ORDINANCE NO. **2008-01**

AN ORDINANCE ADOPTING A POLICY GOVERNING EXTENSIONS AND IMPROVEMENTS TO THE HARRISON COUNTY REGIONAL SEWER DISTRICT'S SANITARY SEWER SYSTEM AND THE ESTABLISHMENT OF FEES FOR THE HARRISON COUNTY REGIONAL SEWER DISTRICT'S SANITARY SEWER SYSTEM.

SECTION 1 – DEFINITIONS

Applicant is a person, firm, corporation, partnership or other entity, including an agent, who has the authority to act on behalf of the owner(s) or developer(s) of a new development or existing sewer service connection.

Board is the Harrison County Regional Sewer District's (HCRSD) Board.

Capital Improvement is land and/or facilities for the collection, treatment or disposal of sewage or sewage byproducts.

Collector Sewer is the sewer line to which sewer laterals are connected. Collector sewers lines shall be at least 8" in diameter.

Connection Fee is a fee charged to an applicant who is authorized to connect to the HCRSD's sanitary sewer system or who is authorized to increase the capacity of an existing sewer connection.

Development is the construction of improvements to land which requires modification of existing sewer service connections or the construction of new sewer service connections to the Harrison County Regional Sewer District sanitary sewer system.

Dwelling Unit means one or more habitable rooms which are occupied or which are intended or designed to be occupied by one family with facilities for living, sleeping, cooking and eating and includes a mobile home.

Exiting Sewer Service means all existing physical sewer service connections to the HCRSD sanitary sewer system.

Harrison County Regional Sewer District (also referenced as HCRSD or District) is the agency formed under the jurisdiction of the IDEM for the purpose of providing sanitary sewer service to the service area defined in its incorporation documents.

Major Improvements are improvements to wastewater treatment plants, interceptor sewers, trunk sewers, or sewage pump stations which are specified by the HCRSD.

Minor Improvements are any other improvements not noted above in "Major Improvements" that are required to connect a proposed development to existing sewer system facilities in compliance with HCRSD's Specifications.

Non-Residential Development means all development other than residential development and includes commercial and industrial development.

Residential Development means the construction of improvements to property used for the construction of a dwelling unit or dwelling units.

Residential Equivalent Unit (REU) is the basis for comparing different sewer customers. One (1) REU is equal to 310 gallons per day when calculating equivalency on flow basis. REU may also be calculated on a mass quantity basis when flow is not representative for calculation.

Sanitary Sewer (Wastewater) System is the entire sanitary sewer (wastewater) system designed and built to collect, transport, treat and dispose of sanitary wastewater. "Sanitary Sewer System" and Wastewater System", for the purpose of this Ordinance, are interchangeable terms.

Sewer Lateral is the sewer line that connects a building sewer to the public sanitary sewer.

Sewer Service is a utility service provided by the HCRSD for a specific applicant upon approval of an application.

Sewer Service Connection is the connection between a customer's building sewer to the collector sewer including the sewer lateral pipe up to the fitting on the collector sewer to which the sewer lateral pipe connects.

Trunk (Interceptor) Sewer is the sewer line to which collector sewer lines are connected. Trunk sewer lines are at least 12" in diameter.

Wastewater Master Plan is a document adopted by the Board outlining a plan for the orderly growth of wastewater services, including the collection and treatment components.

Wastewater System is any devices or systems used in the collection, pumping, storage, treatment, recycling, reclamation of domestic, commercial or industrial wastewater or wastes and any conveyances which convey wastewater or wastes to the wastewater treatment plant.

Wastewater Treatment Plant (WWTP) is the site where wastewater is collected from the sanitary sewer system and treated to acceptable standards.

SECTION 2 – STATEMENT OF POLICY

2.0 It is the Policy of the District and its Board to provide for the orderly growth and expansion of the District's wastewater (sanitary sewer) services.

2.1 All improvements to the District's wastewater (sanitary sewer) service system shall be constructed in accordance with the sanitary sewer specifications adopted by the District's Board.

2.2 The construction of Minor Improvements shall be at the sole cost of the applicant for sewer service. The Board, at its sole discretion, may require an increase in the capacity of all or part of the improvements when such increased capacity is consistent with the adopted Wastewater Master Plan. Only the incremental cost associated with the increased capacity requirements specified by the Board shall be paid by the District. Nothing contained herein shall be construed to require the Board to increase the capacity of the proposed Minor Improvements.

