ORDINANCE NO. HCRSD-2009-01

An ordinance establishing a schedule of rates and charges to be collected by the Harrison County Regional Sewer District from the owners of property in the Harrison County Hospital medical campus served by the sewage works of said District and other matters connected therewith.

WHEREAS, the Board of Trustees of the Harrison County Regional Sewer District heretofore approved plans, specifications and estimates and determined to establish, construct, equip, own, operate and maintain the sewage works provided for therein, pursuant to Chapter 284 of the Acts of the General Assembly of the State of Indiana for the year 1967 and all acts supplemental thereto, and

WHEREAS, it is necessary to establish a new schedule of rates and charges to produce sufficient revenue to pay expenses of maintenance and operation and to provide funds for necessary replacements and improvements to the sewage works, all in a manner in accordance with guidelines of the U.S. Environmental Protection Agency, and to pay the principal and interest on outstanding and proposed revenue bonds in accordance with the applicable bond ordinances,

WHEREAS, H.J. Umbaugh & Associates, LLP, Certified Public Accountants, the financial advisor to the District, has prepared a rate report concerning the proposed new rates and charges of the sewage works applicable to the Harrison County Hospital medical campus (the "Report"); and

WHEREAS, based upon the Report, the Board finds that the rates and charges set forth herein are based upon the cost of providing service to the customers of the sewage works in the Harrison County Hospital medical campus and will enable the District to meet its legal revenue requirements for the sewage works; now therefore

BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE HARRISON COUNTY REGIONAL SEWER DISTRICT

Section 1. Unless the context specifically indicates otherwise, the meaning of terms used in this ordinance shall be as follows:

(a) "Board" shall mean the Board of Trustees of the Harrison County Regional Sewer District, or any duly authorized officials acting on its behalf.

(b) "BOD" (or Biochemical Oxygen Demand) shall have the same meaning as defined in the Use Ordinance.

(c) "District" shall mean the Harrison County Regional Sewer District acting by and through the Board.

(d) "Debt service costs" shall mean the average annual principal and interest payments on all outstanding revenue bonds or other long-term capital debt.

(e) "Excessive strength surcharges" shall mean an additional charge which is billed to users for treating sewage wastes with an average strength in excess of "normal domestic sewage".

(f) "Industrial wastes" shall mean the wastewater discharges from industrial, trade or business processes as distinct from employee wastes or wastes from sanitary conveniences.

(g) "NPDES (National Pollutant Discharge Elimination System) Permit" shall have the same meaning as defined in the Sewer Use Ordinance.

(h) "TKN" (or total kjehdahl nitrogen) shall have the same meaning as defined in the Use Ordinance.

(i) "Normal domestic sewage" (for the purpose of determining surcharges) shall mean wastewater or sewage having an average daily concentration as follows:

CBOD not more than 250 mg/l
S.S. not more than 250 mg/l
TKN not more than 30 mg/l

As defined by origin, wastewaters from segregated domestic and/or sanitary conveniences as distinct from wastes from industrial processes.

(j) "Operation and maintenance costs" include all costs, direct and indirect, necessary to provide adequate wastewater collection, transport and treatment on a continuing basis and produce discharges to receiving waters that conform with all related Federal, State and local requirements. (These costs include replacement.)

(k) "Other service charges" shall mean tap charges, connection charges, area charges, and other identifiable charges, other than User Charges, debt service charges and excessive strength surcharges.

(l) "P" (or phosphorus) shall have the same meaning as defined in the Use Ordinance.

(m) "Person" shall mean any and all persons, natural or artificial, including any individual, firm, company, municipal or private corporation, association, society, institution, enterprise, governmental agency or other entity.

(n) "Replacement costs" shall mean the expenditures for obtaining and installing equipment, accessories or appurtenances which are necessary during the useful life of treatment works to maintain the capacity and performance for which such works were designed and constructed.

(o) "S.S." (or suspended solids) shall have the same meaning as defined in the Use Ordinance.

(p) "Shall" is mandatory; "May" is permissive.

(q) "Sewage" shall have the same meaning as defined in the Sewer Use Ordinance.

