

CHAPTER 10.01

REGULATIONS FOR SEWER AND WATER, PUBLIC UTILITY VOLUME USAGE FEES, AND SERVICE CHARGES

Section 1. Application. This ordinance hereinafter shall set forth service charges and volume usage fees for every person owning or occupying any property connected to the City of Howard Lake sewer and water system.

Section 2. Water and Sewer Service Charges and Volume Usage Fees. For the purpose of providing funds to support the cost of operating and maintaining the water facilities and sewage disposal plant and facilities connected therewith, and the payment of capital charges represented by bonds, certificate of indebtedness, or other obligations, and to the payment of requirements for replacements and obsolescence thereof, there is hereby levied and assessed upon each property or building served by the public water sewage system of the City, a utility service charge payable as hereinafter provided, and in amounts determined as follows:

Subdivision 1. Service Charges for Residential Users. For every property or building connected or discharging into the water and sewer system and used as a residence property, the sum of an amount determined by City Council resolution shall be paid per month for each such residence; provided that when any building shall be designed for use by more than one family (including but not limited to duplex, apartments, etc.), a water service base rate and a sewer service base rate charge in the sum of an amount determined by City Council resolution shall be charged per month for each unit in a building. The City Council shall have the power to increase or decrease all service charges herein provided for whenever necessary or advisable.

Subdivision 2. Service Charges for Non-residential Users. For every property or building used for commercial, manufacturing or industrial operations or processes, for the conduct of any business, as an office building, school, or other public building, or for any purpose not specifically enumerated herein, discharging sanitary sewage, industrial wastes, water or other liquids into the sewer of the City, the water service base rate and sewage service base rate in the sum of an amount determined by City Council resolution shall be charged per month and based upon a formula using a residential equivalency factor (REF). The City Council shall have the power to classify the sewage disposal into the system according to its concentration and cost of disposal, and fix such just and reasonable fees and charges for the disposal according to such classification, and shall have power to increase or decrease all service charges herein provided for whenever necessary or advisable.

- a. Residential Equivalency Factor. The standard monthly usage for residential properties shall be deemed to be 4,500 gallons. The REF is defined as the property's average monthly water and/or sewer usage over a 12-month period spanning from January 1st through December 31 divided by 4,500 gallons. The REF will be rounded to the nearest whole number from .5 units. The service base rate will be multiplied by the REF to determine the total base rate.

The REF for each property will be updated once per year on January 1 based on the average usage of such property over the previous 12 months.

Example formula:

Property's average monthly usage/4,500 = Residential Equivalency Factor (REF)

12,000/4,500 = 2.67 REF (Rounds up to 3)

Base Rate x REF = Total Base Rate \$26.88 x 3 = \$80.64 Total Base Rate

Subdivision 3. Volume Usage Fees. Water and Sewer Volume Usage Fees shall be charged at an amount per 1000 gallons used and which the amount is determined from time to time by resolution of the City Council duly enacted, and volume usage fees shall be payable at the times and upon the conditions set forth hereinafter in this ordinance. Water and sewer charges shall be based on actual water used as shown on the City water meter installed on the premises, provided, however, that:

- A. Where a water meter is not functioning properly, the City may use the meter reading for the same month or months in the most recent year when the water meter was functioning properly.
- B. Sewer volume usage fees for residential properties shall be based on the average monthly water use for such property during the most recent months of January, February and March. For residential properties connecting to the City's water system for the first time, sewer usage shall be initially billed at 2,000 gallons per month until such time as usage data for a January to March period at the property can be obtained. Once actual January to March usage data is obtained, the average monthly usage for such January to March period shall be used to calculate sewer usage for the prior months and the previous billings shall be adjusted accordingly.

Section 4. Payment of Water and Sewer Charges. The City Clerk or appointee shall compute the amount due to the City for such water and sewer service charges, volume usage fees and repair charges and render a statement thereof monthly to the property owner of the serviced property, such statements to be rendered on or about the twentieth day of the month and to be payable at the City Offices on or before the fifteenth day of the following month. Penalties for non-payment will be applied on the twentieth day of the month immediately following the billing month.

