ORDINANCE NO. 187

AN ORDINANCE ESTABLISHING THE RATES FOR SERVICES TO BE FURNISHED BY THE SEWER SYSTEM OF THE CITY OF TONTITOWN, ARKANSAS, AND FOR OTHER PURPOSES

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF TONTITOWN, ARKANSAS

ARTICLE I

Section 1: The City hereby establishes as rates, to be charged for sewer services furnished by the City's system, which the City Council finds and declares to be reasonable and necessary, to be charged to all users who contribute wastewater to the Tontitown Water And Sewer Commission treatment works. The proceeds of such charges so derived will be used for the purpose of operating and maintaining, including replacement (OM&R), the public wastewater treatment works. (Replacement is defined as expenditures for obtaining and installing equipment, accessories or appurtenances during the useful life of the treatment works necessary to maintain the capacity and performance for which they were designed and constructed.)

All users of the municipally owned wastewater treatment system shall be charged \$4.55 per 1,000 gallons of metered water consumption for operation and maintenance including replacement. In the case of users not on a metered basis, the utility superintendent shall establish water consumption based on a comparison of the non-metered user with a metered user of similar class. Example: a non-metered family of four will be compared to a typical family of four with a water meter to establish water consumption.

All sewer users shall be classified by the Tontitown Water And Sewer Commission as residential, commercial or industrial.

User Charge Methodology:

Total annual OM&R cost in dollars per 1,000 gal. = \$4.55

Total annual OM&R \$134,090.00 (No. of 1,000 gal. sold annually)

Section 2: Excessive Strength Charges

For any user, when the BOD exceeds 250 mg/l, the suspended solids exceed 250 mg/l, or when other pollutant concentrations exceed the range of concentrations of these pollutants in normal domestic sewage, a surcharge shall be added to the basic charge. This surcharge shall be calculated by the following formula:

Cs (Bc(B) + Sc(S) + Pc(P)) Vu

Symbols and Definitions:

Cs = A surcharge for wastewaters of excessive strength

Bc = O&M cost for treatment of a unit of biochemical oxygen demand (BOD)

B = Concentration of BOD from a user above a base level

Sc = O&M cost for treatment of a unit of suspended solids (SS)

S = Concentration of SS from a user above a base level

Pc = O&M cost for treatment of a unit of any pollutant

P = Concentration of any pollutant from a user above a base level

Vu = volume contribution from a user per unit of time

* Maximum limit for average domestic waste.

Section 3: Charges for Extraneous Flows

The costs of operation and maintenance for all flows not directly attributable to users (such as Infiltration/Inflow) shall be distributed among users on the same basis as operation and maintenance charges.

Section 4: Toxic Pollutants Charges

Each user that discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge of the treatment works shall pay for such increased costs.

Section 5: Debt Service

(\$10.45 monthly debt service to pay outstanding debt)

Section 6: Total User Charge

Minimum bill per user for 1,000 gallons = OM&R for 1,000 gal.(\$4.55) + Debt Service (\$10.45) = \$15.00

Section 7: Billing

Users will be billed on a monthly basis with payment due ten (10) days after the date of billing. Users on metered water service will be billed on the same notice as water charges and will

be designated as a separate entry. Users of the wastewater system not on metered water service will be billed monthly on an individual notice for wastewater service at the rate established by the utility. Users with delinquent accounts of ten (10) days will be notified in writing by the utility where, during which hours of the day, and before whom disputed bills appropriately may be considered.

If the user waives the opportunity to be heard, the water and/or wastewater services will be discontinued until such bill is paid.

Section 8: Records

A financial management system shall be established and maintained by the City of Tontitown to document compliance with Federal regulations pertaining to the Revolving Loan. The system will account for all revenues generated and expenditures for operation and maintenance and replacement.

ARTICLE II

Section 1: Review and Revision

The Tontitown Water And Sewer Commission will review the user charges at least annually and revise the rates as necessary to ensure that adequate revenues are generated to pay the costs of operation and maintenance including replacement and that the system continues to provide for the proportional distribution of operation and maintenance including replacement costs among users and user classes.

Section 2: Notification

Each user shall be notified at least annually, in conjunction with the regular bill, of the sewer use rate and the portion of the user charges which are attributable to wastewater treatment. Costs shall be broken down to show the operation and maintenance costs attributable to that user.

ARTICLE III

Section 1: Any user who feels his user charge is unjust and inequitable may make written application to the Tontitown Water And Sewer Commission requesting a review of his user charge. Said written request shall, where necessary, show the actual or estimated average flow and/or strength of his wastewater in comparison with the values upon which the charge is based, including how the measurements or estimates were made.

Section 2: Review of the request shall be made by the Tontitown Water And Sewer Commission and if substantiated, the user charges for that user shall be recomputed based on the revised flow and/or strength data and the new charges shall be applicable to the next billing cycle/period.

ARTICLE IV

All ordinances or parts of ordinances in conflict herewith are hereby repealed. 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.

The user charge system shall take precedence over any terms or conditions of agreements or contracts between the City of Tontitown and any of the users which are inconsistent with applicable Federal regulations regarding user charge systems.

Passed and adopted by the City Council of the City of Tontitown, State of Arkansas, on the day of October, 2004.

APPROVED:

Daniel R. Watson, Mayor

ATTEST:

Frances Franco, Recorder/Treasurer

APPROVED AS TO FORM:

R. Jeffrey Reynerson, City Attorney

ROLL CALL

Names Of Those Voting YEA

Leon Zulpo

Arthur Penzo

Henry Piazza

Kenneth Green

Vanessa Sbanotto

Absent:

Kenneth Robertson

Names Of Those Voting NAY