

## TITLE VI PHYSICAL ENVIRONMENT

### CHAPTER 5 UTILITIES - BILLING CHARGES

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**6-5-1 UTILITY DEFINED.** For use in this Chapter, utility is the sewer, water, and refuse collection systems operated by the City.

**6-5-2 DISTRICTS.** There shall be one sewer and water district which encompasses all of the City of Scranton, Iowa.

**6-5-3 DISPOSITION OF FEES AND CHARGES.** There shall be an account kept by the Clerk-Treasurer, known as the waterworks fund. All money received from the sale of waterworks bonds, from the collection of water bills, from taxation for waterworks purposes, from the sale of any property or material connected with the waterworks, from any appropriation made by the Council for the purpose of construction or extension of waterworks or from any source whatever connected with the management and operation of the waterworks system, shall be placed in the waterworks fund and all salaries and disbursements connected with the management and operation of the waterworks system, shall be paid out of this fund.

**6-5-4 BILLING, PENALTY.** Utility bills shall be due on the first of the month following the period for which service is billed. Payment shall be made to the City Clerk. Bills shall become delinquent after the fifteenth (15<sup>th</sup>) of the month in which due and bills paid after said day shall have added a penalty of ten (10) percent of the amount of the bill for utility service. When the fifteenth falls on Saturday or Sunday or a holiday in which city hall is closed, the City Clerk shall accept payment on the next office day without penalty. Where meters are connected for a temporary purpose, water rents shall be due and payable when that use is completed.

(Code of Iowa, Sec. 384.84(1))

**6-5-5 DISCONTINUING SERVICE, FEES.**

1. If any account is not paid within thirty days from the end of any given period, the service to such owner or person so supplied with the utility shall be discontinued after the following procedures have been complied with:

a. Twelve (12) days after the due date for payment, the City Clerk shall send a disconnect or discontinuance notice by ordinary mail providing the following notice to customers: "You are advised that you may request a hearing on this matter to the City Clerk by noon on the day preceding the scheduled shut-off date or discontinuance of service." The Clerk-Treasurer is authorized, for a period of six months, to grant time payment of bills delinquent beyond the turn-off date occupied prior to the effective date of this ordinance and the Clerk-Treasurer shall bring all accounts to current status by that time and no extension shall be granted thereafter but the water turned off upon non-payment on the required date.

b. Water service may be severed upon notice to the Director of Public Works or other authorized person whenever the premises are to be unoccupied, and be reconnected upon a payment of the \$30.00 during working hours and \$60.00 for after-hours and weekends for turning on the water.

c. When a hearing is requested by a customer, the Mayor or the Mayor's designee shall conduct a hearing within two (2) days following the request. The customer shall have the right to present evidence or propose a payment plan. The decision of the Mayor is final.

2. If service is discontinued for nonpayment of fees and charges, or for the violation of any Ordinance, a fee of \$30.00 during working hours and \$60.00 for after hours or weekends shall be paid to the City Clerk in addition to the rates or charges then due before such service is restored. If any such service charge is not paid within thirty (30) days from the date it is due, the same shall constitute a lien upon the premises served by said municipal system, which said lien shall be collected in the same manner as taxes.

(Code of Iowa, Sec. 384.84(2))

3. A lien shall not be certified to the County Treasurer for collection unless thirty (30) days prior written notice by ordinary mail of the intent to certify a lien is given to the account holder of the delinquent account. If the account holder is a tenant, and if the owner or property lessor of the property has made a written request for notice, the notice shall also be given to the owner.

(Code of Iowa, Sec. 384.84 (3))

4. If the property in which there are delinquent utilities owing is sold before the City certifies the lien to the County Treasurer, the City may certify the delinquent utilities against another property located in this state owned by the delinquent user.

(Code of Iowa, Sec. 384.84(3)(a)(3))

**6-5-6 RESIDENTIAL RENTAL PROPERTY.** Residential rental property where a charge for any of the services of water, sewer systems, storm water drainage systems, sewage treatment, solid waste collection, and solid waste disposal is paid directly to the City by the tenant is exempt from a lien for delinquent rates or charges associated with such services if the landlord gives written notice to the City utility that the property is residential rental property and that the tenant is liable for the rates or charges. A City utility may require a deposit not exceeding the usual cost of ninety (90) days of the services of water, sewer systems, storm water drainage systems, sewage treatment, solid waste collection, and solid waste disposal to be paid to the utility. Upon receipt, the utility or enterprise shall acknowledge the notice and deposit. A written notice shall contain the name of

the tenant responsible for the charges, the address of the residential rental property that the tenant is to occupy, and the date that the occupancy begins. A change in tenant shall require a new written notice to be given to the City utility within thirty (30) business days of the change in tenant. When the tenant moves from the rental property, the City utility shall return the deposit, within ten days, if the charges for the services of water, sewer systems, storm water drainage systems, sewage treatment, solid waste collection, and solid waste disposal are paid in full.

