

BOROUGH OF MILLVILLE
COLUMBIA COUNTY, PENNSYLVANIA

ORDINANCE NO. 20010717.154

AN ORDINANCE OF THE BOROUGH OF MILLVILLE ESTABLISHING A RATE STRUCTURE FOR SEWER AND WATER SERVICE PROVIDED BY THE BOROUGH; ESTABLISHING MISCELLANEOUS FEES INCIDENT TO THE PROVISION OF SEWER AND WATER SERVICE; ESTABLISHING TERMS AND PROCEDURES FOR THE COLLECTION OF DELINQUENT ACCOUNTS; ESTABLISHING ADDITIONAL RULES, REGULATIONS AND POLICIES RELATING TO THE PROVISION OF SEWER AND WATER SERVICE BY THE BOROUGH OF MILLVILLE

WHEREAS, it is the intent of the Council of the Borough of Millville to more equitably restructure the sewer and water rates and related charges for customers of the Borough sewer and water systems, AND

WHEREAS, the costs of operation will be significantly increased due to the construction of a new sewer treatment plant,

NOW, THEREFORE, it is hereby ENACTED and ORDAINED by the Council of the Borough of Millville, Columbia County, Pennsylvania, as follows:

Section 1. Definitions. As used in this Ordinance, the following terms shall have the meanings indicated, unless a different meaning clearly appears from the context:

A. Availability of Service: For purposes of this Ordinance, public water and/or sewer service shall be deemed to be available to any Improved Property where such public facilities are located within twenty (20) feet of the property.

B. Borough: The Borough of Millville, Columbia County, Pennsylvania, a political subdivision of the Commonwealth, acting by and through its Council or, in appropriate cases, its authorized representatives.

C. Building Sewer: The extension from the sewage drainage system of any structure to the lateral of the public sewer line.

D. Connection Date: The date on which an Improved Property is actually connected to the Sewer System or Water System or the 46th day following issuance by the Borough of a notice to the Owner of such Improved Property to connect to the Sewer System or Water System, pursuant to applicable Ordinances of the Borough, whichever is earlier, for purposes of initiating the assessment of sewer rates or water rates.

E. Costs: The sewer and water rates established pursuant to this Ordinance are based upon certain costs incurred by the Borough in providing public sewer and water services as follows:

(1) Fixed Costs: Those costs that are the same for each user irrespective of the volume used, including the interest on the investment for the meters, meter maintenance, and the costs of billing and bookkeeping. The cost shall be the same for all users. One-half (1/2) of these costs shall be applied to sewer billing and one-half (1/2) to water billing.

(2) Capital Costs: Those costs paid by the Borough to the Millville Borough Municipal

Authority for the retirement of debts relating to the Sewer System and Water System. Debts against the sewer and Water Systems shall be computed separately and shall be distributed among the three (3) classes of customers established under this Ordinance according to the formulas for the distribution of capital costs included in Appendix A to this Ordinance.

(3) Operation and Maintenance Costs: Those costs necessary for the operation of the Sewer and Water Systems.

F. Customers: The customers of the Borough Sewer and Water Systems are divided into three classes for billing purposes as follows:

(1) Residential: Any Improved Property with an individual meter and used exclusively for residential purposes. This class shall also include churches and the Millville Fire Company which shall be deemed functionally equivalent to residential use.

(2) Commercial: Any Improved Property with an individual meter having a five-eighth (5/8") inch supply size, where the occupants of the location conduct a business.

Conducting a business is defined as being required to have a Pennsylvania Sales Tax License and/or Federal Employer Identification Number (EIN) and/or using the meter to provide water to a tenant where the water is a utility included in the rent.

(3) Volume Commercial: A Commercial Customer which utilizes a meter with a supply size larger than five-eighth (5/8") inch. Each Volume Commercial Customer shall be required to sign a yearly contract for service that includes the maximum daily and yearly flow. This contract will be self-renewing unless notice of termination is given by either party. If yearly usage exceeds the contract amount, the Volume Commercial Customer shall be assessed a penalty equal to twenty (20%) percent of the total annual billing for the year in which the excess usage occurred.

G. Improved Property: Any property within the Borough upon which there is erected a structure intended for continuous or periodic habitation, occupancy or use by human beings or animals and from which structure Sanitary Sewage and/or Industrial Wastes shall be or may be discharged.

H. Industrial Waste: Any and all wastes discharged from any industrial facility other than Sanitary Sewage.

I. Lateral: That part of the Sewer System or Water System extending from a sewer or water main to the curb line, or if there shall be no curb line, to the property line, or if no such Lateral shall be provided, then "Lateral" shall mean that portion of or place in a sewer or water main which is provided for connection of an Improved Property.

J. Owner: Any person vested with ownership, legal or equitable, sole or partial, of any Improved Property.

K. Person: Any individual, partnership, company, association, corporation or other group or entity.

L. Sanitary Sewage: Normal water-carried household and toilet wastes from any Improved Property.

M. Sewer System: All facilities, as of any particular time, for collecting, transporting, pumping, treating, and/or disposing of Sanitary Sewage and/or Industrial Wastes situated in and operated by the Borough.

