

ORDINANCE NO. 113  
CITY OF GLYNDON, MINNESOTA

AN ORDINANCE ESTABLISHING A SEWER SERVICE CHARGE  
SYSTEM FOR THE CITY OF GLYNDON, MINNESOTA

October, 1990  
Revised May, 1992

An Ordinance providing for Sewer Service Charges to recover costs associated with:

- 1) Operation, maintenance, and replacement to ensure effective functioning of the City's Wastewater Treatment System.
- 2) Local capital costs incurred in the construction of the City's wastewater treatment system.

ARTICLE I

Definitions

Unless the context specifically indicates otherwise, the meaning of the terms used in this ordinance shall be as hereafter designated:

- Sec. 1 "Administration Charge" - A charge to recover those fixed costs attributable to administration of the wastewater treatment works (i.e., billing and associated bookkeeping and accounting costs).
- Sec. 2 "Biochemical Oxygen Demand or BOD<sub>5</sub>" - The quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at 20° C, expressed in milligrams per liter.
- Sec. 3 "City" - The area within the corporate boundaries of the City of Glyndon, Minnesota, as presently established or as amended by Ordinance or other legal actions at a future time. When used herein the term City may also refer to the City Council or its authorized representative.
- Sec. 4 "Commercial User" - Any place of business which discharges sanitary waste, as distinct from industrial wastewater.
- Sec. 5 "Commercial Wastewaters" - Domestic wastewater emanating from a place of business, as distinct from industrial wastewater.

- Sec. 6 "Debt Service Charge" - A charge levied on users to recover the costs of repaying money bonded to construct the wastewater treatment facilities.
- Sec. 7 "Extraneous Flows" - The infiltration and inflow clear water which is not a component of the normal domestic strength wastewater.
- Sec. 8 "Extraneous Flow Charge" - A charge to recover the costs of pumping and treating the extraneous flows.
- Sec. 9 "Normal Domestic Strength Wastewater" - Wastewater that is primarily produced by residential users, with BOD<sub>5</sub> concentrations not greater than 250 mg/l and suspended solids concentrations not greater than 300 mg/l in accordance with the Ordinance regulating the Use of Public Sewers for the City of Glyndon.
- Sec. 10 "Extra Strength Waste" - Wastewater having a BOD and/or TSS greater than domestic waste as defined in Article I, Section 9 above and not otherwise classified as an incompatible waste.
- Sec. 11 "Governmental User" - Users which are units, agencies or instrumentalities of federal, state, or local government discharging Normal Domestic Strength wastewater.
- Sec. 12 "Incompatible Waste" - Waste that either singly or by interaction with other wastes interferes with any waste treatment process, constitutes a hazard to humans or animals, creates a public nuisance or creates any hazard in the receiving waters of the wastewater treatment works.
- Sec. 13 Industrial Users or "Industries" are:
- a. Entities that discharge into a publicly owned wastewater treatment works, liquid wastes resulting from the processes employed in industrial or manufacturing processes, or from the development of any natural resources. These are identified in the Standard Industrial Classification Manual, 1972, Office of Management and Budget, as amended and supplemental under one of the following divisions:
 

Division A.	Agriculture, Forestry and Fishing
Division B.	Mining
Division D.	Manufacturing
Division E.	Transportation, Communications, Electric, Gas, and Sanitary Sewers
Division I.	Services

For the purpose of this definition, domestic waste shall be considered to have the following characteristics:

