

## TITLE 17

### CHAPTER 13

#### Sewage Collection and Treatment

##### Section

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§ 3401. Construction with state law

This chapter is enacted pursuant to chapter 79, Title 24 V.S.A. §§ 3601-3619, and amendments thereto. In the enactment of this chapter, the board of aldermen shall be deemed to be exercising the powers vested in it by chapter 24 of V.S.A., both as the legislative body of the city and as sewage commissioners of the city.

§ 3402. Purpose

It is hereby declared to be needful to establish charges, rules and regulations for the control and operation of the municipal sewage department, and the charges, rules and regulations herein established are enacted for such purpose.

§ 3403. Sewage department; commissioners; superintendent; council committee

There is hereby established within the city a municipal sewage department of which the board of aldermen shall be commissioners. The commissioners shall have and exercise the various powers and duties conferred upon them by the statutes of Vermont. The commissioner of public works shall be the superintendent of the sewage department. The superintendent shall have general charge of the sewage department, subject to the ordinances of the city and the direction of the sewage commissioners. The commissioners may in their discretion appoint a committee of three from among their members whose function it will be to review and make recommendation on the various problems that may arise with reference to the operation and maintenance of the aforementioned sewage department.

§ 3404. User charge system

- (a) User charges shall be determined by the board of aldermen and are hereby imposed upon every user of the sewers and sewage treatment plant for the payment of costs of operating, maintaining and repairing said sewers and plant.
- (b) The user charges are a means of accounting to insure that each recipient of wastewater collection and treatment services will pay its proportionate share of the costs of operation and maintenance, including replacement. The intent of the user charges and user surcharge revenue structure is to equitably distribute the cost of operation and maintenance of the publicly owned sewage facilities to the pollutant source and to promote self-sufficiency of the facilities with respect to operation and maintenance costs.
- (c) The user charge system of the City of Rutland results in the distribution of treatment works operation and maintenance costs to each user in approximate proportion of the user's contribution to the total wastewater loading of the treatment works.
- (d) The total annual sewer user charges cannot be less than the annual cost of operating and maintaining the sewage facilities. Also, the charges must be sufficient to allow the treatment plant to be operated self sufficiently.
- (e) The city uses its municipal accounting to account to revenue and expenditures. This system is audited periodically.
- (f) All users will be notified, at least annually, in conjunction with a regular bill, of the rates and that portion of the user charges which are attributable to wastewater collection and treatment services.
- (g) The user charges are determined as follows:

- (1) Metered users. User charges will be based on a per 100 cubic feet basis using water meter data to determine wastewater sewerage from a user. The charges will be based upon the following standard relation:  $SA = (TOM/TQ) * UQ + AC$   
Where:

SA	=	Annual Sewer Assessment (dollars)
TOM	=	Total annual operation and maintenance costs including capital retirement, excluding total administrative charges
TQ	=	Total annual volume of water metered to users plus estimated flow to unmetered users
UQ	=	Annual water metered to a single user
AC	=	Administrative charge assessed to each user

- (2) Unmetered users. Charges for existing residential users currently without water meters will be based on a defined unit of service. The actual number of people residing at a particular location shall form the basis of the annual sewer assessment. This charge shall be based upon 15 cubic feet per person per day of metered water.
- (3) Exceptions
  - a. Users of more than 1,000,000 cubic feet per quarter can request to base the sewer assessment for all usage on the component charge method shown in Tables 1 and 2. All usage under this method (from users) shall be charged (based) using the relationships in Tables 1 and 2. Testing for wastewater characteristics will be

- required on a quarterly basis. The sampling will be done by the city at the expense of the user. The testing will be accomplished at a laboratory of the city's choice, the testing for five day biological oxygen demand and suspended solids concentration will be at the user's expense.
- b. Water users not discharging all water used to the sewer system can request an adjustment to the sewer charges for that portion of water which was not discharged to the sewer system. Any such adjustments will be allowed only under the following conditions:
    1. The applicant shall clearly demonstrate that the volume of water to be exempted from sewer charges is positively measurable by direct means and, if necessary, that the applicant has in place equipment capable of making those measurements. Estimation of water loss percentages prepared by the applicant or others, equipment manufacturer's specifications or other indirect volume calculations shall not be allowed.
    2. The applicant shall clearly demonstrate that the volume of water to be exempted is not discharged into the sewer system measurable by direct means and, if necessary that the applicant has in place capable of making those measurements. Typically, this requirement can be satisfied by the proven absence of a connection to the sewer system. However, other verifiable demonstrations will be considered, and,
    3. The applicant seeking an adjustment must be in compliance with the provisions of all ordinances and regulations of the City of Rutland and all applicable regulations and statutes of the State of Vermont relating to water supply and wastewater disposal.

