

ORDINANCE NO. 10 SOUTH BEND TOWNSHIP OF BLUE EARTH COUNTY AN
ORDINANCE

ESTABLISHING A SEWER SERVICE CHARGE SYSTEM AND WATER SERVICE
CHARGE SYSTEM

FOR SOUTH BEND TOWNSHIP OF BLUE EARTH COUNTY, MINNESOTA

An Ordinance providing for Sewer Service Charges and Water Service Charges to recover costs associated with:

- 1) Operation, maintenance, and replacement to ensure effective functioning of the Township's Wastewater System.
- 2) Local capital costs incurred in the construction of the Township's Wastewater System.
- 3) Operation, maintenance and replacement to ensure effective functioning of the Township's Water System.
- 4) Local capital costs incurred in the construction of the Township's Water System.

ARTICLE I

Definitions

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

- Sec. 1 Administration - Those fixed costs attributable to administration of the wastewater treatment works and water system (i.e., billing and associated bookkeeping and accounting costs).
- Sec. 2 Biochemical Oxygen Demand or BOD₅ - 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.
- Sec. 3 Township - The area within the South Bend Township boundaries of the County of Blue Earth, as presently established or as amended by Ordinance or other legal actions at a future time. When used herein the term "Township" may also refer to the Township Board or its authorized representative.
- Sec. 4 Commercial User - Any place of business which discharges sanitary waste as distinct from industrial wastewater.
- Sec. 5 Debt Service Charge - Any charge levied on users of wastewater and water facilities for the cost of repaying money bonded to construct said facilities.

- Sec. 6 Governmental User - Users which are units, agencies or instrumentalities of federal, state, or local government discharging Normal Domestic Strength wastewater.
- Sec. 7 Normal Domestic Strength Wastewater - Wastewater that is primarily produced by residential users, with BOD₅ concentrations not greater than 260 mg/l and suspended solids concentrations not greater than 280 mg/l.
- Sec. 8 Extra Strength Waste - Wastewater having m BOD₅ and/or TSS greater than domestic waste as defined in Article I, Section 7 above and not otherwise classified as an incompatible waste.
- Sec. 9 Incompatible Waste - Waste that either singly or by interaction with other wastes interferes with any waste treatment process, constitutes a hazard to humans or animals, creates a public nuisance or creates any hazard in the receiving waters of the wastewater treatment works.
- Sec. 10 Industrial Users or Industries are:
- a. Entities that discharge into a publicly owned wastewater treatment works, liquid wastes resulting from the processes employed in industrial or manufacturing processes, or from the development of any natural resources. These are identified in the Standard Industrial Classification Manual, 1072, Office of Management and Budget, as amended and supplemental under one of the following divisions:
 - Division A Agriculture, Forestry and Fishing
 - Division B Mining
 - Division D Manufacturing
 - Division E Transportation, Communications, Electric, Gas, Sanitary Sewers
 - Division I – Services

For the purpose of this definition, domestic waste shall be considered to have the following characteristics:

 - BOD₅ Less than 260 mg/l
 - Suspended Solids Less than 280 mg/l - b. Any nongovernmental user of a publicly owned treatment works which discharges wastewater to the treatment works which contains toxic pollutants 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 to interfere with any sewage treatment process, or which constitutes a hazard to humans or animals, creates a public nuisance, or creates any hazard in or has an adverse effect on the waters receiving any discharge from the treatment works.

