

MINUTES PROVIDING FOR FIRST
CONSIDERATION OF AN ORDINANCE
ADJUSTING SEWER UTILITY RATES

427083-28

Durant, Iowa

April 24, 2017

A meeting of the City Council of the City of Durant, Iowa, was held at the Council Chambers, in the City, at 6:00 p.m., on April 24, 2017. The Mayor presided and the roll was called, showing members present and absent as follows:

Present: Utter, Quiram, Mundt, Gruemmer

Absent: Sterner.

Council Member Gruemmer introduced an ordinance entitled: "Ordinance No. 2017-02. An Ordinance Adjusting Rates for the Durant Municipal Sanitary Sewer System."

It was moved by Council Member Gruemmer and seconded by Council Member Quiram that the aforementioned ordinance had been given its first consideration and that it be adopted.

The Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Quiram, Mundt, Gruemmer, Utter

Nays: None.

Whereupon, the Mayor declared the motion duly carried and declared that said ordinance had been given its initial passage.

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There being no further business to come before the meeting, it was upon motion adjourned.

Mayor

Attest:

City Clerk

MINUTES PROVIDING FOR SECOND
CONSIDERATION AND PASSAGE OF
AN ORDINANCE ADJUSTING SEWER
UTILITY RATES

427083-28

Durant, Iowa

May 8, 2017

The City Council of the City of Durant, Iowa, met on May 8, 2017, at 6 o'clock p.m., at the Council Chambers, in the City.

The Mayor presided and the roll was called showing members present and absent, as follows:

Present: Quiram, Sterner, Gruemmer

Absent: Mundt & Utter.

The Mayor announced that, on April 24, 2017, the City Council had given its initial consideration to an ordinance entitled "Ordinance No. 2017-02 An Ordinance Adjusting Rates for the Durant Municipal Sanitary Sewer System."

It was moved by Council Member Sterner and seconded by Council Member Quiram that the aforementioned ordinance had been given its second consideration and that it be adopted.

The Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Sterner, Quiram, Gruemmer

Nays: None.

Whereupon, the Mayor declared the motion duly carried.

It was moved by Council Member Sterner and seconded by Council Member Gruemmer that the ordinance entitled: "Ordinance No. 2017-02. An Ordinance Adjusting Rates for the Durant Municipal Sanitary Sewer System," be now put upon its final passage and adoption, May 22, 2017.

The Mayor put the question on the motion and the roll being called, the following named Council Members voted:

Ayes: Utter, Quiram, Sterner, Gruemmer

Nays: None.

Whereupon, the Mayor declared said ordinance duly adopted and signed approval to said ordinance as follows:

ORDINANCE NO. 2017-02

An Ordinance Adjusting Rates for the Durant Municipal Sanitary Sewer System

WHEREAS, the City of Durant (the “City”), in Cedar, Muscatine and Scott Counties, State of Iowa, did heretofore establish a Municipal Sanitary Sewer System (the “Utility”) in and for the City which has continuously supplied sanitary sewer service in and to the City and its inhabitants since its establishment; and

WHEREAS, the management and control of the Utility are vested in the City Council (the “Council”) and no board of trustees exists for this purpose; and

WHEREAS, the City has issued its \$6,250,000 Sewer Revenue Bonds, SRF Series 2015, dated July 10, 2015; and

WHEREAS, pursuant to the provisions of Chapter 384.84, Code of Iowa (the “Code”), the City must, by ordinance, provide for the collection of rates and charges to produce gross revenues at least sufficient to pay the expenses of operation and maintenance of the Utility, and to leave a balance of net revenues sufficient to pay the principal of and interest on revenue bonds and pledge orders as they become due and to maintain a reasonable reserve for the payment of principal and interest, and a sufficient portion of net revenues must be pledged for that purpose; and

WHEREAS, the City Council now desires to adopt an ordinance to raise the minimum monthly sewer rate charge from \$34.65 to \$44.65, pursuant to Chapter 384.84 of the Code of Iowa;

BE IT ENACTED BY the City Council of the City of Durant, Iowa, as follows:

SANITARY SEWER

CHAPTER 39 SEWER SERVICE CHARGES

- 39-1 Sewer Service Charges Required
- 39-2 Rate
- 39-3 Private Water Systems
- 39-4 Payment of Bills
- 39-5 Lien for Nonpayment
- 39-6 Customer Deposits
- 39-7 Special Agreements Permitted

39-1 SEWER SERVICE CHARGES REQUIRED. Every customer shall pay to the City sewer service fees, rates, charges and surcharges as hereinafter provided.

(Code of Iowa, Sec 384.84)

39-2 RATE. Each customer shall pay sewer service charges for the use of and for the service supplied by the City of Durant sanitary sewer system as follows:

1. A base rate of \$28.97 per month for usage from 0-1000 gallons.
2. A usage rate of .00602/gallon per month for every gallon used above 1000 gallons.
3. Effective July 1, 2017, the minimum charge shall be \$44.65, plus tax per household or business building per billing month. The rate of sewer rent shall be \$8.02 per one thousand gallons.
4. Annually, beginning January 1, 2016, the base rate and usage rate shall increase by no less than the most recent published Consumer Price index, plus tax. In no case shall the annual rate increase be less than 1%.

