AN ORDINANCE AMENDING ORDINANCE NO. ___ ESTABLISHING CONTROLS ON THE USE OF PUBLIC SEWERS, INDUSTRIAL PRETREATMENT, AND THE DETERMINATION AND LEVYING OF USER CHARGES FOR SUCH USE

The City Council of the City of __________, Minnesota, hereby ordains:

SECTION 1. This ordinance is an ordinance amending Ordinance No. 39 as follows:

SECTION 2. Section 1.02 is amended by adding thereto the following definition:

"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 Sewer;
Division I. Services

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

BOD Less than 250 mg/l
Suspended Solids Less than 302 mg/l

B. Any non-governmental 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 institutes 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.

SECTION 3. Section 8.01 is amended by deleting the last line and inserting in lieu thereof the following:

"Sewer rental charge and a connection charge as hereinafter provided."

SECTION 4. Section 8.09 is amended by deleting it in its entirety and inserting in lieu thereof the following:

"Nothing in this ordinance shall be held or construed as in any way stopping or interfering with the City’s right to levy as taxes against any premises affected, any delinquent or past-due sewer rental or connection charges. Each and every sewer rental or connection charge levied by and pursuant to this ordinance is hereby made a lien upon the lot, land, or premises served, and all such charges which are on October 1 of each year past-due and delinquent, shall be certified to the County Auditor as taxes on the real estate."

SECTION 5. Section 8.12 is amended by deleting it in its entirety and inserting in lieu thereof the following:

"The cost to be recovered pursuant to this ordinance and the unit cost to be fixed by the City as defined herein shall be determined and allocated in each of the following categories:

1) Category “A”: Operation and Maintenance of the Wastewater Treatment Facilities. This shall include the cost of administration, operation, maintenance, and replacement of the wastewater treatment facilities, including sludge disposal
costs, and including an amount for replacement costs of equipment and real property.

Replacement costs shall be defined as expenditures for obtaining and installing equipment, accessories, or appurtenances which are necessary during the useful life of the wastewater treatment works to maintain the capacity and performance for which such works were designed and constructed.

The user and connection charges determined under this category shall be established by the Owner of the wastewater treatment facilities and shall be only for those works utilized for wastewater treatment and subsequent sludge disposal.

2) Category "B": Operation and Maintenance of the City’s Wastewater Collection and Conveyance Facilities. This shall include the cost of administration, operation, maintenance and replacement for the City’s wastewater collection and conveyance facilities. Replacement shall include replacement costs of equipment and real property and shall be segregated in a separate fund.

3) Category "C": Industrial Pretreatment Charge. An industrial pretreatment charge is hereby imposed upon all industrial units subject to national or local industrial pretreatment requirements. The industrial pretreatment charge shall be the amount necessary to recover administrative costs associated with permitting and monitoring the discharge of industrial wastewater into the City’s wastewater disposal system.

The City may adopt charges and fees which may include:

a) fee for reimbursement of costs of setting up and operating the City’s Pretreatment Program;

b) fee for monitoring, inspections, and surveillance procedures;

c) fees for reviewing accidental discharge procedures and construction;

d) fees for permit applications;

e) fees for filing appeals;

f) other fees as the City may deem necessary to carry out the requirements contained herein.

4) Category "D": Connection Charges. A connection charge is hereby imposed upon all users in an amount necessary to recover administrative and sewer billing costs, and to further provide for debt service, as well as those expenditures required under Category “A” and Category “B” above not fully covered by the rental (user) charge imposed by the City. This connection charge shall be levied, therefore, in addition to said rental charge as follows:

a) Before connecting to the City’s sewer system, a City sewer connection charge as hereinafter provided for shall be paid. If, after the initial connection charge is paid, an additional building permit(s) issue(s), or new sewer connections are made, the connection charge shall be recalculated and any additional charges shall be paid. Any change in the City sewer connection charge as hereinafter set forth shall be by Council resolution in the manner provided for with respect to water rates under Ordinance No. 30, as amended. The city connection charges shall be paid to the City before a building permit or sewer connection permit is issued unless other arrangements for payment are made and approved by the City. The City Council may approve by way of an assessment agreement charges on new or enlarged multiple residential, commercial or industrial buildings when the number of equivalent residential connection units (ERC's) is ten (10) or more. The rate of interest shall be set by the City Council.

b) The amount of the connection charge shall be determined by the City by first determining the number of ERC’s applicable to the particular property. This shall be done in accordance with the tables set forth in the Reserve Capacity Charge Manual of the Metropolitan Waste Control Commission, revised 1990 edition, which is incorporated herein by reference as if fully set forth. Once the appropriate number of ERC’s are determined in this manner, the connection charge shall be as follows:

<table>
<thead>
<tr>
<th>Property Zoned</th>
<th>Charge per ERC</th>
</tr>
</thead>
<tbody>
<tr>
<td>R-1 or R-3</td>
<td>$100.00</td>
</tr>
<tr>
<td>R-2 or Multi-Family</td>
<td>$250.00</td>
</tr>
<tr>
<td>Commercial, Business or Industrial</td>
<td>$750.00</td>
</tr>
</tbody>
</table>

c) The City Clerk and the utilities superintendent shall determine the number of ERC’s per connection. Appeals from
their decisions shall be made to the Utilities Commission.

d) Once established, the number of ERC's shall remain the same on the property unless an addition to the property is made. Only the involuntary removal or destruction of a non-conforming structure will be grounds for the City Council to cancel or reduce the number of ERC's on the property. This reduction shall apply to the user charge only. With the permission of the Council, an ERC can be transferred on the property from a structure being removed to a structure being constructed.

e) Any use not represented in the tables of the Manual referred to in Paragraph (b) above shall be subject to a determination of the appropriate number of ERC's by the City Clerk and the utilities superintendent based on estimated flows, subject to the appeal provision set forth above.

f) Allocation of costs to be recovered by the connection charge shall be determined by the City and may generally include those costs attributable to wastewater collection and treatment, but not directly related to unit charges for flow, BOD, and SS.

SECTION 6. That in all other respects, Ordinance No. 39 shall remain in full force and effect as originally drafted.

SECTION 7. This ordinance shall become effective upon its passage and publication according to law.

Passed by the City council of the City of ____________, Minnesota, this __________ day of _______________, year ____________.