

ORDINANCE NO. 1898

AN ORDINANCE AMENDING CDO SECTION 18-80(3) PERTAINING TO SANITARY SEWER COLLECTION TREATMENT AND DISPOSAL FACILITIES AND THE MONTHLY SEWER SERVICE CHARGE FOR SAME.

WHEREAS, the Board of Commissioners of the City of Danville, Kentucky, authorized a sewer utility cost of service rate study conducted by Salt River Engineering, PLLC; and

WHEREAS, the last rate study performed for the City of Danville was in 1997, with no changes being made in the rates for the past twenty (20) years, other than cost of living adjustments; and

WHEREAS, in fiscal year 2016, the City's sewer utility took in approximately \$2,993,900 in revenue and incurred \$3,426,200 in expenses, with no money being invested in the capital improvements program for the sewer utility; and

WHEREAS, the City does not currently have sufficient debt coverage ratios for an anticipated revenue bond sale to fund capital improvements for the sewer utility; and

WHEREAS, the Board of Commissioners deems it necessary and appropriate to make certain adjustments to the sewer rates based on the reasonable mathematical conclusions drawn from said cost of service method of calculation in the rate study in order to meet expenses, fund capital improvements and meet reserve ratios imposed by current and future bond issues;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CITY OF DANVILLE, KENTUCKY, as follows:

SECTION ONE:

Section 18-80 of the City of Danville Code of Ordinances is hereby amended to read as follows:

There is hereby adopted, established, and ordained, and there shall be collected, a schedule of rates and charges for use of the services and facilities rendered by the municipal sanitary sewer collection treatment and disposal facilities of the city as follows:

(1) The monthly sewer service charge for residential and commercial consumers, shall be as follows:

(a) Effective ~~July 1, 2011~~, September 1, 2017, the minimum monthly rate shall be ~~\$3.841~~ \$4.145 for all residential and commercial consumers. The rate per 100 cubic feet of water consumed shall be ~~\$2.467~~ \$4.52, except that the rate per 100 cubic feet of water shall be ~~\$6.349~~ \$12.69 for the residential and commercial consumers of the former Perryville Sewer System and the rate per 100 cubic feet of water shall be ~~\$5.524~~ \$9.40 for the residential and commercial consumers of the former Junction City Sewer System.

(2) The monthly sewer service charge for wholesale and industrial consumers shall be as follows, or by special agreement with the city in cases where all water used by the consumer is not returned to the sanitary sewer or where liquid sewage wastes are of unusual strength or composition, except that any such user which has a national pollutant discharge elimination system permit shall be required to pay the sewer surcharge only on that portion of water returned to the sewer system; such user must have a sewage meter or

some approved means of measuring the amount returned to the system and the city shall have the right to inspect the meter at all reasonable times, and may require the user to compile and maintain records containing pertinent data and information, which records shall be subject to inspection by the city and provided to the city upon request.

(a) Effective ~~July 1, 2011~~; September 1, 2017, the minimum monthly rate shall be ~~\$449.599~~ \$169.098. The rate per 100 cubic feet of water consumed shall be ~~\$2.914~~ \$4.20.

(3) In addition to the monthly sewer service charge any industrial customer as defined in section 18-59 which exceed the limit as set forth in section 18-56 of the following constituents will be charged a fee as set for below:

	Monthly Average (PPM)	Fee (\$ per lb)
BOD	300	0.15
Total Suspended Solids	350	0.20
Total Kjeldahl Nitrogen (TKN)	40	0.25
<u>Phosphorus</u>		<u>0.50</u>

SECTION TWO: This ordinance is effective as of September 1, 2017, or as soon thereafter as published in the Advocate-Messenger after two successful readings.

SECTION THREE: If any section, subsection, paragraph, sentence, clause, phrase, or portion of this Ordinance is declared illegal or unconstitutional or otherwise invalid, such declaration shall not affect the remaining portions hereof.

GIVEN FIRST READING AND PASSED 7/24/2017

GIVEN SECOND READING AND PASSED 8/14/2017

PUBLISHED IN THE ADVOCATE-MESSENGER _____

APPROVED:



G. MICHAEL PERROS,
MAYOR

ATTEST:

DONNA PEEK, CITY CLERK

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