BOD <sub>5</sub>	less than 250 mg/l
Suspended Solids	less than 300 mg/l

- b. Any nongovernmental user of a publicly owned treatment works which discharges wastewater to the treatment works which contains toxic pollutants or poisonous solids, liquids, or gases in sufficient quantity either singly or by interaction with other wastes, to contaminate the sludge of any municipal systems, or to injure or to interfere with any sewage treatment process, or which constitutes a hazard to humans or animals, creates a public nuisance, or creates any hazard in or has an adverse effect on the waters receiving any discharge from the treatment works.
- Sec. 14 "Industrial Wastewater" - The liquid processing wastes from an industrial manufacturing process, trade, or business including but not limited to all Standard Industrial Classification Manual Divisions A, B, D, E and I manufacturers as distinct from domestic wastewater.
- Sec. 15 "Institutional User" - Users other than commercial, governmental, industrial or residential users, discharging primarily Normal Domestic Strength wastewater (e.g. Non-profit organizations).
- Sec. 16 "Operation and Maintenance" - Activities required to provide for the dependable and economical functioning of the treatment works, throughout the design or useful life, whichever is longer of the treatment works, and at the level of performance for which the treatment works were constructed. Operation and Maintenance includes equipment replacement.
- Sec. 17 "Operation and Maintenance Costs" - Expenditures for operation and maintenance, including equipment replacement. These costs do not include the treatment costs of extraneous flows and administrative costs.
- Sec. 18 "Public Wastewater Collection System" - A system of sanitary sewers owned, maintained, operated and controlled by the City.
- Sec. 19 "Replacement" - Obtaining and installing of equipment, accessories, or appurtenances which are necessary during the design life or useful life, whichever is longer, of the treatment works to maintain the capacity and performance for which such works were designed and constructed.
- Sec. 20 "Replacement Costs" - Expenditures for replacement.
- Sec. 21 "Residential User" - A user of the treatment facilities whose premises or building is used primarily as a residence for one or more persons, including dwelling units such as detached and semi-detached housing, apartments, and mobile homes; and which discharges primarily normal domestic strength sanitary wastes.
- Sec. 22 "Sanitary Sewer" - A sewer intended to carry only liquid and water carried wastes from residences, commercial buildings, industrial plants, and institutions, together with minor quantities of ground, storm, and surface waters which are not admitted intentionally.

- Sec. 23 "Sewer Service Charge" - The aggregate of all charges, including charges for operation, maintenance, equipment replacement, debt service, extraneous flow, administration and other sewer related charges that are billed periodically to users of the City's wastewater treatment facilities.
- Sec. 24 "Sewer Service Fund" - A fund into which income from Sewer Service Charges is deposited along with other income, including taxes intended to retire debt incurred through capital expenditure for wastewater treatment. Expenditure of the Sewer Service Fund will be for operation, maintenance and equipment replacement costs; and to retire debt incurred through capital expenditure for wastewater treatment.
- Sec. 25 "Shall" is mandatory; "May" is permissive.
- Sec. 26 "Slug" - Any discharge of water or wastewater which in concentration of any given constituent or in quantity of flow exceeds for any period of duration longer than 15 minutes more than five times the average 24 hour concentration or flows during normal operation and shall adversely affect the collection system and/or performance of the wastewater treatment works.
- Sec. 27 "Standard Industrial Classification Manual" - as published by the Office of Management and Budget, 1972.
- Sec. 28 "Suspended Solids (SS) or Total Suspended Solids (TSS)" - The total suspended matter that either floats on the surface or is in suspension in water, wastewater or other liquids, and is removable by laboratory filtering as prescribed in "Standard Methods for the Examination of Water and Wastewater", latest edition, and referred to as non-filterable residue.
- Sec. 29 "Toxic Pollutant" - The concentration of any pollutant or combination of pollutants as defined in standards issued pursuant to Section 307 (a) of the Clean Water Act, which upon exposure to or assimilation into any organism will cause adverse effects.
- Sec. 30 "User Charge" - A charge levied on users of a treatment works for the user's proportionate share of the cost of operation and maintenance, including replacement.
- Sec. 31 "Users" - Those residential, commercial, governmental, institutional and industrial establishments which are connected to the public sewer collection system.
- Sec. 32 "Wastewater" - The spent water of a community, also referred to as sewage. From the standpoint of source it may be a combination of the liquid and water-carried wastes from residences, commercial buildings, industrial plants, and institutions together with any ground water, surface water and storm water that may be present.