N. Street: Any street, road, lane, court, cul-de-sac, alley, public way or public square.

O. Water System: All facilities, as of any particular time for collecting, treating and/or

distributing potable water situated in and operated by the Borough.

Section 2. Sewer Rates and Other Charges. Sewer rates and other charges are imposed upon and shall be collected from the Owner of each Improved Property to which sewer service is available for use of the Sewer System, whether such use shall be direct or indirect, which sewer rates and charges shall commence and shall be effective as of the Connection Date of each such Improved Property to the Sewer System, and shall be payable by all Customers of the Sewer System and comprised of the following:

A. Capital Cost. Each Residential, Commercial and Volume Commercial Customer shall pay a share of the capital cost of providing sewer service to be calculated annually in accordance with the formulas set forth in Appendix A hereto. The total annual charge for each class of customer and the amounts payable per quarter-year billing period shall be established from time to time by Resolution of the Borough Council; and

B. Fixed Cost. Each Residential, Commercial and Volume Commercial Customer shall pay a share of the fixed costs of providing sewer service. Effective with the adoption hereof, each customer of the Sewer System shall pay a fixed cost charge of \$50.00 per year payable at the rate of \$12.50 per quarterly billing period. This charge shall be subject to change from time to time by Resolution of the Borough Council; and

C. Operation and Maintenance Cost. Each Residential, Commercial and Volume Commercial Customer shall pay a share of the annual costs for operation and maintenance of the Sewer System. Effective with the adoption hereof, each customer of the Sewer System shall pay a sewer charge, based upon water consumption as determined from water meter readings, at the rate of \$4.23 per 1000 gallons of water consumption per quarterly billing period. This charge shall be subject to change from time to time by Resolution of the Borough Council.

Section 3. Water Rates and Other Charges. Water rates and other charges are imposed upon and shall be collected from the Owner of each Improved Property to which water service is available for use of the Water System, whether such use shall be direct or indirect, which water rates and charges shall commence and shall be effective as of the Connection Date of each such Improved Property to the Water System, and shall be payable by all Customers of the Water System and comprised of the following:

A. Capital Cost. Each Residential, Commercial and Volume Commercial Customer shall pay a share of the capital cost of providing water service to be calculated annually in accordance with the formulas set forth in Appendix A hereto. The total annual charge for each class of customer and the amounts payable per quarter-year billing period shall be established from time to time by Resolution of the Borough Council; and

B. Fixed Cost. Each Residential, Commercial and Volume Commercial Customer shall pay a share of the fixed costs of providing water service. Effective with the adoption hereof, each customer of the Water System shall pay a fixed cost charge of \$50.00 per year payable at the rate of \$12.50 per quarterly billing period. This charge shall be subject to change from time to time by Resolution of the Borough Council; and

C. Operation and Maintenance Cost. Each Residential, Commercial and Volume Commercial Customer shall pay a share of the annual costs for operation and maintenance of the Water System. Effective with the adoption hereof, each customer of the Water System shall pay a water charge, based upon water consumption as

determined from water meter readings, at the rate of \$3.39 per 1000 gallons of water consumption per quarterly billing period. This charge shall be subject to change from time to time by Resolution of the Borough Council.

Section 4. Metering. The portions of sewer and water charges based upon water consumption shall be determined from water meter readings subject to the following:

A. Meter Reading. Customers' water meters shall be read quarterly; provided, however, that it shall be the responsibility of the owner of the property on which a meter is installed to provide authorized Borough personnel reasonable access to the meter.

For the convenience of the customer, a remote gauge may be installed at the customers' expense. In the event that reasonable access to a meter is unavailable, the customer shall be charged for both water and sewer service at the rate of one and one-half (1½) times the previous quarter's metered billing or the average metered billing for the class of customer, whichever is greater.

B. Broken or Malfunctioning Meters. In the event that a water meter is broken or malfunctioning at the time of its scheduled reading, the customer shall be charged for both water and sewer service based on the average of the customer's two previous quarterly billings for those services.

Section 5. Sewer Connections. Connections to the Sewer System shall be made in accordance with the following:

A. Permit Fee. A permit fee of \$1,200.00, or such other permit fee as may be established from time to time by Resolution of the Borough Council, shall be charged for connection to the Sewer System. Such fee shall include installation of the tap in the public sewer line and the installation of a Lateral extending to the Owner's property line, which distance shall not exceed twenty (20) feet.

B. Owner's Responsibility. The Owner of the property connecting to the Sewer System shall be solely responsible for all of the costs for the installation of sewer facilities on the Owner's property. All materials used for sewer service connections, including fill, shall be of types approved by the Borough at the time of permit application.

Section 6. Water Connections. Connections to the Water System shall be made in accordance with the following:

A. Permit Fee: A permit fee shall be charged for connection to the Water System. Permit fees are as follows: (1) \$1,150.00 for a standard five-eighth (5/8") inch meter connection; (2) \$1,090.00 for a one (1") inch service, plus the cost of a meter; (3) \$1,225.00 for a one and one-half (1½") inch service, plus the cost of a meter; and (4) \$1,330.00 for a two (2") inch service, plus the cost of a meter; or (5) or such other permit fee as may be established from time to time by Resolution of the Borough Council. Such fee shall include installation of the tap in the public water line and the installation of a Lateral extending to the Owner's property line, which distance shall not exceed twenty (20) feet. The Borough will provide a five-eighth (5/8") inch meter which the customer shall be responsible for installing.