2.3 The construction of Major Improvements shall be at the sole discretion of the Board subject to planning considerations and finance availability. Major Improvements made to the wastewater system may be paid with revenue generated by all customers of the utility upon approval of the Board.

2.4 The HCRSD Board may approve the extension of wastewater service outside the District's service area provided that all of the following conditions are satisfied:

1) The HCRSD Board has passed a resolution authorizing the extension of services outside of the District's Limits; and

2) The extension of services does not conflict with any established service areas for the services requested; and

3) The wastewater service extension does not cause the wastewater system to exceed its design or rated capacity; and

4) The wastewater improvements constructed to the extension area are designed and built in compliance with HCRSD's specifications and the plans are reviewed and approved by the HCRSD prior to construction; and

5) The proposed service area extension will be governed by the rules, regulations and ordinances that govern all HCRSD customers.

2.5 **Connection to Force Mains:** It is the Policy of the District that no direct connections from individual residential properties shall be made into force mains. However, the District may make exceptions to this policy on a case by case basis upon request and based on its' review. If an exception is granted, the property owner shall be responsible

for the cost of the individual grinder pump and all necessary appurtenances as well as their upkeep, maintenance, etc.

2.6 Nothing contained herein shall be construed to require the Board to approve extending wastewater service outside of the District's service area limits.

SECTION 3 – APPLICATIONS FOR SEWER SERVICE

3.0 The District shall allow private property owners an opportunity to petition for sanitary sewer service. The procedures for petitioning the District are outlined below in Section 3.2.

3.1 Applications for a new sewer service connection or for the modification of an existing sewer service connection shall be filed as prescribed in a published administrative procedure for the application of sewer service connections. The application for sewer service shall, as a minimum, contain the following information:

a. Name and address of customer or owner and the name and telephone of the person to contact regarding the application.
b. Description of the property including address and lot number.
c. Identify the type and size of the development. State the type of service requested such as residential, commercial, industrial or institutional; the number of proposed units or number of employees; and the total expected demand for sanitary sewer service.
d. In the case of a request for service other than a single family residential house, a plan shall be submitted to include the following:

- Tract boundary and acreage
- Proposed streets, drives and lots
- Proposed land use and zoning designations
- Location of existing public water and sewer mains
- Adjacent existing roads
- North arrow

3.2 **Petitioning District for Service (Private Properties) -** Private property owners wishing to connect to a sanitary sewer system must petition the District for service. Individual property owners may bring their request before the Board for consideration. A petition for providing service to an existing subdivision shall require a reasonable number of signatures showing an interest in receiving sanitary sewer. If the District determines that the request is feasible the District may prepare a **Cost Study** to determine the costs associated with providing service to the area. Costs will be broken into two categories: Major Improvements and Minor Improvements to determine if any portion of the project is eligible to be paid for by the District. Property owners are responsible for the cost of all Minor Improvements. The costs of the Minor Improvements shall be considered the **"Project Cost"** for the project.

Upon the completion of the Cost Study the District will hold public meetings to discuss the potential project and associated costs. Property owners will be responsible for paying the **Project Cost**, **Connection Fee**, and **Tap Fee**. At the conclusion of the public meetings property owner voting shall occur (via certified mailings). Property owners will be given a Guaranteed Maximum Assessment (GMA) for voting on the Project Cost. The GMA shall be the maximum Project Cost that will be charged to the property owners. The GMA shall serve as an assurance to property owners that the Project Costs will not increase beyond what was presented at the time of voting. The GMA shall be good for a period of 24 months. A simple majority of those property owners responding to the vote shall be required to move forward with the project. All property owners affected by the project must connect to the sewer system and will be required to pay the Project Cost, Connection Fee, and Tap Fee.

3.3 **Petitioning District for Service (Developers & Private Developments).** The construction of all improvements necessary to serve a private development shall be at the sole cost of the applicant.

SECTION 4 – ESTABLISHMENT OF PROJECT COST

4.0 Project Costs shall be broken into two categories: Major Improvements and Minor Improvements. Property owners are responsible for the cost of all Minor Improvements. The District shall prepare detailed cost estimates that will be utilized to determine the Project Cost. Project Costs are divided equally amongst all properties slated to receive service as part of the sewer project. Each property owner will pay an equal share of the Project Cost.

4.1 All Project Costs associated with sanitary sewer service for a private development shall be paid for by the Developer. The District may choose to require to the Developer to upsize their proposed sewer system to accommodate future District customers. In such cases the District will pay the cost difference for the upsizing of the system.

