

ORDINANCE NO. 212

AN ORDINANCE AMENDING TITLE 18, CHAPTER 2 OF THE CODE OF ORDINANCES TO ESTABLISH AND MAINTAIN A SCHEDULE OF RATES AND CHARGES FOR THE USE OF AND SERVICE RENDERED BY THE SEWERAGE SYSTEM; AND TO FIX THE EFFECTIVE DATE OF THIS ORDINANCE

WHEREAS, Title 18, Chapter 2 of the Code of Ordinances regarding the schedule of rates and charges for use of the sewer service system, should be amended by the Board of Mayor and Aldermen as recommended by the Public Utilities Board; and

WHEREAS, the Public Utilities Board recommended raising the "system user fee" from \$1,750.00 to \$2,100.00, but by typographic error, Ordinance No. 209 listed the amount as Two Thousand (\$2,000.00) Dollars, and the Public Utilities Board recommended lowering the "system user fee" from the present amount of \$750.00 to a new amount of \$400.00 per lot in newly developing subdivisions; and

WHEREAS, the public welfare requires it;

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF MT. CARMEL, TENNESSEE, AS FOLLOWS:

SECTION I. That section 18-202 of the Code of Ordinances is hereby amended to read as follows:

18-202. System User Fee. There is hereby established "system user fee" levied to defray the expenditures of a system-wide basis for the operation, maintenance and capital improvements of the wastewater treatment system in the one time amount of \$2,100.00. For trailer parks, apartment houses, motel/hotels, and all other multiple unit structures, in addition to the system user fee of Two Thousand One Hundred Dollars (\$2,100.00) for the first unit there shall be assessed Five Hundred Dollars (\$500.00) for each additional unit. Car washes Two Thousand One Hundred Dollars (\$2,100.00) system user fee includes up to four (4) bays, but there shall be assessed an additional One Hundred Fifty (\$150.00) for each additional bay. The system user fee shall be Four Hundred Dollars (\$400.00) per lot in newly developing subdivisions wherein the developer installs at his own expense, in accordance with the specifications of the Public Utilities Board and the Town of Mount Carmel, all the sewer lines and pressure pumps within said development and said developer pays the Four Hundred Dollars (\$400.00) per lot system user fee prior to the marketing and sale of any lot in such subdivision.

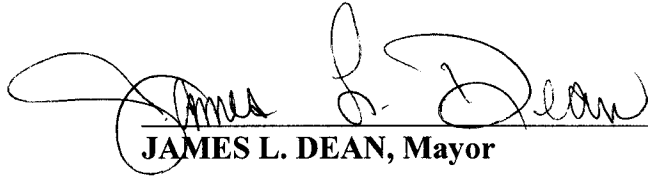
SECTION II

LEGAL STATUS PROVISIONS.

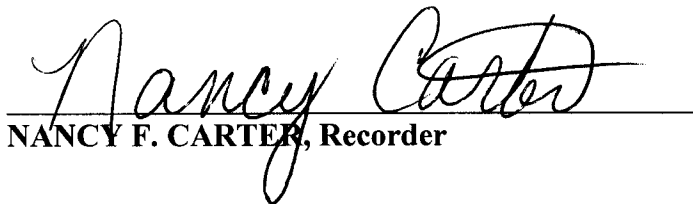
A. Conflict With Other Ordinances. In case of conflict between this ordinance or any part thereof, and the whole or part of any existing or future ordinance of the Town of Mount Carmel, the most restrictive shall in all cases apply.

B. Validity. If any section, clause, provision or portion of this ordinance shall be held to be in doubt or unconstitutional by any court of competent jurisdiction, such holding shall not affect any other section, clause, provision, or portion of this ordinance which is not of itself invalid or unconstitutional.

C. Effective Date. This ordinance shall take effect and be in force from and after its passage and publication, and after December 31, 1999, the date the public welfare requiring.


JAMES L. DEAN, Mayor

ATTEST:


NANCY F. CARTER, Recorder

APPROVED AS TO FORM:


LAW OFFICE OF MICHAEL A. FAULK

KINGSPORT TIMES-NEWS

PUBLICATION CERTIFICATE

Kingsport, TN 4-1-00

This is to certify that the Legal Notice hereto attached was published in the Kingsport Times-News, a daily newspaper published in the City of Kingsport, County of Sullivan, State of Tennessee, beginning in the issue of 4-1-00, and appearing 1 consecutive weeks (times), as per order of _____

Town of Mount Carmel

Signed M Jackson

THE Mount Carmel Board of Mayor and Aldermen will hold a Public Hearing on Thursday, April 27, at 7:00 p.m. on the following Ordinances:

ORDINANCE NO. 212. An Ordinance amending Title 18, Chapter 2 of the Code of Ordinances to establish and maintain a schedule of rates and charges for the use of and service rendered by the sewerage system; and to fix the effective date of this Ordinance.

ORDINANCE NO. 213. An Ordinance to amend Mount Carmel Municipal Code Title 14, "Planning and Zoning", Chapter 2, "Zoning Ordinance" relating to communication facilities.

