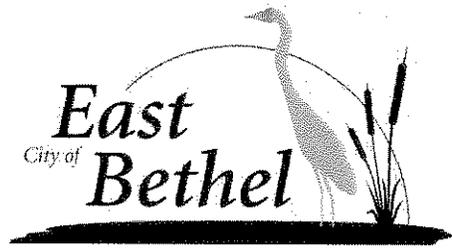


City of East Bethel
City Council Agenda
Work Meeting - 6:00 PM
Date: March 20, 2013



Item

- | | | |
|---------|------------|---|
| 6:00 PM | 1.0 | Call to Order |
| 6:01 PM | 2.0 | Adopt Agenda |
| 6:02 PM | 3.0 | Proposed Amendments to the City Water and Sewer Ordinance
Page 2-31 |
| 6:40 PM | 4.0 | Loan Program for City SAC and WAC Charges
Page 32-42 |
| 7:15 PM | 5.0 | Adjourn |



City of East Bethel City Council Agenda Information

Date:

March 20, 2013

Agenda Item Number:

Item 3.0

Agenda Item:

Ordinance 44, Second Series, Amending Chapter 74, Utilities, Article V, Regulating Waterworks and Sanitary Sewer

Requested Action:

Consider amending Ordinance 44, Second Series, Chapter 74, Utilities, Article V, Regulating Waterworks and Sanitary Sewer

Background Information:

In order to update our current Ordinance that regulates Waterworks, the attached amendments are proposed for Council's consideration. These revisions will allow us to more effectively administer and manage the operation of the Municipal Utilities System that will be accepting customers beginning in May 2013.

The proposed amendments, developed by staff, were discussed at the Ordinance Committee Meeting on March 14, 2013 and those proposed revisions are outlined in Attachment #2. The City Attorney has reviewed the Ordinance and the proposed changes. Staff, City Attorney and Ordinance Committee changes are included in the attachments.

The City Attorney also recommends that the city council adopt a policy on mandatory connection by Resolution where municipal services are available. Although that is not needed immediately at this point we should begin the preparation of a draft for that for consideration.

A clean copy of these changes will be sent for your review no later than Monday, March 18, 2013.

Attachments:

1. Proposed amendments to City Ordinance Chapter 74, Utilities, Article V, Regulating Waterworks and Sanitary Sewer
2. Ordinance Committee changes to Attachment #1
3. Ordinance Committee proposed revisions to Division 2 of Attachment #1

Fiscal Impact:

Recommendation(s):

Staff is recommending the approval of the amendments to Ordinance 44, Second Series, Chapter 74, Article V, Regulating Waterworks and Sanitary Sewer as presented in the attachments.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____

- CODE OF ORDINANCES
Chapter 74 - UTILITIES

ARTICLE V. - REGULATING WATERWORKS AND SANITARY SEWER

ARTICLE V. - REGULATING WATERWORKS AND SANITARY SEWER

DIVISION 1. - GENERALLY

DIVISION 2. - WATER

DIVISION 3. - SEWER

Attachment #1

- CODE OF ORDINANCES
Chapter 74 - UTILITIES
ARTICLE V. - REGULATING WATERWORKS AND SANITARY SEWER

DIVISION 1. - GENERALLY

DIVISION 1. - GENERALLY

Sec. 74-119. - Purpose.

It is the purpose of this article:

- (1) To provide for paying the cost of building, constructing, reconstructing, repairing, enlarging, improving or in any other manner obtaining waterworks and sanitary sewer facilities, or any portion of such facilities; and
- (2) To establish charges to be imposed to pay for the same and for the maintenance, operation and use of the facilities.

(Ord. No. 200, § 1, 9-21-2005)

Sec. 74-120. - Utilities division established.

There is hereby established a public utilities division within the public works department in the city.

(Ord. No. 200, § 2, 9-21-2005)

Sec. 74-121. - Operation and maintenance of facilities.

The waterworks and sanitary sewer facilities as they are now constituted or shall hereafter be enlarged or extended shall be operated and maintained under the provisions of this article subject to the authority of the city council at any time to amend, alter, change and repeal the same. The city administrator shall manage the waterworks and sanitary sewer facilities subject to the direction of the city council. The city administrator may designate other city employees to carry out duties and responsibilities under this article.

(Ord. No. 200, § 3, 9-21-2005)

Sec. 74-122. - Definitions.

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Account means a record of utility services used by each property and the periodic costs and charges imposed for those utility services.

Company, grantee and franchisee mean a public utility company or a public utility system, depending on the context, to/for which a franchise has been granted by the city.

Consumer and customer mean any user of a utility.

Facilities means and includes waterworks and sanitary sewer systems or any portion thereof.

Hook up means the original connection to a utility for a property or, in the case of obtainment of a utility by the city after the original connection to the utility for a property, the continuation of the connection to the utility after its obtainment.

Municipal utility means any city-owned utility, including, but not by way of limitation, waterworks and sanitary sewer facilities.

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ORDINANCE 44, Second Series

**AN ORDINANCE AMENDING Chapter 74, , Utilities, Article V, Regulating
Waterworks and Sanitary Sewer, City Code of East Bethel**

The City Council of the City of East Bethel, ordains:

Sanitary sewer means sanitary sewer systems, including sewage treatment works, disposal systems and other facilities for disposing of sewage, industrial waste and other wastes.

Service means the provision of a particular utility to a consumer or customer.

Utility means a waterworks or sanitary sewer system, whether the same are city-owned facilities or those owned by a public utility company.

Waterworks means waterworks systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants and other appurtenances of a waterworks system.

(Ord. No. 200, § 4, 9-21-2005; Ord. No. 200A, § 3, 10-19-2005)

Sec. 74-123. - Mandatory connection to city systems.

It shall be unlawful for any person to install or for any property to be connected to a private waterworks system intended to provide water for human consumption or for any person to install or for any property to be connected to a private sanitary sewer system, except in cases where the city waterworks or sanitary sewer system is not accessible to a property. The city administrator shall refer all questions of accessibility to the city engineer. The city engineer shall make a recommendation if either of the city waterworks or sanitary sewer systems is accessible to a premises either requesting or requiring installation or connection. Mandatory connection to city systems will be required within 6 months of service availability¹. Service availability shall be presumptively demonstrated by written Notice to Connect provided to the property owner by the City confirming the availability of municipal water and/or sanitary sewer systems adjacent to the owners property..

(Ord. No. 200, § 5, 9-21-2005)

Sec. 74-124. - Fixing rates and charges for city utility services.

- (a) All rates and charges for city utilities, including, but not by way of limitation, rates and charges for use, availability and connections, contributions to a system, services, permits, deposits, hook ups, meters and meter testing, disconnections, reconnections and delinquencies, shall be determined, fixed and amended by the city council from time to time by resolution. All resolutions, each

¹ See Minn. Stat 412.221 and Minn. Rule 4715.0310.

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containing the effective date thereof, shall be kept on file and open to public inspection in the office of the city clerk-treasurer and shall be uniformly enforced. For the purpose of fixing rates and charges, the council may categorize and classify under various types of services or by contributions to a system, provided that such categorization and classification is just and equitable and is included in the resolution authorized by this section.

- (b) The city council shall by resolution also establish the number of certification cycles per year. At least one certification cycle shall be timed each year to coincide with the county's requirements for certification to the following year's taxes. Additional certification cycles may be set by resolution. The council must establish one or more certification cutoff dates each year. All city utility accounts, unless exempt for legal reason, which have been billed a delinquent bill and remain unpaid as of the certification cutoff date, will have the balance on the account included in a preliminary certification list.

(Ord. No. 200, § 6, 9-21-2005; Ord. No. 200A, § 1(6), 10-19-2005)

Sec. 74-125. - Nonliability of city.

The city shall not be liable for damages because of the breaking of any water main, sewer main or service pipe or fixture or for any interruption of supply or service by reason of the breaking of facilities, equipment or machinery or stoppage for necessary repair. The city shall not be liable for any deficiency or failure in the supply of water to consumers, whether occasioned by shutting the water off for the purpose of making repairs or connections, or from any other cause whatever. In case of fire or alarm of fire, or in making repairs or construction of new works, water may be shut off at any time and kept off as long as reasonably necessary to implement repairs.

(Ord. No. 200, § 7, 9-21-2005)

Sec. 74-126. - Delinquent accounts.

- (a) *Shutoff for nonpayment.* Water and/or sanitary sewer service will not be shut off until notice and an opportunity for a hearing before the city council or an official designated by the city council have been provided to the occupant and owner of the premises involved.
- (1) If any bill is not paid by the due date listed on the bill, a second bill will be mailed by first class mail and will state that if payment is not made within 20 days of the mailing of the second bill, water and/or sanitary sewer service to the premises will be shut off for nonpayment.
 - (2) The second bill and shutoff notice will contain the title, address and telephone number of the city official in charge of utility billing. The title, address and telephone number must be clearly visible and easily readable.
 - (3) The notice also will state that any occupant or owner has the right to a hearing before the city council prior to the water and/or sanitary sewer service being shut off; that the owner or occupant may be represented in person and by counsel or any other person of his choosing; and that the owner or occupant may present orally or in writing his objection to the city official in charge of utility billing before the service is shut off. The city official will be authorized to order continuation of the customer's service and will have the authority to adjust the customer's bill or enter into a mutually agreeable payment plan.
 - (4) The shutoff notice also will state that a hearing before the city council will be provided if requested by written request delivered to the city official in charge of utility billing within the 20-

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DIVISION 1. - GENERALLY

day period. If an occupant or owner requests a hearing, the water will not be shut off until the hearing process is complete.

