WASTEWATER USER CHARGE ORDINANCE

Ordinance No. 252

An ordinance establishing a User Charge System for the Village of Freeburg, County of Osage, State of Missouri, to provide funds needed to pay for all expenses associated with the Village's wastewater system.

Whereas, the Village of Freeburg, County of Osage, State of Missouri owns and operates a public wastewater system, and

Whereas, the Village must pay all expenses associated with said Wastewater System and charge the users of said Wastewater System accordingly;

NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF FREEBURG, COUNTY OF OSAGE, STATE OF MISSOURI, AS FOLLOWS:

Article I

It is hereby determined and declared to be necessary and conducive to the protection of the public health, safety, welfare, and convenience of the Village to collect charges from all users who contribute wastewater to the Village's Wastewater System and to establish a user charge system as set forth herein. The proceeds of such charges so derived will be used for the purpose of operating, maintaining, and retiring the debt for such Wastewater System.

Article II

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

Section 1: "BOD" (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°C, expressed in milligrams per liter (mg/l).

Section 2: "Normal Domestic Wastewater" shall mean wastewater that has a BOD concentration of not more than 250 mg/l and a suspended solids concentration of not more than 300 mg/l.

Section 3: "Operation and Maintenance" shall mean all expenditures during the useful life of the Wastewater System for materials, labor, utilities, and other items which are necessary for managing and maintaining the wastewater system to achieve the capacity and performance for which said wastewater system was designed and constructed. The term "Operation and Maintenance" includes Replacement.

Section 4: "Replacement" shall mean expenditures for obtaining and installing equipment, accessories, or appurtenances which are necessary during the useful life of the

Wastewater System to maintain the capacity and performance for which such works were designed and constructed.

Section 5: "Residential Contributor" shall mean any contributor to the Village's Wastewater System whose lot, parcel of repeal estate, or building is used for domestic dwelling purposes only.

Section 6: "Shall" is mandatory; "may" is permissive.

Section 7: "SS" (denoting suspended solids) shall mean the 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.

Section 8: "System Revenue Bonds" means all revenue bonds or other obligations that are payable from the net revenues of the Wastewater System (after the payment of the cost of operation and maintenance thereof).

Section 9: "Wastewater System" shall mean any devices and systems for the storage, treatment, recycling, and reclamation of municipal sewage, domestic sewage, or liquid industrial wastes. These include interceptor sewers, outfall sewers, sewage collection systems, individual systems, pumping, power, and other equipment and their appurtenances; extensions, improvements, remodeling, additions, and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and any works including site acquisition of land that will be an integral part of the treatment process or is used for ultimate disposal of residues resulting from such treatment; or any other method or system for preventing, abating, reducing, storing, treating, separating, or disposing of municipal waste or industrial waste, including waste in combined storm water and sanitary sewer systems.

Section 10: "Useful Life" shall mean the estimated period during which the Wastewater System will be operated.

Section 11: "User Charge" shall mean that portion of the total wastewater service charge which is levied in a proportional and adequate manner for the cost of operation, maintenance, and replacement of the Wastewater System.

Section 12: "Water Meter" shall mean a water volume measuring and recording device, furnished and/or installed by the Village or furnished and/or installed by a user and approved by the Village.

Article III

Section 1: The User Charge System established by this Ordinance shall generate adequate annual revenues to pay the costs of annual operation and maintenance including replacement and cost associated with the Village's revenue bonds issued to finance or refinance improvements to the Wastewater System (including, but not limited to, the payment of principal, interest and redemption premium, if any, on said bonds) which the Village may by ordinance

designate to be paid by the user charge system. To the extent any term or provision set forth in the ordinance pursuant to which the Village's revenue bonds have been issued conflicts with this Ordinance the Ordinance pursuant to which the Village's revenue bonds have been issued shall control.

Section 2: There are hereby created or ratified and ordered to be established and maintained in the treasury of the Village the following separate funds and accounts to be known respectively as the:

a. Wastewater System Revenue Fund (the "Revenue Fund").

b. Wastewater System Operation and Maintenance Account (the "Operation and Maintenance Account").

c. Wastewater System Depreciation and Replacement Account (the "Depreciation and Replacement Account").

Section 3: All of the total user charge imposed and collected pursuant to this Ordinance shall, as and when received, be paid and deposited into the Revenue Fund unless otherwise specifically stipulated in this Ordinance and/or any ordinance pursuant to which the Village's revenue bonds have been issued. Said revenues shall be segregated and kept separate and apart from all other moneys, revenues, funds and accounts of the Village and shall not be commingled with any other moneys, revenues, funds and accounts of the Village. The Revenue Fund shall be administered and applied solely for the purposes and in the manner specified in this Ordinance and any Ordinance pursuant to which the Village's revenue bonds have been issued.

Section 4: On the first day of each month, beginning in the month following the month in which this Ordinance goes into effect, administer and allocate the moneys then held in the Revenue Fund as follows:

(a) Operation and Maintenance Account. There shall first be paid and credited to the Operation and Maintenance Account an amount sufficient to pay the estimated cost of Operation and Maintenance during the ensuing month; provided, however, that deposits into the Operation and Maintenance Account shall equal at least $43,353.00 annually. All amounts paid and credited to the Operation and Maintenance Account shall be expended and used by the Village solely for the purpose of paying the Operation and Maintenance expenses of the Wastewater System.

(b) Depreciation and Replacement Account. After all payments and credits required at the time to be made under paragraph (a) of this Section and subject to the provisions of any ordinance pursuant to which the Village's revenue bonds have been issued relating to payments required to be made to debt service accounts, debt service reserve accounts or administrative fees for said bonds have been made, there shall next be paid and credited to the Depreciation and Replacement Account, the amount of $7,697.00 annually. Moneys in the Depreciation and Replacement Account shall be expended and used by the Village, if no other funds are available therefor, solely for the purpose of

ensuring Depreciation and Replacement needs over the useful life of the Wastewater System as may be necessary to keep the Wastewater System in good repair and working order and to assure the continued effective and efficient operation thereof.