A change in the ownership of the residential rental property shall require written notice of such change to be given to the City utility within thirty (30) business days of the completion of the change of ownership. The lien exemption for rental property does not apply to charges for repairs related to a service of water, sewer systems, storm water drainage systems, sewage treatment, solid waste collection, and solid waste disposal if the repair charges become delinquent.

(Code of Iowa, Sec. 384.84(3)(d) & (e))  
(Amended in 2012)

**6-5-7 CUSTOMER GUARANTEE DEPOSITS.** Customer deposits shall be required of all customers who are tenants, or others having no established credit record, and of those who have an unacceptable credit record or who have a prior record of failure to pay water bills rendered. Such deposit shall be one hundred dollars (\$100.00) or equal to the estimated typical bill for the type of use contracted for, and be set to the nearest five (\$5.00) dollars. Deposits of customers having established acceptable credit records for three (3) years shall have their deposits returned. An occurrence or recurrence of a bad payment record may be the occasion for the City Clerk to require a new or larger deposit for the continuation of service.

(Code of Iowa, Sec. 384.84(1))

**6-5-8 WATER RATES.** Water shall be furnished at the following monthly rates per property serviced within the City limits:

(Code of Iowa, Sec. 384.84(1))

The first 1,000 gallons - \$24.25  
Over 1,000 gallons - \$0.60 per 100 gallons

The minimum charge shall be \$24.25 per household or business building per billing month.

A fifteen dollar (\$15.00) service charge shall be applied for new or transferred water service.

**6-5-9 REFUSE COLLECTION RATES.** There shall be collected by the City for its services in collecting garbage and rubbish, the following mandatory fees:

1. Residence Rate. For each resident with alley or curb pickup, \$9.00 per month for one garbage or rubbish collection each week. In the event that alley or curb pickup for any residence is not feasible, the City Clerk is hereby empowered to enter into an agreement with such resident for any additional charge to be paid by such resident for any other location of pickup that may be agreed upon.

2. Multiple-Family Residence Rate. \$6.00 per unit per month for one garbage or rubbish collection each week.
3. Business Rate. \$10.00 per month for one garbage or rubbish collection each week.
4. Dumpster Pick-up. For those residences and businesses utilizing dumpster(s) for garbage service, the monthly collection rate shall be \$10.00 per yard length of dumpster per pickup.
5. Temporary/Rental Dumpster. \$30.00 per dump for dumpsters rented through the City or the City's contractors. Such rentals shall be for a period not longer than 30 days. For those residences and businesses with dumpsters, the monthly collection rate shall be as follows:
6. Additional Garbage. Garbage collected that exceeds one standard 55-gallon garbage can will be charged at a rate of \$2.00 per bag.
7. Recyclable Materials. All accounts shall be charged a recycling fee of \$2.00 per month.
8. Landfill. All accounts shall be charged a landfill fee of \$1.00 per month.  
(Code of Iowa, Sec. 384.84(1))

**6-5-10 RATE OF SEWER RENT AND MANNER OF PAYMENT.** The user charge system shall generate adequate annual revenues to pay cost of annual operation, maintenance and replacement and costs associated with debt retirement of bonded capital associated with financing the treatment works by 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 treatment works shall be established by this ordinance. The equipment replacement cost portion of the rate system is based on the information in Appendix B to this ordinance.

1. That portion of the total user charge collected which is designated for operation and maintenance including replacement purposes as established in Section 4 shall be deposited in a separate non-lapsing fund known as the operation, maintenance and replacement fund and will be kept in two primary accounts as follows:
  - a. An account designated for the specific purpose of defraying operation and maintenance costs of the treatment works (operation and maintenance account).
  - b. An account designated for the specific purpose of ensuring replacement needs over the useful life of the treatment works (replacement account). Deposits in the replacement account shall be made annually from the operation, maintenance and replacement revenue in the amount of \$5,110 annually.
2. That portion of the total user charge collected which is designated for the debt retirement fund as established in *Resolution 2005-16* shall be deposited in a separate fund known as the debt service fund and will be kept in two primary accounts as follows:
  - a. An account designated for the specific purpose of paying principal of and interest on the bonds and parity bonds. The account shall be known as the revenue bond sinking account.

b. An account designated for the specific purpose of providing a reserve for paying principal of and interest on the bonds and parity bonds. The account shall be known as the revenue bond reserve account.

