

## VILLAGE OF AUGUSTA

ORDINANCE NO. 146

AN ORDINANCE REGULATING THE USE OF PUBLIC AND PRIVATE SEWERS AND DRAINS; THE INSTALLATION AND CONNECTION OF BUILDING SEWERS AND THE DISCHARGE OF WATERS AND WASTES INTO THE VILLAGE'S SEWER SYSTEM; AND ESTABLISHING AND PROVIDING FOR THE COLLECTION OF RATES AND CHARGES FOR USE OF THE VILLAGE'S SYSTEM IN THE VILLAGE OF AUGUSTA, MICHIGAN.

## THE VILLAGE OF AUGUSTA

## ORDAINS:

## ARTICLE I

## DEFINITIONS

B.O.D. (denoting biochemical oxygen demand) shall mean the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at 20° Centigrade.

Building Drain shall mean that part of the lowest horizontal piping of a drainage system which receives the discharge from soil, waste and other drainage pipes inside the walls of the building and conveys it to the building sewer, beginning five feet outside the inner face of the building wall.

Building Sewer shall mean the extension from the building drain to the public sewer or other places of disposal.

Commercial user shall mean an establishment listed in the Office of the Management and Budget's Standard Industrial Classification Manual (1972 Edition) involved in a commercial enterprise, business or service which, based on a determination by the Village, discharges primarily segregated domestic wastes or wastes from sanitary conveniences.

Connection Charge shall mean the amount charged at the time, and in the amount hereinafter provided, to each premise in the Village for connection to the system. The new charge is based upon the cost allocable to such premises for the inspection and supervision of the individual connection to the sewer. It is exclusive of property taxes and special assessments being collected by the Village to finance the sewer system construction.

Debt Retirement Charge shall mean the charge levied to all users for retirement of bonded indebtedness associated with the System.

Garbage shall mean solid wastes from the preparation, cooking and dispensing of food and from the handling, storage and sale of produce.

Governmental User shall mean any Federal, State or local government user of the System.

Industrial cost recovery shall mean the recovery from each eligible industrial user of that portion of U. S. Environmental Protection Agency grants which are allocable to the collection and treatment of industrial wastes from said users.

Industrial User shall mean non-governmental, non-residential users of the System that (i) discharge more than the equivalent of 25,000 gallons per day of sanitary waste, (ii) are identified in the Standard Industrial Classification Divisions set forth in Section 12 and (iii) establishments discharging a trade or process waste.

Industrial waste shall mean the wastewater discharges from industrial, trade or business process, as distinct from their employees' domestic wastes or wastes from sanitary conveniences.

Institutional User shall mean non-governmental, non-commercial non-residential, non-industrial users of the System.

Inspector shall mean any person or persons duly authorized by the Village Council to inspect and approve the installation of sewers.

Normal domestic sewage shall mean a combination of the water carried domestic wastes from residence, business buildings, institutions and industrial establishments, and normal amounts of infiltration. The normal domestic sewage shall be considered to have a loading of 300 mg/1 BOD and 350 mg/1 suspended solids.

O, M&R Charge shall mean the charge levied to all users for operation, maintenance, replacement, and customer related administrative costs associates with the System.

Operation and Maintenance Costs shall mean all costs, direct and indirect, necessary to provide adequate wastewater collection and treatment on a continuing basis, to conform with all federal, state and local wastewater management requirements, and to assure optimum long-term management of the Sewage Works. Operation and maintenance costs shall include replacement costs.

Public Sewer shall mean a sewer in which all owners of abutting properties have equal rights, is controlled by the Village of Augusta, and is located within the public right-of-way or a public easement.

Replacement Costs shall mean expenditures made during the service life of the System to replace equipment and appurtenances necessary to maintain the intended performance of the System.

Residential User shall mean all dwelling units used as domiciles.

Revenues and Net Revenues shall have the meaning as defined in Section 3, Act 94, Public Acts of Michigan, 1933, as amended.

Sanitary Sewer shall mean a sewer which carries sewage and to which storm, surface and ground waters are not intentionally admitted.

Service Demand Charge shall mean the charge levied to all customers for customer related administrative costs associates with the System.

