

Sponsor: Doyle

**ORDINANCE**

***BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF FLORENCE, ALABAMA***, that Articles V and VI of Chapter 27 of the Code of Florence, Alabama, are hereby amended, **effective July 1, 2014**, to read as follows:

**ARTICLE V. WATER**

**Sec. 27-211. Meter required; meter readings; right of entry.**

A meter shall be installed upon each connection to the system which shall be read manually or electronically by a duly authorized agent of the City of Florence, hereinafter called City, who shall have access to the premises of each customer at all times for the purpose of discontinuance of service, installing, repairing, or replacing any such meter and any pipe of the City located on the premises. Each customer, by having or leaving his or her premises connected to the system and accepting service there from, shall consent and agree to such access.

The type of metering devices installed upon on each connection is at the discretion of the City and all devices and piping to the point of the customer's connection is the property of the City. Tampering with such devices will result in service charges as defined in Sec. 27-224.

**Sec. 27-212. Rates.**

(a) The rates, fees and charges for the use of and for the services furnished by the water system of the City shall be fixed and established in the following schedules, subject to such adjustments from time to time as may be necessary to carry out the provisions of any trust agreements, or ordinances adopted by the City in connection with the issuance of any bond, warrants, loans, or securities of the City. In addition, annual CPI adjustments to the following schedules may be necessary as provided in subsection (c) below. A description of the rate schedules and monthly minimum charge schedules is as follows:

***Schedule 1: Residential Urban Water Rates Per 1,000 Gallons***

This rate schedule shall apply to all residential customers within the corporate limits of the City of Florence.

***Schedule 2: Residential Urban Water Minimum Monthly Meter Charge***

This schedule defines the minimum monthly meter charge and allowance for residential customers within the corporate limits of the City of Florence based on meter size.

***Schedule 3: Urban Commercial/Industrial/Sale for Resale Rates (Water Authorities) Per 1,000 Gallons (Excluding Killen)***

This rate schedule shall apply to all Urban Commercial/Industrial customers within the corporate limits of the City of Florence and Sale for Resale customers (Water Authorities).

***Schedule 4: Urban Commercial/Industrial/Sale for Resale Water Minimum Monthly Meter Charge (Excluding Killen)***

This schedule defines the minimum monthly charge and allowance for Urban Commercial/Industrial customers within the corporate limits of the City of Florence and Sale for Resale customers (Water Authorities) based on meter size.

***Schedule 5: Residential Rural Water Rates Per 1,000 Gallons (Excluding Killen)***

This rate schedule shall apply to all residential customers outside of the corporate limits of the City of Florence.

***Schedule 6: Residential Rural Minimum Monthly Meter Charge (Excluding Killen)***

This schedule defines the minimum monthly meter charge and allowance for residential customers outside the corporate limits of the City of Florence based on meter size.

***Schedule 7: Rural Commercial/Industrial Rates Per 1,000 Gallons (Excluding Killen)***

This rate schedule shall apply to all Commercial/Industrial customers outside the corporate limits of the City of Florence *(Excluding Killen)*

***Schedule 8: Rural Commercial/Industrial Water Minimum Monthly Meter Charge (Excluding Killen)***

This schedule defines the minimum monthly meter charge and allowance for Commercial/Industrial customers, excluding Killen, outside the corporate limits of the City of Florence.

***Schedule 9: Killen Residential Water Rates Per 1,000 Gallons***

This rate schedule and monthly meter charges shall apply to all Killen Residential customers.

***Schedule 10: Killen Commercial Rates & Minimum Monthly Meter Charges***

This rate schedule and monthly meter charges shall apply to all Killen Commercial customers.

The rate schedules and monthly minimum charge schedules as adjusted from time to time pursuant to this Section will be available for inspection at the offices of the Water and Wastewater Department and on the City's website.

(b) Where more than one (1) house, building or structure is used for living, eating or sleeping quarters, or in which a business, occupation, or profession is conducted or carried on, uses water through a common meter, such structures or buildings shall be considered commercial for purposes of billing and will be billed according to the appropriate schedule(s) contained within this section.

(c) Beginning in fiscal year ending (FYE) 2016 and subsequent fiscal years, rates in Schedules 1 through 10 shall be adjusted based on an annual CPI (Consumer Price Index) of the just ended calendar year (January-December) for the US Department of Labor, Bureau of Labor Statistics, All Urban Consumers, Water and Sewerage Maintenance, U.S. City Average data, with the following limitations:

(i) With the exception of an annual CPI adjustment, all other adjustments to Schedules 1 through 10 shall require prior approval by resolution of the City of Florence Council.