Compliance with the above conditions shall be at the expense of the applicant and to the satisfaction of the commissioner of public works. Any additional meters required shall be subject to the administrative charge/meter fee as described in 3404(g)(5).
  - c. Exceptions for non-essential water use. To promote water conservation and limit water waste, no exceptions will be provided for non-essential water use such as, but not limited to, lawn or garden watering, exterior washing and swimming pool filling. Therefore, exemptions shall generally not be considered for residential users.
  - d. Commercial and industrial exemptions. Exemptions for commercial and industrial facilities will be considered insofar as the use of the water is demonstrated to be essential to the operation of the commercial or industrial facility. Water used for activities such as decorative fountains, lawn watering, exterior washing, vehicle washing, etc. is considered non-essential and as such not eligible for exemption.

#### (4) Surcharges.

- a. Users discharging strong to toxic pollutants into the treatment system which increase the costs of the treatment or the cost of managing the effluent or sludge from the treatment works, shall pay for these increased costs.

- b. If the strength of the water sewered from any user has five day biological oxygen demand (BOD5) above 220 milligrams per liter, chemical oxygen demand (COD) above 450 milligrams per liter or a suspended solids concentration above 300 milligrams per liter, the user will be assessed a surcharge. The amount of the surcharge will be a function of the additional operation and maintenance costs necessary to treat the stronger wastewater. These charges will be based upon the BOD5, COD and suspended solids concentration of the wastewater sampled by the city and as actually determined by an independent testing laboratory selected by the city. The amount of the surcharge shall be as developed in Tables 1 and 2.
- c. Each user suspected of discharging strong or toxic wastes will be evaluated for user surcharges by the City of Rutland. These tests, including any BOD5, COD or suspended solid testing, will be perform by an independent testing laboratory selected by the city. If the tests indicate a toxic waste, a BOD above 220 mg/l, a COD above 450mg/l or a suspended solids concentration above 300 mg/l, the user shall pay for all tests and charges. If the tests indicate toxic constituents are not present and BOD5, the COD and suspended solids concentrations are less than those stated, the city shall pay for all testing.
- d. Once it has been determined that a user is discharging strong or toxic wastewater in violation of these criteria, quarterly monitoring and surcharge assessment shall continue until such time as four consecutive quarterly tests indicate that the violation no longer exists. This testing will be done at the user's expense.

Table 1

Treatment cost per unit of flow, BOD, COD and Suspended Solids surcharge basis and/or users of more than 1,000,000 cubic feet per quarter which request method

UNIT COST DETERMINATION	FLOW GAL.	BOD5 BC	COD CC	SS SC
1. Percent O&M allocation (a)	35%	25%	15%	25%
2. Total O&M cost less administrative cost addressed to all users	(0.35xTOM)	(0.25xTOM)	(0.15xTOM)	(0.25xTOM)

NOTE: (a) Percent O&M allocation determined from data analyzed for similar plants.

Table 2

Surcharge Computation

And for users of more than 1,000,000 cubic feet per quarter requesting method

- 1. Flow FC =  $[0.35xTOM]/TQ * UQ$
- 2. COD BC =  $[(0.25xTOM)/p] * PU(B)$

3. COD CC =  $[(0.15 \times \text{TOM}) / R] * \text{PU}(C)$
4. S.S. SSC =  $[0.25 \times \text{TOM} / P] * \text{PU}(S)$
5. TSC = FC + BC + CC + SSC + AC

Where:

