

ARTICLE D

Sewer Use Charge System

SEC. 5-3-40 DEFINITIONS; PURPOSE OF SEWER USER CHARGE SYSTEM.

- (a) DEFINITIONS. The following terms shall have the following meanings under this Article:
- (1) Debt Service Charges shall include all costs associated with repayment of debts incurred for the construction and/or rehabilitation of the wastewater collection system and treatment facility.
 - (2) Normal Domestic Strength Wastewater shall mean wastewater with concentrations of BOD₅ and suspended solids no greater than two hundred (200) and two hundred fifty (250) milligrams per liter (mg/l) respectively.
 - (3) Normal User shall be a user whose contributions to the wastewater treatment facility consist only of normal domestic-strength waste originating from a house, apartment, flat, or other living quarters occupied by a person or persons constituting a distinct household, business or commercial enterprise.
 - (4) Operation and Maintenance Costs shall include all costs associated with the operation and maintenance of the wastewater collection and treatment facilities. These costs, including costs associated with extraneous (clear water) flows, shall be divided proportionately among the various sewer users according to their equivalent user factors.
 - (5) Replacement Costs shall include all costs associated with establishing a fund to accumulate the necessary resource to replace equipment as required to maintain capacity and performance during the design life of the facility.
 - (6) Sewer Service Charge is a service charge levied on users of the wastewater collection and treatment facilities for payment of capital expenses as well as the operation and maintenance costs, including replacement of said facilities.
- (b) POLICY. It shall be the policy of the Village to obtain sufficient revenues to pay the cost of:
- (1) the annual debt retirement payment on any bonded indebtedness,
 - (2) any required cash reserve account payment, and
 - (3) operation and maintenance of the sewage works, including a replacement fund (i.e., a cash account to be used for future expenditures for obtaining or installing equipment, accessories or appurtenances which are necessary to maintain the capacity and performance of the sewage works during the service life for which such works were designed and constructed), through a system of user charges as defined in this Section. The system shall assure that each user of the sewage works pays a proportionate share of the cost of such works. Any excess revenue collected from a user class for Operation, Maintenance, and Replacement costs will be applied to that class for the following year.

SEC. 5-3-41 BASIS FOR SERVICE CHARGE.

- (a) BASIS FOR SERVICE CHARGE. The minimum quarterly billing shall be sufficient to pay the billing and customer related administration expenses. A portion of the debt service may be budgeted by levying an ad valorem tax in accordance with State Statutes. The unit price per volume shall be sufficient to pay the remaining annual cost of operation and maintenance, including any replacement fund, of the sewerage facilities. The method for determining the user charges is given in the User Charge

System. The Village Board shall provide the initial estimates of number of users, costs, etc., to calculate the first year's user charges. The rates in this Chapter shall be reviewed not less than biennially. Such review shall be performed by the Village Board and Utilities Commission. Rates shall be adjusted, as required, to reflect actual number and size of users and actual costs. Users will be notified annually of the portion of service charges attributable to operation and maintenance.

- (c) **SEWER SERVICE CHARGES.** A sewer service charge is hereby imposed upon each lot, parcel of land, building, or premise served by the public sewer and wastewater facilities or otherwise discharging sewage, including industrial wastes, into the public sewer and wastewater facilities.

SEC. 5-3-42 DETERMINATION OF USER CHARGES.

- (a) User charges shall consist of:
- (1) a minimum quarterly billing, on the basis of water meter size, and
 - (2) a unit price per volume of water utilized.
- (b) The minimum quarterly billing shall be sufficient to pay the annual debt retirement and FMHA Reserve Account costs. A portion of the debt service and Reserve Account may be budgeted by levying an ad valorem tax in accordance with State Statutes. The unit price per volume shall be sufficient to pay the annual cost of operation and maintenance, including any replacement fund, of the sewage works.
- (c) Water meter readings shall be used to determine the actual water volume used. The unit price portion of the third quarter (i.e., July-September) sewer bill will be based on the average volume of water used during the previous second, first and fourth quarter, except that no "zero" usage quarter will be averaged. All other quarterly sewer bills will be based on actual water used. If a portion of the water furnished to any customer is not discharged into the sewer system, the quantity of such water will be deducted in computing the charge for sewer service, provided a meter has been installed to measure such water. The customer must at his own expense make necessary changes in the water piping and install couplings so that a meter can be set.

