

ORDINANCE NO. 2018-02

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, 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

Section 1. WHEREAS, the City Council now desires to adopt an ordinance to raise the minimum monthly sewer rate charge from ~~\$34.65~~ \$44.65 to ~~\$44.65~~, \$45.09 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 \$45.09 per month for usage from 0-1000 gallons.
2. A usage rate of .00828 gallon per month for every gallon used above 1000 gallons.
3. Effective July 1, 2018, the minimum charge shall be \$45.09, plus tax per household or business building per billing month. The rate of sewer rent shall be \$8.28 per one thousand gallons.
4. Annually, beginning July 1, 2019, 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 20<sup>th</sup> day of each month. When the twentieth (20<sup>th</sup>) 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 this 23<sup>rd</sup> day of April, 2018.

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Scott Spengler, Mayor

Attest:

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Deana Cavin, City Operations Officer/Clerk

1<sup>st</sup> Reading: 04/09/2018

2<sup>nd</sup> Reading: waived

3<sup>rd</sup> Reading : 04/23/2018

