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SEWER RATE AND CONNECTION ORDINANCE

AN ORDINANCE establishing and providing for the collection of rates and charges for sewage disposal service and providing penalties for violation of sections thereof, in the Township of Little Traverse, County of Emmet, Michigan.

BE IT ORDAINED and enacted by the Township Board of Little Traverse Township, Emmet County, Michigan, as follows:

ARTICLE I. Definition of Terms

Unless the context specifically indicates otherwise, the meaning of terms used in this ordinance shall be as defined in the Little Traverse Township Municipal Sewer Use Ordinance.

ARTICLE II. Sewer User Charge System

Section 1: All premises connected directly or indirectly to the sanitary sewers of the Township, except as hereinafter provided, shall be charged and shall make quarterly payments to the Township in amounts computed on the basis of the number of "residential equivalents" assigned to such premises in accordance with the "Residential Equivalence Table" set forth in Exhibit A hereunto attached, one residential equivalent representing the average quantity of sewage generated by and emanating from a single family residence. The Township Board may for sufficient reasons make exceptions to or change any of such residential equivalents or establish residential equivalents for types of premises not listed.

Section 2: The quarterly sewer user charges shall consist of a "User O & M Charge" and a "User Debt Retirement Charge".

Section 3: The quarterly "User O & M Charge" per residential equivalent so payable by each premise shall be \$10.50 and shall consist of a basic charge for operation, maintenance, replacement and depreciation of the Sewage Works.

Section 4: The quarterly "User Debt Retirement Charge" per residential equivalent so payable by each premise shall be \$7.50 and shall consist of a basic charge for bond indebtedness of the Sewage Works.

Section 5: The Township Board may enter into a contract with the Wequetonsing Association or any similar incorporated resort association or other incorporated association, subdivider or developer whereby such association, subdivider or developer shall agree to pay to the Township a "User O & M Charge" and a "User

Debt Retirement Charge" as established in this ordinance and in amounts computed on the basis of the number of "residential equivalents" assigned to such association, subdivider or developer in accordance with the "Residential Equivalence Table" set forth in Exhibit A hereunto attached.

Section 6: The charges imposed by Section 3 and Section 4 shall be a lien on the premises served and delinquent charges may be collected in the same manner as taxes which are not paid when due. No contract shall be made with any association, subdivider or developer as provided in Section 5 unless the association, subdivider or developer has the legal authority and obligation to impose and collect charges or assessments for sewage disposal service furnished to its members.

Section 7: The Little Traverse Township Board shall have the right to adjust the "User O & M Charge" based on an annual audit review of the Sewage Works Operation and Maintenance costs. Such an audit review shall be conducted annually by the Harbor Springs Area Sewage Disposal Authority.

Section 8: It is anticipated that the "User Debt Retirement Charge" will be discontinued when all obligations of the Township for payment of the capital cost of the Sewage Works have been fully paid.

Section 9: All customers of the Sewage Works will be included in a user class and each user class will pay for its proportionate use of the Sewage Works in terms of volume and pollutant loading. Sewer user charges are levied to defray the cost of operation, maintenance (including replacement and depreciation), and debt retirement of the Sewage Works. The classes of users of the Sewage Works for the purpose of determining the user charges, shall be as follows:

Class I - Residential - shall include those customers which discharge only segregated domestic wastes or wastes from sanitary conveniences and are defined as "Residential Users" in the municipal sewer use ordinance.

Class II - Commercial - shall include those customers which discharge only segregated domestic wastes or wastes from sanitary conveniences and are defined as "Commercial Users" in the municipal sewer use ordinance.

Class III - Institutional - shall include those customers which discharge only segregated domestic wastes or wastes from sanitary conveniences and are defined as "Institutional Users" in the municipal sewer use ordinance.

Class IV - Governmental - shall include those customers which discharge only segregated domestic wastes or wastes from sanitary conveniences and are defined as "Governmental Users" in the municipal sewer use ordinance.

Class V - Industrial - shall include those customers which discharge "industrial sewage" and are defined as "Industrial Users" in the municipal sewer use ordinance.

Section 10: Each Industrial User, as defined above, shall pay their share of of the operation, maintenance, replacement and depreciation costs for treatment of the industrial sewage, plus an amount that may be paid by Industrial Users for the recovery of the portion of Federal grants allocable to the treatment of industrial sewage as defined in Article III of this ordinance.

