

## CHAPTER 39 SEWER RATES AND CHARGES

**Section 39.1 Public Utility Basis; Fiscal Year.** The System shall be operated and maintained by the Township on a public utility basis pursuant to state law under the supervision and control of the Township Board and on a fiscal year the same as the Township (April 1 to March 31). The Township Board may employ such person or persons in such capacity or capacities as it deems advisable to carry on the efficient management and operation of the System and may make such rules, orders and regulations as it deems advisable and necessary to assure the efficient management and operations of the System.

**Section 39.2 Connection Fee.** The owners of all premises required or permitted to connect to the system shall pay a connection fee consisting of the following components:

- A. **Trunkage Fee.** A Trunkage Fee in an amount established by resolution of the Township Board from time to time, multiplied by the applicable meter equivalent factor set forth below.
- B. **Availability Fee.** For a direct connection to the system, an Availability Fee in an amount established by resolution of the Township Board from time to time.
- C. **Sewer Lateral Fee.** Unless a Sewer Lateral is installed at no expense to the Township, a Sewer Lateral fee in an amount established by resolution of the Township Board from time to time for existing Sewer Lateral, or the actual costs incurred by the Township to install the Sewer Lateral.
- D. **NKSA Joint System Connection Fee.** The NKSA Joint System Connection Fee in an amount established by the NKSA, multiplied by the applicable meter equivalent factor. This component of connection fees will be collected by the Township and forwarded to the NKSA. An NKSA Joint System Connection Fee will not be levied against a customer, if both of the following conditions have been met as of December 14, 2005:
  - 1. The building (or all structures in which sanitary sewage originates in the case of a multi-structure facility) is physically connected to the system; and
  - 2. That connection was made pursuant to a permit issued by the Township, the County of Kent or the Kent County Department of Public Works. A building or buildings for which a connection permit has previously been issued shall be subject to payment of the NKSA Joint System Connection Fee if the above two conditions have not been met as of December 14, 2005, even if other applicable fees have been paid and a permit has been issued.
- E. **Inspection and Administration Fee.** An Inspection and Administration Fee in an amount established by resolution of the Township Board from time to time.

- F. **Cash Payment.** The Connection Fee shall be paid in cash, to the extent not offset by a credit or special assessment, prior to the issuance by the Township of a permit to connect to the Public Sewer System pursuant to Article V.

**Section 39.3 Meter Equivalent Factors.**

- A. A meter equivalent factor of 1.0 shall be applied for all single family dwellings, and for each dwelling unit within a multi-unit building.
- B. For purposes of calculating applicable trunkage fee, NKSA Joint System Connection Fee, and User Charge for properties other than dwelling units, the following meter equivalent factors shall be applied:

<b>Meter Size</b>	<b>Meter Equivalent Factor</b>
1.00	1.00
1.50	2.25
1.75	3.06
2.00	4.00
2.25	5.06
2.50	6.25
2.75	7.56
3.00	9.00
3.25	10.50
3.50	12.25
3.75	14.06
4.00	16.00
4.25	18.06
4.50	20.25
4.75	22.56
6.00	36.00
6.25	39.06
6.50	42.25
6.75	45.56
8.00	64.00
8.25	68.06
8.50	72.25
8.75	76.56
10.00	100.00
12.00	144.00

- C. In case of a meter size falling between those in the table above, the meter equivalent factor corresponding to the next highest meter size shall be applied. A separate connection fee shall be imposed for each meter serving the premises.
- D. For premises which are not connected to a public or private community water system, the meter equivalent factor for other uses shall be determined by treating

as the meter size the diameter of the water service pipe actually present, or as required to provide the flow and pressure required for the building by the Michigan Plumbing Code, as determined by the municipality's plumbing inspector, whichever is larger.

- E. A user which makes changes to the use or plumbing system of the building in such a manner as to increase the meter size or water service diameter for a non-metered premises, shall, at that time, pay an additional Trunkage Fee and NKSA Joint System Connection fee equal to the difference between:
  - 1. The Joint System Connection Fee as would be calculated based on the prior meter size and the base Trunkage Fee or base NKSA Joint System Connection Fee applicable at the time of such increase; and
  - 2. The Trunkage Fee and NKSA Joint System Connection Fee based upon the increased meter (or water service diameter) size and the applicable base trunkage fee or NKSA Joint System Connection Fee in effect at that time.