- FC = Flow component sewer assessment cost
- TOM = Total operation and maintenance costs less administrative costs
- TQ = Total annual volume of water metered to users plus estimated flow to unmetered users
- UQ = Annual water metered to single user
- BC = BOD5 component of sewer assessment cost
- P = Total annual BOD5 loading at treatment facility
- PU(B) = Annual BOD5 contributed from single user
- CC = COD component sewer assessment cost
- R = Total annual COD loading at treatment facility
- PU(C) = Annual COD contributed from single user
- SSC = Total annual suspended solids loading at treatment facility
- PU(S) = Annual suspended solids contributed by single user
- TSC = Total sewer charge
- SA = Annual sewer assessment (based on standard relation)
- SUR = Surcharge
- AC = Administrative charge

#### (5) Administrative Charge/Meter Fee

Administrative charges will be assessed upon all users. The administrative charge will include all costs associated with administration not directly involved with the operation of the treatment plant but included in the yearly operation and maintenance budget for the plant. These costs include:

- a. Accounting and the processing of bills for payment and payrolls all done at the department of public works office.
- b. Expenses associated with metering.
- c. Accounting and billing expenses done at the city treasurer's office.

These administrative expenses are periodically calculated based upon actual costs and are included in the billing for water use as a "meter fee".

#### § 3405. Responsibility for costs of system expansion

The design, construction and development costs of a public sewage expansion and extension which have been approved by the City of Rutland shall be borne by the developers and property owners requiring, requesting or directly benefiting from such extensions and/or expansion. If the board of aldermen determine that substantial expansion or extension of the existing sewage system, or the purchase of an existing sewage system is in the best interest of the city, the board of aldermen shall determine whether to place a question on the ballot regarding the payment of all or a portion of the expansion, extension or purchase costs. When the voters of the city vote to assume all or a portion of the costs, such costs shall be paid in the manner provided by law.

§ 3406. Use of proceeds

The charges and receipts of the municipal sewage department shall only be used and applied to pay the interest and principal of the sewage bonds of the city as well as the expense of maintenance and operation of the sewage department or other expenses of the sewage system.

§ 3407. Collection of charges, delinquent charges (effective 4/2/2008)

Sewage charges shall be a fee for utilities and may be collected by all means permitted by law, including but not limited to those collection mechanisms provided for in Title 24 of the Vermont Statutes Annotated.

§ 3408. Capital reserve funds

- (a) Types, purposes and use of funds
  - (1) Separate capital reserve funds may be utilized for:
    - a. major maintenance/replacement expenditures associated with the sewers and plant and;
    - b. expansion/upgrading expenses associated with the sewers and plant. (This shall include the purchasing of private sewer systems if authorized per section 3405.)
  - (2) When capital reserve fund assets are not disbursed fully for major expenditures for which the funds were established, excess assets shall be redeposited into the capital reserve funds for future eligible expenditures. Capital reserve funds established for plant expansion may be generated from general sewer benefit assessments and/or from connection/impact fees paid by prospective users to defray plant expansion costs, which fund shall not exceed the estimated future expansion costs for the plant. Impact fees assessed and collected by the city for sewers and plant expansion shall be deemed appropriated, encumbered and expended as the date of receipt. When the city so votes, the expansion/upgrade capital revenue funds may be used to finance major sewer and plant maintenance/replacement expenditures, but under no circumstances shall the major maintenance/replacement capital reserve fund be used to finance plant expansion/upgrade expenses. Funds created under this section shall be maintained in segregated accounts and may be expended, together with a accrued interests, only for the purpose for which each fund was established.
  - (3) Any capital reserve fund policy shall contain the following: major maintenance/replacement identification, estimated expenditures, estimated year of expenditure, payment amount, type of account used to accumulate capital reserve fund assets and source of funding.
- (b) Reserve fund adjustments or withdrawals

The board of aldermen reserve the right to increase or decrease regular deposits to a capital reserve fund. Such deposits for any one year shall not exceed:

- (1) for the major maintenance/replacement fund; 15% of the normal total budgeted expenses for sewers and plant (including debt service);
- (2) for the expansion/upgrading fund: 5% of the normal total budgeted expenses for sewers and plant (including debt service).

The board of aldermen holding office have the authority to withdraw capital reserve fund amounts only for the purpose of paying for major expenditures for which the fund was established.