Sec. 33 "Wastewater Treatment Works or Treatment Works" - An arrangement of any devices, facilities, structures, equipment, or processes owned or used by the City for the purpose of the transmission, storage, treatment, recycling, and reclamation of municipal sewage, domestic sewage or industrial wastewater, or structures necessary to recycle or reuse water including interceptor sewers, outfall sewers, collection sewers; pumping, power, and other equipment and their appurtenances; extensions, improvements, remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled water supply such as standby treatment units and clear well facilities; and any works including land which is an integral part of the treatment process or is used for ultimate disposal of residues resulting from such treatment.

## ARTICLE II

### ESTABLISHMENT OF A SEWER SERVICE CHARGE SYSTEM

- Sec. 1 The City of Glyndon, Minnesota hereby establishes a Sewer Service Charge System whereby all revenue collected from users of the wastewater treatment facilities will be used to affect all expenditures incurred for annual operation, maintenance and replacement and for debt service on capital expenditure incurred in constructing the wastewater treatment works.
- Sec. 2 Each user shall pay its proportionate share of operation, maintenance and replacement costs of the treatment works, based on the users proportionate contribution to the total wastewater loading from all users.
- Sec. 3 Each user shall pay debt service charges to retire local capital costs as determined by the City Council.
- Sec. 4 Sewer Service rates and charges to users of the wastewater treatment facility shall be determined and fixed in the "Sewer Service Charge System" developed according to the provisions of this Ordinance. The Sewer Service Charge System developed with the assistance of the Consulting Engineer shall be adopted by resolution upon enactment of this Ordinance, shall be published in the local newspaper, and shall be effective upon publication. Subsequent changes in Sewer Service Rates and charges shall be adopted by Council resolution and shall be published in the local newspaper.
- Sec. 5 Revenues collected for Sewer Service shall be deposited in a separate fund known as "The Sewer Service Fund". Income from revenues collected will be expended to offset the cost of operation, maintenance and equipment replacement for the facility and to retire the debt for capital expenditure.
- Sec. 6 Sewer Service Charges and the Sewer Service Fund will be administered in accordance with the provisions of Article V of this Ordinance.

## ARTICLE III

### DETERMINATION OF SEWER SERVICE CHARGES

Sec. 1 Users of the City of Glyndon, Minnesota wastewater treatment works shall be identified as belonging to one of the following user classes:

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

The allocation of users to these categories for the purpose of assessing User Charges and Debt Service Charges shall be the responsibility of the City Clerk-Treasurer. Allocation of users to user classes shall be based on the substantive intent of the definitions of these classes contained herein.

Sec. 2 Each user shall pay Operation, Maintenance, and Replacement costs in proportion to the user's proportionate contribution of wastewater flows and loadings to the treatment plant, with the minimum rate for loadings of BOD and TSS being the rate established for concentrations of 250 mg/l BOD and 300 mg/l TSS (i.e. Normal Domestic Strength Wastewater).

Those "Industrial Users" discharging segregated "Normal Domestic Strength Wastewater" only, can be classified as "Commercial Users" for the purpose of rate-determination.

Sec. 3 The charges assessed residential users and those users of other classes discharging "Normal Domestic Strength Wastewater" shall be established proportionately according to billable wastewater volume and the total Annual Base Rate. The Base Rate shall allow for the infiltration/inflow costs share for the operation and maintenance and equipment replacement. The administration shall also be a proportionate share for all users and be part of the Annual Base Rate. Billable wastewater volume shall be calculated as follows:

#### A. Residential Users

Billable wastewater volume for residential users shall be calculated on the basis of metered water usage. The per quarter billable wastewater volume shall be equal to quarterly metered water usage as averaged between the first and last quarters of the calendar year.

The City may require residential users to install water meters for the purpose of determining billable wastewater volume.

## B. Non-Residential Users

The billable wastewater volume of non-residential users may be determined in the same manner as for residential users. Except that if the City determines that there are significant seasonal variations in the metered water usage of non-residential users resulting in a proportionate increase or decrease in wastewater volume; then billable wastewater volume shall be: 1) calculated on the basis of quarterly metered water usage as recorded throughout the year, and 2) calculated on the basis of wastewater flow meters.