In the event that more than one water meter serves a specific property, the total water usage of all meters shall be used for computing sewer rates.

39-3 PRIVATE WATER SYSTEMS. Customers whose premises are served by a private water system shall pay sewer charges based upon the water used as determined by the City, by metering the water system at the customer's expense. Any negotiated, or agreed upon sales or charges shall be subject to approval of the Council.

(Code of Iowa, Sec. 384.84)

39-4 PAYMENT OF BILLS. All sewer service charges are due and payable at the office of the clerk by the 20th day of each month. When the twentieth (20th) falls on Saturday, Sunday, or holiday, the City Clerk shall accept payment on the next business day without penalty. Bills not paid when due shall be considered delinquent. A late payment penalty of \$5.00 shall be added to each delinquent bill.

39-5 LIEN FOR NONPAYMENT. Except as provided for in Section 33-6 of this Code of Ordinances, the owner of the premises served and any lessee or tenant thereof shall be jointly and severally liable for sewer service charges to the premises. Sewer service charges remaining unpaid and delinquent shall constitute a lien upon the premises served and shall be certified by the Clerk to the County Treasurer for collection in the same manner as property taxes.

(Code of Iowa, Sec. 384.84)

39-6 CUSTOMER DEPOSITS. There shall be required from every customer not receiving water service a 200 dollar deposit intended to guarantee the payment of bills for

service. Upon termination of the use of the sewer service by that customer for that building, any balance of such deposit shall be returned to the customer without interest.

(Code of Iowa, Sec. 384.84)

39-7 SPECIAL AGREEMENTS PERMITTED. No statement in these chapters shall be construed as preventing a special agreement, arrangement or contract between the Council, and any industrial concern whereby an industrial waste of unusual strength or character may be accepted subject to special conditions, rate and cost as established by the Council.

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

Section 3. If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

Section 4. This ordinance shall be in effect after its final passage, approval and publication, as provided by law.

Passed and approved May 22, 2017.

Scott Spengler, Mayor

Attest:

Deana Cavin, City Operations Officer/Clerk

1st Reading: 04/24/2017
2nd Reading: 05/08/2017
3rd Reading : 05/22/2017

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Upon motion and vote, the meeting adjourned.

Scott Spengler, Mayor

Attest:

Deana Cavin, City Operations Officer/Clerk

STATE OF IOWA
COUNTIES OF CEDAR, MUSCATINE AND SCOTT SS
CITY OF DURANT

I, the undersigned, do hereby certify that I am the duly appointed City Clerk of the City of Durant, Iowa, and that the above and foregoing is a true, correct and complete copy of the minutes of the meeting of the City Council, held as therein shown insofar as such minutes pertain to the passage of an ordinance adjusting rates for the Durant Municipal Sanitary Sewer System, including a true, correct and complete copy of the ordinance referred to in said minutes.

WITNESS MY HAND this ____ day of _____, 2017.

Deana Cavin, City Operations Officer/Clerk

STATE OF IOWA
COUNTIES OF CEDAR, MUSCATINE AND SCOTT SS
CITY OF DURANT

I, the undersigned, do hereby certify that I am the duly appointed City Clerk of the City of Durant, Iowa, and do hereby certify that “Ordinance No. 2017-02. An Ordinance Adjusting Rates for the Durant Municipal Sanitary Sewer System,” of which the printed slip attached to the publisher’s original affidavit hereto attached is a true and complete copy, was published on the date and in the newspaper specified in such affidavit, and that such newspaper has a general circulation in said City.

WITNESS MY HAND this ____ day of _____, 2017.

City Clerk

(Attach hereto publisher’s affidavit of publication with clipping of ordinance as published.)

(PLEASE NOTE: Do not sign and date this certificate until you have checked a copy of the published notice and have verified that it was published on the date indicated in the publisher’s affidavit.)

April 24, 2017

VIA EMAIL

Deana Cavin
City Clerk/City Hall
Durant, IA

Re: Durant Municipal Sanitary Sewer System Rate Ordinance
Our File No. 427083-28

Dear Deana:

We have prepared and attach updated proceedings relating to the adoption of an ordinance adjusting the rates for the Durant Municipal Sanitary Sewer System. The proceedings attached include the following items:

1. Ordinance adjusting the rates for the Durant Municipal Sanitary Sewer System. We have prepared the proceedings on the presumption that the City Council will waive the statutory requirement that an ordinance be considered at two meetings prior to the meeting at which it is finally adopted, and will adopt the ordinance after the second consideration. This waiver requires the affirmative vote of not less than four of the five Council Members. If the City Council does not choose to follow this procedure, we will be happy to provide substitute proceedings covering the separate considerations of the ordinance.

3. Attestation Certificate with respect to the validity of the entire transcript.

4. Publication Certificate attesting to the publication of the ordinance, to which should be attached the publisher's affidavit of publication.

Please print an extra copy of the ordinance for publication in your local newspaper.

As soon as these proceedings have been completed, please return one fully executed copy to our office.

If you have any questions, please contact Emily Hammond or me.

Best regards,

John P. Danos

Attachments