#### **Section 39.4 User Charge.**

- A. The User Charge for sewage disposal services to defray the cost of operation, maintenance and replacement, and a debt service, and any other charge not covered by the Connection Fee shall be in an amount established by resolution of the Township Board from time to time, multiplied by the applicable meter equivalent factor.
- B. **Normal Strength Domestic Sewage.** The User Charge imposed pursuant to this Section is applicable only to users who discharge normal strength domestic sewage. A user who discharges toxic pollutants or sewage into the system that does not qualify as normal strength domestic sewage may be required to pay a user surcharge determined in accordance with the NKSA Rules and Regulations.
- C. **Accrual Date.** The User Charge shall begin to accrue with respect to an existing structure as of the date of the connection of the Building Sewer to the Public Sewer System in accordance with Article V, above and with respect to a new structure upon the date of issue of an occupancy permit. If appropriate, the billing of said charges for the initial billing period shall be pro-rated in arrears.

**Section 39.5 Miscellaneous User Fee.** The Township Supervisor may, from time to time, impose on one or more Users a Miscellaneous User Fee, as necessary, for miscellaneous service, repairs and related administrative costs associated with the System and incurred, without limitation, as a result of the intentional or negligent acts of such User or Users, including for example, excessive inspection services not covered by the Inspection and Administration Fee, costs of repairing and/or replacing a damaged Sewer Lateral, costs of abating a nuisance or otherwise attributable to a User, or repair any part of the system damaged as a result of violation of this ordinance, and costs incurred by the Township to shut off and turn on sewer service.

**Section 39.6 Grinder Pump Fee.** In addition to the User Charge and Miscellaneous Customer Fee, the Township Board may, by resolution from time to time, impose a grinder pump fee on those buildings which are so equipped. The fee may be in an amount intended to (a) defray the cost of routine operation, maintenance, repair and replacement of grinder pumps applied equally to all Users on premises equipped with grinder pumps; and (b) may include individualized charges to Users on premises equipped with grinders pumps to reflect unusual or non-repetitive charges, such as major repair and replacement or damage. No grinder pump fee shall be imposed unless so established and maintained by the Township Board, and shall not be levied against a premises if the Grinder Pump is owned and maintained by the owner of the premises.

**Section 39.7 Inspection and Administration Fee.** The Inspection and Administration Fee shall be determined from time to time by resolution of the Township Board and shall be based upon the actual cost borne by the Township for its Inspectors.

**Section 39.8 Billing of Sewer Rates and Charges.**

- A. The Township shall bill and collect all Sewer Rates and Charges quarterly except Miscellaneous Customer Fees and Grinder Pump Fees, which may be billed as incurred on an another periodic basis. Recurring rates are considered to be paid in advance.
- B. Payment of said bill shall be made at a location and in a manner designated by the Township.

**Section 39.9 Unpaid Sewer Rates and Charges; Penalty.** If Sewer Rates and Charges are not paid on or before the due date then one-time penalty in the amount of 10% shall be added to the balance due.

**Section 39.10 Unpaid Sewer Rates and Charges; Remedies.** If Sewer Rates and Charges are not paid on or before the due date, the Township, pursuant to Act 178 of the Public Acts of Michigan of 1939, as amended, may

- A. discontinue the services provided by the System by disconnecting the Building Sewer from the Sewer Lateral, and the service so discontinued shall not be reinstated until all sums then due and owing, including time price differential, penalties, interest and all expenses incurred by the Township for shutting off and turning on the service, shall be paid to the Township;
- B. institute an action in any court of competent jurisdiction for the collection of the amounts unpaid, including penalties, interest and reasonable attorney fees; or
- C. enforce the lien created in Section 39.11 below.

These remedies shall be cumulative and shall be in addition to any other remedy provided in this Ordinance or now or hereafter existing at law or equity.

Under no circumstances shall action taken by the Township to collect unpaid Sewer Rates and Charges, penalties and interest, invalidate or waive the lien created by

Section 39.11 below. Before disconnecting service, the Township shall give thirty (30) days written notice to the User at the last known address according to the Township records and the Township Tax Assessment Roll. The notice shall inform the User that the User may request an informal hearing to present reasons why service should not be disconnected.

**Section 39.11 Lien.** The Sewer Rates and Charges shall be a lien on the respective premises served by the System. Whenever Sewer Rates and Charges shall be unpaid for six (6) months or more, they shall be considered delinquent. The Township shall certify all Sewer Rates and Charges delinquent as of June 30 and penalties thereon, annually, on or before September 1, of each year, to the tax assessing officer of the Township, who shall enter the delinquent Sewer Rates and Charges, interest and penalties, together with an additional penalty equal to 15% of the total, upon the next tax roll as a charge against the premises affected and such charge shall be collected and the lien thereof enforced in the same manner as ad valorem property taxes levied against such premises.

