apply unless the context clearly indicates or requires a different meaning.

**BOD (BIOCHEMICAL OXYGEN DEMAND).** The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at twenty (20) degrees Centigrade, expressed in milligrams per liter (mg/l).

**COMMERCIAL USER.** All retail stores, restaurants, office buildings, laundries, and other private business and service establishments.

**DEBT SERVICE.** Charges levied on users of the sewage treatment system to support the annual debt service obligations of the system.

**GOVERNMENTAL USER.** Legislative, judicial, administrative, and regulatory activities of federal, state and local governments.

**INDUSTRIAL USER.** Any non-governmental, non-residential user of publicly owned treatment works which is identified in the Standard Industrial Classification Manual, 1972, Office of Management and Budget, as amended and supplemented under the following divisions: Division A-Agriculture, Forestry, and Fishing; Division B-Mining; Division D-Manufacturing; Division E-Transportation, Communications, Electric, Gas and Sanitary; and Division I-Services.

**INSTITUTIONAL USER.** Social, charitable, religious and educational activities such as schools, churches, hospitals, nursing homes, penal institutions and similar institutional users.

**NORMAL DOMESTIC WASTEWATER.** Wastewater that has a BOD concentration of not more than two hundred fifty (250) mg/l and a suspended solids concentration of not more than two hundred fifty (250) mg/l.

**OPERATION AND MAINTENANCE.** Those functions that result in expenditures during the useful life of the treatment works for materials, labor, utilities and other items which are necessary for managing and which such works were designed and constructed. The term **OPERATION AND MAINTENANCE** includes replacement as defined herein.

**REPLACEMENT.** 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.

**RESIDENTIAL USER.** Any contributor to the city's treatment works whose lot, parcel or real estate, or building is used for domestic dwelling purposes only.

**SS (SUSPENDED SOLIDS).** 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.

**TREATMENT WORKS.** Any devices and systems 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, pumping, power and other equipment and their appurtenances, extensions, improvements, 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 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.

**USEFUL LIFE.** The estimated period during which a treatment works will be operated.

**USER CHARGE.** That portion of the total wastewater service charge which is levied in a proportional and adequate manner for the cost of operations maintenance and replacement of the wastewater treatment works.

**WATER METER.** A water volume measuring and recording device furnished and/or installed by a user and approved by the city.

(Ord. 0-95-006, passed 9-25-95; Am. Ord. 0-2008-004, passed 1-14-08)

### **§ 55.03 OPERATION, MAINTENANCE AND REPLACEMENT FUND.**

(A) The revenues collected as a result of the user charges levied shall be deposited in a separate non-lapsing fund known as the "Operation, Maintenance and Replacement Fund."

(B) Fiscal year-end balances in the Operation, Maintenance and Replacement Fund shall be used for no other purposes than those designated. Monies which have been transferred from other sources to meet temporary shortages in the 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(s) shall be adjusted such that the transferred monies will be returned to their respective accounts within six (6) months of the fiscal year in which the monies were borrowed.

(Ord. 0-95-006, passed 9-25-95; Am. Ord. 0-2008-004, passed 1-14-08)

### **§ 55.04 RATES AND CHARGES.**

(A) The following schedule of rates shall apply to each user of the sewage treatment system. This schedule includes rates for user charges and rates for debt service charges, each based on the volume of metered or estimated water consumption.

(B) Please note the following schedule shows in-city rates and out-of-city rates. For all accounts receiving service within the City of Pikeville corporate boundaries, the in-city rates will be applicable to all accounts. For all accounts that receive service from the City of Pikeville outside of the City of Pikeville corporate boundaries, the out-of-city rates will be applicable.

(C) Due to an option of a pre-treatment program car wash owners may qualify for car wash rates. These are rates based on a business where one hundred percent (100%) of the water and sewer consumption is on the washing of vehicles. The car wash must be set up on a separate meter that only services the mechanics of their system. The system may not be tie-in to any other service other than for the purpose of washing vehicles. To qualify for these rates the business must be on a pre-treatment program offered to car washes by city utilities. Those who do not participate in a pre-treatment program will not qualify for these rates and will be subject to the city's normal rates.

***In-City Sewer Rate Schedule (Effective July 1, 2017)***

***(Based on Water Consumption)***

***Rate Per Month***

| <b><i>Water Consumption</i></b> | <b><i>Rate</i></b> | <b><i>Total</i></b>      |
|---------------------------------|--------------------|--------------------------|
| First 2,000 Gals/Mo.            | \$11.18            | \$11.18 Minimum          |
| Over 2,000 Gals/Mo.             | \$5.59             | \$5.59 per 1,000 gallons |
| Car wash rates                  | \$1.95             | \$1.95 per 1,000 gallons |

***Out-of-City Sewer Rate Schedule (Effective July 1, 2017)***

***(Based on Water Consumption)***

***Rate Per Month***

| <b><i>Water Consumption</i></b> | <b><i>Rate</i></b> | <b><i>Total</i></b>       |
|---------------------------------|--------------------|---------------------------|
| First 2,000 Gals/Mo.            | \$26.22            | \$26.22 Minimum           |
| Over 2,000 Gals/Mo.             | \$13.00            | \$13.00 per 1,000 gallons |
| Car wash rates                  | \$4.00             | \$4.00 per 1,000 gallons  |