(r) "Sewer Use Ordinance" shall mean a separate and companion enactment to this Ordinance, which regulates the connection to and use of public and private sewers.

(s) "User Charge" shall mean a charge levied on users of the wastewater treatment works for the cost of operation and maintenance of such works pursuant to Section 204(b) of Public Law 92-500.

(t) "User Class" shall mean the division of wastewater treatment customers by source, function, waste characteristics, and process or discharge similarities (i.e., residential, commercial, industrial, institutional, and governmental in the User Charge System).

Residential User - shall mean a user of the treatment works whose premises or building is used primarily as a residence for one or more persons, including all dwelling units, etc.

Commercial User - shall mean any establishment involved in a commercial enterprise, business or service which, based on a determination by the District discharges primarily segregated domestic wastes or wastes from sanitary conveniences.

Institutional User - shall mean any establishment involved in a social, charitable, religious, and/or educational function which, based on a determination by the District, discharges primarily segregated domestic wastes or wastes from sanitary conveniences.

Governmental User - shall mean any Federal, State, or local governmental user of the wastewater treatment works.

Industrial User - shall mean any manufacturing or processing facility that discharges industrial waste to a publicly owned treatment works.

(u) "Wastewater Facilities" shall mean the structure, equipment, and processes required to collect, carry away, and treat domestic and commercial wastes and dispose of the effluent.

Section 2. Every person whose premises are served by said sewage works shall be charged for the services provided. These charges are established for each user class, as defined, in order that the sewage works shall recover, from each user and user class, revenue which is proportional to its use of the treatment works in terms of volume and load. User charges are levied to defray the cost of operation and maintenance (including replacement) of the treatment works. User charges shall be uniform in magnitude within a user class.

(a) User charges are subject to the rules and regulations adopted by the United States Environmental Protection Agency. Replacement costs, which are recovered through the system of user charges, shall be based upon the expected service life of the sewage works equipment.

(b) The various classes of users of the treatment works for the purposes of this Ordinance, shall be as follows:

Class 1. Residential
Class 2. Commercial
Class 3. Governmental/Institutional
Class 4. Industrial

Section 3. For the use of and the service rendered by said sewage works, rates and charges shall be collected from the owners of each and every lot, parcel of real estate or building that is connected with the District's sanitary system or otherwise discharges sanitary sewage, industrial wastes, water or other liquids, either directly or indirectly, into the sanitary sewerage system of the Harrison County Regional Sewer District in its Harrison County Hospital medical campus. Such rates and charges include User Charges, debt service costs, excessive strength surcharges and other service charges, which rates and charges shall be payable as hereinafter provided and shall be in an amount determinable as follows:

(a) Metered Water Users:

The sewage rates and charges shall be based on the quantity of water used on or in the property or premises subject to such rates and charges, as the same is measured by the water meter there in use, plus a base charge, except as herein otherwise provided. For the purpose of billing and collecting the charges for sewage service, the water meters shall be read monthly (or period equaling a month). The water usage schedule on which the amount of said rates and charges shall be determined is as follows:

1) Treatment Rate - per 1,000 gallons of usage per month:

	User Charge	Debt Service	Total
All users	$4.15	$0.00	$4.15

plus;

2) Base Rate - per month, as follows:

Meter Size	User Charge	Debt Service	Total
5/8 – 3/4 inch	$9.05	$0.00	$9.05
1 inch	20.00	0.00	20.00
2 inch	74.75	0.00	74.75
3 inch	169.65	0.00	169.65
4 inch	293.75	0.00	293.75
6 inch	666.05	0.00	666.05
8 inch	1,185.10	0.00	1,185.10

(b) Unmetered Water Users:

All unmetered users: Rates to be determined by the District on an individual basis by applying above rates to estimated usage.

(c) For the service rendered to the Harrison County Regional Sewer District, said District shall be subject to the same rates and charges hereinabove provided.

(d) In order to recover the cost of monitoring industrial wastes the Town shall charge the user the actual cost of monitoring but not less than $25 per sample. This charge will be reviewed and revised on the same basis as all other rates and charges in this ordinance.