B. Owner's Responsibility. The Owner of the property connecting to the Water System shall be solely responsible for all of the costs for the installation of water facilities on the Owner's property. All materials used for water service connections, including fill, shall be of types approved by the Borough at the time of permit application.

Section 7. Inspections. The installation of all sewer and water connection facilities on a

Customer's property shall be subject to inspection by the Borough during the installation and upon completion of the installation. Sewer and water service shall not be employed until the inspections have been completed and written approval of the installation has been issued by the Borough. There shall be no additional fee for the inspection.

Section 8. Disconnection Fees. In the event the Borough or its agents determine that the public water supply or any component of the water system is threatened because of a vacancy or lack of heat of a customer's premises, disconnection shall be mandatory. The cost for disconnection shall be \$100.00, or such other amount as shall be established from time to time by Resolution of the Borough Council. Disconnection of service shall not relieve the Customer from payment of the portions of sewer and water rates based upon Capital Costs and Fixed Costs.

Section 9. Collection of Delinquent Accounts. All payments for sewer and/or water service shall be due within thirty (30) days after billing subject to the following:

A. Accrual of Finance Charges. From and after the 30th day following a billing, finance charges shall accrue on any unpaid balance at the rate of one and one-half (1½%) percent per month or eighteen (18%) percent per annum.

B. Notification Procedure:

(1) In the event of a bill which has not been paid within thirty (30) days after billing, a reminder shall be sent to the customer.

(2) In the event of a bill which has not been paid within 45 days of the date of billing, the Boro shall proceed to collect the amount owed along with interest in any lawful manner.

Section 10. Responsibility for Payment. In all instances, the Owner of the Improved Property to which sewer and/or water service is provided shall be held responsible for the payment of all service fees, whether the billing account is established in the Owner's name or the name of a tenant.

Section 11. Repealer. Any prior Ordinance, Resolution or rate structure enacted or promulgated by the Borough which is inconsistent with the terms of this Ordinance is hereby repealed.

Section 12. Severability. In the event that any term or provision of this Ordinance is declared unenforceable for any reason, such declaration shall not affect any of the remaining terms of this Ordinance.

ENACTED AS AN ORDINANCE of the Borough of Millville by the Council thereof at a meeting of its members duly called and held this 17th day of July, 2001. This Ordinance shall become effective upon enactment.

ATTEST: Boro OF MILLVILLE

BY: _____
Murray Holdren, Secretary M. C. Ludwig, President of Council

(SEAL)

The foregoing Ordinance, as thus enacted, is hereby APPROVED by me this 11th day of May, 1999.

Jerre W. Wright, Mayor

APPENDIX A

Formulas for Calculation of Capital Costs effective May 1, 1999.

The following definitions shall be used in connection with the formulas for calculating the share of Capital Costs payable by each class of customer:

	Water	Sewer	
BC	Commercial Gallons Billed (2 year average)	=	5,678,000 Use Water
BR	Residential Gallons Billed (2 year average)	=	10,522,000 Use Water
BV	Volume Gallons Billed (2 year average)	=	8,800,000 Use Water
BT	Gallons Billed (2 year average)	=	25,000,000 Use Water
CC	Capital Costs (Millville Boro pays Authority per year)	=	\$45,000.00 \$45,000.00
CQ	Quarterly Capital Costs	=	11,250.00 11,250.00
CVI	Individual Comm. Users Yearly Contracted Gallons	Contract	Use Water
GCV	Gross Yearly Volume Contracted by Comm. Users	Calculated	Use Water
NC	Number of Commercial Customers	=	48
?			
NR	Number of Residential Customers	=	236
?			
NV	Number of Volume Customers	=	11
10			
QC	Quarterly Commercial Capital Cost Per Commercial Connection	=	Calculated Calculated
QR	Quarterly Residential Capital Cost Per Residential Connection	=	Calculated Calculated
QVI	Quarterly Volume User's Capital Cost	=	Calculated Calculated
SF	Safety Factor	=	1.1
1.1			

1. The formula for calculation of the Capital Cost share of the bill for a Residential Customer shall be as follows:

$$\text{Residential} \quad \Rightarrow \quad \frac{BR}{BT} \times \frac{CQ}{NR} = QR$$

2. The formula for calculation of the Capital Cost share of the bill for a Commercial Customer shall be as follows:

$$\text{Commercial} \quad \Rightarrow \quad BC \times CQ = QC$$

3. The formula for calculation of the Capital Cost share of the bill for a Volume Commercial Customer shall be as follows:

$$\begin{array}{l} \text{Volume Commercial} \\ \text{BT} \end{array} \quad \begin{array}{l} \\ \text{GCV} \end{array} \Rightarrow \text{BV} \times \text{SF} \times \text{CQ} \times \text{CVI} = \text{QVI}$$