- (5) If a customer fails to pay and fails to request a hearing under this section, service will be shut off at the time specified in the notice but in no event until the charges have been due and unpaid for at least 30 days.
- (b) *Certification for collection with taxes.* Unpaid charges on sewer and water accounts will not be certified to the county auditor for collection with taxes until notice and an opportunity for a hearing before the city council have been provided to the owner of the premises involved. The notice must be sent by first class mail, at least 30 days before the certification date, and must state that if payment is not made before the date for certification, the entire amount unpaid plus penalties will be certified to the county auditor for collection as other taxes are collected. The notice also must state that the owner may, no later than 20 days before the certification date, request a hearing on the matter to object to certification of unpaid utility charges.
- (1) The owner of the property will have the option of paying the balance due on the account until the date the notice of the certification hearing is mailed. After the date the notice of certification hearing is mailed, payments will still be accepted but will include unpaid penalties.
- (2) A hearing will be held on the matter by the city council prior to the county certification date. A property owner with unpaid utility charges will have the opportunity to object to the certification of unpaid charges to be collected as taxes are collected. If, after the hearing, the city council finds that the amount claimed as delinquent is actually due and unpaid and that there is no legal reason why the unpaid charge should not be certified for collection with taxes in accordance with this article, the city may certify the unpaid charges to the county auditor for collection as other taxes are collected.
- (3) For each certification sustained, the property owner will have the following options after the hearing:
- a. To pay the delinquent amount listed on the preliminary roll, but without additional interest after the hearing, within ten days of the hearing date or before the county certification date, whichever is first.
 - b. To pay the certified delinquent amount after the hearing date, but before the county certification deadline, with interest at the rate set in the adopted rate schedule, accrued beginning on the 11th day following the hearing date through the date of payment.
 - c. To pay the certified charges as billed by the county on the owner's property tax statement with a collection term of one year.
- (c) *Delivery of certified roll.* Twelve days after the hearing, the certified roll, minus any payments, will be delivered to the county.

(Ord. No. 200A, § 2(8), 10-19-2005)

Sec. 74-127. - Penalty.

Any person violating any provision of this article shall be guilty of a misdemeanor punishable as provided in section 1-14. A separate offense shall be deemed committed for each day a violation shall continue. The city also may seek injunctive or other relief and the costs of prosecution in any case.

(Ord. No. 200, § 11, 9-21-2005; Ord. No. 200A, § 9, 10-19-2005)

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Secs. 74-128—74-150. - Reserved.

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DIVISION 2. - WATER

DIVISION 2. - WATER

Sec. 74-151. - Water use, availability and connection charges.

The city council has determined that in order to pay for the cost of construction, reconstruction, repair, enlargement, improvement or other obtainment and the maintenance, operation and use of the city waterworks system, the cost of compliance with state and federal regulations and the principal and interest to become due on obligations issued or to be issued, it is necessary to impose just and equitable charges for the use and for the availability of the facilities and for connections with them pursuant to Minn. Stats. § 444.075, subd. 3.

(Ord. No. 200, § 1, 9-21-2005)

Sec. 74-152. - Water usage and service charges.

From and after the hookup of any premises to the city waterworks system, the owner of the premises must pay for such waterworks service, including availability and connection charges, and for water usage on the basis of the charges and rates fixed by resolution of the city council, and the charges and rates so established may be amended at any time by duly adopted resolution of the council.

(1) *Penalty charge and interest on unpaid bills.* Water charges will be billed ~~on a monthly basis to~~ the owner of each premises, the owner's authorized agent, lessee or the person signing the application served by water and will be payable to the city in full within 14 calendar days from the date on which the bill is issued. All accounts shall be kept by the house and street number and under the account number assigned thereto and by the name of the owner or of the person signing the application for service. All bills and notices shall be sent to the house or street number of the property. If non-resident owners or agents desire personal notice sent to a different address, they shall file an application therefor with the city. Any error in address shall be promptly reported to the city. All notices shall be effective when sent using first class mail. All delinquent accounts will be subject to a penalty calculated as follows:

- a. A bill paid in full within 30 days after the due date will pay a service charge as established by resolution of the city council.
- b. Beginning 30 days after the due date, all unpaid balances will accrue interest at a rate to be established by resolution of the city council. The interest will be added to the service charge.

(2) *Availability of water service.* Owners or users of any property within those areas where city water service is available may not use a nonmunicipal water system ~~without specific written consent of the city council,~~ with the exception of a private waterworks system used solely for irrigation purposes and is maintained as physically separate from the municipal water sources with separation valve or other device as approved by the City Public Works Department.

(Ord. No. 200, § 2, 9-21-2005; Ord. No. 200A, § 5(2), 10-19-2005)

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Sec. 74-153. - Water availability charges.

- (a) Minimum charges for the availability of water service and the City water availability charge (WAC) ~~may~~ will be imposed for all premises abutting on streets or other places where city water pipes and lines are located and available for connection, whether or not connected to them.
- (b) In determining the charges to be imposed for the availability of water service, the city may give consideration to all costs of the establishment, operation, maintenance, depreciation and necessary replacements of the waterworks system, and of improvements, enlargements and extensions necessary to serve adequately the territory of the city, including the principal and interest to become due on obligations issued or to be issued.

(Ord. No. 200, § 3, 9-21-2005)

Sec. 74-154. - Water connections and connection charges.

All connections to the city's waterworks system shall be in conformity with the following rules and regulations, except that the city council by resolution may waive the same upon showing of special conditions justifying such waiver:

- (1) *Separate connection.* Every premises served by a water hookup shall have a separate connection and a separate meter.
- (2) *Permit required.* No person shall hook up any water connection or meter to the city waterworks system without first obtaining a permit from the city. The initial connection and turn on operation for any waterworks system connection shall be performed only by a city employee or authorized agent. The stopcock at the main and the curbstop at the property line, together with box and cover, are the property of the city, and all persons are forbidden to interfere with them.
- (3) *Licensed plumber required.* No person may hook up or service, or assist therein, any water service pipe or line connected to the city waterworks system unless such person holds a plumber's license under the laws of the state or the ordinances of the city.
- (4) *Inspection.* In constructing such water service pipe or line, the plumber shall adhere to standards regarding location, size, grade, material and workmanship as determined by city regulations and/or applicable plumbing code. After the water service pipe or line connection has been completed, the plumber shall notify the city. It shall be unlawful to cover the water service pipe or line until an inspection has been completed to ensure that a proper and suitable connection has been made.
- (5) *Connection charges.* Connection charges shall be imposed by the city for the hookup of a property to the city's waterworks system. The charges shall be set by a duly adopted resolution of the city council.
 - a. Charges for connections may be fixed by reference to the portion of the cost of connection which has been paid by assessment of the premises to be connected, in comparison with other premises, as well as the cost of making or supervising the connection.
 - b. In determining connection charges the city council may give consideration to all costs of the establishment, operation, maintenance, depreciation and necessary replacements of the system, and of improvements, enlargements and extensions necessary to serve adequately the territory of the city including the principal and interest to become due on obligations issued or to be issued.

ARTICLE V. - REGULATING WATERWORKS AND SANITARY SEWER

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- (6) *Nonresidential users.* ~~Residential equivalent connections~~ Equivalent Residential Units (RECs/ERUs) will be established for non-single-family residential users. The number of ~~RECs~~ ERUs per nonresidential user will be as per the current version of the Metropolitan Council Environmental Services SAC Procedure Manual. The city reserves the right to charge the equivalent number of ~~RECs~~ ERUs as would exist if the subject property were developed residentially using the smallest allowable residential lot size permitted in the city.
- (7) *Sanitary sewer connection.* No person shall connect and no property shall be connected to the city waterworks system without also connecting or being connected to the available city sanitary sewer system.

(Ord. No. 200, § 4, 9-21-2005)

Sec. 74-155. - Separation of supplies.

Whenever a building is connected to the city's waterworks system there shall be a complete physical separation between the city's system to the building and any private water supply system so that it is not possible, intentionally or unintentionally, for water from a private water supply system to be mixed with water from the city's waterworks system.

(Ord. No. 200, § 5, 9-21-2005)

Sec. 74-156. - Meters.