(c) All remaining funds on deposit in the Revenue Fund shall be administered and applied pursuant to the provisions of the ordinance under which the Village's revenue bonds have been issued.

Section 5: Fiscal year-end balances in the Operation and Maintenance Account and the Depreciation and Replacement Account shall be carried over to the same accounts in each subsequent fiscal year, and shall be used for no other purposes than those designated for these accounts. Monies which have been transferred from other sources to meet temporary shortages in the Operation and Maintenance Account and the Depreciation and Replacement Account shall be returned to their respective accounts upon appropriate adjustment of the user charge rates for Operation and Maintenance and Depreciation and Replacement. The user charge rate(s) shall be adjusted such that the transferred monies will be returned to their respective accounts within the fiscal year following the fiscal year in which the monies were borrowed.

Article IV

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

Section 2: For residential contributors, monthly user charges will be based on actual water use during the current month.

For industrial and commercial contributors, user charges shall be based on water used during the current month. If a commercial or industrial contributor has a consumptive use of water, or in some other manner uses water which is not returned to the wastewater collection system, the user charge for that contributor may be based on wastewater meter(s) or separate water meter(s) installed and maintained at the contributor's expense, and in a manner acceptable to the Village.

Section 3: The Village hereby imposes the following charges for services:

Fiscal Year beginning March 1 2026 to August 31, 2026

0 – 2,000 gallons	$18.14
2,001 gallons and thereafter	$0.42/100 gallons

September 1, 2026 to February 28, 2027

0 – 2,000 gallons	$28.61
2,001 gallons and thereafter	$0.48/100 gallons

Fiscal Year beginning March 1 2027 to August 31, 2027

0 – 2,000 gallons	$39.08
2,001 gallons and thereafter	$0.54/100 gallons

September 1, 2027 to February 29, 2028

0 – 2,000 gallons	$49.55
2,001 gallons and thereafter	$0.60/100 gallons

Fiscal Year beginning March 1 2028 to February 28, 2029

0 – 2,000 gallons	$60.00
2,001 gallons and thereafter	$0.66/100 gallons

Contributors (commercial, industrial or residential) residing outside of the Village limits shall be imposed a surcharge fee on each sewer bill of **$0.00143** per gallon of usage.

Section 4: Prior to imposing the user rate for services in Section 3 herein, the City shall on an annual basis as a part of the City's budgetary process, shall analyze the user rates schedule to be imposed and adjust rates, fees and charges accordingly, so that the then established and collected rates, fees and charges for the use and services furnished by or through the System produce income and revenues are sufficient to (a) pay the cost of operations and maintenance of the System; (b) pay principal and interest of any debt service as and when due; (c) enable the City to have in each Fiscal Year Net Revenues of not less than 110% of the amount of required to be paid by the City in the Fiscal Year on both principal and interest on all System outstanding debt at time outstanding.

Section 5: Any user which discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge from the Village's Wastewater System, or any user

which discharges any substance which singly or by interaction with other substances causes identifiable increases in the cost of operation, maintenance, or replacement of the Wastewater System, shall pay for such increased costs. The charge to each user shall be as determined by the responsible plant operating personnel and approved by the Board of Trustees.

Section 6: The user charge rates established in this article apply to all users of the Village's Wastewater System, regardless of the user's location.

Article V

Section 1: All users shall be billed monthly. Billings for each month shall be made within thirty (30) days after the end of that month. Payments are due when billings are made. Any payment not received within thirty (30) days after the billing is made shall be delinquent.

Section 2: A late payment penalty of 10 percent of the user charge bill will be added to each delinquent bill for each thirty (30) days of delinquency. When any bill is thirty (30) days in default, provision of water and/or sewer service to such premises shall be discontinued until such bill is paid following due notice and opportunity of hearing.

Article VI

Section 1: The Village shall review the user charge system annually and revise user charge rates as necessary to ensure that the Wastewater System generates adequate revenues to pay the costs of annual Operation and Maintenance including Depreciation and Replacement and cost associated with the Village's revenue bonds issued to finance or refinance improvements to the Wastewater System (including, but not limited to, the payment of principal, interest and redemption premium, if any, on said bonds) and that the Wastewater System continues to provide for the proportional distribution of said costs among users. The Village shall fix, establish, maintain and collect rates and charges for the use and services furnished by or through the Wastewater System to produce income and revenues sufficient to meet any rate covenant applicable to its System Revenue Bonds at the time outstanding.

Section 2: Prior to Village approval of the draft user charge ordinance, the Village shall hold a public hearing, to specifically address the proposed user charge rates. Public notice of the hearing shall be published at least thirty (30) days prior to the hearing date or otherwise in accordance with the provisions of Section 250.233, RSMo.

Section 3: The Village will notify each user at least *annually*, in conjunction with a regular bill, of the rate being charged pursuant to the user charge system.

Article VII

This Ordinance shall be in full force and effect from and after its passage and approval.

PASSED and APPROVED by the Village of Freeburg, County of Osage, State of Missouri) on this 13 day of April, 2026, by the following vote:

Ayes 5 Namely Haller, Knoll, Haller, Kaekis, Wiebers
Nayes 0 Namely _____

Darryl Haller *Board Chairman*
Signature

Darryl Haller
Name and title, typewritten or printed

Attest:

Danielle Holterman *Village Clerk*
Signature

Danielle Holterman
Name and title, typewritten or printed