

ORDINANCE # 535

**AN ORDINANCE BY THE TOWN OF ASHLAND CITY, TENNESSEE TO
AMEND TITLE 18, CHAPTER 1, SECTION 18-107**

WHEREAS, the Mayor and Council have contracted with an insurance provider for coverage of water loss due to leaks; and

WHEREAS, this coverage adopts the towns previously approved policies for adjustments; and

WHEREAS, the Mayor and Council of Ashland City, Tennessee has given due consideration to change the Code of Ordinances of the Ashland City and wish to update Title 18 Chapter 1, Section 18-107.

NOW, THEREFORE BE IT ORDAINED BY THE MAYOR AND COUNCIL OF THE TOWN OF ASHLAND CITY, TENNESSEE, that Title 18, Chapter 1, Section 18-107 be amended to read in its entirety as follows:

18-107. Water and sewer scheduled rates and charges.

(1) The charges and/or rates for water and sewer and/or water and sewer services provided and furnished by the Town of Ashland City, Tennessee, to its inhabitants, and to all users of such water and sewer services, for each and every calendar month of the year, are hereby adopted, fixed, and established as set forth in the following schedule, to-wit:

| | WATER RATES | | SEWER RATES |
|--|-------------------------------|--------------------------------|--------------------|
| | <i>Inside City Limits</i> | <i>Outside City Limits</i> | <i>ALL</i> |
| Base Charge (minimum fee) | \$10.89 | \$20.44 | \$10.89 |
| ALL RATES ARE PER 1,000 GALLONS | | | |
| First gallon used to last gallon | \$7.17 | \$8.18 | \$7.17 |

The water and sewer rates may be adjusted each budgeting cycle to meet the operational requirements including expenses and debt service obligations.

| | |
|---|---------------------------------------|
| Flat Rate Sewer- Monthly | \$8.00 |
| Non-refundable Application Fee-owner | \$50.00 |
| Non-refundable Application Fee-renter | \$100.00 |
| Residential STEP fee- monthly | \$9.50 |
| Commercial STEP fee- monthly | 10% of combined water and sewer total |
| Returned check | Amount allowable by State Law |
| Reconnection Fee- inside city limits | \$50.00 |
| Reconnection Fee- outside city limits | \$75.00 |
| After Hours Reconnection Fee- inside city limits | \$75.00 |
| After Hours Reconnection Fee- outside city limits | \$100.00 |

Industrial rates outside of the industrial park sewer system may be charged at the rate listed above but be charged on the number of gallons of sewer versus number of gallons of water if the industrial user installs a dedicated line to the plant with an appropriate manhole for testing of the sewer and approval of the line by the Town of Ashland City.

(2) Billing and payment.

- (a) Utility bills for residences will be rendered monthly. Commercial and industrial customers may be billed monthly or more frequently, at the discretion of the City Council. The accounting department shall notify each customer of amount due for water and/or sewer services provided.
- (b) Utility bills shall include a “net” amount and a “gross” amount. The gross amount is due as specified on the bill and is the net plus ten (10) percent.
- (c) Should the net date for payment of a bill fall on a weekend or a holiday, the bill may be paid on the following business day at the net amount.
- (d) When a customer does not pay current bill by the cutoff date, service shall be discontinued in accordance to the utility’s discontinuance of service policy.
- (e) Utility bills are recognized, as a routine bill owed by the customer. The customer’s failure to receive a bill does not change in any way the customer’s obligation to pay the amount due in a timely manner.
- (f) The following bill payment method/locations are acceptable:
 - (i) Mail - payment will be posted according to the postmark on the payment.
 - (ii) Drop-off box - payment posted on business day that box is opened.
 - (iii) Town hall and other designated areas as approved by the governing body.
 - (iv) Automatic ach withdrawal.
 - (v) Credit card.
- (g) The following residential dwellings shall have a separate meter for each living unit:
 - (i) Single family dwellings and duplexes if being served by more than one (1) electric meter base after the effective date of the ordinance comprising this chapter. However, duplexes may elect to have one (1) commercial tap upon giving reasonable notice the city.
 - (ii) Triplexes and multiplexes (three or more meters) if individually owned
 - (iii) Condominiums after the effective date of the ordinance comprising this chapter. However, condominiums may elect to have one (1) commercial tap if the bill will be paid by one (1) individual such as a homeowner’s association upon giving reasonable notice to the city
 - (iv) Mobile homes and mobile home parks after the effective date of the ordinance comprising this chapter.
 - (v) Apartment buildings that were receiving utility service prior to the implementation of the ordinance comprising this chapter.
- (h) The following residential dwellings shall have one (1) commercial tap for all living units:
 - (i) Apartment buildings consisting of four (4) or more units; (i) All customers in section (g) and (h) above who are allowed to receive service to multiple users though a single meter shall be charged commercial rates if those differ from residential rates. In addition, the following method of bill computation shall apply: The bill shall be calculated by the number of units multiplied by the base charge for water and sewer plus the fee for gallons of water and sewer used. The total bill shall be the responsibility of the customer who contracted for the metered service. Example: 12-unit residential complex 12 units multiplied by the base charge plus water usage (j) Each customer must give a one (1) day notice to the utility of service termination. (k) Procedure for customer notification of discontinuance of service: (i) In person: customer must present acceptable identification, or
 - (ii) Mail or fax: customer must include address, account number, and one other form of positive account identification