SECTION 5 – ESTABLISHMENT OF SEWER SYSTEM CONNECTION FEE

5.0 A Sewer System Connection Fee is hereby created and is required to be paid to the District prior to the connection of any new sewer service to the District's wastewater system or the modification of an existing sewer service which would increase its capacity.

5.1 The Sewer System Connection Fee shall be as set forth in the District's "Sewer System Connection and Tap Fee Schedule". The "Sewer System Connection and Tap Fee Schedule" shall be established via a separate ordinance and is not made a part of this ordinance.

5.2 The District Board shall review the Sewer System Connection Fee Schedule at least once every two (2) years and make adjustments as needed to the "Sewer System Connection Fee Schedule".

SECTION 6 – USE OF SEWER SYSTEM CONNECTION FEE

6.0 The Sewer System Connection Fee shall be used for payment of capital project costs associated with Major Improvements or expansion of the District's wastewater sewer collection, pumping or treatment systems.

6.1 Capital project costs include legal fees, financing fees, engineering fees, construction costs, or any other costs directly associated with the development and/or implementation of improvements to the wastewater system.

6.2 Expansion of sanitary sewer collection, pumping or treatment systems is considered:

a. The expansion of existing systems or construction of new systems in order to provide transport or treatment capacity (either hydraulic processing or waste load treatment capacity); or

b. The upgrade of existing system to meet federal, state or local treatment requirements.

SECTION 7 – ESTABLISHMENT OF SEWER SYSTEM CONNECTION FEE DEPOSIT ACCOUNT

7.0 A Sewer System Connection Fee Deposit Account shall be established for the deposit of all Sewer System Connection Fees collected. All interest earned on the deposits of this account shall remain in the account and may be used in the same manner as the account's deposits. The Sewer System Connection Fee Deposit Account shall be audited and reported to the Board consistent with the auditing of other District's financial accounts.

7.1 Expenditure of Sewer System Connection Fee Deposit Account funds by the District shall only be upon the approval of the Board as documented by the passage of a Board Resolution authorizing the capital project, the uses of the funds being authorized, and the amount of the funds authorized for expenditure. Nothing contained herein shall require the Board to authorize the expenditure of Sewer System Connection Fee Account funds.

SECTION 8 – ESTABLISHMENT OF TAP FEES

8.0 Tap Fees are hereby established and are required to be paid to the HCRSD prior to the installation or connection of any new sewer service or extensions to the public sanitary sewer system. The Sewer Tap Fee shall be $250 per sanitary sewer property service connection.

8.1 Any person connecting to the public sanitary sewer system shall, prior to being issued a permit to make a connection, pay a tap fee for each utility connection to the District in the amount set forth in the Tap Fee Schedule for each physical connection to the sanitary sewer system.

8.2 The District Board shall review the Tap Fee at least once every two (2) years and make adjustments as necessary to the Tap Fee.

8.3 Tap Fee revenues shall be used to cover the cost of materials, labor and the administrative management for the installation of service connections.

8.3 Tap Fee revenues shall be deposited into the appropriate operating revenue account. Although Tap Fee revenues may be deposited into the appropriate operating revenue account, Tap Fee revenues shall be reported as a separate revenue source for the purpose of revenue accounting.

SECTION 9 – PAYMENT OF FEES

9.0 No building permit or occupancy permit shall be issued by a governmental agency having said authority until all applicable sewer fees established by this Ordinance have been paid. The fees associated with the Project Cost and Connection Fee shall be paid within ninety (90) days following the District's Notice to Connect.

9.1 No sanitary sewer service connection shall be installed, made, modified or performed until all applicable District sewer fees have been paid.

9.2 If the approved sanitary sewer service connection is not made within one (1) year of the date of authorization, or if the building permit is revoked or expires, the authorization for the service connection shall be considered void and terminated.

9.3 An applicant may make application to the HCRSD for a refund of sewer fees paid under the requirements of this Ordinance provided that:

a. 120 days have passed from the original payment of the fees; and
b. The written authorization for the service connection is returned to the District; and
c. The applicant provides a written statement that no future service connection rights are retained by the applicant; and
d. The Applicant is not indebted to the District.

9.4 Upon approval of the Board, the sewer fees previously paid may be refunded.

9.5 The cost of special materials, equipment, or metering systems specifically ordered for a sewer service connection shall not be refundable to the applicant. The Board may deduct the administrative costs for processing the original application and applicant for refund from the Connection Fee paid.