The public is invited to comment.

Pub. It: 04/07/00.

STATE OF TENNESSEE, SULLIVAN COUNTY, TO-WIT:

Personally appeared before me this, 7th, April day of 2000, M Jackson

of the Kingsport Times-News and in due form of law made oath that the foregoing statement was true to the best of his knowledge and belief.

Susan Hilton

NOTARY PUBLIC

My commission expires 1-23-02

RULES AND REGULATIONS

of the

PUBLIC UTILITIES BOARD

of the

TOWN OF MOUNT CARMEL, TENNESSEE

**"APPROVED AND ADOPTED OCTOBER 14, 1999
AFTER PUBLIC HEARING BY PUBLIC UTILITIES
BOARD AND ON OCTOBER 28, 1999, BY BOARD OF
MAYOR AND ALDERMEN PURSUANT TO
RESOLUTION NO. 194"**

Original

RULES AND REGULATIONS
PUBLIC UTILITIES BOARD
TOWN OF MOUNT CARMEL, TENNESSEE

INDEX

	<u>Page</u>
1.00. <u>PURPOSE and POLICY</u>	1
2.00. <u>AUTHORITY</u>	1
3.00. <u>PUBLIC UTILITIES BOARD</u>	
3.01. <u>MEETINGS</u>	1
A. Frequency	1
B. Open Meetings Law	1
C. Quorum	1
D. Agenda	1
E. Regular Board Meetings	1
F. Rules of Procedure	1
3.02. <u>OFFICERS</u>	2
A. Manager/Chairman	2
B. Vice Chairman	2
C. Secretary	2
D. Treasurer	2
4.00. <u>CONNECTIONS TO SYSTEM</u>	2
4.01. <u>EXTENSIONS OF TIME TO CONNECT TO SYSTEM</u>	2
A. Final Notice to Connect	2
4.02. <u>PERMIT REQUIRED</u>	3
A. Application Form Approved	3
B. Life and Renewal of Permit	3
C. Pre-Connection Conference	3
4.03. <u>INSPECTIONS</u>	3
4.04. <u>LOCATIONS OF CONNECTION</u>	3
A. Agreement	3
B. Basements	3
C. Relocations	4
4.05. <u>CONNECTION WAIVER (DRY TAP)</u>	4
A. Written/recorded agreement required	4
B. Dry Tap fees	4
4.06. <u>DRAIN LINES INCLUDED</u>	4
4.07. <u>MULTIPLE CONNECTIONS</u>	4
A. Single parcel of realty	4
B. Multiple parcels consolidated	4
C. Mobile home parks/apartment complexes/car washes, etc	4

4.08.	<u>INJUNCTIONS</u>	5
	A. PUB may perform connections.....	5
	B. Additional remedies.....	5
4.09.	<u>CONFLICTS OF INTEREST</u>	5
4.10.	<u>MONTGOMERY STREET CUSTOMERS</u>	5
5.00.	<u>SYSTEM GROWTH and EXPANSION</u>	5
5.01.	<u>NEW CONSTRUCTION and NEW SUBDIVISIONS</u>	5
	<u>WITHIN COVERED AREA</u>	
	A. Subdivision plans to be approved.....	5
	B. No concessions for tardy completion.....	6
5.02	<u>NEW SUBDIVISIONS ADJOINING AREA</u>	6
	<u>COVERED BY EXISTING WASTEWATER TREATMENT SYSTEM</u>	
	A. Subdivision plans to be approved.....	6
5.03.	<u>SYSTEM EXTENSION</u>	6
	A. Public hearing	6
	B. Recommendations to Board of Mayor and Aldermen	6
	C. Six months prior notice.....	6
	D. Record date	6
	E. Lien to secure System User Fee.....	6
	F. Letter of approval.....	7
5.04.	<u>CONSTRUCTION CONTRACTS</u>	7
	A. Pre-blast surveys/monitoring all blasts	7
	B. Lawn and driveway restoration.....	7
	C. Bonding.....	7
	D. Paving	7
	E. Construction "Acceptance"	7
	F. Equal opportunity.....	7
	G. Compliance with Title VI of the Civil Rights Act of 1964.....	7
	(42 U.S.C. 2000d <i>et seq.</i>)	
	H. No Handicap Discrimination	8
5.05.	<u>USE OF STREETS and EXISTING EASEMENTS</u>	8
5.06.	<u>EASEMENTS</u>	8
	A. Valuation per square foot.....	8
	B. Easement identification.....	8
	C. Negotiation authority	8
5.07.	<u>APPRAISALS</u>	8
5.08.	<u>NOTICE TO CUSTOMERS</u>	8
5.09.	<u>CONDEMNATIONS</u>	8
5.10.	<u>CONSTRUCTION ACCOUNT</u>	8
6.00.	<u>RATES and CHARGES</u>	9
6.01.	<u>SEWER SERVICE CHARGE</u>	9
	A. Whether connected or not	9
	B. Adjustments	9