All water shall be measured by a city-provided meter. Every customer shall provide a suitable place where a meter can be installed. The customer shall pay for the meter, pay for all costs of meter installation in an approved location and pay for any maintenance or replacement costs of the city. For the purpose of reading or maintaining meters, shutting off or starting service or other emergency situations, duly authorized employees or subcontractors of the city shall be afforded entry to premises at a reasonable hour. The city reserves the right to require that any property owner shall install, at the property owner's expense, a water meter or sewage flow meter on a private water supply to determine amount of sanitary sewer usage.

(Ord. No. 200, § 6, 9-21-2005)

Sec. 74-157. - Accounts in name of property owners; deposit; lien for delinquent accounts.

- (a) *Account name.* All accounts shall be carried in the name of the property owner, owner's authorized agent, lessee or person signing the application. ~~who personally, or by the owner's authorized agent, shall apply for such service.~~ The owner shall at all times be personally liable for all water consumed upon the premises whether the owner occupies the same or not.
- (b) *Deposit.* The city also reserves the right to demand of each and every customer, before the water service is turned on, a deposit with the city in an amount established by resolution.
- (c) *Lien on property.* All accounts and charges imposed by and pursuant to this section are hereby made a lien upon the premises served by the water hookup. All such accounts and charges which are 30 or more days past due may be certified by the city clerk-treasurer to the county auditor as unpaid and delinquent pursuant to the procedures set forth in section 74-126. The amount so certified shall be extended by the county auditor on the tax rolls against such premises in the same

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manner as other taxes and shall be collected by the county treasurer and paid to the city clerk-treasurer.

(Ord. No. 200, § 7, 9-21-2005; Ord. No. 200A, § 4(7), 10-19-2005)

Sec. 74-158. - Taking water without authority.

Any person who takes water from the municipal water system without complying with the provisions of this article, or without other authorization, or who assists any other person in so doing, shall be guilty of a misdemeanor.

(Ord. No. 200, § 8, 9-21-2005)

Sec. 74-159. - Right to discontinue service reserved.

The city shall have the right and authority to discontinue water and/or sewer service to any property that is delinquent in payment or is in violation of this article or any other city ordinance.

- (1) *Notice and hearing.* Prior to discontinuance of service the city shall follow the notice and hearing procedures set forth in section 74-126
- (2) *Shutoff.* Service will be discontinued to premises where the owner has not made arrangement with the city regarding the payment of a delinquent account. The city shall also have the authority to shut off service immediately without notice pursuant to any emergency action involving the property.
- (3) *Charges.* The city shall charge service fees as established by resolution for discontinuance of service and to reinstate service to a delinquent account. Any charges incurred by the city in discontinuing service shall be assessed to the property.
- (4) *User/owner shutoff request.* The user/owner may request that the services to the owner's property be shut off. The city will then shut off the services with a service fee as established by resolution. Turning on the services and reinstalling a meter will cost an additional service fee. While the services are shut off, the owner/user will be billed for the minimum charge as established by city council resolution.

(Ord. No. 200, § 9, 9-21-2005; Ord. No. 200A, § 6(9), 10-19-2005)

Sec. 74-160. - Responsibility for repairs.

- (a) The service pipe from the building to the curbstop and the connection thereto shall be the property of the owner/user and must be protected and maintained by the owner/user. If the owner/user or any customer shall fail to make any necessary repairs to such service connection or pipe within 24 hours after being notified to do so by the city, the city shall make such repairs, and the cost thereof shall be charged to the owner of the premises and shall be collected in the same manner as other bills for utilities are collected.
- (b) While installing or repairing service pipes, the street must be open at a time and in a manner which will cause the least inconvenience to the traveling public and every precaution must be taken to ensure the public safety and the safety of property. All excavations remaining open overnight shall be protected by substantial barriers, with sufficient flashing lights.

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- (c) While filling trenches in streets, the contractor must carefully tamp in the material so that the street will be in the same or better condition than it was before the trench was opened. The contractor shall replace or repair all curb, sidewalk, pavement, boulevard or street surfaces so that it will be in the same or better condition than it was before the contractor commenced working, and the contractor will be responsible for all costs of replacement or repairs. All work within the city right-of-way must be coordinated with and approved by the city. No trenches may be backfilled without prior inspection by the city.

(Ord. No. 200, § 10, 9-21-2005)

Secs. 74-161—74-188. - Reserved.

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Sec. 74-189. - Sewer use, availability and connection charges.

The city council has determined that in order to pay for the costs of construction, reconstruction, repair, enlargement, improvement or other obtainment and the maintenance, operation and use of the city sanitary sewer system and wastewater treatment plant; the cost of compliance with state and federal regulations; and the principal and interest to become due on obligations issued or to be issued in connection therewith, it is necessary to impose just and equitable charges for the use and for the availability of the sanitary sewer system and treatment plant and for connections with them pursuant to Minn. Stats. § 444.075, subd. 3.

(Ord. No. 200, § 1, 9-21-2005)

Sec. 74-190. - Sewer usage and service charges.

(a) *Payment.* Sanitary sewer usage and service charges, including availability and connection charges, must be paid by the owner of any premises from and after the hookup of the premises to the city sanitary sewer system on the basis of the charges and rates established by resolution of the city council, and the charges and rates so established may be amended at any time by duly adopted resolution of the council.

- (1) *Basis of charges.* Sanitary sewer usage charges shall be based on the ~~monthly~~ water usage for the affected premises. In cases where a ~~premises~~premises ~~are~~ is not connected to the city's waterworks system, the charges shall be based on the volume of the wastewater treated, and in such cases a sewage flow meter must be installed to measure the volume of the wastewater treated or a water meter must be installed on the private waterworks system to measure water usage. Additionally, certain industrial, large volume or high strength usage rates may be determined separately by special agreement with the city. Sanitary sewer usage charges will be a charge against the owner, and unpaid charges will be certified to the county auditor with taxes against the property served for collection as other taxes are collected.
- (2) *Establishment of strength charges.* For the purpose of paying the additional costs incurred by the city each year that are based upon the strength of discharge of all industrial users receiving waste treatment services within or served by the city, there is hereby approved, adopted and established, in addition to the sewer charges based upon the volume of discharge, a sewer charge based upon strength of industrial waste discharged into the sewer system of the city, which charge shall be referred to in this section as the "strength charge."
- (3) *Establishment of strength charge formula.* For the purpose of computation of the strength charge established in this section, a strength charge formula will be set by resolution; the formula will be based upon pollution qualities and difficulty of disposal of the sewage produced through an evaluation of pollution qualities and quantities in excess of an annual average base and the proportionate costs of operation and maintenance of waste treatment services provided by the city. The strength charge shall be set by agreement between the city and individual high strength users.
- (4) *Strength charge payments.* It is hereby approved, adopted and established that the strength charges established in this section shall be paid monthly by each industrial user receiving waste treatment services, in full within 30 days of billing, and such payments shall be deemed to be delinquent if not paid before the due date. Furthermore, it is hereby established, approved and

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adopted that if such payments are not paid before such date an industrial user shall pay interest compounded monthly at the rate of 1½ percent per month on the unpaid balance due.

- (5) *Establishment of tax lien.* As provided by Minn. Stats. § 444.075, subd. 3, it is hereby approved, adopted and established that if payment of a strength charge established in this section is not paid within 30 days of the due date, the delinquent charge plus a service charge and accrued interest as established in this section shall be deemed to be a charge against the property served, and the city or its agents shall certify such unpaid delinquent balance to the county auditor with taxes against the property served for collection as other taxes are collected pursuant to the provisions of section 74-126; provided, however, that such certification shall not preclude the city or its agents from recovery of a delinquent sewer strength charge and interest thereon under any other available remedy.
- (b) *Penalty charge and interest on unpaid bills.* Sanitary sewer charges, including availability and connection charges, will be billed ~~on a monthly basis to the owner, the owner's authorized agent, lessee or the person signing the application of each premises served by sanitary sewer and will be payable to the city in full within 14 calendar days from the date on which the bill is issued. All accounts shall be kept by the house and street number and under the account number assigned thereto and by the name of the owner or of the person signing the application for service. All bills and notices shall be sent to the house or street number of the property. If non-resident owners or agents desire personal notice sent to a different address, they shall file an application therefor with the city. Any error in address shall be promptly reported to the city.~~ All delinquent accounts will be subject to a service charge calculated as follows:
- (1) A bill paid in full within 30 days after the due date will pay a service charge as established by resolution of the city council.
 - (2) Beginning 30 days after the due date, all unpaid balances will accrue interest at a rate to be established by resolution of the city council. The interest will be added to the service charge.
- (c) *Availability of sewer service.* Owners or users of any property within those areas where city sewer service is available may not use a nonmunicipal sanitary sewer system, ~~without specific written consent of the city council.~~

(Ord. No. 200, § 2, 9-21-2005; Ord. No. 200A, § 7(2), 10-19-2005)

Sec. 74-191. - Sewer availability charges.

- (a) *Minimum charges for the availability of sewer service, the City sewer availability charge (SAC) and the Met Council Environment Services -SAC will may be imposed for all premises abutting on streets or other places where city sewer pipes or lines are located, whether or not connected to them.*
- (b) In determining the charges to be imposed for the availability of sewer service, the city may give consideration to all costs of the establishment, operation, maintenance, depreciation and necessary replacements of the system, and of improvements, enlargements and extensions necessary to serve adequately the territory of the city, including the principal and interest to become due on obligations issued or to be issued.

