

**ORDINANCE NO. 1532**

**AN ORDINANCE ESTABLISHING SEWER USER CHARGES, SEWER CONNECTION FEES AND MINIMUM BILLINGS; ESTABLISHING SEWER SERVICE FEES OUTSIDE THE CITY LIMITS; REPEALING ORDINANCE NO. 1205 PASSED MARCH 1, 1994, ORDINANCE NO. 1345 PASSED AUGUST 5, 2003, AND ORDINANCE NO. 1357 PASSED APRIL 6, 2004, OF THE CITY OF COLBY, COUNTY OF THOMAS, STATE OF KANSAS.**

**WHEREAS**, the City of Colby, County of Thomas, Kansas, has in existence a wastewater treatment works; and

**WHEREAS**, the City must pay all expenses associated with said treatment works and charge the users of said treatment works accordingly;

**NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY, OF THE CITY OF COLBY, THOMAS COUNTY, KANSAS, THAT THE FOLLOWING USER CHARGE SYSTEM BE ESTABLISHED:**

**SECTION 1. NEED FOR CHARGES.** 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, maintaining, replacing, extending, expansion, and debt retirement for such public wastewater treatment works.

**SECTION 2. DEFINITIONS.** Unless the context specifically indicates otherwise, the meaning of terms used in this Ordinance shall be as follows:

- (A) Biochemical Oxygen Demand (BOD). The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at 20° centigrade expressed in terms of weight and concentration milligrams per liter (mg/l).
- (B) Normal Domestic Wastewater. Wastewater that has a BOD concentration of not more than 250 mg/l, a suspended solids concentration of not more than 250 mg/l and a fat, oil, or grease concentration of not more than 100 mg/l.
- (C) Operation and Maintenance. All expenditures during the useful life of the treatment works for materials, labor, utilities, and other items which are necessary for managing and maintaining the treatment

works to achieve the capacity and performance for which such works were designed and constructed.

- (D) 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. The term "operation and maintenance" includes replacement.
- (E) Residential Contributor. Any contributor to the City's treatment works whose lot, parcel of real estate, or building is used for domestic dwelling purposes only.
- (F) Shall is mandatory; May is permissive.
- (G) Suspended Solids (SS). Total suspended matter that floats on the surface of, or is suspended in, water, wastewater, or other liquids and which is removable by laboratory filtering.
- (H) 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, wastewater collection systems, individual systems, pumping, power, and other equipment and their appurtenances; extension, 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 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.
- (I) Useful Life. The estimated period during which a treatment works will be operated.
- (J) User Charge. The wastewater service charge which is levied in a proportional and adequate manner for the cost of operation, maintenance, replacement, extension and debt retirement of the wastewater treatment works.

- (K) Water Meter. A water volume measuring and recording device, furnished and/or installed by the City of Colby or furnished and/or installed by a user and approved by the City of Colby.

**SECTION 3. GENERATE ADEQUATE REVENUE.** The user charge system shall generate adequate annual revenues to pay costs of annual operation and maintenance including replacement and extension and costs associated with debt retirement of bonded capital associated with financing the treatment works and improvements.

**SECTION 4. SEWAGE DISPOSAL UTILITY FUND.** The revenue derived from the charges for the use of the treatment works shall be placed in the city treasury and kept in a separate non-lapsing fund known as the Sewage Disposal Utility Fund, and shall not be paid out nor distributed except for the purpose of operating, maintaining and renewing the treatment works and the payment of the salaries of the employees engaged in operating said treatment works, and at any time there may be a surplus in such fund, it shall be semi-annually placed in a sewage Disposal Depreciation Reserve Fund for the purpose of retiring the bonded indebtedness upon said treatment works, not primarily payable by special assessments against the property in a sewer district; provided, in the event that said Sewage Disposal Depreciation Reserve Fund shall be used to retire such outstanding bonds, the same shall be in addition to the money derived by the taxation for said retirement of such bonds as is now provided by law; provided further, that when the Sewage Disposal Depreciation Reserve Fund is not needed for any of the above mentioned purposes, said funds may be merged into the City's General Operating Fund.

**SECTION 5. INACTIVE FUNDS; DEFINITION; INVESTMENT.** Funds in the Sewage Disposal Utility Fund which are not immediately required for the purpose of paying the cost of operation, maintenance, alteration, reconstruction, repair, improvement, extension or enlargement of the treatment works, and which are in excess of the amount required for the payment of one year's principal and interest in addition to the current year's principal and interest upon the revenue bonds issued on account of the construction and enlargement of said facility, are hereby declared to be inactive funds and the City Clerk/Finance Director of the City of Colby, Kansas is hereby authorized to invest said inactive funds in direct obligations of the United States government which mature or are redeemable without loss of principal within one year from the date of purchase, and the principal and interest whereof are guaranteed by the government of the United States, or to invest said inactive funds in the temporary notes of the said city issued pursuant to 10-123 of K.S.A.

**SECTION 6. INTEREST RECEIVED.** All interest derived from the investment of such inactive funds shall be placed in and become a part of the regular Sewage Disposal Utility Fund.