Sewage shall mean a combination of water-carried wastes from residences, business buildings, institutions and industrial establishments, together with such ground waters as may be present.

Sewage Treatment Plant shall mean any arrangements of devices and structures used for treating sewage.

Sewer shall mean a pipe or conduit for carrying sewage.

Storm sewer or Storm Drain shall mean a sewer which carries storm and surface waters and drainage, but excludes sewage and polluted industrial wastes.

Suspended Solids shall mean solids that either float on the surface of, or are in suspension in water, sewage, or other liquids, and which are removable by laboratory filtering.

System shall mean all facilities of the Village, and all subsequent additions, including all sewers, pumps, lift stations and all other facilities used or useful in the collection and disposal of domestic, commercial or industrial wastes, including all appurtenances thereto and including all extensions and improvements thereto which may hereafter be acquired.

Village shall mean the Village of Augusta, Michigan.

Village Council shall mean the Village Council of the Village of Augusta.

## ARTICLE II

### OPERATION

Section 1. The operation, maintenance, alteration, repair and management of the System shall be under the supervision and control of the Village. The Village may employ such person or persons in such capacity or capacities as it deems advisable to carry out the efficient management and operations of the System and may make such rules, orders and regulations as it deems advisable and necessary to assure the efficient management and operation of the System. As part of the operation of the System the Village shall review not less than every 2 years the waste water contribution of users and user classes, the total costs of operation and maintenance of the treatment works, and its approved user charge system. The Village shall from time to time revise the charges for users or user classes to accomplish the following:

- (a) Maintain the proportionate distribution of operation and maintenance costs among users and user classes as required by applicable federal regulation.
- (b) Generate sufficient revenue to pay the total operation and maintenance costs necessary to the proper operation and maintenance (including replacement) of the System and to cover payments due pursuant to contracted obligations for the conveyance and treatment of sewage.

### Section 2. Use of Public Sewers Required.

- A. It shall be unlawful for any person to place, deposit or permit to be deposited in an unsanitary manner upon public or private property within the Village (or any area under its jurisdiction), any human or animal excrement, garbage or other objectionable waster.
- B. It shall be unlawful to discharge to any natural outlet any sanitary sewage, industrial wastes or other polluted water, except where suitable treatment has been provided in accordance with subsequent provisions of this ordinance.
- C. Except as hereinafter provided, it shall be unlawful to construct or maintain any privy, privy vault, septic tank, cesspool or other facility intended or used for the disposal of sewage.
- D. Each person having control of a structure in which sanitary sewage originates, and each owner and each occupant of such a structure, shall cause such structure to be connected to an available public sanitary sewer. Such connection shall be completed promptly but in no case later than 18 months from the publication of a notice by the Village Clerk of the availability of the public sanitary system in a newspaper of general circulation in the Village. Where modification of a structure occurs so as to become a structure in which sanitary sewage originates after the publication of the notice, the connection shall be completed within 90 days.
- E. In the event of failure to complete connection as required above to an available public sanitary sewer within the specified periods, the Village Clerk shall require the connection to be made forthwith after notice by first class mail or certified mail to the owners, occupants or persons having control of the property on which the structure is located.

The notice shall give the approximate location of the public sanitary sewer which is available for connection of the structure involved and shall advise such persons of the requirements and the enforcement provisions of this ordinance.

F. Where any structure in which sanitary sewage originates is not connected to an available public sanitary sewer system within 90 days after the date of mailing or posting of the written notice, the Village may bring an action for a mandatory injunction or order in the district or circuit court in the county in which the structure is situated to compel the owner to connect to the available sanitary sewer system forthwith. The Village in one or more of such actions may join any number of owners of structures situated within the Village to compel each owner to connect to the available sanitary sewer system forthwith.