(Ord. No. 200, § 3, 9-21-2005)

- CODE OF ORDINANCES
Chapter 74 - UTILITIES
ARTICLE V. - REGULATING WATERWORKS AND SANITARY SEWER

DIVISION 3. - SEWER

Sec. 74-192. - Sewer connections and connection charges.

All connections to the city's sewage treatment system shall be in conformity with the following rules and regulations, except that the city council by resolution may waive the same upon showing of special conditions justifying a waiver:

- (1) *Separate connection.* Every premises served by the municipal sewage system shall have a separate connection.
- (2) *Permit required.* No person shall hook up any sewage connection to the city sewage collection system without first obtaining a permit from the city; if any premises has been hooked up to the city's sewage collection system prior to the effective date of the ordinance from which this article is derived, a permit for the hookup must be obtained within 60 days of the effective date of the ordinance from which this article is derived.
- (3) *Licensed plumber required.* No person may hook up or service, or assist therein, any sewage line connected to the city sewage collection system unless such person is a plumber duly licensed under the laws of the state. In constructing such sanitary sewer service line, the plumber shall adhere to standards regarding location, size, grade, material and workmanship as determined by city regulations and/or city or state plumbing codes. After the sewer service connection has been accomplished, the plumber shall notify the city. It shall be unlawful to cover the sanitary sewer service line until an inspection has been completed to ensure that a proper and suitable connection has been made.
- (4) *Connection charges.* Connection charges imposed by the city must be paid for every hookup of premises to the city's sanitary sewer system. The charges will be set by duly adopted resolution of the city council. The cost of installing the sanitary sewer service line between the building and main service stub shall be borne wholly by the property owner.
 - a. Charges for connections may be fixed by reference to the portion of the cost of connection which has been paid by assessment of the premises to be connected, in comparison with other premises, as well as the cost of making or supervising the connection.
 - b. In determining connection charges the city council may give consideration to all costs of the establishment, operation, maintenance, depreciation and necessary replacements of the system, and of improvements, enlargements and extensions necessary to serve adequately the territory of the city including the principal and interest to become due on obligations issued or to be issued.
- (5) *Nonresidential users.* ~~Residential equivalent connections (RECs)~~ Equivalent residential units (ERU's) will be established for non-single-family residential users. The number of ~~RECs~~ ERUs per nonresidential single-family user will be as per the current version of the Metropolitan Council Environmental Services SAC Procedure Manual, except as modified by Resolution of the City Council. The city reserves the right to charge the equivalent number of ~~RECs~~ ERUs as would exist if the subject property were developed residentially using the smallest allowable residential lot size permitted in the city. Any charges so established may be amended at any time by a duly adopted resolution of the city council.
- (6) *Waterworks connection.* No person shall connect and no property shall be connected to the city sanitary sewer system without also connecting/being connected to the available city waterworks system.

(Ord. No. 200, § 4, 9-21-2005)

DIVISION 3. - SEWER

Sec. 74-193. - Meters.

In cases where a property is connected to the city's sanitary sewer system but is not connected to the city's waterworks system, the city may require a meter (as approved by the Public Works Department) to be installed to measure the flow of wastewater into the sanitary sewer system or a water meter to measure the water usage. The meter must be located in a suitable place in order to accurately measure all wastewater treated by the sanitary sewer system or water usage. The customer must pay for the meter, pay all costs of installation and pay for any maintenance or replacement costs. Duly authorized employees or subcontractors of the city must be afforded entry to the premises at all reasonable times.

(Ord. No. 200, § 5, 9-21-2005)

Sec. 74-194. - Accounts in name of property owner; lien for delinquent accounts.

- (a) *Account name.* All accounts shall be carried in the name of the property owner, owner's authorized agent, lessee or person signing the application, who personally, or by the owner's authorized agent, shall apply for such service. The owner shall at all times be personally liable for sewage treatment service at the premises whether the owner occupies the same or not.
- (b) *Deposit.* The city also reserves the right to demand of each and every customer, before the service is turned on, a deposit with the city in an amount established by resolution.
- (c) *Lien on property.* All accounts and charges imposed by and pursuant to this article are hereby made a lien upon the premises served by the sewage treatment hookup. All such accounts and charges which are 30 or more days past due, may be certified by the city clerk-treasurer to the county auditor as unpaid and delinquent pursuant to the procedures set forth in section 74-126. The amount so certified shall be extended by the county auditor on the tax rolls against such premises in the same manner as other taxes and shall be collected by the county treasurer and paid to the city clerk-treasurer.

(Ord. No. 200, § 6, 9-21-2005; Ord. No. 200A, § 8(6), 10-19-2005)

Sec. 74-195. - Use of sewer without authority.

Any person who uses or connects to the city sanitary sewer system without complying with the provisions of this division, or without other authorization, or who assists any other person in so doing, shall be guilty of a misdemeanor.

(Ord. No. 200, § 7, 9-21-2005)

Sec. 74-196. - Classification and change of rate.

The city council shall have the power by resolution to classify all types of sewage discharged into the city's sanitary sewer system based on the quantity, concentration, cost of disposal and other pertinent facts, and to fix, increase or decrease the rates charged for the use of said sanitary sewer system on any equitable basis the city council may deem appropriate as the proper basis for measuring the use of the sanitary sewer system.

(Ord. No. 200, § 8, 9-21-2005)

- CODE OF ORDINANCES
Chapter 74 - UTILITIES
ARTICLE V. - REGULATING WATERWORKS AND SANITARY SEWER

DIVISION 3. - SEWER

Sec. 74-197. - Reservation of right to restrict waste discharges.

The city reserves the right to regulate the disposal of any waste through the sanitary sewer system both in quantity and character.

- (1) No person shall discharge or cause to be discharged any stormwater, surface water, groundwater, roof runoff, subsurface drainage, cooling water or unpolluted industrial process waters to any sanitary sewer.
- (2) Stormwater and all other unpolluted drainage shall be discharged to such sewers as are specifically designed as storm sewers or to a natural outlet approved by the city administrator. Industrial cooling waters or unpolluted process waters may be discharged upon approval of the city administrator to a storm sewer or natural outlet.

(Ord. No. 200, § 9, 9-21-2005)

Sec. 74-198. - Responsibility for repairs.

The cost of all repairs and replacement of any sewer service lines between the residence or structure and the public sewer main line shall be borne entirely by the owner of the premises affected, and if such repair or replacement work is performed by the city, the cost of time and material shall be assessed against the affected premises, except that no excavation shall be performed in the street property without first having obtained a permit from the city.

(Ord. No. 200, § 10, 9-21-2005)

Secs. 74-199—74-210. - Reserved.

DIVISION 3 - [SANITARY] SEWER

GLOBAL CHANGES notes:

Change “accessible” to “available” wherever found

Change “property” to “real property”

Change “hook-up” to “connection”

Change “occupant or owner”, “consumer or customer”..etc etc. to “customer”

Code of Ordinances >> - CODE OF ORDINANCES >> Chapter 74 - UTILITIES >> ARTICLE V. - REGULATING WATER [delete “works”?] AND SANITARY SEWER SYSTEMS [ADD SYSTEMS]>> DIVISION 1. - GENERALLY >>

DIVISION 1. - GENERALLY permanent link to this piece of content

Sec. 74-119. - Purpose. permanent link to this piece of content

It is the purpose of this article:

(1)

To provide for paying the cost of building, constructing, reconstructing, repairing, enlarging, improving or in any other manner obtaining, [maintenance, operation and use of city] waterworks and sanitary sewer facilities, or any portion of such facilities; and

(2)

To establish charges to be imposed to pay for the [waterworks and sewer systems] and for the maintenance, operation and use of system facilities.

(Ord. No. 200, § 1, 9-21-2005)

Sec. 74-120. - Utilities division established. permanent link to this piece of content

There is hereby established a public utilities division within the public works department in the city.

(Ord. No. 200, § 2, 9-21-2005)

Sec. 74-121. - Operation and maintenance of facilities .permanent link to this piece of content

The waterworks and sanitary sewer facilities as they are now constituted or shall hereafter be enlarged or extended shall be operated and maintained under the provisions of this article subject to the authority of the city council at any time to amend, alter, change and repeal the same. The city administrator shall manage the waterworks and sanitary sewer facilities subject to the direction of the city council. The city administrator may designate other city employees to carry

out duties and responsibilities under this article.

(Ord. No. 200, § 3, 9-21-2005)

Sec. 74-122. - Definitions.[permanent link to this piece of content](#)

The following words, terms and phrases, when used in this article, shall have the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

Account means a record of utility services used by each property and the periodic costs and charges imposed for those utility services.