- Sec. 11 Industrial Wastewater - The liquid processing wastes from an industrial manufacturing process, trade, or business including but not limited to all Standard Industrial Classification Manual Divisions A, B, D, E, and I manufacturers as distinct from domestic wastewater.
- Sec. 12 Institutional User - Users other than commercial, governmental, industrial or residential users, discharging primarily Normal Domestic Strength wastewater (e.g. Non-profit organizations).
- Sec. 13 Operation and Maintenance - Activities required to provide for the dependable and economical functioning of the wastewater system, throughout the design or useful life, whichever is longer of the wastewater system, and at the level of performance for which the wastewater system was constructed. Operation and Maintenance includes replacement.
- Sec. 14 Operation and Maintenance Costs - Expenditures for operation and maintenance, including replacement.
- Sec. 15 Public Wastewater Collection System - A system of sanitary sewers owned, maintained, operated and controlled by the Township.
- Sec. 16 Replacement - Obtaining and installing of equipment, accessories, or appurtenances which are necessary during the design life or useful life, whichever is longer, of the treatment works to maintain the capacity and performance for which such works were designed and constructed.
- Sec. 17 Replacement Costs - Expenditures for replacement.
- Sec. 18 Residential User – A user of the treatment facilities whose premises or building is used primarily as a dwelling units such as detached and semi-detached housing, apartments, and mobile homes; and which discharges primarily normal domestic strength sanitary wastes.
- Sec. 19 Sanitary Sewer - A sewer intended to carry only liquid and water carried wastes from residences, commercial buildings, industrial plants, and institutions, together with minor quantities of ground, storm, and surface waters which are not admitted intentionally.
- Sec. 20 Sewer Service Charge - The aggregate of all charges, including charges for operation, maintenance, replacement, debt service, and other sewer related charges that are billed periodically to users to the Township's wastewater system.
- Sec. 21 Sewer Service Fund - A fund into which income from Sewer Service Charges is deposited along with other income, including taxes intended to retire debt incurred through capital expenditure for wastewater treatment. Expenditure of the

Sewer Service Fund will be for operation, maintenance and replacement costs; and to retire debt incurred through capital expenditure for wastewater treatment.

- Sec. 22 Shall is mandatory; May is permissive.
- Sec. 22 Slug - Any discharge of water or wastewater which in concentration of any given constituent or in quantity of flow exceeds for any period of duration longer than 15 minutes more than five times the average 24 hour concentration or flows during normal operation and shall adversely affect the collection system and/or performance of the wastewater treatment works.
- Sec. 24 Standard Industrial Classification Manual - Office of Management and Budget, 1972.
- Sec. 25 Suspended Solids (SS) or Total Suspended Solid (TSS) - The total suspended matter that either floats on the surface or is in suspension in water, wastewater or other liquids, and is removable by laboratory filtering as prescribed in "Standard Methods for the Examination of Water and Wastewater", latest edition, and referred to as non-filterable residue.
- Sec. 26 Toxic Pollutant - The concentration of any pollutant or combination of pollutants as defined in standards issued pursuant to Section 307 (a) of the Act, which upon exposure to or assimilation into any organism will cause adverse effects.
- Sec. 27 User Charge - A charge levied on users of a wastewater and water system for the user's proportionate share of the cost of operation and maintenance, including replacement.
- Sec. 28 Users - Those residential, non-residential, and industrial establishments which are connected to the public sewer collection system.
- Sec. 29 Wastewater - The spent water of a community, also referred to as sewage. From the standpoint of source it may be a combination of the liquid and water-carried wastes from residences, commercial buildings, industrial plants, and institutions together with any ground water, surface water and storm water that may be present.
- Sec. 30 Wastewater System - An arrangement of any devices, facilities, structures, equipment, or processes owned or used by the Township for the purpose of the transmission, storage, treatment, recycling, and reclamation of municipal sewage domestic sewage or industrial wastewater, or structures necessary to recycle or reuse water including interceptor sewers, outfall sewers, collection sewers, pumping, power, and other equipment and their appurtenances; extensions, improvements, remodeling, additions, and alterations thereof elements essential to provide a reliable recycled water supply such as standby treatment units and clear well facilities; and any works including laud which is an integral part of the

treatment process or is used for ultimate disposal of residues resulting from such treatment.

