

ORDINANCE NO. 716-2007

AN ORDINANCE OF THE CITY OF DRY RIDGE, GRANT COUNTY, KENTUCKY, ADOPTING AND ESTABLISHING WASTEWATER CAPACITY CHARGES (CC) AND SYSTEM DEVELOPMENT CHARGES TO BE EXACTED ON PROPERTY OWNERS RELATED TO AND WITH THEIR CONNECTION TO AND USE OF CERTAIN WASTEWATER DEVELOPMENTS OF THE CITY OF DRY RIDGE REQUIRING FUNDS NEEDED TO PAY FOR EXPANSION, OPERATION, MAINTENANCE, AND REPLACEMENT (OM&R) AND DEBT SERVICE EXPENSES ASSOCIATED WITH THE CITY OF DRY RIDGE WASTEWATER COLLECTION AND TREATMENT WORKS, FACILITIES AND SYSTEM.

WHEREAS, the City of Dry Ridge, Kentucky has constructed or equity/legal interests and estates in and to constructed wastewater collection and treatment works, facilities and systems; and

WHEREAS, it is the City of Dry Ridge's intention to establish proportionate user charges that balance the costs of abatement directly on the sources of pollution, conserve potable water, and maintain financial self-sufficiency; and

WHEREAS, the City of Dry Ridge must pay the OM&R, expansion charges, and debt service expenses associated with the city's direct and equity/legal estates and interests in wastewater collection and treatment works, facilities and systems accordingly; and

WHEREAS, increased demands and growth should pay for the said demands and growth within the City of Dry Ridge, Kentucky.

NOW, THEREFORE, BE IT HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF DRY RIDGE, GRANT COUNTY, KENTUCKY, FOR AND ON BEHALF OF THE CITY OF DRY RIDGE, KENTUCKY, AS FOLLOWS:

ARTICLE ONE

It is hereby determined and declared to be necessary and conducive to the protection of the public health, safety, welfare and convenience of the City of Dry Ridge to exact and collect charges from all users who contribute wastewater to the City of Dry Ridge's wastewater collection and treatment works, facilities and systems.

ARTICLE TWO

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

A. "BOD" (denoting Biochemical Oxygen Demand) shall mean the quantity of oxygen utilized in the biochemical oxidation of organic matters under standard laboratory procedures in five (5) at 20°C, expressed in milligrams per liter (mg/l).

B. "Normal Domestic Wastewater" shall mean the water-carried waste produced from non-commercial or non-industrial activities and which result from normal human living processes.

C. "Operation and Maintenance" shall mean those functions that result in expenditures during the useful life of the treatment works for materials, labor, utilities and other items which are necessary for managing, and for which such works were designed and constructed. The term "operation and maintenance" includes replacement as defined in D.

D. "Replacement" shall mean expenditures for obtaining and installing equipment, accessories or appurtenances which are necessary during the useful life of the treatment works to maintain the capacity and performance for which such works were designed and constructed.

E. "Residential User" shall mean any contributor to the City of Dry Ridge's wastewater collection and treatment works, facilities and systems whose lot, parcel or real estate, or building is used for domestic dwelling purposes only.

F. "Commercial User" shall mean all retail stores, restaurants, office buildings, laundries, and other private business and service establishments.

G. "Industrial User" (IU) shall mean a source of Indirect Discharge which does not constitute a "discharge of pollutants" under regulations issued pursuant to Section 402 of the Clean Water Act.

H. "Institutional User" shall include social, charitable, religious, and educational activities such as schools, churches, hospitals, nursing homes, penal institutions and similar institutional users.

I. "Governmental User" shall include legislative, judicial, administrative, and regulatory activities of Federal, State and Local governments.

J. "Shall" is mandatory; "May" is permissive.

K. "SS" (denoting Suspended Solids) shall mean solids that either float on the surface of or are in suspension in water, sewage, or other liquids and which are removable by laboratory filtering.

L. "Treatment Works" (which shall include the words and terms of "wastewater collection and treatment works, facilities, and systems") shall mean any devices and systems for the storage, treatment, recycling and reclamation of municipal wastewater, domestic wastewater or liquid industrial wastes. These include intercepting sewers, outfall sewers, wastewater collection systems, pumping, power, and other equipment and their appurtenances; extensions, improvements, remodeling, additions and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and any works, including site acquisition of the land that will be an integral part of the treatment process or is used for ultimate disposal of residues resulting from such treatment (including land for composting sludge, temporary storage of such compost and land used for the storage of treated wastewater in land treatment systems before land application); or any other method or system for preventing, abating, reducing, storing, treating, separating or disposing of municipal waste or industrial waste in combined storm water and sanitary sewer systems.

M. "Useful Life" shall mean the estimated period during which treatment works will be operated.

N. "User Charge" shall mean the total wastewater service charge which is levied in a proportional and adequate manner for the cost of operation, maintenance, replacement and debt service expenses of the wastewater treatment works.

O. "Water Meter" shall mean a water volume measuring and recording device, furnished and/or installed by a user and approved by the City of Dry Ridge.