Company, grantee and franchisee mean a public utility company or a public utility system, depending on the context, to/for which a franchise has been granted by the city. ~~[I don't think that this term is used in this article and can be deleted.]~~

~~Customer means any [owner, authorized agent, lessee, building permit applicant, utility service applicant or] user [of real property served by] a utility.~~

Facilities means the waterworks and sanitary sewer ~~[structures]~~ or any portion thereof.

~~Connection means the original connection [of real property] to a utility [delete "for a property"] or, in the case of obtainment of a utility by the city after the original connection to the utility for a property, the continuation of the connection to the utility after its obtainment.~~

~~[delete this definition. "Utility" definition covers it "Municipal] Utility means any city-owned utility, including, but not by way of limitation, waterworks and sanitary sewer system [delete "facilities].~~

Sanitary sewer means sanitary sewer systems, including sewage treatment works, disposal systems and other facilities for disposing of sewage, industrial waste and other wastes.

Service means the provision of a particular utility to a ~~[delete "consumer or"]~~ customer.

Utility means a waterworks or sanitary sewer system, whether the same are city-owned facilities or those owned by a public utility company.

Waterworks means waterworks systems, including mains, valves, hydrants, service connections, wells, pumps, reservoirs, tanks, treatment plants and other appurtenances of a waterworks system.

~~Consider changing "waterworks means waterworks systems" to waterworks means waterworks FACILITIES" DITTO WITH SEWER DEFINITION for accuracy.~~

(Ord. No. 200, § 4, 9-21-2005; Ord. No. 200A, § 3, 10-19-2005)

Sec. 74-123. - Mandatory connection to city systems.[permanent link to this piece of content](#)

It shall be unlawful for any person to install ["service to"?] or for any real property to be connected to a private waterworks system intended to provide water for human consumption or [delete :for any person to install or for any real property"] to be connected to a private sanitary sewer system, except in cases where the city waterworks or sanitary sewer system is not [delete "accessible"] available to a property. The city administrator shall refer all questions of [delete "accessibility"] availability to the city engineer. The city engineer shall make a recommendation if either of the city waterworks or sanitary sewer systems is [delete "accessible"] available to a premises either requesting or requiring installation or connection.

(Ord. No. 200, § 5, 9-21-2005)

Sec. 74-124. - Fixing rates and charges for city utility services .[permanent link to this piece of content](#)

(a)

All rates and charges for city utilities, including, but not by way of limitation, rates and charges for use, availability and connections, contributions to a system, services, permits, deposits, [delete hook ups and substitute "connections" hook ups, meters and meter testing, disconnections, reconnections and delinquencies, shall be determined, fixed and amended by the city council from time to time by resolution. All resolutions, each containing the effective date thereof, shall be kept on file and open to public inspection in the office of the city clerk-treasurer and shall be uniformly enforced. [consider starting a new paragraph here for clarity.]

For the purpose of fixing rates and charges, the council may categorize and classify under various types of services or by contributions to a system, provided that such categorization and classification is just and equitable and is included in the resolution authorized by this section.

(b)

The city council shall by resolution also establish the number of certification cycles per year. At least one certification cycle shall be timed each year to coincide with the county's requirements for certification to the following year's taxes. Additional certification cycles may be set by resolution. The council must establish one or more certification cutoff dates each year. All city utility accounts, unless exempt for legal reason, which have been billed a delinquent bill and remain unpaid as of the certification cutoff date, will have the balance on the account included in a preliminary certification list.

(Ord. No. 200, § 6, 9-21-2005; Ord. No. 200A, § 1(6), 10-19-2005)

Sec. 74-125. - Nonliability of city.[permanent link to this piece of content](#)

The city shall not be liable for damages because of the breaking of any water main, sewer main or service pipe or fixture or for any interruption of supply or service by reason of the breaking of facilities, equipment or machinery or stoppage for necessary repair.

In the proposed changes to this section, the word "customer" should be substituted for "consumer"

(Ord. No. 200, § 7, 9-21-2005)

Sec. 74-126. - Delinquent accounts.[permanent link to this piece of content](#)

In this section, the word "customer" should be substituted for "consumer", "occupant or owner".

(a)

Shutoff for nonpayment. Water and/or sanitary sewer service will not be shut off until notice and an opportunity for a hearing before the city council or an official designated by the city council have been provided to the occupant and owner of the premises involved.

(1)

If any bill is not paid by the due date listed on the bill, a second bill will be mailed by first class mail and will state that if payment is not made within 20 days of the mailing of the second bill, water and/or sanitary sewer service to the premises will be shut off for nonpayment.

(2)

The second bill and shutoff notice will contain the title, address and telephone number of the city official in charge of utility billing. The title, address and telephone number must be clearly visible and easily readable.

(3)

The notice also will state that any[CHANGE TO "customer"] occupant or owner has the right to a hearing before the city council prior to the water and/or sanitary sewer service being shut off; that the [Change to "customer"] owner or occupant may be represented in person and by counsel or any other person of his choosing; and that the [change to "customer"]owner or occupant may present orally or in writing his objection to the city official in charge of utility billing before the service is shut off. The city official will be authorized to order continuation of the customer's service and will have the authority to adjust the customer's bill or enter into a mutually agreeable payment plan.

(4)

The shutoff notice also will state that a hearing before the city council will be provided if requested by written request delivered to the city official in charge of utility billing within the 20-day period. If an [change to "customer"] occupant or owner requests a hearing, the water will not be shut off until the hearing process is complete.

(5)

If a customer fails to pay and fails to request a hearing under this section, service will be shut off at the time specified in the notice but in no event until the charges have been due and unpaid for at least 30 days.

(b)

Certification for collection with taxes. Unpaid charges on sewer and water accounts will not be certified to the county auditor for collection with taxes until notice and an opportunity for a hearing before the city council have been provided to the [change to customer] owner of the premises involved. The notice must be sent by first class mail, at least 30 days before the certification date, and must state that if payment is not made before the date for certification, the entire amount unpaid plus penalties will be certified to the county auditor for collection as other taxes are collected. The notice also must state that the [CHANGE TO 'customer'] owner may, no later than 20 days before the certification date, request a hearing on the matter to object to certification of unpaid utility charges.

(1)

The [change to customer] owner of the property will have the option of paying the balance due on the account until the date the notice of the certification hearing is mailed. After the date the notice of certification hearing is mailed, payments will still be accepted but will include unpaid penalties.

(2)

A hearing will be held on the matter by the city council prior to the county certification date. A [change to 'customer'] property owner with unpaid utility charges will have the opportunity to object to the certification of unpaid charges to be collected as taxes are collected. If, after the hearing, the city council finds that the amount claimed as delinquent is actually due and unpaid and that there is no legal reason why the unpaid charge should not be certified for collection with taxes in accordance with this article, the city may certify the unpaid charges to the county auditor for collection as other taxes are collected.

(3)

For each certification sustained, the [change to "customer"] property owner will have the following options after the hearing:

a.

To pay the delinquent amount listed on the preliminary roll, but without additional interest after the hearing, within ten days of the hearing date or before the county certification date, whichever is first.

b.

To pay the certified delinquent amount after the hearing date, but before the county certification deadline, with interest at the rate set in the adopted rate schedule, accrued beginning on the 11th day following the hearing date through the date of payment.

c.

To pay the certified charges as billed by the county on the [change to "customer"] owner's property tax statement with a collection term of one year.

(c)

Delivery of certified roll. Twelve days after the hearing, the certified roll, minus any payments, will be delivered to the county.

(Ord. No. 200A, § 2(8), 10-19-2005)

Sec. 74-127. - Penalty.[permanent link to this piece of content](#)

Any person violating any provision of this article shall be guilty of a misdemeanor punishable as provided in section 1-14. A separate offense shall be deemed committed for each day a violation shall continue. The city also may seek injunctive or other relief and the costs of prosecution in any case.

(Ord. No. 200, § 11, 9-21-2005; Ord. No. 200A, § 9, 10-19-2005)

Secs. 74-128—74-150. - Reserved.[permanent link to this piece of content](#)

DIVISION 2. - WATER [permanent link to this piece of content](#)

Sec. 74-151. - Water use, availability and connection charges. [permanent link to this piece of content](#)

The city council has determined that in order to pay for the cost of construction, reconstruction, repair, enlargement, improvement or other obtainment and the maintenance, operation and use of the city waterworks system, the cost of compliance with state and federal regulations and the principal and interest to become due on obligations issued or to be issued, it is necessary to impose just and equitable charges for the use and for the availability of the facilities and for connections with them pursuant to Minn. Stats. § 444.075, subd. 3.

(Ord. No. 200, § 1, 9-21-2005)

Sec. 74-152. - Water usage and service charges. [permanent link to this piece of content](#)

NOTE: THIS IS DIRECTLY FROM THE ORDINANCE...DOES NOT INCLUDE PROPOSED CHANGES. SO THE CHANGE TO OWNER ETC. NEED TO BE APPLIED TO THOSE.

From and after the [substitute "connection" for "hookup"] hookup of any premises to the city waterworks system, the [substitute "customer" for "owner of the premises" here and through out the rest of this article...including the section on "sewer"] must pay for such waterworks service, including availability and connection charges, and for water usage on the basis of the charges and rates fixed by resolution of the city council, and the charges and rates so established may be amended at any time by duly adopted resolution of the council.

