ORDINANCE

- 16 -

AN ORDINANCE ESTABLISHING RATES AND CHARGES FOR THE USE AND SERVICE OF THE MUNICIPAL SANITARY SEWER SYSTEM OF THE CITY OF FARMINGTON, IOWA

BE IT ORDAINED by the City Council of The City of Farmington, Iowa as follows:

SECTION 1 Rates and Charges

In lieu of the rates established in any or all previous Ordinances establishing rates and charges for the use and service of the municipal sanitary sewer system of the City of Farmington, Iowa, there shall be and there is hereby enacted and substituted in lieu thereof, the following rates for the use of and for the service supplied by the municipal sanitary sewer system based upon the amount and rate of water consumed as follows:

Residential & Commercial Minimum Rates:

Effective January 1, 2024

Minimum Usage of Water: 0-2000 gallons/month: \$15.50 Additional Usage of Water: \$3.00 per 1000 gallon/month

On January 1 of each year thereafter and through December 31 of each year thereafter and until December 31, 2026, the above rates shall automatically and without further notice increase by one percent (1%) per year as follows:

January 1, 2025 - Minimum 0-2000 gallon/month: \$15.66

\$3.03 per 1000 gallon/month

January 1, 2026 - Minimum 0-2000 gallon/month: \$15.82

\$3.06 per 1000 gallon/month

In no case shall a customer's monthly charges be less than that set for the Minimum Usage of Water in a given year, which Minimum Usage of Water must necessarily be charged and collected by the City in order to pay the City's operating and maintenance expenses. Charges for Minimum Usage of Water will be applied to the accounts of all owners of lots or parcels of land connected to the sewer system and all owners of lots or parcels of land previously connected to the sewer system until such time as the owner of a lot or parcel presents satisfactory proof to the Mayor that no structures

remain on said lots or parcels and that the sewer line has been capped and inspected. Notwithstanding anything herein to the contrary, the City Council will annually review the sewer user charges to insure adequate and proportional monies in order to provide for sufficient operation and maintenance of the sewer treatment works.

Customers of the sanitary sewer facility, who are not also customers of the municipal water system, shall pay the minimum usage charge in effect.

Service to industrial establishments may be by contract if the municipality deems this to be in its best interest.

<u>SECTION 2</u> Payments and Collections – Sanitary Service Customers Also Being Supplied Water by a Municipal Water System

Bills for the rates and charges are herein established and shall be sent monthly. All bills shall be due and payable on the first day of the month following the period of service and shall be paid in full on or before the fifteenth day of each month at the office of the City Clerk. If any charge for the services of the system shall not be paid by the fifteenth day of the month in which it shall become due and payable, it shall be considered delinquent and a charge of ten percent (10%) of the gross amount of the bill shall be added thereto and collected therewith as a deficiency fee. If any bills for the service of the sewer system shall remain unpaid after the 28th day following the date on which said bills were originally due and payable, the water supply for the lot, parcel of land or premises affected shall be subject to shut off and termination and, if shut off and terminated, shall not be recommenced until the City has received full payment for all charges including deficiency fees, shut-off fees and turn-on fees.

<u>SECTION 3</u> Payments and Collections – Sanitary Service Customers Not Being Supplied Water by a Municipal Water System

Bills for the rates and charges are herein established and shall be sent monthly. All bills shall be due and payable on the first day of the month following the period of service and shall be paid in full on or before the fifteenth day of each month at the office of the City Clerk. If any charge for the services of the system shall not be paid by the fifteenth day of the month in which it shall become due and payable, it shall be considered delinquent and a charge of ten percent

(10%) of the gross amount of the bill shall be added thereto and collected therewith as a deficiency fee.

SECTION 4 Applications For Sewer Service

Applications for sewer service shall be filed with the Clerk upon a form to be supplied by the municipality. The application shall state the name of the applicant and the premises to be served. All applications filed after the commencement of the operation of the system shall be accompanied by a fee of two hundred fifty dollars (\$250.00) payable to the municipality for the connection charge.

SECTION 5 Deposits

A deposit of \$25.00 shall be required on all new accounts. The deposit may be applied to any bill for sewer service which remains delinquent for more than 30 days. Upon the disconnection of the sewer services, any balance of such deposit may be returned to the applicant without interest. All requests for return of deposit will require proof of payment of the same.

SECTION 6 Liability for Accounts

The owner of the premises served, the occupant thereof and, if different, the user of the sanitary sewer service shall be jointly and severally liable for the sewer service provided to said premises.

SECTION 7 Billing Duty

It is hereby made the duty of the Council to render bills for sewer service and all other charges in connection therewith and to collect all moneys due therefrom.

SECTION 8 Service Shut-Off and Lien of Unpaid Charges

All sewer charges levied pursuant to the Ordinance constitute a lien upon the premises charged therewith and are subject to certification to the county treasurer for collection.

At least 30 days before certification of a lien for unpaid services is sent to the county treasurer, as the case may be, written notice of overdue account shall be sent to said account holder, by ordinary mail, to the account holder's address. Said notice shall inform the account holder of the nature of the delinquency and shall state the date certification of a lien shall be made to the treasurer, if any.

Further, if the account holder is a tenant and if the owner or landlord of the property or premises has made a written request for notice, the notice shall also be given to the owner or landlord.

An administrative fee of \$5.00 shall be imposed for certifying and filing of the lien with the county treasurer, which amount shall be added to the amount of the lien to be collected at the time of payment of the assessment from the payor.

Additionally, the services established by the provisions of this Ordinance are designed to be an integral part of the City's program of health and sanitation. In addition to certifying and filing of a lien with the county treasurer, the City may enforce collection of the rates, charges and fees noted, above, by bringing proper legal action against the proper party bearing responsibility for the payment therefor to recover any sums due for such services plus a reasonable attorney's fee to be fixed by the Court.

SECTION 9 Sanitary Sewer Fund Account

All revenues and moneys derived from the operation of the sewer system and delivered to the City shall be paid to and held by the City separate and apart from all other funds and moneys incident to the operation of said system and in a separate fund designated the "Sanitary Sewer Fund Account" which the City Council shall administer in every respect in the manner provided by the Code of Iowa and all other laws pertaining thereto.

SECTION 10 Accounting

The Municipality shall establish a proper system of accounts and shall keep proper records, books, and accounts in which complete and correct entries shall be made of all transactions relative to the sewer system.

SECTION 11 Repealer

All Ordinances and parts of Ordinances in conflict herewith are hereby repealed in so far as the conflicting portions thereof are concerned.

SECTION 12 Effective Date

This Ordinance shall be in full force and effect upon its adoption, approval and publication according to the laws of the State of Iowa.

Passed and Approved: November 13, 2023.

Kevin Denly, Mayor

ATTEST:

Alisha Davidson, Clerk

First Reading – October 9, 2023 Second Reading - Waived Third and Final Reading – November 13, 2023

Publication Date: November 23, 2023 Effective Date: November 23, 2023

NOTE – The prior Ordinance to Establish Rates and Charges for the Use and Service of the Municipal Sanitary Sewer System was adopted and passed by the City Council of the City of Farmington, on the 10th day of November, 1975. It was amended on June 23, 2003, on January 10, 2005, and on August 20, 2020.