

**An ordinance establishing a user charge system in the City of Auxvasse, County of Callaway and State of Missouri, to provide funds needed to pay for all expenses associated with the city's water system.**

Whereas, the City of Auxvasse, Missouri has constructed a water system; and

Whereas, the City must pay all expenses associated with said water system and charge the users of said system accordingly;

NOW, THEREFORE, BE IT ORDAINED BY THE Board of Aldermen, of the City of Auxvasse, Missouri, that the following user charge system be established:

**Article I**

It is determined and declared to be necessary and conducive to the protection of the public health, safety, welfare, and convenience of the city to collect charges from all users who use the city's water system. The proceeds of such charges so derived will be used for the purpose of operating, maintaining, and retiring the debt for such public water system.

**Article II**

Unless the context specifically indicates otherwise, the meaning of terms used in this ordinance shall be as follows:

Section 1: "Operation and Maintenance" shall mean all expenditures during the useful life of the system for materials, labor, utilities, and other items which are necessary for managing and maintaining the system to achieve the capacity and performance for which system was designed and constructed.

Section 2: "Replacement" shall mean expenditures for obtaining and installing equipment, accessories, or appurtenances which are necessary during the useful life of the system to maintain the capacity and performance for which such works were designed and constructed. The term "operation and maintenance" includes replacement.

Section 3: "Residential User" shall mean any user of the city's water system whose lot, parcel of real estate, or building is used for domestic dwelling purposes only.

Section 4: "Shall" is mandatory; "May" is permissive.

Section 5: "Water System" shall mean any devices and systems for the storage,

treatment, recycling, transmission, and distribution of water. These include transmission and distribution lines, individual systems, pumping, power, and other equipment and their appurtenances; extensions, improvements, remodeling, additions, and alterations thereof; elements essential to provide a reliable water supply such as standby treatment units and any works, including site acquisition of land that will be part of the treatment process.

Section 6: "Winter average use" shall mean average of previous twelve month usage.

Section 7: "Useful Life" shall mean the estimated period during which the treatment works will be operated.

Section 8: "User Charge" shall mean that portion of the total water service charge which is levied in a proportional and adequate manner for the cost of operation, maintenance, and replacement of the water system.

Section 9: "Water Meter" shall mean a water volume measuring and recording device, furnished and/or installed by the City of Auxvasse or furnished and/or installed by a user and approved by the City of Auxvasse.

### **Article III**

Section 1: The user charge system shall generate adequate annual revenues to pay the costs of annual operation and maintenance including replacement and cost associated with debt retirement of bonded capital associated with financing the water system which the city may by ordinance designate to be paid by the user charge system. That portion of the total user charge which is designated for operation and maintenance including replacement of the water system shall be established by this ordinance.

Section 2: That portion of the total user charge collected which is designated for the operation and maintenance including replacement purposes as established in Article IV, shall be deposited in a separate non-lapsing fund known as the Operation, Maintenance and Replacement Fund and will be kept in two primary accounts as follows:

- a. The Operation and Maintenance Account shall be an account designated for the specific purpose of defraying operation and maintenance costs excluding replacement of the water system. Deposits in the Operation and Maintenance Account shall be made annually from the operation and maintenance revenue.
- b. The Replacement Account shall be an account designated for the purpose of ensuring replacement needs over the useful life of the

water system. Deposits in the Replacement Account shall be annually from the replacement revenue.

Section 3: Fiscal year-end balances in the Operation and Maintenance Account and the Replacement Account shall be carried over to the same accounts in each subsequent fiscal year, and shall be used for no other purposes than those designated for these accounts. Monies which have been transferred from other sources to meet temporary shortages in the Operation, Maintenance, and Replacement Fund shall be returned to their respective accounts upon appropriate adjustment of the user charge rates for operation, maintenance, and replacement. The user charge rate(s) shall be adjusted such that the transferred monies will be returned to their respective accounts within the fiscal year following the fiscal year in which the monies were borrowed.

#### **Article IV**

(Actual Use Rate Structure)

Section 1: Each user shall pay for the services provided by the City based on their use of the water system as determined by water meter(s) acceptable to the City.

Section 2: All monthly user charges will be based on monthly water usage.

Section 3: (Reference is made to Appendix A of this ordinance.)

The minimum charge per month including the first 1,000 gallons shall be \$ 14.50. In addition each user shall pay a user unit charge for operation and maintenance including replacement of \$ 6.75 per 1000 gallons of water as determined in the preceding section.

#### **Article V**

Section 1: All users shall be billed monthly. Billings for each month shall be made within fifteen days after the end of that month. Payments are due when billings are made. Any payment not received by the 15<sup>th</sup> of each month after the billing is made shall be delinquent.

Section 2: A late payment penalty of twenty-five dollars (\$25.00) of the user charge bill will be added to each delinquent bill. When any bill is seven days in default (after the 15<sup>th</sup> of each month), water service to such premises shall be discontinued until such bill is paid in full including reconnection fees which all shall be paid by the customer.

#### **Article VI**

Section 1: The City of Auxvasse shall review the user charge system annually and revise user charge rates as necessary to ensure that the system generates

adequate revenues to pay the costs of operation and maintenance including replacement and that the system continues to provide for the proportional distribution of operation and maintenance including replacement costs among users and user classes.

Section 2: The City of Auxvasse will notify each user at least annually, in conjunction with a regular bill, of the rate being charged for operation, and maintenance including replacement of the treatment works.

### Article VII

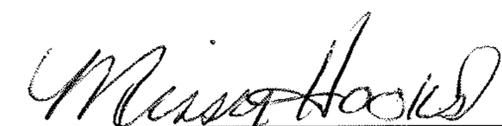
All provisions of Ordinance No. 671-2012 are hereby repealed as of the passage of this ordinance. This ordinance shall be in full force and effect from and after its passage and approval.

Passed and adopted by the Board of Aldermen of the City of Auxvasse, Missouri on the 14<sup>th</sup> day of May, 2013.

Read the first time on the 14<sup>th</sup> day of May, 2013.

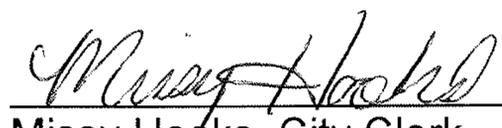
READ THE SECOND TIME BY TITLE ONLY AND PASSED by the Board of Aldermen of the City of Auxvasse, Missouri on this 14<sup>th</sup> day of May, 2013.

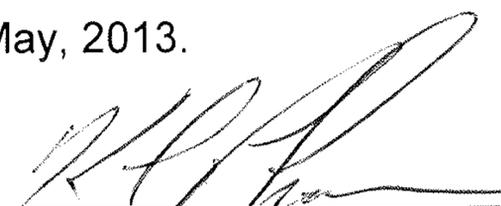
ATTEST:

  
Missy Hooks, City Clerk      5-14-13  
Date

  
Terry Walker, Presiding Officer      5-14-13  
Date

APPROVED by the Mayor on this 14<sup>th</sup> day of May, 2013.

  
Missy Hooks, City Clerk      5-14-13  
Date

  
Kevin Phares, Mayor      5-14-13  
Date