(1)

Penalty charge and interest on unpaid bills. Water charges will be billed on a monthly basis to the [insert "customer" and delete "owner of each premises"] served by water and will be payable to the city in full within 14 calendar days from the date on which the bill is issued. All delinquent accounts will be subject to a penalty calculated as follows:

a.

A bill paid in full within 30 days after the due date will pay a service charge as established by resolution of the city council.

b.

Beginning 30 days after the due date, all unpaid balances will accrue interest at a rate to be established by resolution of the city council. The interest will be added to the service charge.

(2)

Availability of water service. Owners or users of any [insert "real"] property within those areas

where city water service is available may not use a [~~nonmunicipal~~ and add ~~private~~] water system without specific written consent of the city council.

(Ord. No. 200, § 2, 9-21-2005; Ord. No. 200A, § 5(2), 10-19-2005)

Sec. 74-153. - Water availability charges. permanent link to this piece of content

WATER AVAILABILITY CHARGE MAY NEED A DEFINITION. IT SHOULD BE CAPITALIZED IN THE NEW PROPOSED LANGUAGE.

(a)

Minimum charges for the availability of water service may be imposed for all premises abutting on streets or other places where city water pipes and lines are located, whether or not connected to them.

(b)

In determining the charges to be imposed for the availability of water service, the city may give consideration to all costs of the establishment, operation, maintenance, depreciation and necessary replacements of the waterworks system, and of improvements, enlargements and extensions necessary to serve adequately the territory of the city, including the principal and interest to become due on obligations issued or to be issued.

(Ord. No. 200, § 3, 9-21-2005)

Sec. 74-154. - Water connections and connection charges. permanent link to this piece of content

All connections to the city's waterworks system shall be in conformity with the following rules and regulations, except that the city council by resolution may waive the same upon showing of special conditions justifying such waiver:

(1)

Separate connection. Every premises served by a water hookup shall have a separate connection and a separate meter.

(2)

Permit required. No person shall [~~hook up~~ and add ~~connection~~] any water connection or meter to the city waterworks system without first obtaining a permit from the city. The initial connection and turn on operation for any waterworks system connection shall be performed only by a city employee or authorized agent. The stopcock at the main and the curbstop at the property line, together with box and cover, are the property of the city, and all persons are forbidden to interfere [~~tamper?~~] with them.

(3)

Licensed plumber required. No person may hook up or service, or assist therein, any water service pipe or line connected to the city waterworks system unless such person holds a plumber's license under the laws of the state or the ordinances of the city.

(4)

Inspection. In constructing such water service pipe or line, the plumber shall adhere to standards regarding location, size, grade, material and workmanship as determined by city regulations and/or applicable plumbing code. After the water service pipe or line connection has been completed, the plumber shall notify the city. It shall be unlawful to cover the water service pipe or line until an inspection has been completed to ensure that a proper and suitable connection has been made.

(5)

Connection charges. Connection charges shall be imposed by the city for the [delete "hookup" add "connection"] of a property to the city's waterworks system. The charges shall be set by a duly adopted resolution of the city council.

a.

Charges for connections may be fixed by reference to the portion of the cost of connection which has been paid by assessment of the premises to be connected, in comparison with other premises, as well as the cost of making or supervising the connection.

b.

In determining connection charges the city council may give consideration to all costs of the establishment, operation, maintenance, depreciation and necessary replacements of the system, and of improvements, enlargements and extensions necessary to serve adequately the territory of the city including the principal and interest to become due on obligations issued or to be issued.

(6)

Nonresidential users. Residential equivalent connections (RECs) ERU's (In the new language) may need to be defined in Division 1. will be established for delete "non-single-family residential users" and add "all parcels" or "all real property served" users. The number of RECs per nonresidential user will be as per the current version of the Metropolitan Council Environmental Services SAC Procedure Manual. (Consider putting in a new paragraph here.)

The city reserves the right to charge the equivalent number of RECs as would exist if the subject property were developed residentially using the smallest allowable residential lot size permitted in the city.

(7)

Sanitary sewer connection. No person shall connect and no property shall be connected to the city waterworks system without also connecting or being connected to the city sanitary sewer system.

(Ord. No. 200, § 4, 9-21-2005)

Sec. 74-155. - Separation of supplies.[permanent link to this piece of content](#)

Whenever a building is connected to the city's waterworks system there shall be a complete physical separation between the city's system to the building and any private water supply system so that it is not possible, intentionally or unintentionally, for water from a private water supply system to be mixed with water from the city's waterworks system.

(Ord. No. 200, § 5, 9-21-2005)

Sec. 74-156. - Meters.[permanent link to this piece of content](#)

All water shall be measured by a city-provided meter. (It seems to me that it should be clear that the City is the only source of the meter or that the meter must meet City requirements. I don't think the first sentence does that!)

Every customer shall provide a suitable place where a meter can be installed. The customer shall pay for the meter, pay for all costs of meter installation in an approved location and pay for any maintenance or replacement costs of the city. For the purpose of reading or maintaining meters, shutting off or starting service or other emergency situations, duly authorized employees or subcontractors of the city shall be afforded entry to premises at a reasonable hour. The city reserves the right to require that any [substitute "customer for" property owner throughout] shall install, at the property owner's expense, a water meter on a private water supply to determine amount of sanitary sewer usage.

(Ord. No. 200, § 6, 9-21-2005)

Sec. 74-157. - Accounts in name of property owners; deposit; lien for delinquent accounts.[permanent link to this piece of content](#)

(a)

LOOK AT THIS CAREFULLY SO THAT INTENT IS PRESERVED WITH SUBSTITUTIONS

Account name. All accounts shall be carried in the name of the [change to "customer" real property owner?] who personally, or by the owner's authorized agent, shall apply for such service. The owner shall at all times be personally liable for all water consumed upon the premises whether the owner occupies the same or not.

(b)

Deposit. The city also reserves the right to demand of each and every customer, before the water service is turned on, a deposit with the city in an amount established by resolution.

(c)

Lien on property. All accounts and charges imposed by and pursuant to this section are hereby made a lien upon the premises served by the water hookup. All such accounts and charges which are 30 or more days past due may be certified by the city clerk-treasurer to the county auditor as unpaid and delinquent pursuant to the procedures set forth in section 74-126. The amount so certified shall be extended by the county auditor on the tax rolls against such premises in the same manner as other taxes and shall be collected by the county treasurer and paid to the city clerk-treasurer.

(Ord. No. 200, § 7, 9-21-2005; Ord. No. 200A, § 4(7), 10-19-2005)

Sec. 74-158. - Taking water without authority.[permanent link to this piece of content](#)

Any person who takes water from the municipal water system without complying with the provisions of this article, or without other authorization, or who assists any other person in so doing, shall be guilty of a misdemeanor.

(Ord. No. 200, § 8, 9-21-2005)

Sec. 74-159. - Right to discontinue service reserved.[permanent link to this piece of content](#)

The city shall have the right and authority to discontinue water and/or sewer service to any property that is delinquent in payment or is in violation of this article or any other city ordinance.

(1)

Notice and hearing. Prior to discontinuance of service the city shall follow the notice and hearing procedures set forth in section 74-126

(2)

Shutoff. Service will be discontinued to premises where the owner has not made arrangement with the city regarding the payment of a delinquent account. The city shall also have the authority to shut off service immediately without notice pursuant to any emergency action involving the property.

(3)

Charges. The city shall charge service fees as established by resolution for discontinuance of service and to reinstate service to a delinquent account. Any charges incurred by the city in discontinuing service shall be assessed to the property.

(4)

User/owner shutoff request. The user/owner may request that the services to the owner's property be shut off. The city will then shut off the services with a service fee as established by resolution. Turning on the services and reinstalling a meter will cost an additional service fee. While the services are shut off, the owner/user will be billed for the minimum charge as established by city council resolution.

(Ord. No. 200, § 9, 9-21-2005; Ord. No. 200A, § 6(9), 10-19-2005)

Sec. 74-160. - Responsibility for repairs.[permanent link to this piece of content](#)

(a)

The service pipe from the building to the curbstop and the connection thereto shall be the property of the owner/user and must be protected and maintained by the owner/user. If the owner/user or any customer shall fail to make any necessary repairs to such service connection or pipe within 24 hours after being notified to do so by the city, the city shall make such repairs, and the cost thereof shall be charged to the owner of the premises and shall be collected in the same manner as other bills for utilities are collected.

(b)

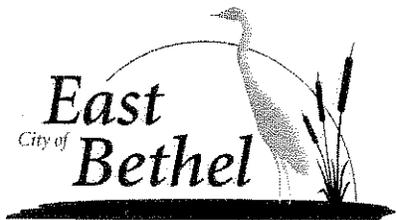
While installing or repairing service pipes, the street must be open at a time and in a manner which will cause the least inconvenience to the traveling public and every precaution must be taken to ensure the public safety and the safety of property. All excavations remaining open overnight shall be protected by substantial barriers, with sufficient flashing lights.