G. In the event that any person, firm or corporation desires public sewer service where such sewer service is more than 200 feet from the building or structure from which sewage is emanating or is to emanate in the future, an application by such person, firm or corporation may be filed with the Village. The application shall contain the name and address of the applicant, describe the land or premises to be serviced, the nature of the use anticipated for the sewer service, the size of the pipes desired, the distance, if known, to connect to a sewer, the anticipated number of connections, and the type of effluent in the event of an industrial connection. The Village shall then proceed to determine the feasibility of the project and estimate the cost thereof if it determines to proceed on behalf of the applicant. Upon notification from the Village to the applicant of the cost of the proposed connections, including the construction of any public main or extension necessary to connect thereto, the applicant shall then have 30 days in which to deposit said money in full and pay the necessary connection fees and other fees as established by resolution of the Village Council. Upon receiving such deposit, the Village shall then proceed to do the necessary work so that the connection can be made to the public sewer for the applicant. The Village may enter into a contract with the applicant providing for a repayment to the applicant in the event of other connections to the extension with a 15 year period, which original cost was paid in full by the applicant. In no event shall the applicant receive through repayments or refunds more than his original investment in the extension of the public sewer system. Any connection charge for an additional user connecting into the extension of the public sewer shall be at the determination of the Village Council but shall be established on a benefit basis. The Village shall then proceed to make any extension at the request of an applicant until the full cost has been deposited as determined by the Village with the Village Treasurer. The applicant shall be responsible for making the normal connection to the customer's service line at the expense of the applicant, upon completion of the extension by the Village. All provisions of this ordinance and of the rate resolution of the Village shall apply to such later connections where the Village has extended the public sewer line to make such later connection available to the applicant, upon the applicant's request.

### Section 3. Private Sewage Disposal

A. Where a public sanitary sewer is not available under the provisions hereof, the building sewer shall be connected to a private sewage disposal system complying with all requirements of the State Health Department and County Health Department.

B. The owner shall operate and maintain the private sewage disposal facilities in a sanitary manner at all times, at no expense to the Village.

C. At such times as a public sewer becomes available to a property served by a sewage disposal system as provided herein, a direct connection shall be made to the public sewer in compliance with this Ordinance, and any septic tanks, cesspools and similar private sewage disposal facilities shall be closed and abandoned.

D. No statement contained in this article shall be construed to interfere with any additional requirements that may be imposed by the State Health Department or County Health Department.

Section 4. Building Sewers and Connections.

A. No unauthorized person shall uncover, make any connections with, or opening into, use, alter or disturb any public sewer or appurtenances thereof without first obtaining a written permit from the Village Council. Before a permit may be issued for excavating for plumbing in any public street, way or alley, the person applying for such permit shall complete an application form describing the location, type of service, characteristics of effluent for industrial users, construction details and name and address of owner (s). The applicant shall pay the required fees as set forth hereafter before a permit shall be issued. Furthermore, before receiving such permit, the applicant shall have executed unto the Village, and deposited with the Treasurer a corporate surety in the sum of \$1,000.00, conditioned that he will perform faithfully all work with due care and skill, and in accordance with the laws, rules and regulations established under the authority of any Ordinances of the Village, pertaining to the plumbing. This bond shall state that the person will indemnify and save harmless the Village and the owner of the premises against all damages, costs, expenses, outlays, and claims of every nature and kind arising out of unskillfulness or negligence on his part in connection with plumbing or excavating for plumbing as prescribed in this Ordinance. Such bond shall remain in force and must be executed for a period of two years except that on such expiration it shall remain in force as to all penalties, claims and demands that may have accrued thereunder prior to such expiration.

B. There shall be two (2) classes of building sewer permits: (1) for normal domestic sewer service, and (2) for service to establishments producing industrial waste. In either case, the owner or his agent shall make application on a special form furnished by the said Village. The permit applications shall be supplemented by any plans, specifications or other information considered pertinent in the judgment of the inspector. A permit and inspection fee as determined by resolution of the Village Council, together with a connection fee, shall be paid to the Village Treasurer or Inspector at the time the application is filed.

C. All costs and expense incidental to the installation and connection of the building sewer shall be borne by the owner (the "Owner"). The owner or the person installing the building sewer for the owner shall indemnify said Village from any loss or damage that may directly or indirectly be occasioned by said installation.