**SECTION 7. INACTIVE FUNDS. PART OF SEWAGE DISPOSAL UTILITY FUND.** The inactive funds so invested shall at all times remain in and a part of the Sewage Disposal Utility Fund and be subject to the provisions of Article 12, Chapter 10 of K.S.A. and to the requirements of all revenue bonds issued on account of the construction, enlargement, extension or improvement of said sewage disposal plant.

**SECTION 8. SEWER SERVICE CHARGES.** Each user shall pay for the services provided by the City based on his/her use of the treatment works as determined by water meter(s) acceptable to the City.

- (A) For residential contributors, monthly user charges will be based on average monthly water usage during the months of December, January, and February. If a residential contributor has not established a December, January, and February average, the monthly user charge shall be the average charge of all other residential contributors.
- (B) For industrial and commercial contributors, user charges shall be based on water used during the current month. If a commercial or industrial contributor has a consumptive use 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(s) or separate water meter(s) installed and maintained at the contributor's expense, and in a manner acceptable to the City, or by filing a detailed report with the City and approved by the City which clearly indicates the expected amount of wastewater to be sewered.
- (C) For contributors located within the city limits, the consumer charge per month shall be \$23.00 for the first 2,000 gallons of water used. In addition, each contributor shall pay a user charge rate or commodity charge of \$3.42 per 1000 gallons of water above 2,000 gallons for operation, maintenance, replacement, extension and debt retirement with the quantity of water to be as determined in sections 8(A) and 8(B) of this Ordinance. No user shall pay less than \$23.00 in any month. For contributors located outside the city limits, the charges shall be twice the charges for contributors located within the city limits.
- (D) Any user which discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge from the City's treatment works, or any user which discharges any substance which singly or by interaction with other substances causes identifiable increases in the cost of operation, maintenance, or replacement of the treatment works, shall pay for such increased costs. The charge to each such user will be as determined by the treatment plant operator personnel and approved by the City Manager. This

charge will be in addition to the standard user charges as established in Article 8(C) of this Ordinance.

**SECTION 9. SEWER CONNECTION AND TAP FEES.**

- (A) Anyone making a connection to a City sewer shall be charged a connection and a tap fee as established by this Ordinance.
- (B) If the City extends the sewer system to accommodate the connection of the facilities, the owner or developer shall pay the actual cost of such extension in addition to the applicable connection charges.
- (C) Connection charges shall be at the rate of \$1.56 per gallon per average day of wastewater allowance from the property being served to go toward later expansion of the treatment plant when it becomes necessary. The flow upon which the connection charge is based shall be calculated by application of the following:

	<u>Facility Type</u>	<u>Unit Flow</u>
1)	Residential one-family dwelling	750 gallons per day per acre of land area
2)	Residential two-family dwelling	1,500 gallons per day per acre of land area
3)	Apartments	0.10 gallons per day per square foot of finished floor space
4)	Commercial:	
	a. Small stores, offices and miscellaneous businesses excluding carwashes, laundromats and other facilities where the quantity of sewered water is a major consideration	0.10 gallons per day per square foot of finished floor space
	b. Shopping centers	0.10 gallons per day per square foot of finished floor space

- 5) Industrial:
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| a. | Light industry,<br>excluding wet industry<br>and where the quantity<br>of sewerage water is a<br>major consideration | 0.14 gallons per day per<br>square foot of finished<br>floor space |
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Average daily flows for areas to be served but which are not included in the above categories shall be as determined by the City Manager or his/her representative.

- (D) The minimum fee based on the above shall be \$100.00.
- (E) The connection charge shall be paid prior to the connection to the main sewer line being completed.
- (F) Any connection made to an existing sewer will be made by the City and the customer will be charged a tap fee of \$100.00 in addition to the connection fee as established in Article 9(C) of this Ordinance.

**SECTION 10. BILLING.** All users shall be billed monthly. Billings for any particular month shall be made within thirty days after the end of that month. Payments are due when the billings are made.

**SECTION 11. FAILURE TO PAY. LIENS.** In the event any person, firm, or corporation, using said treatment works, neglects, fails or refuses to pay the charges fixed by said governing body, said person, firm, or corporation shall not be disconnected from said treatment works or refused the use thereof, but said charges due therefore, shall be by the City Clerk certified to the County Clerk of Thomas County, Kansas, to be placed on the tax roll for collection, subject to the same penalties and collected in like manner as other taxes are by law collected, and shall become a lien upon the real property so served.

**SECTION 12. USER CHARGE SYSTEM REVIEW.** The City will review the user charge system at least every two years, specify and revise user charge rates in order that the system generates adequate revenues to pay the costs of operation, maintenance, replacement, extension and debt retirement and that the system continues to provide for the fair and equitable distribution of same costs among users and user classes.

**SECTION 13. REPEALER.** Ordinance No. 1205 passed March 1, 1994, Ordinance No. 1345 passed August 5, 2003, and Ordinance No. 1357 passed April 6, 2004 are hereby repealed.

**SECTION 14.** This Ordinance shall take effect and be in force from and after December 21, 2013.

**PASSED** by the Governing Body and approved by the Mayor this 3<sup>rd</sup> day of December, 2013.

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Gary L. Adrian, Mayor

ATTEST:

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Joni L. Ketchum, City Clerk

SEAL