(c)

While filling trenches in streets, the contractor must carefully tamp in the material so that the street will be in the same or better condition than it was before the trench was opened. The contractor shall replace or repair all curb, sidewalk, pavement, boulevard or street surfaces so that it will be in the same or better condition than it was before the contractor commenced working, and the contractor will be responsible for all costs of replacement or repairs. All work within the city right-of-way must be coordinated with and approved by the city. No trenches may be backfilled without prior inspection by the city.

(Ord. No. 200, § 10, 9-21-2005)

Secs. 74-161-74-188. - Reserved.[permanent link to this piece of content](#)



City of East Bethel City Council Agenda Information

Date:

March 20, 2013

Agenda Item Number:

Item 4.0

Agenda Item:

Proposed SAC and WAC Loan Program

Requested Action:

Discuss a proposed City SAC and WAC Loan Program and for future Council consideration

Background Information:

At a work meeting on March 6, 2013 the City Council received information regarding a Loan Program for sewer and water access charges. The concept was to provide low interest loans to those businesses that would be impacted by having to hook up to the City's new water and sewer systems. At that work meeting Staff presented information regarding a possible loan program. This information was based on recommendations from the EDA and the basic framework was as follows:

The basic framework of the program is proposed as follows:

- The City HRA by resolution would loan the City \$XXX,XXX as seed money to create the loan fund. The city would repay the HRA as loan repayments were collected. The loan could be no interest or at a rate established by Council.
- Businesses that met the requirements of the loan policy could finance up to 10 SAC and WAC assigned units over a period of five years. The loan would subject to an upfront payment of 20% of the charges and at an interest rate to be determined by Council.
- Businesses would be required to apply for the loan, meet loan policy requirements and pay an application fee of \$XXX. The application fee would cover the cost of staff time for processing the loan and discourage those that did not have a legitimate interest in the program. The loan would be approved by Council based on requirements of eligibility.
- The program could be utilized for other businesses as utilities are extended through the Hwy. 65 Corridor or it could be restricted to those existing businesses that will be required to connect to utility services as defined as the current assessable properties within the boundaries of the Phase I, Project I Municipal Utilities Project.
- The owner of record would need to execute an agreement and waiver wherein the amount of the loan shall be recorded and assessable to the property in the event of default according to the terms of the agreement and payment of all property taxes or any other fees owed to the City must be current.
- This program would not be available to the construction of single family homes.

For 2013 the City SAC and WAC fee for each ERU (Equivalent Residential Unit) is \$5,600. If the Revolving Loan Program (RLP) is approved, a business that is assigned a single (1) ERU rating could borrow this money from the fund to pay this charge. The City would receive the money upfront to escrow for bond payments and the business would pay \$1,120 (20%) as the

down payment cost and pay annual installments of \$989.10 for five years if the interest rate were 4%. These payments would be used to pay down the HRA Loan.

As to the case described above, the City would make \$465.50 in interest which could be applied to Municipal Utilities Project or applied to the HRA loan debt to accelerate the pay off. A preliminary estimate for initial fund needs could be \$251,000. This estimate is based on the assumption that 80% of the customers in the sewer district (14 customers and 56 ERU's) would use the program. As we are loaning money to ourselves, the capital amount could be adjusted as required.

We would also incorporate appropriate measures to secure the loan and include means of collection in the event of default.

This program has been discussed with EDA on numerous occasions and the Authority, at their meeting on February 25, 2012, voted to recommend that City Council consider adopting the SAC and WAC Loan Fund Program to include the necessary and appropriate details for the application and administration of the fund.

This was presented to Council at the March 6, 2013 Work Meeting and the City Council requested additional information specifically related to the items below:

What other communities have such a Loan program? Most Cities have revolving loan or specific purpose loan fund programs. These funds are set up and designed to stimulate economic development and can be used in many ways. Examples of the uses may include:

- Allow businesses and tenants to upgrade or make improvements to their properties such as building façade and store front improvements, upgraded signs and new fixtures.
- Assist businesses with “gap financing” to allow them to make structural upgrades to their buildings
- Assist businesses with business expansion, operation efficiency, or working capital
- Assist businesses with costs associated with sewer and water fees

Please note that this is not a complete list of ways that communities utilize local loan fund programs, but the above are the most common uses of such funds.

Below is a list of communities that have established loan fund programs. This is only a partial list, as many Cities utilize local loan programs.

- City of Blaine
- City of Ham Lake
- City of Coon Rapids
- City of Anoka
- City of Forest Lake
- City of Ramsey
- City of Isanti
- City of Cambridge
- City of Belle Plaine
- City of New Prague
- City of Hutchinson
- City of Hastings

Give us an example of a sewer and water loan program?

Local loan fund programs are customized and designed to meet each City's needs at the time that they are set up in a City. While there are general guidelines that need to be followed, Cities have the flexibility to set up loan programs that meet their economic needs. The City of East Bethel is considering ways to work with existing and new businesses to help them with the costs

associated with sewer and water access charges. The City of Anoka is but one that offers this specific program and most others offer similar assistance either directly related to this purpose or included as part of other loan assistance.

In comparing programs offered by other Cities, their size has no direct relationship to the type of assistance they offer. These programs are tailored for a specific purpose and target groups within the City. If the design of a particular loan program suits the need of the target group in the City of East Bethel, then our only concern is to modify an agreement or policy to specifically suit our requirements.

The attached agreement that is used by the City of Anoka is good framework and example to use as a model for developing language for the loan program for East Bethel.

How does someone qualify for the program?

Staff is proposing to put together a simple loan application document. We do not propose to run a full financial analysis of a business, but minimum criteria should be that the business is current on their taxes and is in good financial standing with the City on their payment for any other City services. Other standards could be added upon further discussion of loan eligibility requirements.

What is the downside of providing such a program?

In discussions with other City Staff, the general sentiment is that local loan fund programs have been a way for the Cities to help many of their existing businesses, as well as new businesses. Many of these Cities have had local loan programs in place for years. As with any program there will always be someone that does not pay, and again in most communities the percent of default on local loan funds is less than 5%. The key is to carefully define what the loan will be used for and have a means to collect loan payments – such as assessing it to real estate taxes if a business does not pay.

The program would be designed to be a last source means of financing. The program would encourage potential lendees to participate with banks and be designed to be a supplemental and non-competing means of financing with these institutions. The City’s program would be a last option means of financing and be available if no other sources were accessible.

In the final analysis, Staff sees many more positive than negative reasons to establishing a sewer and water connection loan program.

Who will manage the loan program?

We anticipate handling this program very similar to how we handle escrow accounts. Each business would be assigned a loan number and the payments would be calculated and the business will be sent a bill every month. The Community Development Department would handle all appropriate documents, loan applications, filings, bills, etc. related to such a program. The Community Development Department would review all loan applications and refer these to City Council for final approval.

Attachment(s):

- 1. Sample SAC Loan Policy

Fiscal Impact:

Recommendation(s):

Staff is seeking direction from Council on this proposal.

City Council Action

Motion by: _____

Second by: _____

Vote Yes: _____

Vote No: _____

No Action Required: _____



2015 First Avenue, Anoka, MN 55303
Phone: (763) 576-2700 Website: www.ci.anoka.mn.us

CITY OF ANOKA, MINNESOTA
RESOLUTION

RES-2012-XX

APPROVING LOAN AGREEMENT BETWEEN MARIS SCHILLING AND THE CITY
OF ANOKA FOR SEWER AND WATER ACCESS CHARGES OWED TO THE CITY
OF ANOKA, MINNESOTA AND TO THE METROPOLITAN COUNCIL
(2516 4th AVENUE NORTH, ANOKA, MINNESOTA)

WHEREAS, the property at 2516 4TH Avenue North, Anoka, Minnesota, is being remodeled for apartments; and

WHEREAS, the owner of the property owes Sewer and Water Access charges to the City of Anoka and to the Metropolitan Council; and

WHEREAS, the amounts due are as follows:

(1 Credit equivalents) Met Council SAC Units @ \$2,365 each:	\$2,365
(1 Credit equivalents) City SAC units @ \$1,100 each:	\$1,100
(1 Credit equivalents) City WAC units @ \$2,000 each:	<u>\$2,000</u>
<u>TOTAL DUE:</u>	<u>\$5,465</u>

WHEREAS, at this meeting on October 1, 2012, the Anoka City Council approved the Loan Agreement and Promissory Note, as attached hereto, and

WHEREAS, the payments shall commence on April 15, 2013 and shall be bi-annual payments due on the 15th day of each April and October until paid in full; and

WHEREAS, the entire loan amount (including principal and accrued interest at 5% per annum and any late payment fees charges to the borrower) shall be paid in full by October 15, 2017.

NOW, THEREFORE, BE IT RESOLVED that the Anoka City Council hereby approves the loan agreement between Maris Schilling and the City of Anoka for sewer and water access charges owed to the City of Anoka, Minnesota and the Metropolitan Council and hereby authorizes and directs the execution of the loan agreement hereto attached by the Mayor and the City Clerk.