Section 11: Each industrial sewer customer that discharges to the system process wastewater which does not exceed the limits of "normal strength sewage" shall be charged and shall make quarterly payments to the Township in amounts based on the number of "residential equivalents" assigned to such premises. The number of "residential equivalents" shall be determined by dividing the average daily discharge in gallons per day (computed using the month of the year with the highest discharge) by 200 gallons. When less than 200 gallons per day are discharged to the system one (1) equivalent will be assigned. Where fractional units above 1.00 are computed, the nearest whole number will be assigned.

Section 12: Each Industrial User that proposes to discharge to the system process wastewater which exceeds the limits of "normal strength sewage" will be required to either: (a) provide satisfactory pre-treatment to reduce the strength of the wastewater to "normal strength sewage" or (b) pay a surcharge expressed in additional residential equivalents determined by the relative concentration of B.O.D., suspended solids, or other pollutant as compared to "normal strength sewage". The total number of residential equivalents adjusted to include the surcharge, shall be determined by the following relationship, but in no case be less than the residential equivalents computed in Section 11 above.

$$R_t = R_f \left(.4 + .3 \frac{B}{200 \text{ mg/l}} + .3 \frac{S}{250 \text{ mg/l}} + x \frac{P}{P_n} \right)$$

R_t = Total number of residential equivalents.

R_f = Number of residential equivalents based on flow as computed in Section 11, above.

B = Concentration of B.O.D. discharged by user (mg/l)—value not to be less than 200 mg/l

S = Concentration of suspended solids discharged by user (mg/l)—value not to be less than 250 mg/l

P = Concentration of any pollutant discharged by user (mg/l)

P_n = Concentration of any pollutant determined to be acceptable as "normal strength sewage"

X = Factor to be determined on an individual basis

Section 13: Prior to discharging to the system process wastewater which exceeds the limits of "normal strength sewage" a permit must be obtained from Little Traverse Township and the Harbor Springs Area Sewage Disposal Authority.

ARTICLE III: Industrial Cost Recovery System

Section 1: Each Industrial User, as defined above and in the municipal sewer use ordinance that discharges to the system will be subject to an industrial cost recovery charge equal to each Industrial User's allocable share of the Federal construction grant received after March 1, 1973 based on pollutant loading, volume and delivery flow rate.

Section 2: An Industrial User for the purpose of the "Industrial Cost Recovery System" shall be as defined in the municipal sewer use ordinance.

Section 3: A non-industrial user is any user of the Treatment Works that is not an Industrial User. Non-industrial users are not subject to the industrial cost recovery system.

Section 4: The industrial cost recovery period is the time period that is provided to allow Industrial Users to pay their total industrial cost recovery charge. The period of time shall be equal to 30 years or the useful life of the Treatment Works, whichever is less, as determined by the Township.

Section 5: The industrial cost recovery charge for each Industrial User shall be a portion of the Federal construction grant amount equal in proportion to the industrial share of the total capacity of the Treatment Works in terms of strength, volume and delivery flow rate. Specifically, the industrial share of the total capacity shall be determined by one of the three following relationships, whichever produces the largest value.

- a. Industrial Volume contribution per unit of time
Plant design volume per unit of time.
- b. Industrial BOD contribution per unit of time
Plant BOD design capacity per unit of time.
- c. Industrial Suspended Solids contribution per unit of time
Plant Suspended Solids design capacity per unit of time.

Industrial cost recovery charges shall be calculated and paid annually in an amount equal to the total industrial cost recovery charge for any Industrial User divided by the number of years in the cost recovery period.

Section 6: Costs recovered from Industrial Users shall be deposited by the Township in a separate account identified as the Industrial Cost Recovery Account. Funds shall be distributed from the industrial cost recovery account in accordance with U.S. Environmental Protection Agency rules and in the following manner:

- a. The Township shall retain fifty (50) percent of the total recovered amount. The remainder together with any interest earned thereon, shall be returned to the U.S. Treasury on an annual basis.
- b. Eighty (80) percent of the retained amount, together with interest earned thereon, shall be used solely for the

eligible costs of expansion or reconstruction of the Treatment Works. The remainder of the retained amount may be used as the Township sees fit.

- c. Pending use, the Township shall invest the retained amounts for expansion and reconstruction in: (1) obligations of the U.S. Government or (2) obligations guaranteed as to principal and interest by the U.S. Government or any agency thereof or (3) shall deposit said amounts in accounts fully collateralized by obligations of the U.S. Government or by obligations fully guaranteed as to principal and interest by the U.S. Government or any agency thereof.

Section 7: The Little Traverse Township Board shall have the right to adjust the industrial cost recovery charges to any Industrial User that makes a significant change in the volume, strength or delivery flow rate. Industrial Users will only be required to pay for those years of the cost recovery period that they use the system and only at an annual rate in proportion to the length of the entire recovery period.