Section 4. The quantity of water discharged into the sanitary sewerage system and obtained from sources other than the utility that serves the District shall be determined by the District in such manner as the District shall reasonably elect, and the sewage service shall be billed at the above appropriate rates; except, as is hereinafter provided in this section. The District may make proper allowances in determining the sewage bill for quantities of water shown on the records to be consumed, but which are also shown to the satisfaction of the District that such quantities do not enter the sanitary sewerage system.

(a) In the event a lot, parcel of real estate or building discharging sanitary sewage, industrial wastes, water or other liquids into the District sanitary sewerage system, either directly or indirectly, is not a user of water supplied by the water utility serving the District and the water used thereon or therein is not measured by a water meter, or is measured by a water meter not acceptable to the District then the amount of water used shall be otherwise measured or determined by the District. In order to ascertain the rate or charge provided in this ordinance, the owner or other interested party shall at his expense, install and maintain meters, weirs, volumetric measuring devices or any adequate and approved method of measurement acceptable to the District for determining of sewage discharge.

(b) In the event a lot, parcel of real estate or building discharging sanitary sewage, industrial wastes, water or other liquids in the District's sanitary sewerage system, either directly or indirectly, is a user of water supplied by the water utility serving the District, and in addition, is a user of water from another source which is not measured by a water meter or is measured by a meter not acceptable to the District, then the amount of water used shall be otherwise measured or determined by the District. In order to ascertain the rates or charges, the owner or other interested parties shall, at his expense, install and maintain meters, weirs, volumetric measuring devices or any adequate and approved method of measurement acceptable to the District for the determination of sewage discharge.

(c) In the event two or more residential lots, parcels of real estate, or buildings discharging sanitary sewage, water or other liquids into the District's sanitary sewerage system, either directly or indirectly, are users of water and the quantity of water is measured by a single water meter, then in each such case, for billing purposes, the quantity of water used shall be averaged for each user and the base charge and the flow rates and charges shall apply to each of the number of residential lots, parcels of real estate or building served through the single water meter.

(d) In the event a lot, parcel of real estate or building discharging sanitary sewage, industrial waste, water or other liquids into the District's sanitary sewerage system either directly or indirectly, and uses water in excess of 10,000 gallons per month, and it can be shown to the satisfaction of the District that a portion of water as measured by the water meter or meters does not and cannot enter the sanitary sewage system, then the owner or other interested party shall, at his expense, install and maintain meters, weirs, volumetric measuring devices or any adequate and approved method of measurement acceptable to the District for the determination of sewage discharge.

(e) In the event two (2) or more dwelling units such as mobile homes, apartments or housekeeping rooms discharging sanitary sewage, water or other liquids into the District's sanitary sewerage system, either directly or indirectly, are users of water and the quantity of water is measured by a single water meter, then in such case, billing shall be for a single service in the manner set out elsewhere herein. A dwelling unit shall be interpreted as a room or rooms or any other space or spaces in which cooking facilities are provided.

Section 5. In order that the rates and charges may reflect the costs of providing service rendered to users, the District shall base its charges not only on the volume, but also the strength and character of the stronger-than-normal domestic sewage and wastes which it is required to treat and dispose of. The District shall require the user to determine the strength and content of all sewage and wastes discharged, either directly or indirectly into the sanitary sewage system, in such manner and by such method as the District may deem practicable in order to determine the proper charge. The user shall furnish a central sampling point available to the District at all times.

(a) Normal domestic sewage waste strength should not exceed a carbonaceous biochemical oxygen demand of 250 milligrams per liter of fluid, suspended solids in excess of 250 milligrams per liter of fluid; or total kjehdahl nitrogen in excess of milligrams per liter of fluid. Additional charges for treating stronger-than-normal domestic waste shall be made on the following basis:

(1) <u>Rate Surcharge Based Upon Suspended Solids</u>

There shall be an additional charge of $0.27 cents per pound of total suspended solids for total suspended solids received in excess of 250 milligrams per liter of fluid.

(2) Rate Surcharge Based Upon CBOD

There shall be an additional charge of $0.26 cents per pound of carbonaceous biochemical oxygen demand for CBOD received in excess of 250 milligrams per liter of fluid.

