

## Chapter 715

### USER CHARGE SYSTEM — WATER SYSTEM

**Section 715.010. Purpose.** [Ord. No. 1049 Art. I, 11-4-2004]

It is determined and declared to be necessary and conducive to the protection of the public health, safety, welfare and convenience of the City to collect charges from all users who use the City's water system. The proceeds of such charges so derived will be used for the purpose of operating, maintaining and retiring the debt for such public water system.

**Section 715.020. Definitions.** [Ord. No. 1049 Art. II, 11-4-2004]

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

**OPERATION AND MAINTENANCE** — All expenditures during the useful life of the system for materials, labor, utilities and other items which are necessary for managing and maintaining the system to achieve the capacity and performance for which the system was designed and constructed.

**REPLACEMENT** — Expenditures for obtaining and installing equipment, accessories or appurtenances which are necessary during the useful life of the system to maintain the capacity and performance for which such works were designed and constructed. The term "*operation and maintenance*" includes replacement.

**RESIDENTIAL USER** — Any user of the City's water system whose lot, parcel of real estate or building is used for domestic dwelling purposes only.

**SHALL** — Is mandatory; *MAY*: Is permissive.

**USEFUL LIFE** — The estimated period during which the treatment works will be operated.

**USER** — Any person who obtains water from the municipal water plant of Mound City metered through its mains or any extensions thereof. Water service shall be deemed to be furnished to both the occupant and the owner of any site served regardless of whether the occupant or owner made application for service.

**USER CHARGE** — That portion of the total water service charge which is levied in a proportional and adequate manner for the cost of operation, maintenance and replacement of the water system.

**WATER METER** — A water volume measuring and recording device furnished and/or installed by the City of Mound City or furnished and/or installed by a user and approved by the City of Mound City.

**WATER SYSTEM** — Any devices and systems for the treatment, storage, transmission and distribution of water. These include treatment plant, storage tanks and towers, transmission lines, pumping, power and other equipment and their appurtenances; extensions, improvements, remodeling, additions and alterations thereof; and any works, including site acquisition of land that will be part of the treatment process.

**Section 715.030. Establishment of Funds and Application of Monies.** [Ord. No. 1049 Art. III §§1 — 3, 11-4-2004; Ord. No. 1102 §1, 12-6-2007; Ord. No. 1129 §1, 10-7-2008; Ord. No. 1148 §1, 11-5-2009; Ord. No. 1167 §1, 11-9-2010; Ord. No. 1207 §1, 11-8-2012]

- A. The user charge system shall generate adequate annual revenues to pay the costs of annual operation and maintenance, including replacement, and cost associated with debt retirement of bonded capital associated with financing the water system which the City may by ordinance designate to be paid by the user charge system. That portion of the total user charge which is designated for operation and maintenance, including replacement, of the water system shall be established by this Chapter.
- B. That portion of the total user charge collected which is designated for the operation and maintenance including replacement purposes as established in Section 715.040, shall be deposited in a separate non-lapsing fund known as the Operation, Maintenance and Replacement Fund and will be kept in two (2) primary accounts as follows:
  1. The Operation and Maintenance Account shall be an account designed for the specific purpose of defraying operation and maintenance costs (excluding replacement) of the water system.
  2. The Replacement Account shall be an account designed for the purpose of ensuring replacement needs over the useful life of the water system. Deposits in the Replacement Account shall be made monthly from the replacement revenue and shall be kept in two (2) separate subaccounts known as Replacement Account-Plant and Replacement Account-Distribution. Deposits in the subaccount Replacement Account-Plant shall be made monthly in the amount of thirty-one thousand dollars (\$31,000.00) annually. Deposits in the subaccount Replacement Account-Distribution shall be made monthly in the amount of twenty-nine thousand dollars (\$29,000.00) annually. [Ord. No. 1230 §1, 11-5-2013; Ord. No. 1246 §1, 11-6-2014]
- C. Fiscal year-end balances in the Operation and Maintenance Account and the Replacement Account shall be carried over to the same accounts in each subsequent fiscal year and shall be used for no other purpose than those designated for these accounts. Monies which have been transferred from other sources to meet temporary shortages in the Operation, Maintenance and Replacement Fund shall be returned to their respective accounts upon appropriate adjustment of the user charge rates for operation, maintenance and replacement. The user charge rates(s) shall be adjusted such that the transferred monies will be returned to their respective accounts within the fiscal year following the fiscal year in which the monies were borrowed.