P. "Debt Service" shall mean charges levied on users of the wastewater treatment works to support the annual debt service obligation of the system.

Q. "System Development" relates to the costs to provide service to a general area or a specific area as may be determined by the City of Dry Ridge.

R. "System Development Fees" shall be levied on all properties that receive service - directly or indirectly - through System Development constructed facilities for a period of twenty (20) years at a monthly charge.

S. "Capacity" relates to the costs to provide the necessary capacity in the upgraded, existing system (i.e. treatment plants, lift stations, sewer pipes, etc.).

T. "Capacity Fees" shall be levied and designed to recover the costs to replace the capacity that is used by a new customer for a period of twenty (20) years at a monthly charge.

U. "Equivalent Residential Units" (ERUs) are the existing and anticipated "Equivalent Residential Units" whether Commercial, Industrial, Institutional, Governmental and/or Residential user within the area when the City of Dry Ridge constructs wastewater facilities (i.e. sewers, etc.) in a specifically defined geographic area.

ARTICLE THREE (CAPACITY FEE)

There is hereby established a Capacity Fee for all new sewer construction in the City of Dry Ridge. The Capacity Fee for each Equivalent Residential Unit (ERU) is calculated as follows:

$$CF = \frac{\text{Net Worth (wastewater system) dollars/(G.P.D.)}}{\text{System Capacity (gallons use per day)}}$$

$$CF/ERU = \text{dollars/GPD} \times \text{average use(s) per day(s)}$$

Qualified users are allowed to pay this fee in monthly installments for up to sixty (60) months with project interest based upon the then current bond interest schedule. Said Capacity Fee shall be calculated by the Mayor and/or his designee and the City Clerk/Treasurer. Said calculation and information sheet shall be provided to the Qualified User by the Mayor and or City Clerk/Treasurer.

ARTICLE FOUR

Henceforth, as the City of Dry Ridge constructs wastewater facilities (i.e. sewers, etc.) in a specifically defined geographic area, all costs related to the construction of associated facilities shall be divided equally among the existing and anticipated "Equivalent Residential Units" (ERUs) within the area. Costs to provide service shall include, but not be limited to, legal fees for property and/or easement acquisition, engineering costs, construction costs and other related project costs.

ARTICLE FIVE

The City of Dry Ridge shall define by Resolution, the project/geographical area; and through public notification in the newspaper and/or notice letter, the city shall publish the project survey and the ERU costs for the project area subject to said fee.

ARTICLE SIX
(SYSTEM DEVELOPMENT FEE)

There is hereby established a System Development Fee for all new sewer construction by the City of Dry Ridge as calculated by the following formulas:

Extension of Service (interceptors, pump stations, mains, etc.).

System Development Fee = Project Costs divided by Projected ERU's times users

Qualified users are allowed to pay this fee in monthly installments for up to sixty (60) months with project interest based upon the then current bond interest schedule. Said System Development Fee shall be calculated by the Mayor and/or his designee and the City Clerk/Treasurer. Said calculations and information sheet shall be provided to the Qualified User by the Mayor and or City Clerk/Treasurer.

ARTICLE SEVEN

When each property owner is requesting connection to the Dry Ridge Waste Water System, each property owner will be notified by the Mayor and/or City Clerk/Treasurer of the "Capacity Fee" and "System Development Fee" applicable for said property. This notification shall be in writing and detail the ERU costs for the project area.

This notification letter/notice shall state the date upon which associated "Appointment Warrants" (property liens) shall be placed on the property deed, unless payment in full of the Assessment Fees amount is paid to the City of Dry Ridge prior to that date.

Anticipated ERUs include, but are not limited to, vacant lots, undeveloped property that could be further subdivided into lots within the assessment zone, etc.. Appointment Warrants will remain, and are transferable to future property owners, for those undeveloped properties/lots until such time as development requiring wastewater facilities occurs. When such undeveloped properties are later developed, payment of the System Development Fees and Capacity Fees are required at the time of Connection Permit issuance by the City of Dry Ridge or payable consistent with the provisions set forth herein.

ARTICLE EIGHT

Capacity Fees and System Development Fees are in addition to and independent from any and all existing Sewer Tap On Fees as established by the City of Dry Ridge, Kentucky.

ARTICLE NINE

The provisions of this ordinance are severable; and the invalidity of any provision of this ordinance shall not affect the validity of any other provision thereof; and such other provisions shall remain in full force and effect as long as they remain valid in the absence of those provisions determined to be invalid.

ARTICLE TEN

All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed to the extent of such conflict.

ARTICLE ELEVEN

This ordinance shall become effective and be in full force and effect when passed, ordained, ordered published and published according to law.

First Reading: August 6, 2007

Second Reading: August 23, 2007

PASSED, ADOPTED, APPROVED, ORDAINED, AND ORDERED PUBLISHED ON THIS
THE 23rd DAY OF August, 2007.

Clay Crupper
CLAY CRUPPER, MAYOR

ATTEST:

Cindy L. Harris
CINDY L. HARRIS, CITY CLERK