D. A separate and independent building sewer shall be provided for every building. However, where one building stands at the rear of another on an interior lot and no private sewer is available or can be constructed to the rear through an adjoining alley, court, yard or driveway, the building sewer from the front building may be extended to the rear building and the whole considered as one building sewer. Other exceptions will be allowed only by special permission granted by the authorized official of the Village.

E. Old building sewer or portions thereof may be used in connection with new buildings only when they are found on examination and test by the Village to meet all requirements of this Ordinance.

F. The building sewer shall be constructed of either Vitrified Clay Sewer Pipe and Fittings meeting the current A.S.T.M. Specifications for Standard or Extra Strength Clay Sewer Pipe, Extra Heavy Cast Iron Soil Pipe meeting the current A.S.T.M. Specifications or the Department of Commerce Commercial Standards for Extra Heavy Cast Iron Soil Pipe and Fittings or Polyvinyl Chloride (P.V.C.) Plastic pipe Schedule 40 meeting the current requirements of A.S.T.M. D-1785 for Schedule 40 and D-1784. If installed in filled or unstable ground, the building sewer shall be of cast iron soil pipe, except that one of the other three pipes may be accepted if laid on a suitable improved bed or cradle as approved by said inspector.

G. All joints and connections shall be made gas tight and water tight. Vitrified clay sewer pipe shall be fitted with factory made Resilient Compression Joints having Resilient Properties" (Designation C425). P.V.C. plastic pipe joints shall be the coupled type with solvent cement equal to A.S.T.M.D-2564. The joints and connections shall conform to the manufacturer's recommendations. All fittings shall be as manufactured by the pipe supplier with joints equal to that of the pipe.

H. The size and slope of the building sewers shall be subject to the approval of the Inspector, but in no event shall the diameter be less than 6 inches. The slope of six (6) inch pipe shall not be less than 1/8 inch per foot, except as otherwise approved by the Inspector. All building sewers shall be laid on a sand cushion having a minimum thickness of 3 inches. All irregularities and depression in the subgrade shall be fitted with sand so the pipe will be firmly supported for its entire length. To provide sewer embedment, the remainder of the trench to the top of the pipe shall be back-filled with compacted sand. The sand adjacent to the pipe shall be shovel-sliced.

I. Whenever possible, the building sewer shall be brought to the building at an elevation below the basement floor. No building sewer shall be laid parallel to or within 3 feet of any bearing wall, which might thereby be weakened. The depth shall be sufficient to afford protection from frost. All excavations required for the installation of a building sewer shall be open trench work unless otherwise approved by the Inspector. Pipe laying and backfill shall be performed in accordance with current A.S.T.M. Specifications except that no backfill shall be placed until the work has been inspected by the Village.

J. In all buildings in which any building drain is too low to permit gravity flow to the public sewer, sanitary sewage carried by such drains shall be lifted by approved artificial means and discharged to the building sewer.

K. The connection of the building sewer into the public sewer shall be made at a location designated by the Inspector.

L. The Applicant for the building sewer shall notify the Village sewer. The connection shall be made under the supervision of the Inspector.

M. All excavations for building sewer installation shall be adequately guarded with barricades and lights so as to protect the public from hazard. Streets, sidewalks, parkways and other public property disturbed in the course of the work shall be restored in a manner satisfactory to the Inspector.

#### Section 5. Use of the Public Sewers.

A. Any connections shall be prohibited from inflow sources to the system. The system shall not accept inflow sources from existing connections which are not consistent with the system's design capacity including discharge of storm water, surface water, ground water, roof runoff, foundation drainage, cooling water or unpolluted industrial process waters to any sanitary sewer.

B. The Village Council shall prohibit additional connections unless there is capacity in all downstream sewers, lift stations, force mains and treatment plant facilities including capacity for BOD and suspended solids.

C. No person shall discharge or cause to be discharged to any public sewers any harmful waters or wastes, whether liquid, solid or gas, capable of causing obstructions to the flow in sewers, damage or hazard to structures, equipment, and personnel of the sewage works, or other interferences with the proper operation of the sewage works.