ARTICLE II ESTABLISHMENT OF A SEWER SERVICE CHARGE SYSTEM

- Sec. 1 The Township of South Bend hereby establishes a Sewer Service Charge System whereby all revenue collected from users of the wastewater treatment facilities will be used to affect all expenditures incurred for annual operation, maintenance, and replacement and for debt service on capital expenditure incurred in constructing the wastewater treatment works.
- Sec. 2 Each user shall pay its proportionate share of operation maintenance and replacement costs of the treatment works, based on the user's proportionate contribution to the total wastewater loading from all users.
- Sec. 3 Each user shall pay debt service charges to retire local capital costs as determined by the Township Board.
- Sec. 4 Sewer Service rates and charges to users of the wastewater treatment facility shall be determined and fixed in a "Sewer Service Charge System" developed according to the provisions of this Ordinance. The Sewer Service Charge System developed with the assistance of this resolution shall be adopted by resolution upon enactment of this Ordinance, shall be published in the local newspaper, and shall be effective upon publication. Subsequent changes in Sewer Service rates and charges shall be published in the local newspaper, shall be discussed at a public hearing, and shall be adopted by Board resolution.
- Sec. 5 Revenues collected for Sewer Service shall be deposited in a separate fund known as "The Utility Service Fund". Income from revenues collected will be expended to offset the cost of operation, maintenance and equipment replacement for the facility and to retire the debt for capital expenditure.
- Sec. 6 Sewer Service Charges and the Utility Service Fund will be administrated in accordance with the provision of Article V of this Ordinance.

ARTICLE III DETERMINATION OF UTILITY SERVICE CHARGES

A: SEWER SERVICE CHARGES

- Sec. 1 Users of the South Bend Township wastewater collection system shall be identified as belonging to one of the following user classes:
- 1) Residential
 - 2) Commercial
 - 3) Governmental
 - 4) Institutional

5) Industrial

The allocation of users to these categories for the purpose of assessing User Charges and Debt Service Charges shall be the responsibility of the Township Board. Allocation of users to user classes shall be based on the substantive intent of the definitions of these classes contained herein.

Sec. 2 Each user shall pay operation, maintenance, and replacement costs in proportion to the user's proportionate contribution of wastewater flows and loadings to the treatment plant, with the minimum rate for loadings of BOD and TSS being the rate established for concentrations of 260 mg/l BOD and 280 mg/l TSS (i.e. Normal Domestic Strength Wastewater).

Those "Industrial Users" discharging segregated "Normal Domestic Strength Wastewater" only, can be classified as "Commercial Users" for the purpose of rate determination.

Sec. 3 The charges assessed residential users and those users of other classes discharging "Normal Domestic Strength Wastewater" shall be established proportionately according to billable wastewater volume. Billable wastewater volume shall be calculated as follows:

A. Residential Users

Billable wastewater volume for residential users shall, be calculated on the basis of metered water usage. The billable wastewater volume shall be equal to metered water usage.

The Township may require residential users to install water meters for the purpose of determining billable wastewater volume.

B. Non-Residential Users

The billable wastewater volume of nonresidential users will be determined on 100 percent of the metered water usage as recorded throughout the year.

The Township may, at its discretion, require non-residential users to install such additional water meters or wastewater flow meters as may be necessary to determine billable wastewater volume.

Sec.4 The sewer rates will be set periodically by resolution of the Township Board as deemed necessary. A public hearing shall be held before changes are made to the sewer rates. Notice of the public hearing to consider changing the sewer rates shall be published in the official newspaper at least ten days before the hearing date. Following the public hearing, a resolution shall be adopted by the Township Board to implement the sewer rate changes.

Sec. 5 The Sewer Service Charges established in this Ordinance shall not prevent the assessment of additional charges to users who discharge wastes with concentrations greater than Normal Domestic Strength or wastes of unusual character, or contractual agreements with such users, as long as the following conditions are met:

- 1) The user pays Operation, Maintenance, and Replacements costs in proportion to the user's proportionate contribution of wastewater flows and loadings to the treatment plant, and no user is charged at a rate less than that of "Normal Domestic Strength Wastewater".
- 2) The measurements of such wastes are conducted according to the latest edition of Standard Methods for the Examination of Water -and in a manner acceptable to the Township as provided for in Ordinance No. 10 "Ordinance Establishing Sewer Use Regulations".