The City may, at its discretion, require non-residential users to install such additional water meters or wastewater flow meters as may be necessary to determine billable wastewater volume.

## Sec. 4 Determination of User Charges

User Charges for Normal Domestic Strength users shall be determined as follows: (See Appendix A)

### A. ANNUAL BASE RATE:

The Annual Base Rate shall be the share of operation, maintenance and replacement due to infiltration/inflow attributed equally to all users of the system.

The Annual Base Rate shall also include the administrative billings.

### B. CALCULATION OF UNIT COST FOR TREATMENT OF NORMAL DOMESTIC STRENGTH WASTEWATER:

$$U_{omr} = \frac{Comr}{T_{bwv}}$$

Where:  $U_{omr}$  = Unit cost for Operation, Maintenance and Replacement in \$/Kgal.  
 $Comr$  = Total annual O M & R costs. (Exclusive of costs attributable to O M & R of I/I and costs of Administration.)  
 $T_{bwv}$  = Total annual billable wastewater volume in kgal.

### C. CALCULATION OF USER CHARGE:

$$UC = (U_{omr} \times bwv)$$

Where:  $UC$  = User Charge  
 $U_{omr}$  = Unit cost for Operation, Maintenance and Replacement in \$/Kgal.  
 $bwv$  = Billable wastewater volume of a particular user in kgal.



Sec. 5 Recovery of Construction Costs

The local share of the construction costs for the wastewater treatment facility will be recovered through a Debt Service Charge as described in Appendix B of the Sewer Service Charge System.

Sec. 6 Determination of Sewer Service Charges

The Sewer Service charges established in this Ordinance shall not prevent the assessment of additional charges to users who discharge wastes with concentrations greater than Normal Domestic Strength or wastes of unusual character, or contractual agreements with such users, as long as the following conditions are met:

- 1) The user pays Operation, Maintenance, and Replacement costs in proportion to the user's proportionate contribution of wastewater flows and loadings to the treatment plant, and no user is charged at a rate less than that of "Normal Domestic Strength Wastewater".
- 2) The measurements of such wastes are conducted according to the latest edition of Standard Methods for the Examination of Water and Wastewater in a manner acceptable to the City as provided for in Ordinance No. 69 "An Ordinance Establishing Sewer Use Regulations".

A study of unit costs of collection and treatment processes attributable to Flow, BOD, TSS and other significant loadings shall be developed for determining the proportionate allocation of costs to flows and loadings for users discharging wastes of greater than normal domestic strength or wastes of unusual character.

Sec. 7 Summary of Total Sewer Service Charge

A summary of the charges and examples for the base rate, user charge and debt service charge for various users is given in Appendix C.

ARTICLE IV  
SEWER SERVICE FUND

Sec. 1 The City of Glyndon, Minnesota hereby established a "Sewer Service Fund" as an income fund to receive all revenues generated by the Sewer Service Charge System, and all other income dedicated to the operation, maintenance, and replacement and construction of the wastewater treatment works, including taxes, special charges, fees, and assessments intended to retire construction debt.

The City also establishes the following accounts as income and expenditure accounts within the Sewer Service Fund:

- 1) Operation and Maintenance Account
- 2) Equipment Replacement Account
- 3) Debt Retirement Account

Sec. 2 All revenue generated by the Sewer Service Charge System, and all other income pertinent to the treatment system, including taxes and special assessments dedicated to retire construction debt, shall be held by the City Clerk-Treasurer separate and apart from all other funds of the City. Funds received by the Sewer Service Fund shall be transferred to the "Operation and Maintenance Account", the "Equipment Replacement Account," and the "Debt Retirement Account" in accordance with State and Federal regulations and the provisions of this ordinance.

Sec. 3 Revenue generated by the Sewer Service Charge System sufficient to insure adequate replacement throughout the design of useful life, whichever is longer, of the wastewater facility shall be held separate and apart in the "Equipment Replacement Account" and dedicated to affecting replacement costs. Interest income generated by the "Equipment Replacement Account" shall remain in the "Equipment Replacement Account".