SEC. 5-3-43 WHERE METER READINGS CANNOT BE MADE.

Where it is not possible to obtain a water meter reading, the customer shall be assigned an average water volume by the Village, based on previous meter readings, and this shall be so stated on the bill. The difference shall be adjusted when the meter is again read. Where no water meter exists, the Village shall require installation of a water meter on the source of water supply whether public or private, except in the case of residential users only where the Village may at its option bill instead at a fixed rate established on the basis of fifteen thousand (15,000) gallons per quarter water use until such time as a water meter may be installed by the user or required by the Village.

SEC. 5-3-44 SEWER RATES.

- (a) There shall be charged to each user of the sewer system a sewer charge as follows:
- (1) Residential and Small Commercial Service (Sewer). Availability. Available to residential and small commercial sewer customers; also industrial customers discharging domestic sewage only. Rates: Minimum charge each quarter: Commercial and Residential — Twenty-five (\$25.00) Dollars.

- (2) Industrial. Minimum charge for treatment of industrial wastes to be set by individual contract.
- (b) Bills for sewer service shall be rendered quarterly and become due and payable on the first of the month following the period for which service is rendered. A late payment charge of one and one-half (1-1/2%) percent per month shall be added to bills not paid within twenty (20) days of issuance. This late payment charge shall be applied to the total unpaid balance for utility service, including unpaid late payment charges. The late payment charge is applicable to all customers. The utility customer may be given a written notice that the bill is overdue no sooner than twenty (20) days after the bill is issued. A Five (\$5.00) Dollars charge will be made for processing checks that have been returned for insufficient funds. Sewerage service charges shall be a lien on the property served in accordance with Sec. 66.076, Wis. Stats. A failure to receive a bill shall not be an excuse for non-payment.
- (c) A charge of One Hundred (\$100.00) Dollars will be collected in advance for restoring service after service has been shut off for nonpayment.

SEC. 5-3-45 DISPOSITION OF REVENUE.

The amounts received from the collection of charges authorized by this Chapter shall be credited to a sanitary sewerage account which shall show all receipts and expenditures of the sewerage system. Charges collected for replacement expenses shall be credited to a segregated, nonlapsing replacement account. These funds are to be used exclusively for replacement. When appropriated by the Village Board, the credits to the sanitary sewerage account shall be available for the payment of the requirements for operation, maintenance, repairs, and depreciation of the sewerage system consistent with 40 CFR 35.929. Any surplus outside the preview of 40 CFR 35.929, in said account, shall be available for the payment of principal and interest of bonds issued and outstanding, or which may be issued, to provide funds for said sewerage system, or part thereof, and all or a part of the expenses for additions and improvements and other necessary disbursements or indebtedness, and the Village Board may Resolve to pledge each surplus or any part thereof for any such purpose. All present outstanding sewer system general obligation bonds, including the refunding bonds, shall be paid from this fund as to both principal and interest.

SEC. 5-3-46 ADDITIONAL CHARGES.

Additional charges shall be imposed upon each lot, parcel of land, building, or premises served by public sewer and wastewater facilities located outside the boundaries of the Village to equalize local capital costs. Such additional charges shall result in a minimum charge for each user according to the schedule for debt repayment from utility revenues. Such additional charges shall be added to the sewer bill for each billing period.

SEC. 5-3-47 EXCESS REVENUES.

Excess revenues collected from a user class will be applied to operation and maintenance costs attributable to that class for the next year.

SEC. 5-3-48 DAMAGE RECOVERY.

The system shall have the right of recovery from all persons, any expense incurred by said system for the repair or replacement of any sewer pipe damaged in any manner by any person by the performance of any work under their control, or by any negligent act.

SEC. 5-3-49 RESERVED.