**Sewer Service & Tap Fees:**

|  |         |
|--|---------|
| Service charge for standard read in service:<br>Standard business operating hours Monday<br>through Friday   | \$20.00 |
| After 5:00 p.m., holidays and weekends   | \$30.00 |
| Service charge for standard reconnect of non-<br>payment:<br>Standard business operating hours Monday<br>through Friday  | \$30.00 |
| After 5:00 p.m., holidays and weekends   | \$40.00 |
| Service charge for disconnect and reconnect<br>fee due to non-payment for all customers who<br>are on Mountain Water water system which<br>would require City of Pikeville to pay Mountain | \$80.00 |

|  |                 |
|--|-----------------|
| Water for water service to disconnect and reconnect in order to collect for non-payment of City of Pikeville sewer service |                 |
| In-city sewer tap fees:  |                 |
| Gravity 4-inch tap   | \$300.00        |
| Gravity 6-inch tap   | \$400.00        |
| Gravity 8-inch tap   | \$600.00        |
| Commercial tap   | \$1,000.00      |
| Sewer tap for the force main   | \$2,600.00      |
| Any large rock removal for all installations   | Cost of removal |
| Out-of-city sewer tap fees:  |                 |
| Gravity 4-inch tap   | \$650.00        |
| Gravity 6-inch tap   | \$750.00        |
| Gravity 8-inch tap   | \$850.00        |
| Commercial tap   | \$1,200.00      |
| Sewer tap for the force main   | \$2,600.00      |
| Any large rock removal for all installations   | Cost of removal |

\* The Commission for the City of Pikeville may adopt a resolution authorizing that fees for residential gravity taps for up to an eight (8) inch line may be adjusted or waived for all residential customers when the City of Pikeville installs new sewer service into a residential area. The Commission shall set the terms, conditions and time limit to sign a sewer service tap agreement to qualify for the waived or reduced fees. The Commission's elections hereunder will be based upon the amount of grants or other funding received from third parties for the sewer line extension, the number of customers per feet of new sewer line, the contractor's bid price/cost for the sewer line extension project and sewer taps completed by the contractor during construction of the sewer line or within sixty (60) days of completion of the project and the amount the taxpayer contributes to the project.

(D) For residential, industrial, institutional and commercial users, monthly user charges will be based on actual water usage. If a residential, commercial, institutional or industrial user has a consumptive use of water, or, in some other manner, uses water which is not discharged into the wastewater collection system, the user charge for that contributor may be based on readings of a wastewater meter(s) or separate water meter(s) installed and maintained at the user's expense.

(Ord. 0-95-006, passed 9-25-95; Am. Ord. 0-00-010, passed 5-22-00; Am. Ord. 0-2003-001, passed 4-29-03; Am. Ord. 0-2008-004, passed 1-14-08; Am. Ord. 0-2008-14, passed 5-14-08; Am. Ord. 0-2008-29, passed 12-2-08; Am. Ord. 0-2009-18, passed 6-22-09; Am. Res. 2010- 0, passed 1-25-10; Am. Res., passed 6-14-10; Am. Ord. 0-2017-22, passed 6-26-17)

### **§ 55.05 MAINTENANCE OF RECORDS; REVIEW.**

(A) The city shall maintain financial records to accurately account for revenues generated by the treatment system and expenditures for operation and maintenance of the system, including normal replacement costs.

(B) The city shall review not less often than annually the sewage contribution of users, the total cost of operation and maintenance of the sewage works, debt service obligations and sewer service charges. Based on such review the city shall revise, when necessary, the schedule of sewer service charges to accomplish the following:

(1) Excessive strength and toxicity surcharges shall be reviewed at the time of and in conjunction with the review of user charges. Surcharge rates shall be revised where necessary to reflect current treatment and monitoring costs.

(2) Maintain an equitable distribution of operations and maintenance costs among users of the treatment system.

(3) Generate sufficient revenues to offset costs associated with the proper operation and maintenance of the sewage system and to meet debt service requirements.

(4) Each user shall be notified, at least annually, in conjunction with a regular bill of the rate and that portion of the total charge which is attributable to operation and maintenance of the sewage system.

(Ord. 0-95-006, passed 9-25-95; Am. Ord. 0-2008-14, passed 5-14-08)

### **§ 55.06 BILLING PROCEDURE; LATE PAYMENT; REMEDIES FOR NONPAYMENT.**

(A) All users shall be billed monthly. Billings for any particular month shall be made within ten (10) days after the end of the month. Payments are due within fifteen (15) days after the end of the month. Any payment not received within twenty (20) days after the end of the month shall be delinquent.

(B) A late payment penalty of five percent (5%) of the current user charge bill will be added to each delinquent bill. When any bill is more than forty five (45) days in default, water and/or sewer service to such premise shall be discontinued until such bill is paid.

(C) When any bill (including interest and penalty) remains unpaid for one (1) year after the date due, such bill shall be recorded in the land records of Pike County by the Treasurer and shall constitute a lien on the property. If such lien (including interest and penalty) remains unpaid for a period of one (1) year after date of recordation, such property shall be subject to public sale by the Treasurer.

(Ord. 0-95-006, passed 9-25-95; Am. Ord. 0-2005-022, passed 10-10-05; Am. Ord. 0-2007-008, passed 2-26-07; Am. Ord. 0-2008-004, passed 1-14-08)

### **§ 55.07 CITY OCCUPATIONAL TAX TO COVER SYSTEM.**

A portion of the City Occupational Tax (up to three hundred thousand dollars (\$300,000.00)) may be dedicated to cover debt service of the system which is not covered by the user charges as set out above. If at any time occupational tax collections and user charge collections are not sufficient to cover the debt service of the system, the city shall amend the sewer rate schedule contained in § 55.04 so that the sewer rate schedule shall provide sufficient revenues to cover the operation, maintenance and replacement cost and debt service of the system.

(Ord. 0-95-006, passed 9-25-95; Am. Ord. 0-2008-004, passed 1-14-08)