(ii) Annual CPI adjustments to Schedules 1 through 10 will be applied in any fiscal year, beginning in FYE 2016, where the calculated debt coverage ratio by the Utilities Controller for the upcoming fiscal year is less than 150%. The maximum CPI adjustment in any year shall not exceed 5% without prior Council approval. Debt coverage ratio is defined as the result of the sum of interest on long term debt, depreciation, net income, and tax equivalents divided by the highest debt service year, expressed as a percentage.

(iii) No annual adjustments will be made for CPI's less than zero percent (negative CPI).

(d) Customer's requesting a manual read meter in lieu of an electronically read meter will be charged a fee of \$40.00 per month in addition to the monthly usage charges set forth in this section.

**Sec. 27-212.5. Special service contract.**

Subject to approval by the City Council of the City of Florence, Alabama, commercial, industrial, and sale for resale (water authorities) customers that have a monthly usage over 5,000,000 gallons per month may enter into a "Special Service Contract" with the City that defines the rates and conditions for providing service. With the exception of provisions,

including rates, that may be provided in a “Special Service Contract”, all customers, are subject to the provisions herein, including the applicable rates in **Sec. 27-212. Rates.**

**Sec. 27-213. Payment, lost discount/late payment penalties.**

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after the due date specified on bill will be subject to additional charges under distributor’s standard policy. Above rates and charges are net. In the event that any bill is not paid by the due date specified on the bill, there shall be added to the bill an amount equal to five (5) percent on the first two hundred fifty dollars (\$250.00) of the bill plus one (1) percent on any portion of the bill exceeding two hundred fifty dollars (\$250.00).

**Sec. 27-214. Reconnection charge.**

Whenever service has been discontinued by the City, as provided in the schedule of rules and regulations, a charge of not less than forty dollars (\$40.00) may be collected by the City before service is restored. The City’s employee, when dispatched to disconnect a consumer’s service for failure to pay bill, or to collect a bad check, may accept payment of the full amount of the customer’s bill, or bad check, plus an additional service charge of not less than twenty-five dollars (\$25.00), in which event the consumer’s service will not be disconnected; provided, however, that the only cause for discontinuance of a consumer’s service was the consumer’s failure to pay bill. If the consumer should fail or refuse to pay the employee the additional service charge of not less than twenty-five dollars (\$25.00), then the employee may decline to accept any smaller sum offered and shall proceed to disconnect the consumer’s service. Customers who require reconnection after regular business hours will be charged not less than sixty dollars (\$60.00) in addition to the past-due bill which must be paid to the serviceman upon reconnection. A service charge of not less than thirty dollars (\$30.00) will be charged for handling all checks not accepted by banks, whether or not a collector has been dispatched.

**Sec. 27-214.5. Reconnection charge when discontinuance of service is requested.**

Whenever water service is discontinued at the request of the customer, reconnection of service for the same customer within 12 months of the disconnection request will be subject to the fees for installation of a meter as set forth in **Sec. 27-217.** contained herein.

**Sec. 27-215. Deposit.**

A deposit or suitable guarantee may be required of any customer before utility services are supplied. A deposit of not less than one hundred fifty dollars (\$150.00) shall be received for residential customers. For other customers, the deposit shall be approximately one and one-half (1 ½) times the maximum monthly bill or estimated maximum in the case of new customers, but not less than \$150.00. The City may at its option return the deposit, without interest, to the residential customer after one (1) year. Upon termination of service, the deposit may be applied against unpaid bills of the customer and, if any balance remains after such application is made, such balance shall be refunded to the customer. This deposit secures all utility services supplied to the customer.

**Sec. 27-216. Connection charges.**

For new or change name, other than reconnecting for non-pay, a charge of not less than thirty dollars (\$30.00) shall be made by the customer for connection of services during normal working hours. For new or change name, other than reconnecting for non-pay, a charge of not less than sixty dollars (\$60.00) shall be made by the customer for connection of services after normal working hours. This fee includes connection of electricity, gas, water and wastewater at the same time, if available at that site.

**Sec. 27-217. Charges for meter installation; permit required.**

(a) A meter shall be installed upon each connection to the system which shall be read by a duly authorized agent of the City, who shall have access to the premises of each customer for such purpose at all times, and also, for the purpose of removing any such meter and any pipe of the City located on the premises in the event service is discontinued to such customer, and each customer by having or leaving his or her premises connected to the system and accepting service therefore shall consent and agree to such access and removal. The following charges shall be made for the installation of water service lines from the water main to the meter location. The Water/Wastewater Department shall determine location of the water service lines and meter.