SECTION 10 – CONNECTION TO SANITARY SEWER

10.0 Homeowners are required to select their own contractor to complete the connection to the new sewer line. The cost of connecting to the new sewer line shall be the property owner's responsibility. The District will extend the new sewer line to the property line or edge of any easements obtained. A District representative must inspect the sewer line before any backfill of the line may occur. Property owners shall provide the District with 48 hours notice to allow for inspection of the connection.

10.1 Property owner connections to the sewer must comply with the District's Sewer Use Ordinance as well as the District's Sanitary Sewer Specifications.

10.2 Connection to the new sewer line shall not be made until all fees have been paid by the property owner. Property owners shall have one (1) year from the date of the District's Notice to Connect to connect to the sewer. The Notice to Connect shall be sent to all property owners at the completion of construction of the District's sewer system.

SECTION 11 – ELECTION TO DEFER CONNECTION

11.0 Property owners wishing to defer connection must show proof that their on-site system was installed or repaired within 5 years and is functioning properly. The District may grant a deferral of connection for a period not to exceed five (5) years from the date of the District's issuance of the **Notice to Connect**. Deferral of connection will **NOT** defer payment of Project Cost which shall be due ninety (90) days following the issuance of the District's Notice to Connect.

SECTION 12 – ELECTION TO FINANCE PROJECT COST, CONNECTION FEE & TAP FEE

12.0 Property owners may elect to finance payment of the Project Cost, Connection Fee, and Tap Fee by agreeing to pay for such charges through the use of a surcharge as established in Section 12.1 of this Ordinance. The election to finance said fees shall be deemed made by the property owner if said fees have not been paid in full at the time of connection to the sanitary sewer system.

12.1 Property owner's electing to finance payment of his or her Project Cost, Connection Fee, and Tap Fee shall be imposed a monthly surcharge as set forth below which is the "Base Surcharge". The "Base Surcharge" for each person electing to finance the Project Cost, Connection Fee, and Tap Fee OR the Project Cost alone shall be at the rates set forth below and depending upon the financing period selected shall continue for a period of one of the following:

Financing of Project Cost, Connection Fee and Tap Fee:

Rates and financing periods are currently being determined and will be added as an Amendment to this Ordinance.

Financing of Project Cost Only (when Connection is deferred):

Rates and financing periods are currently being determined and will be added as an Amendment to this Ordinance.

12.2 Property owners may elect to pay off the balance due early with no pre-payment penalties.

12.3 A lien shall be place on the property to cover the cost of all charges financed. The lien shall be lifted upon full payment of all fees and charges.

SECTION 13 – PRE-TREATMENT

13.0 The District shall reserve the right to require pre-treatment facilities to be installed by the applicant if the District determines that such treatment is necessary to prevent problems within the District's system. All costs for pre-treatment shall be paid by the Applicant.

SECTION 14 – APPEALS

14.0 A decision made by the District Board under this Ordinance may be appealed to the District Board by submitting a written appeal within (10) days from the date of the decision. The written appeal should be addressed to the President of the HCRSD Board and sent by certified mail. In considering the appeal, the District Board may affirm, modify, extend, or overrule their initial decision in a manner that is consistent with the provisions of this Ordinance.

SECTION 15 – SEVERABILITY

15.0 If any Section, subsection, paragraph, clause, phase or provision of this Ordinance is for any reason held to be invalid, ineffective or unconstitutional by the final decision of any court of competent jurisdiction, the remainder thereof shall remain in force and effect, it being expressly hereby found and declared that the remainder of this Ordinance would have been adopted despite the invalidity of such section, subsection, paragraph, clause, phase or provision.

SECTION 16 – REPEAL OF CONFLICTING PROVISIONS AND ORDINANCES AND REGULATIONS

16.0 Any provision of an Ordinance or Regulation previously or now in existence which may be in conflict with this Ordinance is repealed as of the date this Ordinance takes effect. Nonetheless, it is not the intent of this Ordinance to repeal, amend or modify any

Ordinance or Regulation, including any definitions contained therein, unless such Ordinance or Regulation is in conflict with this Ordinance.

SECTION 17 – EFFECTIVE DATE

17.0 The provisions of this Ordinance shall be in full force and effect at the earliest date allowed by law.

DATED:_____

HARRISON COUNTY REGIONAL
SEWER DISTRICT

_____
Tom Tucker, President

_____
Darin Duncan, Secretary

_____
Gary Davis, Treasurer

_____
Tony Combs

_____
JR Eckart

_____
Dan Lee

_____
Bill Byrd

ATTEST:

_____
Christopher Byrd
District Attorney