**Section 39.12 No Free Service.** No free service shall be furnished by the System to any Person, public or private, or to any public agency or instrumentality.

**Section 39.13 Rental Properties.** A lien shall not attach for Sewer Rates and Charges to a Premises which is subject to a legally executed lease that expressly provides that the tenant (and not the landlord) of the premises or a dwelling unit thereon shall be liable for payment of Sewer Rates and Charges, effective for services which accrue after the date an affidavit is filed by the landlord with the Township. This affidavit shall include the names and addresses of the parties, the expiration date of the lease and an agreement by the landlord to give the Township thirty (30) days written notice of any cancellation, change in or termination of the lease. The filing of the affidavit by the landlord shall be accompanied by a true copy of the lease and a security deposit in the amount equal to the User Charge for the preceding four (4) billing periods (as established by resolution of the Township Board from time to time). Upon the failure of the tenant to pay the Sewer Rates and Charges when due, the security deposit shall be applied by the Township against the unpaid balance, including interest and penalties. The tenant shall immediately make sufficient payment to the Township to cover the amount of the security deposit so advanced. Upon the failure of the tenant to do so within ten (10) days of said advance, the penalties, rights and remedies set forth in this Ordinance shall be applicable with respect to the unpaid Sewer Rates and Charges, including interest and penalties. The security deposit shall be held by the Township without interest and shall be returned to the landlord upon proof of termination of the lease.

**Section 39.14 Cancellation of Permits; Disconnection of Service.** Applications for connection permits may be canceled and/or sewer service disconnected by the Township for any violation of any part of this Ordinance, including, without limitation, any of the following reasons:

- A. Misrepresentation in the permit application as to the nature or extent of the property to be serviced by the System.
- B. Nonpayment of Sewer Rates and Charges.
- C. Failure to keep Building Sewers and Control Manholes in a suitable state of repair.

- D. Discharges in violation of this Ordinance.
- E. Damage to any part of the System.

**Section 39.15 Security Deposit.** If the sewer service supplied to a User has been discontinued for nonpayment of Sewer Rates and Charges, service shall not be reestablished until all delinquent Sewer Rates and Charges, interest and penalties, and the turn on charge has been paid. The Township may, as a condition to reconnecting said service, request that a sum equal to the User Charge for the preceding four (4) billing periods (as established by resolution of the Township Board from time to time) be placed on deposit with the Township for the purpose of establishing or maintaining any User's credit. Said deposit shall not be considered in lieu of any future billing for Sewer Rates and Charges. Upon the failure of the User to pay the Sewer Rates and Charges when due, the security deposit shall be applied by the Township against the unpaid balance, including interest and penalties. The User shall immediately make sufficient payment to the Township to reinstate the amount of the security deposit so advanced. Upon the failure of the User to do so within ten (10) days of said advance, the penalties, rights and remedies set forth in Sections 710 and 711 of this Article shall be applicable with respect to any unpaid Sewer Rates and Charges, including interest and penalties. The security deposit shall be held by the Township without interest and shall be returned to the User upon continued timely payments by the User of all Sewer Rates and Charges as and when due, for a minimum of four (4) consecutive quarters.

**Section 39.16 Billing Address.** Bills and notices relating to the conduct of the business of the Township will be mailed to the User at the address listed on the permit application unless a change of address has been filed in writing at the business office of the Township; and the Township shall not otherwise be responsible for delivery of any bill or notice, nor will the User be excused from non-payment of a bill or from any performance required in said notice.

**Section 39.17 Interruption of Service; Claims.** The Township shall make all reasonable efforts to eliminate interruption of service, and when such interruption occurs, will endeavor to reestablish service with the shortest possible delay. Whenever service is interrupted for purpose of working on the System, all Users affected by such interruption will be notified in advance whenever it is possible to do so. The Township shall, in no event, be held responsible for claims made against it by reason of the breaking of any mains or service pipes, or by reason of any other interruption of the service caused by the breaking of machinery or stoppage for necessary repairs; and no person shall be entitled to damages nor have any portion of a payment refunded for any interruption.

## REVENUES

**Section 39.18 Estimated Rates; Sufficiency.** The User Charges hereby fixed are established to be sufficient to provide for the cost of Operation and Maintenance of the System as are necessary to preserve the same in good repair and working order. Such rates shall be fixed and revised by resolution of the Township Board from time to time as may be necessary to produce these amounts. An audit of the System shall be prepared and included as part of the Township's annual audit. Based on this audit, rates for sewage services shall be reviewed annually and revised as necessary to meet system expenses and to insure that all User Classes pay their proportionate share of the Cost of Operation and Maintenance.