Adopted by the Anoka City Council this 1st day of October 2012.

ATTEST:

Amy T. Oehlers, City Clerk

Phil Rice, Mayor

Attachment #1

LOAN AGREEMENT AND PROMISSORY NOTE

THIS LOAN AGREEMENT AND PROMISSORY NOTE, is made this 1st day of October, 2012, by and among Maris Schilling, 17025 Round Lake Blvd., Andover, Minnesota 55304 (hereinafter "Borrower"), and the City of Anoka, a municipal corporation, 2015 First Avenue North, Anoka, Minnesota 55303, (hereinafter "Lender"). In determining the rights and duties of the Parties under this Loan Agreement, the entire document must be read as a whole.

PROMISSORY NOTE

FOR VALUE RECEIVED, Borrower promises to pay to the order of Lender, the sum of Five thousand, four hundred, sixty-five dollars and 00/00 (\$5,465.00) together with interest thereon at a rate of five percent (5%) per annum on the unpaid balance with interest to be compounded annually (hereinafter, "the Loan Amount"). While the Loan Amount will be amortized over a five (5) year period, it is expressly understood that the entire outstanding Loan Amount (including principal and any accrued interest) shall become fully due and payable by Borrower on or before October 15, 2017; upon Borrower selling property or upon demand of Lender at any time subsequent to October 15, 2012.

ADDITIONAL LOAN TERMS

The Borrower and Lender further set forth their rights and obligations to one another under this Loan Agreement and Promissory Note and agree to be legally bound as follows:

- A. **Purpose of the Loan:** the purpose of the loan is for the payment of Borrower's Sewer and Water Access Charges owed to the City of Anoka and the Sewer Access Charges owed to the Metropolitan Council.
- B. **Loan Repayment Terms.** The Borrower shall, without demand, pay the Lender the sum of Six Hundred, Twenty-four dollars and forty-two cents (\$624.42) every six months during the term of this Loan Agreement, the first of such payment to be due and payable on or before April 15, 2013, and subsequent bi-annual payments to become due and payable on the 15th day of each April and October thereafter until paid in full, with the final payment amount due of Six Hundred, Thirty-nine dollars and Sixty-nine cents (\$624.47).
- C. **Method of Loan Payment.** The Borrower shall make all payments called for under this loan agreement by sending check or other negotiable instrument made payable to the following individual or entity at the address indicated:

City of Anoka
2015 First Avenue North
Anoka, Minnesota 55303

If Lender gives written notice to Borrower that a different address shall be used for making payments under this loan agreement, Borrower shall use the new address so given by Lender.

D. **Default.** The occurrence of any of the following events shall constitute a Default by the Borrower of the terms of this loan agreement and promissory note:

1. Borrower's failure to pay any amount due as principal or interest on the date required under this loan agreement
2. Borrower seeks an order of relief under the Federal Bankruptcy laws
3. A federal tax lien is filed against the assets of Borrower

E. **Additional Provisions Regarding Default:**

1. Addressee and Address to which Lender is to give Borrower written notice of default:

Maris Schilling
17025 Round Lake Blvd.
Andover, Minnesota 55304

If Borrower gives written notice to Lender that a different address shall be used, Lender shall use that address for giving notice of default (or any other notice called for herein) to Borrower.

2. **Cure of Default.** Upon default, Lender shall give Borrower written notice of default. Mailing of written notice by Lender to Borrower via U.S. Postal Service Certified Mail shall constitute prima facie evidence of delivery. Borrower shall have 15 days after receipt of written notice of default from Lender to cure said default. In the case of default due solely to Borrower's failure to make timely payment as called for in this loan agreement, Borrower may cure the default by making full payment of any principal and accrued interest (including interest on these amounts) whose payment to Lender is overdue under the loan agreement and, also, the late-payment penalty described below.
3. **Penalty for Late Payment.** There shall also be imposed upon Borrower a 10% penalty for any late payment computed upon the amount of any principal and accrued interest whose payment to Lender is overdue under this Loan Agreement and for which Lender has delivered a notice of default to Borrower. For example, if the agreement calls for monthly payments of \$300.00 upon the first day of each month and Borrower fails to make timely payment of said amount, Borrower (after receipt of a default notice from Lender) shall be liable to Lender for a penalty of \$30.00 (i.e., \$300.00 x 10%) and, to cure the default, the Borrower must pay to Lender the overdue loan amount of \$300.00, interest upon the overdue loan amount, and a penalty of \$30.00.
4. **Acceleration.** If the Borrower fails to cure any default on or before the expiration of the fifteen (15) day cure period that starts on the date Borrower receives written notice from Lender that an event of default has occurred under this Loan Agreement, the entire unpaid principal, accrued interest, and penalties under this Loan Agreement shall accelerate and become due and payable immediately.

5. **Real Property Assessment.** In the event Borrower fails to submit the entire unpaid principal, accrued interest, and penalties within ten (10) days following acceleration and demand by Lender that said amount be paid, Lender shall have the right to assess and collect with property taxes any and all unpaid principal, accrued interest, and penalties against that certain real property legally described as set forth in Exhibit A attached hereto and made a part hereof.
6. **Indemnification of Attorneys Fees and out-of-pocket costs.** Should any party materially breach this Loan Agreement, the non-breaching party shall be indemnified by the breaching party for its reasonable attorneys fees and out-of-pocket costs which in any way relate to, or were precipitated by, the breach of this Loan Agreement. The term "out-of-pocket costs", as used herein, shall not include lost profits. A default by Borrower which is not cured within 15 days after receiving a written notice of default from Lender constitutes a material breach of this Loan Agreement by Borrower.
7. **Waiver of Trial by Jury - THE PARTIES HEREBY JOINTLY AND SEVERALLY WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING, CLAIM OR COUNTERCLAIM, WHETHER IN CONTRACT OR TORT, AT LAW OR IN EQUITY, ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT. NO MEMBER OR OFFICER OF EITHER PARTY HAS THE AUTHORITY TO WAIVE, CONDITION OR MODIFY THIS PROVISION.**
- F. **Parties that are not individuals.** If any Party to this Loan Agreement is other than an individual (i.e., a corporation, a Limited Liability Company, a Partnership, or a Trust), said Party, and the individual signing on behalf of said Party, hereby represents and warrants that all steps and actions have been taken under the entity's governing instruments to authorize the entry into this Loan Agreement. Breach of any representation contained in this paragraph is considered a material breach of the Loan Agreement.
- G. **Entire Agreement.** This Loan Agreement sets forth the entire agreement between the Parties with regard to the subject matter hereof. All prior agreements, representations and warranties, express or implied, oral or written, with respect to the subject matter hereof, are hereby superseded by this Loan Agreement.
- H. **Severability.** In the event any provision of this Loan Agreement is deemed to be void, invalid, or unenforceable, that provision shall be severed from the remainder of this Loan Agreement so as not to cause the invalidity or unenforceability of the remainder of this Loan Agreement. All remaining provisions of this Loan Agreement shall then continue in full force and effect. If any provision shall be deemed invalid due to its scope or breadth, such provision shall be deemed valid to the extent of the scope and breadth permitted by law.
- I. **Modification.** Except as otherwise provided in this document, this Loan Agreement may be modified, superseded, or voided only upon the written and signed agreement of the

EXHIBIT A

Address – 2516 4th Avenue North, Anoka, MN
 PID 0630124320121

Lots 12 13 & 16 Block 4 Slaughter & Creightons Add, Ex N 15ft of Sd lot 12 for Rd, Subj to
 Ease of Rec

That part of Lots 12, 13 & 16, Block 4 of the Town, now City, of Anoka, Anoka County,
 Minnesota.

Principal amount: \$5,465.00

Interest rate: 5.00%

5 year

Period	Principal Balance	Principal Payment	Interest	Late Fees	Total Payment	Principal Balance
10/15/2012	\$5,465.00					\$5,465.00
04/15/2013	\$5,465.00	\$487.80	\$136.63		\$624.42	\$4,977.21
10/15/2013	\$4,977.21	\$499.99	\$124.43		\$624.42	\$4,477.22
04/01/2014	\$4,477.22	\$512.49	\$111.93		\$624.42	\$3,964.73
10/01/2014	\$3,964.73	\$525.30	\$99.12		\$624.42	\$3,439.42
04/01/2015	\$3,439.42	\$538.43	\$85.99		\$624.42	\$2,900.99
10/01/2015	\$2,900.99	\$551.90	\$72.52		\$624.42	\$2,349.09
04/01/2016	\$2,349.09	\$565.69	\$58.73		\$624.42	\$1,783.40
10/01/2016	\$1,783.40	\$579.83	\$44.59		\$624.42	\$1,203.57
04/01/2017	\$1,203.57	\$594.33	\$30.09		\$624.42	\$609.24
10/01/2017	\$609.24	\$609.24	\$15.23		\$624.47	\$0.00
		\$5,465.00	\$779.25		\$6,244.25	