ARTICLE IV: Sewer Connection Charges

Section 1: All premises connected directly or indirectly to the sanitary sewers of the Township shall be charged a \$500.00 tap-in fee for each residential equivalent according to the Residential Equivalence Table attached hereto. The Township Board may for sufficient reasons make exceptions to or change any of such residential equivalents for types of premises not listed.

ARTICLE V: Payments and Collections

Section 1: Bills for sewage disposal service are due and payable at the business office of the Township, or to any designated agent, on their date of issue and if not paid by the 10th day thereafter, shall be deemed delinquent and shall be subject to a penalty of 10% thereof. Bills shall be dated and mailed quarterly and shall cover one quarter's (3 months) service. If a bill is not paid within thirty (30) days after its date of issuance, the Township shall serve upon the customer a written notice of delinquency and if it is not paid within sixty days (60) after date of issuance, the Township may discontinue sewer service to the premises and take such other measures as are permitted by state law.

Section 2: All bills and notices relating to the conduct of the business of the Township and of the Sewage Works will be mailed to the customer at the address listed on the application for the connection permit, unless a change of address has been filed in writing at the business office of the Township; and the Township shall not otherwise be responsible for delivery of any bill or notice, nor will the customer be excused from nonpayment of a bill or from any performance required in said notice.

Section 3: Applications for connection permits may be cancelled and/or sewer service disconnected by the Township for any violation of any rule, regulation,

or condition of service, and especially for any of the following reasons:

- a. Misrepresentation in the permit application as to the property or residential equivalents to be serviced by the Sewage Works.
- b. Nonpayment of bills.
- c. Improper or imperfect service pipes and fixtures or failure to keep the same in suitable state of repair.

Section 4: Where the water or sewer service supplied to a customer has been discontinued for nonpayment of delinquent bill, the Township reserves the right to request a nominal sum be placed on deposit with the Township for the purpose of establishing or maintaining any customer's credit. The reconnection will not be made until after all delinquent bills and other charges, if any, owed by the customer to the Township have been paid.

Section 5: The Township shall make all reasonable efforts to eliminate interruptions of service, and when such interruptions occurs, will endeavor to re-establish service with the shortest possible delay. Whenever service is interrupted for purpose of working on the Sewage Works, all customers affected by such interruption will be notified in advance whenever it is possible to do so.

ARTICLE VI: Validity

Section 1: All ordinances and parts of ordinances in conflict with the provisions of this ordinance are hereby repealed insofar as the conflicting portions thereof are concerned.

ARTICLE VII: Ordinance in Force

Section 1: This ordinance to be in full force and effect from and after its passage, approval, and publication according to the law of the State of Michigan.

Exhibit A

RESIDENTIAL EQUIVALENCE TABLE

<u>Type of Premises</u>	<u>Residential Equivalent</u>	
Barber Shops	0.15	per chair
Bars	0.05	per seat
Beauty Shops	0.25	per booth
Boarding Houses	0.2	per person
Bowling Alleys (no bars, lunch facilities)	0.15	per alley
Churches	0.01	per seat
Convalescent Homes (Nursing Homes)	0.4	per bed
Country Club	0.1	per member
Drug Stores	0.2	per employee
Dry Cleaners	1.25	per press
Factories (exclusive of industrial wastes)	0.15	per person/per shift
Grocery Stores and Super Markets	0.30	per employee
Hospitals	1.1	per bed
Hotels, Motels (private baths, two persons/room)	0.2	per bed
Industry (process waters)	(To be determined at time of application)	
Laundry (self service)	0.5	per washer
Marinas	0.1	per slip
Mobile Home	1.0	per unit
Multiple Family Residence	1.0	per family
Office Building	0.1	per employee
Restaurants	0.1	per seat
Rooming Houses (no meals)	0.1	per person
Sanitary Trailer and Boat Dump Station	2.0	per station
Schools (showers and cafeteria)	0.05	per student
Schools (cafeteria)	0.03	per student
Schools (without showers and cafeteria)	0.02	per student
Service Station	0.2	per pump
Single Family Residence	1.00	per unit
Snack Bars, Drive-Ins, Etc.	0.1	per seat and/or stall
Store (other than specifically listed)	0.15	per employee
Trailer Parks (central bathhouses)	0.35	per trailer
Trailer Parks (individual sewer connection)	1.00	per trailer
Travel Trailer Parks and Campgrounds (with individual sewer connections)	0.20	per site
(without individual sewer connections)	0.15	per site

NOTE: Each connection to the public sewers will be assigned a minimum of one (1) equivalent user. Where fractional units above 1.00 are computed, the nearest whole number will be assigned.