3. Fiscal year-end balances in the operation and maintenance account and the replacement account shall be carried over to the same accounts in the subsequent year, and shall be used for no other purposes than those designated for these accounts. Monies that 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. The user charge rate 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.

4. Fiscal year-end balances in the revenue bond sinking account and the revenue bond reserve account shall be carried over to the same accounts in the subsequent year, and shall be used for no other purposes than those designated for these accounts. The required amount to be deposited to the revenue bond sinking account in any month shall be an amount equal to one-sixth (1/6) of the installment of interest coming due on the next interest payment date and one-twelfth (1/12) of the installment of principal coming due on such bonds on the next principal p (1/6) of the installment of interest coming due on the next interest payment date and one-twelfth (1/12) of the installment of principal coming due on such bonds on the next principal payment date until the full amount of such installment is on hand.

5. User Charge. Each user shall pay for the services provided by the city based on their use of the treatment works as determined by the water meters acceptable to the City.

a. The minimum charge per month for all contributors shall be twenty-four dollars and twenty-five cents (\$24.25) for the first one thousand gallons of water used per month. In addition, each contributor shall pay a user charge rate for operation and maintenance including replacement of forty-five cents (\$0.45) per one hundred (100) gallons of wastewater contributed above one thousand (1,000) gallons per month.

b. For those contributors who contribute wastewater the strength of which is greater than normal domestic wastewater as defined in Section 6-2-1, an extra strength surcharge in addition to the normal user charge will be collected. The extra strength surcharge for the operation and maintenance, replacement is:

\$0.72 per pound of CBOD5  
\$0.72 per pound of TSS  
\$2.88 per pound of TKN

c. Any user which discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge from the city's treatment works or any user which discharges any substance which singly or by interaction with other substances causes identifiable increases in the cost of operation, maintenance, or replacement of the treatment works, shall pay for such increased costs. The charge to each such user shall be as determined by the City Council.

6. Determination of Quantity Used.

a. The user charge shall be applied to the quantity of water used by each contributor of sanitary sewerage for each individual water meter contributing to said sewer system as determined by monthly water meter readings of the municipal waterworks of the city, and by such privately owned water supplies, the quantity of water used and discharged into the sewerage system of said city shall be determined to the satisfaction of the council and at the expense of the owner of unmetered water supply. If the estimated quantity of water from any unmetered water supply is estimated to be in excess of an average of four thousand five hundred (4,500) gallons per month, the council may require that such water supply be metered at the expense of the owner of such water supply.

b. Where flow measurement devices are required of persons contributing industrial wastes to the sewer system, the city may authorize the quantities shown on the permanently recorded records of such flow measurement devices to be used as the basis of determination of the rate to be paid by the person.

7. Special Agreements. The user charge ordinance shall take precedence over any terms or conditions or agreements or contracts which are inconsistent with the requirements of section 204(b)(1)(A) of the Act and 40 CFR 35.2140 dated February 17, 1984.

8. Review of User Charge System. 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 operation and maintenance including replacement and that the system continues to provide for the proportional distribution of operating and maintenance including replacement costs among users and user classes.

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9. Notification of Rate. The city will notify each user at least annually, in conjunction with a regular bill, of the rate being charged for operation, maintenance including replacement of the treatment works.

(Code of Iowa, Sec. 384.84(1))

**6-5-11 DETERMINATION AND PAYMENT OF SEWER RENT FROM PREMISES WITH PRIVATE WATER SYSTEMS.** Users whose premises have a private water system shall pay a sewer rent in proportion to the water used and determined by the City Council either by an estimate agreed to by the user or by metering the water system. The rates shall be the same as provided in Section 6-5-10 applied as if a City water bill were to be paid. Rent shall be paid at the same time and place as provided in Section 6-5-10.

(Code of Iowa, Sec. 384.84(1))

**6-5-12 RESPONSIBILITY FOR PAYMENT.** The owner of a property receiving water services shall be responsible for the payment of all charges for City utilities delivered to that property; provided, however, that the City may, by written agreement with an owner who leases or rents property to a tenant (or who otherwise allows someone else to live in the premises), require a reasonable deposit from the tenant or other occupant for all charges for water delivered to the property during the tenant's or other occupant's occupancy and agree to try to collect those charges from the tenant or other occupant by billing the tenant or other occupant for the water services to the property and, if necessary, turning off water services to the property and using the

tenant's or other occupant's deposit for payment on such bill. If any charges remain unpaid after those procedures, the City will notify the owner of the amount due the City.

Footnote: See Code of Iowa, Sec. 384.38(3) concerning establishing districts and connection fees.