(3) Rate Surcharge Based Upon TKN

There shall be an additional charge of $0.06 cents per pound of total kjehdahl nitrogen for TKN received in excess of 30 milligrams per liter of fluid.

Section 6. Such rates and charges shall be prepared, billed and collected by the District in the manner provided by law and ordinance.

(a) The rates and charges for all users shall be prepared and billed monthly.

(b) The rates and charges may be billed to the tenant or tenants occupying the properties served, unless otherwise requested in writing by the owner, but such billing shall in no way relieve the owner from the liability in the event payment is not made as herein required. The owners of properties served, which are occupied by a tenant or tenants, shall have the right to examine the collection records of the District for the purpose of determining whether bills have been paid by such tenant or tenants, provided that such examination shall be made at the office at which said records are kept and during the hours that such office is open for business.

(c) As is provided by statute, all rates and charges not paid when due are hereby declared to be delinquent and a penalty of ten percent (10%) of the amount of the rates or charges shall thereupon attach thereto. The time at which such rates or charges shall be paid is now fixed at fifteen (15) days after the date of mailing of the bill.

Section 7. In order that the rates and charges for sewage services may remain fair and equitable and be in proportion to the cost of providing services to the various users or user classes, the District shall cause a study to be made within one year following the date on which this ordinance goes into effect and at least biennially thereafter. Such study shall include, but not be limited to, an analysis of the costs associated with the treatment of excessive strength effluents from industrial users, volume and delivery flow rate characteristics attributed to the various users or user classes, the financial position of the sewage works and the adequacy of its revenue to provide reasonable funds for the operation and maintenance, replacements, debt service requirements and capital improvements to the waste treatment systems. The District shall adjust its rates and charges to reflect the results of the study.

Thereafter, on a biennial basis, within a reasonable period of time following the normal accounting period, the District shall cause a similar study to be made for the purpose of reviewing the fairness, equity and proportionality of the rates and charges for sewage services on a continuing basis. Said studies shall be conducted by officers or employees of the District, or by a firm of certified public accountants, or a firm of consulting engineers which firms shall have experience in such studies, or

by such combination of officers, employees, certified public accountants, or engineers as the District shall determine to be best under the circumstances. The District shall, upon completion of said study revise and adjust the rates and charges, as necessary in accordance therewith in order to maintain the proportionality and sufficiency of the rates.

Section 8. The District shall make and enforce such by-laws and regulations as may be deemed necessary for the safe, economical and efficient management of the District's sewerage system, pumping stations and sewage conveyance system, for the construction and use of house sewers and connections to the sewerage system, and for the regulation, collection, rebating and refunding of such rates and charges.

The District is hereby authorized to prohibit dumping of wastes into the District's sewage system which, in its discretion, are deemed harmful to the operation of the sewage treatment works of the District or to require methods affecting pretreatment of said wastes to comply with the pretreatment standards included in the National Pollution Discharge Elimination System (NPDES) permit issued to the sewage works.

Section 9. 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.

Section 10. That the rules and regulations promulgated by the District, after approval of the Board of Trustees shall, among other things, provide for an appeal procedure whereby a user shall have the right to appeal a decision of the Administrator of the user charge to the Board of Trustees and that any decision concerning user charges of the Board of Trustees may be appealed to a court of competent jurisdiction under the Appeal Procedures provided for in the Indiana Administrative Adjudication Act.

Section 11. The Board is hereby further authorized to enter into special rate contracts with customers of the sewage works where clearly definable cost to the sewage works can be determined, and such rate shall be limited to such costs. Said contract shall be in compliance with Public Law 92-500 and 95-217.

Section 12. The Board shall not grant free service or use of the sewage treatment system to any person, group or entity. It is not necessary for an area or parcel of real estate to be annexed to the District to receive sewage treatment.

Passed and adopted by the Board of Trustees of the Harrison County Regional Sewer District on the 1st day of April, 2009.

Board of Trustees
Harrison County Regional Sewer District

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Attest:

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Christopher Byrd
Board Attorney