Sec. 4 Revenue generated by the Sewer Service Charge System sufficient for operation and maintenance shall be held separate and apart in the "Operation and Maintenance Account".

## ARTICLE V

### ADMINISTRATION

The Sewer Service Charge and Sewer Service Fund shall be administrated according to the following provisions:

Sec. 1 The City Clerk-Treasurer shall maintain a proper system of accounts suitable for determining the operation and maintenance, equipment replacement and debt retirement costs of the treatment works, and shall furnish the City Council with a report of such costs each January.

The City Council shall annually determine whether or not sufficient revenue is generated for the effective operation, maintenance, replacement and management of the treatment works, and whether sufficient revenue is being generated for debt retirement. The Council will also determine whether the user charges are distributed proportionately to each user in accordance with Article II, Section 2 of this Ordinance and Section 204(b)(2)(A) of the Federal Water Pollution Control Act, as amended.

The City shall thereafter, but not later than the end of the year, reassess, and as necessary revise the Sewer Service Charge System then in use to insure the proportionality of the user charge and to insure the sufficiency of funds to maintain the capacity and performance to which the facilities were constructed, and to retire the construction debt.

Sec. 2 In accordance with Federal and State requirements each user will be notified annually in conjunction with a regular billing of that portion of the Sewer Service Charge attributable to operation, maintenance and replacement.

Sec. 3 In accordance with Federal and State requirements, the City Clerk-Treasurer shall be responsible for maintaining all records necessary to document compliance with the Sewer Service Charge System adopted.

Sec. 4 Bills for Sewer Service Charges shall be rendered on a quarterly basis succeeding the period for which the service was rendered and shall be due 20 days from the date of rendering. Any bill not paid in full 20 days after the due date will be considered delinquent. At that time the City shall notify the delinquent owner/occupant in writing regarding the delinquent bill and subsequent penalty. The penalty shall be computed as 10% of the original bill and shall be increased the same 10% for every quarter the bill is outstanding.

Sec. 5 The owner of the premises, shall be liable to pay for the service to such premises, and the service if furnished to the premises by the City only upon the condition that the owner of the premises is liable therefore to the City.

Sec. 6 Any additional costs caused by discharges to the treatment works of toxics or other incompatible wastes, including the cost of restoring wastewater treatment services, clean up and restoration of the receiving waters and environs, and sludge disposal, shall be borne by the discharger(s) of said wastes, at no expense to the City.

ARTICLE VI


PENALTIES

- Sec. 1 Each and every sewer service charge levied by and pursuant to this Ordinance is hereby made a lien upon the lot or premises served, and all such charges which are on September 30th of each year past due and delinquent, shall be certified to the County Auditor as taxes or assessments on the real estate. 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 premises affected any delinquent or past due sewer service charges.
- Sec. 2 As an alternative to levying a lien, 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.
- Sec. 3 In addition to all penalties and costs attributable and chargeable to recording notices of the lien or filing a civil action, the owner or user of the real estate being serviced by the treatment works shall be liable for interest upon all unpaid balances at the rate of 12% per annum.

ARTICLE VII

SEVERABILITY AND VALIDITY

- Sec. 1 If any section or subdivision of this ordinance shall be held invalid, the invalidity thereof shall not affect the validity of the other provisions of this Ordinance, which shall continue in full force and effect.
- Sec. 2 The sewer service charge system shall take precedence over any terms or conditions of agreements or contracts which are inconsistent with the requirements of section 204(b)(1)(A) of the Act and Federal regulation 40 CFR (Code of Federal Regulations) 35.2140 of the Environmental Protection Agency's grant regulations.
- Sec. 3 This Ordinance shall be in full force and take effect from and after its passage and approval and publication as provided by law.
- Sec. 4 Passed by the City Council of the City of Glyndon, Minnesota on the 8th day of July, 1992.

  
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John Butze, Mayor

Attest:

  
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Dennis Johnson, City Clerk-Treasurer

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