A study of unit costs of collection and treatment processes attributable to Flow, BOD, TBS and other significant loadings shall be developed for determining the proportionate allocation of costs to flows and loadings for users discharging wastes of greater than normal domestic strength or wastes of unusual character.

Sec. 6 A hook-up fee will be charged for each new connection made to the sanitary sewer system. This hook -up fee will be established periodically by the Township Board as outlined in Section 4 of Article III. A. of this ordinance.

B. WATER SERVICE CHARGES

Sec. 1 Users of the South Bend Township water supply system shall be identified as belonging to one of the following user classes:

- 1) Residential
- 2) Commercial
- 3) Governmental
- 4) Institutional
- 5) Industrial

The allocation of users to these categories for the purpose of assessing User Charges and Debt Service Charges shall be the responsibility of the Township Clerk. Allocation of users to user classes shall be based on the substantive intent of the definitions of these classes contained herein.

Sec. 2 Each user shall pay operation, maintenance, and replacement costs in proportion to the user's proportionate use of the water supply system.

- Sec. 3 The charges assessed residential users and those users of other classes shall be established proportionately according to billable water volume. Billable water volume shall be calculated on the basis of metered water, usage.
- Sec. 4 The water rates will be set periodically by resolution of the Township Board as deemed necessary. A public hearing shall be held before changes are made to the water rates. Notice of the public hearing to consider changing the water rates shall be published in the official newspaper at least ten days before the hearing date. Following the public hearing, a resolution shall be adopted by the Township Board to implement the water rate changes.
- Sec. 5 A hook-up fee will be charged for each new connection made to the water system. This hook-up fee will be established periodically by the Township Board as outlined in Section 4 of Article III.B. of this ordinance.
- Sec. 6 Water service will be provided for fire protection in South Bend Township at the bulk water rates. Local service will also be provided to the South Bend Town Hall at no charge. Pool filling will be available at the established water rate.
- Sec. 7 Water service may be provided to users outside of the service area at the bulk water rate.

ARTICLE IV UTILITY SERVICE FUND

- Sec. 1 South Bend Township hereby establishes a "Utility Service Fund" as an income fund to receive all revenues generated by the Sewer Service Charge System and Water Service Charge System, and all other income dedicated to the operation, maintenance, replacement and construction of the wastewater treatment works and water supply works, including taxes, special charges, fees, and assessments intended to retire construction debt. The Township also establishes the following accounts as income and expenditure accounts within the Utility Service Fund:
- 1) Operation and Maintenance Account
 - 2) Equipment Replacement Account
 - 3) Debt Retirement Account
- Sec. 2 All revenue generated by the Sewer Service Charge System and Water Service Charge System, and all other income pertinent to the sewer and water systems, including taxes and special assessments dedicated to retire construction debt, shall be held by the Clerk separate and apart from all other funds of the Township. Funds received by the Sewer Service Fund shall be transferred to the "Operation and Maintenance Account," the Equipment Replacement Account," and the "Debt Retirement Account" in accordance with State and Federal regulations and the provisions of this ordinance.

- Sec. 3 Revenue generated by the Sewer Service Charge and the Water Service Charge sufficient to insure adequate replacement throughout the design or useful life, whichever is longer, of the wastewater and water facilities shall be held separate and apart in the "Equipment Replacement Account" and dedicated to affecting replacement costs. Interest income generated by the "Equipment Replacement Account" shall remain in the "Equipment Replacement Account."
- Sec. 4 Revenue generated by the Sewer Service Charge System and the Water Service Charge System sufficient for operation and maintenance shall be held separate and apart in the "Operation and Maintenance Account."
- Sec. 5 Funds may be transferred within the Utility Service Fund with the exception of Funds in the Debt Retirement Account, which may not be transferred to other accounts.