(3) Adjustments of billing. Customers have the option of participating or opting out of the insurance program which covers water loss due to leaks. If the customer opts out of the insurance coverage the water loss will be at the customer's expense. Customers that choose to participate in the insurance program will be required to file claims for adjustments through the insurance provider under the Town's previously adopted policy restrictions as follows:

- (a) It is the customer's responsibility to keep his plumbing system in good working order.
- (b) The "utility" will first determine that the meter was properly read. If an investigation of the meter and meter records establishes that the meter was misread or that there was a failure of utility equipment, a new bill will be issued using an estimated reading based on an average of the past 12 months' billings for this period. There will be no penalty assessed in the event the adjustment procedure delays payment past the penalty date.
- (c) If an investigation of the meter and meter record establishes that the meter was properly read and that there was no failure of utility equipment, the bill will remain valid and payable.
- (d) Adjustments for water.
 - (i) Will be considered only if the leak caused the bill to be five (5) times an average bill. A signed affidavit showing proof of repair will be required before an adjustment can be issued. The calculation for a bill five times greater is as follows:
 - (A) Determine the average usage of past 12 months then subtract average from usage billed;
 - (B) Take one-half of usage difference;
 - (C) Add average usage and one-half of difference, and
 - (D) The total usage will be the new amount billed. Only one (1) adjustment for water will be allowed in one calendar year.
Example: 12 Month Average = 5,500 gallons Bill with leak = 35,500 gallons (This is 5 times greater than average)
Difference = 30,000 gallons One-half of difference = 15,000 gallons
Average + difference = 20,500 gallons (Adjusted bill amount)
 - (ii) Adjustments for sewer will be considered when a leak occurs in the water system of the customer and the leak does not enter the sewer system. The sewer bill will be adjusted to an average annual bill. An example of this would be a pipe leak in the ground on the customer's property. Water leaks that enter into the sewer system, such as a faucet leak, will be adjusted on the same basis as a water leak. Sewer adjustment is limited to two (2) consecutive billing periods per leak.
 - (iii) Adjustments for swimming pools will be for sewer only and one (1) per calendar year. The adjustment will be based on the capacity of water in gallons held by the pool.
- (e) Adjustments on water and sewer bills will not be made on the following:
 - (i) Routine dripping faucets, leaking commodes, or any type of faulty customer plumbing;
 - (ii) Premises left or abandoned without reasonable care for the plumbing system;
 - (iii) Watering of lawns or gardens.
- (f) The "utility" shall not be obligated to make adjustments of any bills not disputed within thirty (30) days from the billing date.
- (g) All requests for billing adjustments must be received by phone, in writing or in person at the business office of the "utility" during regular business hours or official meetings of the "utility."
- (h) The mayor or his designee shall file a written report of the customer billing adjustment and the action of the staff regarding the adjustments.
- (i) The governing body has the discretion to grant adjustment associated with natural disasters.
- (j) The governing body authorizes the department head and/or administrator the discretion to grant a payment plan for a person with extenuating circumstances.

(4) Service connections.

- (a) The service connection to single family residences shall be limited to serving one residence only. No other dwelling, whether located on the same parcel or on an adjoining parcel, shall be served

through the same service connection. Customers may have lines extended to barns and other uninhabited buildings as part of his service, provided that the installation meets the utility's specifications.