**Section 715.040. Service Charges.** [Ord. No. 1049 Art. IV §§1 — 2, 11-4-2004; Ord. No. 1102 §§2 — 3, 12-6-2007; Ord. No. 1129 §§2 — 3, 10-7-2008; Ord. No. 1148 §2 — 3, 11-5-2009; Ord. No. 1167 §§2 — 3, 11-9-2010; Ord. No. 1186 §§1 — 2, 11-10-2011; Ord. No. 1230 §§2 — 3, 11-5-2013; Ord. No.

- A. All monthly user charges will be based on monthly water usage as determined by water meters acceptable to the City.
- B. *Water Service Charge.* (Reference is made to Appendix A of this Chapter, on file in the City Clerk's office).
  1. The water service charge for service within the corporate limits of Mound City, Missouri, shall be as follows:
    - a. Minimum charge per meter, the sum of six dollars (\$6.00).
    - b. In addition, each user shall pay a unit charge per one thousand (1,000) gallons of water, up to a total of eight thousand (8,000) gallons, of seven dollars thirty-one cents (\$7.31) billed at seven hundred thirty-one one-thousandths of a cent (\$.00731) per gallon of water or fraction thereof as determined in the preceding Section.
    - c. For each additional gallon or fraction thereof over eight thousand (8,000) gallons, each user shall pay a unit charge per one thousand (1,000) gallons of water of six dollars thirty cents (\$6.30) billed at sixty-three hundredths of a cent (\$.0063) per gallon of water or fraction thereof as determined in the preceding Section.
  2. The water service charge for service outside the corporate limits of Mound City, Missouri, shall be as follows:
    - a. Minimum charge per meter, the sum of nine dollars twenty-four cents (\$9.24).
    - b. In addition, each user shall pay a unit charge per one thousand (1,000) gallons of water, up to a total of eight thousand (8,000) gallons, of nine dollars fourteen cents (\$9.14) billed at nine hundred fourteen one-thousandths of a cent (\$.00914) per gallon of water or fraction thereof as determined in the preceding Section.
    - c. For each additional gallon or fraction thereof over eight thousand (8,000) gallons, each user shall pay a unit charge per one thousand (1,000) gallons of water of seven dollars seventy-five cents (\$7.75) billed at seven hundred seventy-five one-thousandths of a cent (\$.00775) per gallon of water or fraction thereof as determined in the preceding Section.
  3. The water service charge for wholesale service to Holt County Public Water Supply District No. 1 (PWSD) shall be as follows:
    - a. Seven thousand five hundred sixty dollars (\$7,560.00) for the first one million two hundred thousand (1,200,000) gallons, which amount shall also be the minimum charge per month.
    - b. For the next six hundred thousand (600,000) gallons, the PWSD shall pay a unit charge per one thousand (1,000) gallons of water of six dollars thirty cents (\$6.30) billed at sixty-three hundredths of a cent (\$.0063) per gallon of water or

fraction thereof as determined in the preceding Section.

- c. For each additional gallon or fraction thereof over one million eight hundred thousand (1,800,000) gallons, the PWSD shall pay a unit charge per one thousand (1,000) gallons of water of five dollars and fifty-five cents (\$5.55) billed at five hundred fifty-five one-thousandths of a cent (\$.00555) per gallon of water or fraction thereof as determined in the preceding Section.

**Section 715.050. Billing and Delinquencies.** [Ord. No. 1049 Art. V §§1 — 3, 11-4-2004]

- A. All users shall be billed monthly. Payments are due when billings are made. Any payment not received by the tenth (10th) day of the month following the close of the period for which service was rendered shall be delinquent.
- B. When any bill for service is not paid by the thirtieth (30th) day of the month following the close of the period for which service was rendered, then the City shall cause utility service to such user to be discontinued following due notice and opportunity for hearing as described in the Mound City ordinance for non-payment and delinquent payment of water and sewerage services.
- C. Delinquency, non-payment and delinquent payment of charges for water service to Holt County Public Water Supply District #1 shall be governed by the water purchase contract authorized by Ordinance No. 972 of the City of Mound City, Missouri.

**Section 715.060. Annual Review.** [Ord. No. 1049 Art. VI, 11-4-2004]

The City shall review the user charge system annually and revise user charge rates as necessary to ensure that the system generates adequate revenues to pay the costs of operations and maintenance, including replacement, and that the system continues to provide for the proportional distribution of operation and maintenance, including replacement costs, among users and user classes.