5/8" x 3/4"	Meter and Service Line	.....	\$400.00
3/4"	Meter and Service Line	.....	\$450.00
1"	Meter and Service Line	.....	\$500.00

1-1/2" or larger water Meter and Service Line will be based upon costs of materials and labor plus 35% overhead.

(b) Each applicant for the installation of a new water service line will furnish the City a permit from the City Building Department, permitting the excavation in the street, alley, parkway, etc., as required by the plumbing code of the City.

**Sec. 27-218. More than one family or other separate consumer group on one meter.**

In any case where a building is occupied by several consumers, all of whom are on one (1) meter service, the owner, lessor, or landlord of such building shall be charged with the entire account for water furnished. The owner, landlord or lessor may at his option provide separate connections for the different consumers in said building, each of which will be metered by the City and the charge made to the consumer on such meter.

**Sec. 27-219. Water main extensions/improvements-Application; investigation and cost estimate.**

When any person shall make application for water service on a street or in an area where water mains or other improvements have not yet been installed, the management of the water department shall initiate an investigation, and shall secure an estimate of the cost and feasibility of extending its water lines or other improvements to serve such applicant. The cost of any extension shall be paid by the customer(s) requesting said extension. Costs of such extensions or improvements shall be paid in full prior to installation where estimates are equal to or less than five thousand dollars (\$5,000). For estimates that are more than five thousand dollars (\$5,000) fifty percent (50%) of the estimated cost may be paid prior to installation of the extension, with the remaining balance, fifty percent (50%), due upon completion. **The City reserves the right to require full payment of estimated costs prior to work being performed.** Late payment penalties will be assessed for all unpaid balances that are 30 days or more overdue. In no event shall service connections be allowed to such extensions until all outstanding balances associated with the extension or other improvements are paid in full.

Extensions of water mains or other improvements may be installed by a properly licensed contractor at the sole expense of the individual or developer and conveyed to the City with duly recorded easements upon completion. However, no extensions or improvements will be accepted by the City unless such extensions or improvements have been inspected by the City and were installed as per plans that were submitted to the Water Department and approved for construction prior to installation.

**Sec. 27-220. Same-Pipe sizes.**

In estimating the cost of any water main extension, the water department shall have authority to determine the size of the pipe to be installed. Pipe sizes shall be in accordance with the overall plan of the department for extending water mains in the area in question.

**Sec. 27-222. Permitting another to use.**

It shall be unlawful for any person, who is a water consumer of the City, to allow any other person the use of water through his connection or hydrants, either for compensation, or as a gratuity, or under any arrangement to share the water rental. The intent of this section is to prevent the larceny of water and it shall be so construed.

**Sec. 27-223. Procuring City water other than through normal distribution system.**

It shall be unlawful for anyone to take or use any City water procured in any way except through the normal distribution system.

**Sec. 27-224. Tampering with fire plugs, etc.**

No one except members of the fire department or employees of the Water Department shall open or close any valve of any water pipe, fire cistern, fire hydrant, or water plug.

**Sec. 27-225. Customer's responsibility for city property.**

(a) All meters, service connections, and other equipment furnished by the City shall be, and remain the property of the City. The customer shall provide a space for and exercise proper care to protect the property of the City on its premises and, in the event of loss or damage to the City's property arising from neglect of customer to care for the same, the cost of the necessary repairs or replacements shall be paid by the customer. In the event a meter has been tampered with or the seal broken, the affected service to the customer may be disconnected until a service charge of not less than one hundred fifty dollars (\$150.00) for each tampered meter is paid at the office of the City.

(b) Moreover, if any substance, article or material is placed on or in the vicinity of a meter which ultimately results in causing a meter to malfunction, this shall be interpreted as meter tampering and the affected service to the customer may be discontinued until a service charge of not less than one hundred and fifty dollars (\$150.00) for each tampered meter is paid at the office of the City.

**Sec. 27-226. Effecting rates and charges**

All rates, charges and rules become effective on all meters read on and after July 1, 2014 upon adoption of this ordinance.

**ARTICLE VI. WASTEWATER SYSTEM**

**DIVISION 1. GENERALLY**

**Sec. 27-246. (Intentionally left blank)**

**Sec. 27-247. (Intentionally left blank)**

**Sec. 27-248. Method of tapping; extensions/improvements; investigation and cost estimate.**

(a) When it becomes necessary to tap any existing wastewater lines, such work shall be done in accordance with standard "details of wastewater tap" which are available in the City Engineering or Water / Wastewater Department.