- (b) A residential tapping privilege shall not entitle a customer to connect a commercial or industrial business such as a beauty parlor or repair shop to the utility's lines without notifying the utility and paying the additional amount required for a commercial or industrial tap.
 - (c) Authorized employees, representatives and contractors of the utility shall have access to all properties served by the utility at reasonable times for the purpose of reading meters, maintaining and inspecting lines and connections to the utility (or believed to be connected to the utility), observation, measurement, sampling and testing as provided by the policies of the utility and by state and federal law.
 - (d) The failure of a customer to comply with the provisions of this and other ordinances and policies of the utility shall constitute a breach of contract by the customer. Any customer found to be violating any provision of this ordinance shall be served by the utility with written notice stating the nature of the violation and providing a time limit for the satisfactory correction thereof. The offending customer shall, within the period of time stated in such notice, permanently cease all violations.
 - (e) Any customer who shall continue any violation beyond the time limit stated in the notice shall be disconnected from the system at the convenience of the utility.
 - (f) If more than one customer is served from a single residential meter installation, the reliability and lifespan of the equipment is impaired. Failure to give notice of additions or changes in load to utility equipment shall render the customer liable for any damage to utility lines or other equipment caused by the addition or modified installation.
 - (g) The following residential dwellings shall have a separate meter for each living unit:
 - (i) Single family dwellings and duplexes if being served by more than one electric meter base after the effective date of this ordinance
 - (ii) Triplexes and multiplexes (three or more meters) after the effective date of this ordinance;
 - (iv) Condominiums after the effective date of this ordinance;
 - (v) Mobile homes after the effective date of this ordinance;
 - (vi) Mobile home parks applying for service after the effective date of this ordinance,
 - (vii) Apartment buildings applying for new service after the effective date of this ordinance, except by written agreement with the utility.
 - (h) The following residential dwellings shall be allowed to maintain multiple living units on one commercial tap:
 - (i) Mobile home parks consisting of five (5) or more units that were receiving utility service prior to the implementation of this ordinance
 - (ii) Apartment buildings consisting of five (5) or more units that were receiving utility service prior to the implementation of this ordinance.
 - (iii) Hotels, motels and campgrounds consisting of five (5) or more units, regardless of when service was initiated.
 - (iv) All customers in section (g) above who are allowed to receive service to multiple users through a single meter shall be charged commercial rates if those differ from residential rates. In addition, the following method of bill computation shall apply: The bill shall be calculated by the number of units, less one, multiplied by the minimum charge plus the original billed amount. The total bill shall be the responsibility of the customer who contracted for the metered service. Example: 12 Unit Residential Complex 12 units multiplied by minimum billing plus usage.
- (5) Bad check. When financial institutions return a check or ach withdrawal to the city for insufficient funds or account closed the city will levy a service charge for the amount of check or withdrawal and will require the check to be picked up or the ach withdrawal to be paid by a specified date. Bad

check/ach withdrawal service charge is established Change 11, April 12, 2016 18-11 under this subsection and the customer may be required to pay the amount by money order, cashier's check or cash, at the discretion of the utility personnel.

(6) Charges for new service.

- (a) Any customer or potential customer desiring utility service from this utility shall fill out a customer application form. The fee associated with the application is not a security deposit and is not refundable unless the utility cannot, within a reasonable period of time, provide service.
- (b) No application fee shall be assessed to a property owner who resumes responsibility for service formerly in the name of a tenant.
- (c) A tap fee is a charge made when utility service is initially run from the main line to the customer's property line. The ownership of the tap is conveyed along with the property.
- (d) A residential or commercial/industrial tap shall entitle a customer to utility service to one and only one dwelling or business. If a second residential dwelling or business is to receive service on the same or neighboring tract, a second tap must be obtained, unless otherwise determined by the governing body.
- (e) If any customer fails to disconnect any additional dwellings during the allotted time period, the customer's service shall be disconnected for violation of the rules and regulations of this utility at the convenience of the utility.
- (f) The owner of a property may be allowed to call in to have temporary service restored to his rental property without having to come in to the office in person, as long as all accounts are current.

(7) Temporary or seasonal charges.

- (a) Customers requiring temporary service shall pay all costs of connecting and disconnecting service, in addition to the regular charge for water used, provided such temporary service can be feasibly provided at the discretion of the utility. No application fee shall be assessed to a property owner who resumes responsibility for service formerly in the name of a tenant.
- (b) The customer shall pay all costs for the discontinuance and reinstatement of service for any other purposes for the customer's exclusive benefit.
- (c) If a customer wishes service to be temporarily turned off, he must contact the utility in person or in writing. Depending on the duration of the cut-off, the utility will valve off or remove the meter, at its discretion.
- (d) As long as the account is active, a minimum bill will be assessed at each billing period. All taps made after the acceptance of this ordinance will be considered an active account so a minimum bill will be assessed. (The minimum bill reflects each customer's share of the overhead to operate the system). By keeping the account active, the customer can demand service at any time and therefore must share in the costs.

BE IT FURTHER ORDAINED, this Ordinance shall be effective twenty (20) days after the final passage, to the public welfare requiring it.

1st reading February 11, 2020

Public hearing March 10, 2020

2nd reading March 10, 2020



Mayor Steve Allen


City Recorder Kellie Reed, CMFO, CMC