D. Grease, oil and sand interceptors shall be provided when, in the opinion of the Inspector, they are necessary for the proper handling of liquid wastes containing grease in excessive amount, or any flammable wastes, sand, and other harmful ingredients except that such interceptors shall not be required for private living quarters or dwelling units. Where installed, they shall be maintained by the Owner, at his expense, in continuously efficient operation at all times.

E. The admission into the public sewers of any waters or wastes having harmful or objectionable characteristics shall be subject to the review and approval of the Inspector, who may prescribe limits on the strength and character of these waters or wastes in accordance with any contractual agreement for treatment of sewage. Where necessary, in

in the opinion of the Inspector, the Owner shall provide, at his expense, such preliminary treatment as may be necessary to treat these wastes prior to discharge to the public sewer. Plans, specifications, and any other pertinent information relating to proposed preliminary facilities shall be submitted for the approval of the Village and shall be in compliance with any contractual agreement for treatment of sewage. No construction of such facilities shall be commenced until said approval is obtained in writing. Where preliminary treatment facilities are provided for any waters or wastes, they shall be maintained continuously in satisfactory and effective operation by the Owner at his expense.

F. When required by the Village, the Owner of any property served by a building sewer carrying industrial wastes shall install and maintain at his expense suitable control manhole in the building sewer to facilitate observation, sampling and measurement of the wastes. All measurements, tests and analysis of the characteristics of waters and wastes shall be determined in accordance with "Guidelines Establishing Test Procedures for Analysis of Pollutants" (40 CFR 136, October 16, 1973) and shall be determined at the control manhole or upon suitable samples taken at said control manhole. In the event that no special manhole has been required the control manhole shall be considered to be the nearest downstream manhole in the public sewer to the point at which the building sewer is connected.

G. The Village may exclude from the System a portion or all of the industrial waste from an industrial user.

H. A surcharge may be imposed on the rate charged to industry for the treatment of industrial waste. The surcharge shall be based on the volume, strength and character of the industrial waste treated as compared to the volume, strength and character of the normal domestic sewage experienced in the Village.

I. Special assessments or contracts may be executed with the industries which shall be coordinated with this ordinance for the derivation of the rate to be used for the receiving of industrial waste, where such industrial wastes are of unusual strength or volume and the treatment facility is capable of handling such industrial waste.

#### SECTION 6. Protection from Damage

No unauthorized person shall maliciously, willfully, or negligently break, damage, destroy, uncover, deface or tamper with any structure, appurtenance, or equipment which is a part of the municipal sewage works. Any person violating this provision shall be subject to immediate arrest under charge of disorderly conduct.

#### SECTION 7. Powers and Authority of Inspectors

The duly authorized employees of the Village bearing proper credentials and identification shall be permitted to enter upon all properties for the purpose of inspection, observation, measurement, sampling and testing, in accordance with the provisions of this Ordinance.

#### SECTION 8. Penalties

A. Any person found to be violating any provision of this Ordinance except Section VI, shall be served by the Village Council with written notice of the nature of the violation and providing a reasonable time limit for the satisfactory correction thereof. The offender shall, within the period of time stated in such notice, permanently cease all violations.

B. Any person who shall continue any violation beyond the time limit provided for in Section VIII A, shall be guilty of a misdemeanor, and upon conviction thereof shall be fined in an amount not more than Five Hundred (\$500.00) Dollars for each violation. Each day in which any such violation shall continue shall be deemed a separate offense.

C. Any person violating any of the provisions of this Ordinance shall become liable to the Village, for any expense, loss, or damage occasioned the Village by reason of such violation.

SECTION 9. Conditions of Service

A. The Village shall install and maintain at its expense all portions of the sewer system including that portion of the building sewer from the public sewer to near the lot easement line. The customer shall install and maintain at his expense that portion of the building sewer from the public sewer to his premises. The size and slope of the building sewers shall be subject to the approval of the authorized personnel of the Village, but in no event shall the diameter be less than 6 inches. Whenever possible, the building sewer shall be brought to the building at an elevation below the basement floor.

B. Applications may be canceled and/or sewer service discontinued by the Village for any violation of any rule, regulation, or condition of service, and especially for any of the following reasons:

1. Misrepresentation in the application as to the property or fixtures to be serviced by the sanitary sewer system.
2. Non-payment of bills.
3. Improper or imperfect service pipes and fixtures or failure to keep same in suitable state of repair.