(b) When any person shall make application for wastewater service on a street or in an area where wastewater lines or other improvements have not yet been installed, the management of the water department shall initiate an investigation, and shall secure an estimate of the cost and feasibility of extending its wastewater lines or other improvements to serve such applicant. The cost of any extension or improvements shall be paid by the customer(s) requesting said extension or improvement. Costs of such extensions or improvements shall be paid in full prior to installation where estimates are equal to or less than five thousand dollars (\$5,000). For estimates that are more than five thousand dollars (\$5,000) fifty percent (50%) of the estimated cost may be paid prior to installation of the extension, with the remaining balance, fifty percent (50%), due upon completion. **The City reserves the right to require full payment of estimated costs prior to work being performed.** Late payment penalties will be assessed for all unpaid balances that are 30 days or more overdue. In no event shall service connections be allowed to such extensions or improvements until all outstanding balances associated with the extension or other improvements are paid in full.

(c) Extensions of wastewater lines or other improvements may be installed by a properly licensed contractor at the sole expense of the individual or developer and conveyed to the City with duly recorded easements upon completion. However, no extensions or improvements will be accepted by the City unless such extensions or improvements have been inspected by the City and were installed as per plans that were submitted to the Water Department and approved for construction prior to installation.

#### **Sec. 27-248.5. Wastewater rates and charges.**

(a) The rates, fees and charges for the use of and for the services furnished by the wastewater system of the City shall be fixed and established in the following schedules, subject to such adjustments from time to time as may be necessary to carry out the provisions of any trust agreement, ordinances adopted by the City in connection with the issuance of any bond, warrants, loans, securities of the City, or annual CPI adjustments as defined in this section. A description of the rate schedules and monthly minimum charge schedules is as follows:

##### *Schedule 1: Residential Urban/Rural Wastewater Service Charges*

This rate schedule shall apply to all residential wastewater customers outside and within the corporate limits of the City of Florence.

##### *Schedule 2: Commercial/Industrial Wastewater Service Charges*

This rate schedule shall apply to all Commercial/Industrial wastewater customers outside and within the corporate limits of the City of Florence.

##### *Schedule 3: Residential Urban-Wastewater Minimum Monthly Meter Charge*

This schedule defines the monthly minimum wastewater charge for residential customers within the corporate limits of the City of Florence based on water meter size.

##### *Schedule 4: Residential Rural-Wastewater Minimum Monthly Meter Charge*

This schedule defines the monthly minimum wastewater charge for residential customers outside the corporate limits of the City of Florence based on water meter size.

##### *Schedule 5: Urban Commercial/Industrial Wastewater Minimum Monthly Meter Charge*

This schedule defines the monthly minimum wastewater charge for Commercial/Industrial customers within the corporate limits of the City of Florence based on water meter size.

##### *Schedule 6: Rural Commercial/Industrial Wastewater Minimum Monthly Meter Charge*

This schedule defines the monthly minimum wastewater charge for Commercial/Industrial customers outside the corporate limits of the City of Florence based on water meter size.

The rate schedules and monthly minimum charge schedules as adjusted from time to time pursuant to this Section will be available for inspection at the offices of the Water and Wastewater Department and on the City's website.

(b) Where more than one (1) house, building or structure is used for living, eating or sleeping quarters, or in which a business, occupation, or profession is conducted or carried on, uses water through a common meter, such structures or buildings shall be considered commercial for purposes of billing and will be billed according to the appropriate schedule(s) contained within this section.

(c) In the case of each establishment that obtains from the City all water that is discharged into the wastewater system by or from such establishment, the quantity of water consumed during a billing period shall be deemed to be the quantity shown by the water bill rendered on the same statement. In the case of any establishment that discharges water into the wastewater system obtained from any source other than the City, the City will install a meter at the expense of the occupant of such establishment for the purpose of measuring the quantity of water consumed at such establishment. Any water customer who has reasonable access to the wastewater system, whether or not said customer is attached to the wastewater system, shall pay a wastewater bill as though they were connected to the wastewater system.

(d) Beginning in fiscal year ending (FYE) 2016 and subsequent fiscal years, rates in Schedules 1 through 6 shall be adjusted based on an annual CPI (Consumer Price Index) of the just ended calendar year (January-December) for the US Department of Labor, Bureau of Labor Statistics, All Urban Consumers, Water and Sewerage Maintenance, U.S. City Average data, with the following limitations:

(i) With the exception of an annual CPI adjustment, all other adjustments to Schedules 1 through 6 shall require prior approval by resolution of the City of Florence Council.