Section 5. Delinquent Accounts

Subdivision 1. Late Payments. There shall be a late fee added to each bill not paid on or before the due date as described above. The late fee that shall be added to the bill is 1% of the amount billed.

Subdivision 2. Shut-off for Nonpayment. Accounts with balances more than 60 days past due shall be considered delinquent. The property owner and/or occupant will receive notices of delinquency that indicate that water will be turned off at the curb box 14 days following the notification unless a payment to cover the delinquent charges is made or a payment plan is arranged.

Subdivision 3. Restoring Service. In the event that water is turned off for non-payment of water or sewer charges, it shall not be turned on again until the customer has made a payment to cover the delinquent charges together with a disconnect charge and a connection charge in amounts set by the City Council.

Section 6. Meter Reading. A meter reading shall be submitted on or before the 15th of each month. The City shall charge a No Read Fee on the next month's bill for all accounts that have not submitted a meter reading by the 15th. Such fee shall be determined by the City Council.

Subdivision 1. Delinquent Meter Readings. Accounts that have not submitted a meter reading in 90 days or more shall be considered to have delinquent meter readings. The City shall charge a delinquent meter reading fee on each successive bill until a meter reading is submitted. Such fee shall be determined by the City Council.

The City shall reserve the right to request access to enter any property with delinquent meter readings to read a meter. The City shall charge a fee for all meter readings it gathers and such fee shall be determined by the City Council.

Section 7. Assessment of Unpaid Charges Against Property. Each charge so made for water, sewer, or other related services, is hereby made a charge upon the property served by connection with the City water and sewer system. Unpaid charges on sewer and water accounts shall not be certified to the county auditor until notice and an opportunity for a hearing have been provided to the owner of the premises involved.

Subdivision 1. Notice of Assessment. On or before May 1st and November 1st, in each year the City Clerk or appointee shall send a statement of all water and sewer charges which are more than 60 days past due to the owner or occupants of the premises involved by regular or certified mail. The notice shall state that if payment is not made before the date for certification, the entire amount unpaid plus penalties in an amount determined by the City Council will be certified to the county auditor for collection as other taxes are collected. The notice shall also state that the occupant may, before such certification date, attend or schedule a hearing on the matter to object to certification of unpaid utility charges.

Subdivision 2. Certification Hearing. A hearing shall be held on the matter by the City Council. Property owners with unpaid utility charges shall have the opportunity to object to the certification of unpaid charges to be collected as taxes are collected. If, after the hearing, the City Council finds that the amounts claimed as delinquent are actually due and unpaid and that there is no legal reason why the unpaid charges should not be certified for collection with taxes in

accordance with this ordinance, the City may certify the unpaid charges to the county auditor for collection as other taxes are collected. The City Clerk in so certifying shall specify the amounts due, the description of the premises served, and the names of the owners thereof. Nothing in this Ordinance shall be held or construed as in any way stopping or interfering with the right of the City to levy as taxes or assessments against any property affected by any delinquent or past due sewer or water service charges.

Subdivision 3. Lien on the Property. All amounts due arising from the use of City utilities shall be deemed a lien on the property to which such utilities were provided pursuant to the authority of Minnesota Statute §§ 514.67 and 444.075.

Section 9. Civil Action. The City may, at its discretion, file suit in a civil action to collect such amounts, as are delinquent and due against the occupant, owner, or user of the real estate, and shall collect as well all attorney's fees incurred by the City in filing the civil action. Such attorney's fees shall be fixed by order of the court.

Section 10. Interest Upon All Unpaid Balances. In addition to all penalties and costs attributable and chargeable to recording notices of the assessment/lien or filing a civil action, the owner or user of the real estate being served by sewer and/or water shall be liable for interest upon all unpaid balances at the rate of 12% per annum.

Section 11. Penalty Provision. Any person, firm or corporation convicted of violating any provision of this ordinance is guilty of a misdemeanor.