C. Bills and notices relating to the connections to and use of the sewage works will be mailed to the customer at the address listed on the application, unless a change of address has been filed in writing at the business office of the Village Council; and the Village shall not otherwise be responsible for delivery of any bill or notice, nor will the customer be excused from non-payment of a bill or from any performance required in said notice.

D. The Village shall, in no event, be held responsible for claim made against it by reason of the breaking of any mains for 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.

E. The premises receiving sanitary sewer service shall at, all reasonable hours be subject to inspection by duly authorized personnel of the Village.

F. All substances and quantities which are prohibited from discharge to the System by P. L. 92-500, the regulations thereto, and other applicable United States Law and regulation as same shall from time to time be published be and are hereby prohibited from discharge to the System.

Section 10. Sewage Charges for Premises Connected to the System.

Commencing with the effective date of this Ordinance, charges for sewage disposal services to each premises with the service area having any connection to the System, shall be as provided in a resolution or resolutions adopted or amended by the Village Council. The rates as authorized by law and established by resolution of the Village Council shall be based upon a debt service charge, a basic user charge and a surcharge.

1. The debt service charge shall be computed by dividing the annual debt service of all outstanding indebtedness of any revenue bond issue applicable to the sanitary sewer system by the number of users. Through further division, the monthly or quarterly debt service charges can be computed. The cost of the entire sewer is to be paid by millage and a special assessment, as well as by revenues of the System.

2. The basic user charge shall be based on water usage as recorded by water meters and/or sewer meters for wastes having the following normal concentrations:

- (a) A five day, 20 degree centigrade biochemical oxygen demand (BOD) of 300 mg/l.
- (b) A suspended solids (SS) content of 350 mg/l.

The basic user charge shall consist of operation and maintenance costs plus replacement and monies needed to pay the debt service on all revenue bonds. It shall be based upon the estimated projected annual revenue required to operate, pay the debt service on the revenue bonds, and maintain the wastewater facilities including a replacement fund for all works categories, proportion of the estimated costs to waste water facility categories by volume, SS and BOD, if possible, estimated waste water volume, pounds of SS and pounds of BOD to be treated, proportion of the estimated costs to residential and non-residential users by volume, suspended solids and BOD, computation of costs per 1,000 gallons of normal sewage strength, and computation of surcharge costs per 1,000 gallons for strengths in excess of normal sewage strength for BOD and SS.

3. A surcharge will be levied to all users whose waters exceed normal concentrations for DOD (300 mg/l) and SS (350 mg/l). The surcharge will be based upon water usage as recorded by water meters and/or sewage meters for all wastes which exceed the above normal concentrations.

4. Formulas for computation of rates. The waste waters service charge shall be computed based upon the following formula:

$$CW = CD + CM + (Vu - X) CU + [Bc (B) + Sc (S)] Vu$$

Where CW = amount of wastewater service charge per billing period,

CD = Debt service charge for revenue bond issue

CM = Minimum Charge for Operation, Maintenance and replacement;

Vu = Waste water volume for the billing period;

X = Allowable consumption in gallons for the minimum charge;

CU = Basic User Rate for Operation Maintenance and Replacement;

Bc = Charge for BOD<sub>5</sub> in excess of 300 mg/l;

Sc -- Charge for SS in excess of 350 mg/l;

B = BOD<sub>5</sub> - 350 mg/l; and

S = SS 350 mg/l.

Where (Vu - X) is less than 0, (Vu - X) for the purposes of the above above formula shall be 0.

#### BILLING

Sewer bills for the rates herein charged shall be rendered at least quarterly during each operating year on or after the first day of January, April, July, and October and shall represent charges for the period immediately preceding the date of rendering the bill. The bills shall be due and payable within 30 days from the date thereof, and all bills not paid for when due shall be deemed delinquent and a penalty of 10% of the amount of such billing shall be added thereto and become due and owing as aforesaid thereof.

No free service shall be furnished by the System to any person, firm or corporation, public or private, or to any public agency or instrumentality.