(ii) Annual CPI adjustments to Schedules 1 through 6 will be applied in any fiscal year, beginning in FYE 2016, where the calculated debt coverage ratio by the Utilities Controller for the upcoming fiscal year is less than 150%. The maximum CPI adjustment in any year shall not exceed 5% without prior Council approval. Debt coverage ratio is defined as the result of the sum of interest on long term debt, depreciation, net income, and tax equivalents divided by the highest debt service year, expressed as a percentage.

(iii) No annual adjustments will be made for CPI's less than zero percent (negative CPI).

#### **Sec. 27-248.10. Special service contract.**

Subject to approval by the City Council of the City of Florence, Alabama, commercial and industrial customers that have a monthly usage over 5,000,000 gallons per month may enter into a "Special Service Contract" with the City that defines the rates and conditions for providing wastewater service. With the exception of provisions, including rates, that may be provided in a "Special Service Contract", all customers are subject to the provisions herein, including the applicable rates in **Sec. 27-248.5. Wastewater rates and charges.**

#### **Sec. 27-249. Payment, lost discount/late payment penalties.**

Bills under this rate schedule will be rendered monthly. Any amount of bill unpaid after the due date specified on bill will be subject to additional charges under distributor's standard policy. Above rates and charges are net. In the event that any bill is not paid by the due date specified on the bill, there shall be added to the bill an amount equal to five (5) percent on the first two hundred fifty dollars (\$250.00) of the bill plus one (1) percent on any portion of the bill exceeding two hundred fifty dollars (\$250.00).

**Sec. 27-250. Reconnection charge.**

Whenever service has been discontinued by the City, as provided in the schedule of rules and regulations, a charge of not less than forty dollars (\$40.00) may be collected by the City before service is restored. The City's employee, when dispatched to disconnect a consumer's service for failure to pay bill, or to collect a bad check, may accept payment of the full amount of the customer's bill, or bad check, plus an additional service charge of not less than twenty-five dollars (\$25.00), in which event the consumer's service will not be disconnected; provided, however, that the only cause for discontinuance of a consumer's service was the consumer's failure to pay bill. If the consumer should fail or refuse to pay the employee the additional service charge of not less than twenty-five dollars (\$25.00), then the employee may decline to accept any smaller sum offered and shall proceed to disconnect the consumer's service. Customers who require reconnection after regular business hours will be charged not less than sixty dollars (\$60.00) in addition to the past-due bill which must be paid to the serviceman upon reconnection. A service charge of not less than thirty dollars (\$30.00) will be charged for handling all checks not accepted by banks, whether or not a collector has been dispatched.

**Sec. 27-251. Deposit.**

A deposit or suitable guarantee may be required of any customer before utility services are supplied. A deposit of not less than one hundred fifty dollars (\$150.00) shall be received for residential customers. For other customers, the deposit shall be approximately one and one-half (1 ½) times the maximum monthly bill or estimated maximum in the case of new customers, but not less than \$150.00. The City may at its option return the deposit, without interest, to the residential customer after one (1) year. Upon termination of service, the deposit may be applied against unpaid bills of the customer and, if any balance remains after such application is made, such balance shall be refunded to the customer. This deposit secures all utility services supplied to the customer.

**Sec. 27-252. Connection charges.**

For new or change name, other than reconnecting for non-pay, a charge of not less than thirty dollars (\$30.00) shall be made by the customer for connection of services during normal working hours. For new or change name, other than reconnecting for non-pay, a charge of not less than sixty dollars (\$60.00) shall be made by the customer for connection of services after normal working hours. This fee includes connection of electricity, gas, water and wastewater at the same time, if available at that site.

**Sec. 27-253. Service to adjacent unincorporated areas.**

(a) Flows will be accepted from any community or area so designated in the approved facilities plan to be served by the system, funded by EPA; generally, without regard to any condition other than user charges developed on an equitable costs basis and the terms of any intermunicipal agreements required by 40 CFR 35.2107.

(b) All OSHA requirements [shall] be met on all applicable projects.

(c) The discharge of uncontaminated cooling water is allowable to the storm sewer system (frequency of testing of those cooling waters for contaminants to be at the direction of the City Engineer).

**(continued on the next page)**

**Sec. 27-254. Effecting rates and charges**

All rates, charges and rules become effective on all meters read on and after July 1, 2011 upon adoption of this ordinance.

This Ordinance shall become effective upon its adoption and publication.

*ADOPTED* this the \_\_\_\_\_ day of June, 2014.

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***CITY COUNCIL***

*APPROVED* this \_\_\_\_\_ day of June, 2014.

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***MAYOR***

*ADOPTED & APPROVED* this \_\_\_\_\_ day of June, 2014.

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***CITY CLERK***