ARTICLE V ADMINISTRATION

The Sewer Service Charge System, Water Service Charge System and Utility Service Fund shall be administered according to the following provisions:

- Sec. 1 The Township Clerk shall maintain a proper system of accounts suitable for determining the operation and maintenance, equipment replacement and debt retirement costs of the utility works, and shall furnish the Township Board with a report of such costs annually in January.
- The Township Board shall annually determine whether or not sufficient revenue is being generated for the effective operation, maintenance, replacement and management of the utilities, and whether sufficient revenue is being generated for debt retirement. The Board will also determine whether the user charges are distributed proportionately to each user in accordance with Article II, Section 2 of this Ordinance and Section 204 (b) (2) (A) of the Federal Water Pollution Control Act as amended.
- The Township shall thereafter, but not later, than the end of the year, reassess, and as necessary revise the Sewer Service Charge System and Water Service Charge System then in use to insure the proportionality of the user charges and to insure the sufficiency of funds to maintain the capacity and performance to which the facilities were constructed, and to retire the construction debt.
- Sec. 2 In accordance with Federal and State requirements each user will be notified annually in conjunction with a regular billing of that portion of the Sewer Service Charge and Water Service Charge attributable to operation, maintenance and replacement.

- Sec. 3 In accordance with Federal and State requirements, the Township Clerk shall be responsible for maintaining all records necessary to document compliance with the Sewer Service Charge System and Water Service Charge System adopted.
- Sec. 4 Bills for Sewer Service Charges and Water Service Charges shall be rendered on a monthly basis succeeding the period for which the service was rendered and shall be due 15 days from the date of rendering, typically on the 15th day of the month. Any bill not paid in full after the due date will be considered past due and subject to penalty. The penalty shall be computed as 10% of the original bill. All past due accounts shall be sent a past due reminder indicating the amount past due with the late fee charge applied.
- Sec. 5 Accounts 30 days or more past due shall be considered “delinquent” and shall receive a disconnection of service notice, sent by regular United State Postal Service mail, allowing them 14 days to pay in full. If the past due balance is not paid in full within the 14 days, water service will be disconnected and a reconnection fee will be imposed.
- Sec. 6 Accounts which have their water service disconnected due to nonpayment shall have a reconnection fee, which will be determined by the “Fee Schedule” adopted by resolution of the Township Board, applied to their account. Accounts which have been disconnected for nonpayment shall pay a minimum of the past due amount and the reconnection fee prior to having water service reconnected.
- Sec. 7 The owner of the premises, shall be liable to pay for the service to such premises, and the service is furnished to the premises by the Township only upon the condition that the Owner of the premises is liable therefore to the Township.
- Sec. 8 Any additional costs caused by discharges to the treatment works of toxics or other incompatible wastes, including the cost of restoring wastewater treatment services, clean up and restoration of the receiving waters and environs, and sludge disposal, shall be borne by the discharger(s) of said wastes, at no expense to the Township.

ARTICLE VI PENALTIES

- Sec. 1 Each and every sewer service charge and water service charge levied by and pursuant to this Ordinance is hereby made a lien upon the lot or premises serviced. On or before November 1 of each year, any water or sewer bill that is not paid within the time limit outlined in this Ordinance may have service disconnected to the dwelling. The Township Board may then assess such charges against the property benefitted as a special assessment, pursuant to the provisions of Minnesota State Statutes, Chapter 429, for certification to the County Auditor and collected together with property taxes the following year.

- Sec. 2 As an alternative to levying a lien, the Township may at its discretion, file suit in a civil action to collect such amounts as are delinquent and due against the occupant, owner or user of the real estate, and shall collect as well all attorney's fees incurred by the Township in filing the civil action. Such attorney's fees shall be fixed by order of the court.
- Sec. 3 In addition to all penalties and costs attributable and chargeable to recording notices of the lien or filing a civil action, the owner or user of the real estate being serviced by the sewer and water works shall be liable for interest upon all unpaid balances at the rate of statutory limits of the state.

ARTICLE VII

- Sec. 1 This ordinance shall be in full force and task effect from and after passage and approval and publication as provided by law.
- Sec. 2 All other ordinances and parts of other ordinances inconsistent or in conflict with any part of this ordinance, are hereby repealed to the extent of such inconsistency or conflict.
- Sec. 3 Passed by the Township Board of Township of South Bend, Minnesota on the _____ day of _____, 20____.