#### ENFORCEMENT

Benefit charges and charges for sewage disposal services are made a lien on all premises served thereby. Such charges are hereby recognized to constitute such lien and whenever any such charge against any property shall be delinquent for 6 months, the Village official or officials in charge of the collection thereof shall certify annually, not later than May first of each year, to the tax assisting officer, the fact of such

delinquency; whereupon such charge shall be by him entered upon the next tax roll as a charge against such premises and shall be collected and the lien thereof enforced in the same manner as general taxes against such premises are collected and the lien thereof enforced. The owners of the premises shall be responsible for the sewer payments and charges. The Village will accept payments from other persons on the owner's account such as from tenants. However, the owner shall remain fully liable for such payments and charges at all times.

Section 11. Adjustment of Rates and Audit. The Village shall have the right to adjust the user charge rates based on an audit review of the System's Operation and Maintenance costs. Such an audit review shall be conducted at least every two years by the Village.

#### Section 12. Industrial Cost Recovery System.

##### A. Purpose of Industrial Cost Recovery (ICR)

Commencing on the first day any publicly financed treatments works construction project, including a federal grant thereon, is placed in operation, there is levied and assessed upon each industrial user of the treatment works an Industrial Cost Recovery (ICR) charge or rental. The ICR charge is for the purpose of recovering from each industrial user that portion of the federal grant amount used to construct facilities for the treatment of its industrial waste. The recovery period for the waste water treatment plan improvements shall be 30 years, or the useful life of the project, or as long as required by EPA, whichever is less.

##### B. Industrial User's Share

An industrial user's share shall be based on all factors which significantly influence the cost of the construction project, including strength, volume, and delivery rate characteristics.

##### C. Charges and Monitoring

The Industrial Cost Recovery Charges shall be as provided by the City of Kalamazoo and paid directly to the City of Kalamazoo. All monitoring shall be as required by the City of Kalamazoo.

##### D. Review of New Projects

The Inspector shall review all new projects involving federal allocations to determine the industrial user's class influence on the capital costs of the project. The Administrator shall then assess an ICR charge, in addition to any existing ICR charge to obtain the required revenue from each industrial user.

##### E. Conformance with Federal Regulations

The Industrial Cost Recovery System shall be in conformance with the requirements set forth in 40 CFR 35.928.

Section 13. The System shall be operated on the basis of the same operating year as the Village.

Section 14. The Village will maintain and keep proper books of record and accounts, separate from all other records and accounts, in which shall be made full and correct entries of all transactions relating to the System. The Village will cause an annual audit of such books of record and account for the preceding operating year to be made by a recognized independent certified public accountant, and will supply such audit report to authorized public officials on request.

The Village will maintain and carry insurance on all physical properties of the System, of the kinds and in the amounts normally carried by public utility companies and municipalities engaged in the operation of

sewage disposal systems. All moneys received for losses under any such insurance policies shall be applied solely to the replacement and restoration of the property damaged or destroyed.

Section 16. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 17. All ordinances, resolutions or orders, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict hereby repealed.

Section 18. This Ordinance shall be published in full in the Galesburg Argus, a newspaper of general circulation in the Village qualified under state laws to publish legal notices, within 20 days after its adoption, and the same shall be recorded in the ordinance book of the Village and such recording authenticated by the signatures of the President and Village Clerk.

Section 19. This Ordinance shall become effective September 1, 1981.

VILLAGE OF AUGUSTA.

KALAMAZOO COUNTY, MICHIGAN

STATE OF MICHIGAN )  
                        ) ss  
COUNTY OF KALAMAZOO )  
                        )  
                        AFFADAVIT OF POSTING

I, Eleanor W. Baxter, Clerk of the Village of Augusta, hereby certify that said Ordinance No. 146 was duly enacted by the Village Council at a regular meeting of the Council held July 28, 1980; copies of said Ordinance were posted at three public places within the Village, being: United States Post Office, Baxter's Augusta Pharmacy, and the Village Hall Bulletin Board.

*Eleanor W. Baxter*

/s/ Eleanor Baxter

Eleanor Baxter, Village Clerk