	C.	Agricultural usage	9
	D.	Landlord obligation.....	9
6.02.		<u>SYSTEM USER FEE</u>	9
	A.	Due date	9
	B.	Split fee	10
	C.	Financing System User Fee	10
	D.	System User Fee	11
	E.	Multiple units.....	11
	F.	Nontransferability	11
	G.	Vacant lots	11
	H.	Refunds	11
	I.	Subdivision development charges.....	11
	J.	Assessment of System User Fee in Advance	12
		of Availability of Services	
6.03.		<u>CONNECTION CHARGE</u>	12
	A.	Nontransferable.....	12
	B.	Pressure pump	12
6.04.		<u>ACCOUNTING FEE</u>	12
	A.	Nontransferable.....	12
	B.	Payable by actual users	13
6.05.		<u>INSPECTION FEE</u>	13
	A.	Initial inspection fee.....	13
	B.	Subsequent inspections	13
6.06.		<u>OTHER FEES</u>	13
	A.	Septic tank trucks.....	13
	B.	Industrial users/septic tank truck permit.....	13
	C.	Extra strength surcharge	13
	D.	Sampling, flow monitoring, and analysis fees	13
	E.	Connection permits	13
6.07.		<u>HARDSHIP COMMITTEE</u>	14
	A.	Composition.....	14
	B.	Scope.....	14
	C.	Application form approved	14
	D.	Recommendations to PUB.....	14
	E.	Limited resources.....	14
6.08.		<u>COLLECTIONS</u>	14
	A.	Monthly sewer service bills	14
	B.	System User Fees.....	14
	C.	Fair Debt Collection Practices Act	15
	D.	Water disconnections	15
	E.	Attorney Fees	15
6.09.		<u>LATE FEES and INTEREST CHARGES</u>	15
6.10.		<u>PARTIAL PAYMENTS</u>	15
7.00.		<u>OPERATIONS</u>	15

7.01.	<u>PURCHASING PROCEDURES</u>	15
7.02.	<u>CONTRACTORS and VENDORS</u>	15
7.03.	<u>BUDGETING</u>	15
	A. Depreciation savings accounts.....	15
7.04.	<u>BANKING</u>	16
7.05.	<u>EMPLOYMENT POLICIES and PAY PRACTICES</u>	16
	A. On call pay	16
	B. Classifications	16
7.06.	<u>HAULING LIQUID WASTE</u>	16
7.07.	<u>SLUDGE DISPOSAL SITE</u>	16
	A. Back up site.....	16
7.08.	<u>BY-PASS REPORTING</u>	16
7.09.	<u>ODORS</u>	16
7.10.	<u>RESPONSIBILITY FOR DAMAGES DUE TO SYSTEM MALFUNCTION</u> ...	16
7.11.	<u>OPERATION and MAINTENANCE MANUAL</u>	16
7.12.	<u>RECORDKEEPING</u>	17
7.13.	<u>PROPERTY INSURANCE</u>	17
7.14.	<u>WORKERS' COMPENSATION INSURANCE</u>	17

RULES AND REGULATIONS
PUBLIC UTILITIES BOARD
TOWN OF MOUNT CARMEL, TENNESSEE

1.00. PURPOSE and POLICY. These Rules and Regulations are designed to provide guidance in operating the Municipal Wastewater Treatment System efficiently and effectively. Furthermore, these Rules and Regulations are designed to provide guidance in the consistent application of policies and practices so that all customers are treated as equally and fairly as is practical.

2.00. AUTHORITY. The authority for the promulgation of these Rules and Regulations is found throughout Title 18, "WATERS AND SEWERS, MOUNT CARMEL MUNICIPAL CODE" but specific reference is made to those applicable provisions of the Tenn. Code Anno. and the Federal Water Pollution Control Act of 1972, 33 U.S.C. §1251 *et seq.*, which provides this Board and the Town with authority to carry out the business of a wastewater treatment and management system.

3.00. PUBLIC UTILITIES BOARD.

3.01. MEETINGS.

A. Frequency. The Public Utilities Board, hereinafter "Board" shall meet no less frequently than on a quarterly basis. The Board will normally meet on a monthly basis; but, in the event there is no business to be transacted by the Board, monthly meetings may be canceled. Special called meetings of the Board may be had upon five (5) days notice to the public and Board members and may be scheduled by the Chairman. Emergency called meetings can be requested by any Board member in the event an emergency arises.

B. Open Meetings Law. The State Open Meetings Law shall govern the conduct of all Board meetings. Tenn. Code Anno. §8-44-101, *et seq.*

C. Quorum. Three members shall constitute a quorum for the purpose of conducting the business of the Board.

D. Agenda. An agenda shall be circulated among the Board members five (5) days before the conduct of any regular Board meeting.

E. Regular Board Meetings shall be held at 7:00 p.m. on the Second Thursday of each month at the Town Hall.

F. Rules of Procedure.

- (1) Robert's Rules of Order, latest edition, are to be followed in the conduct of Board meetings.
- (2) Meetings shall be conducted in the following order:
 - (a) Invocation

- (b) Roll call
- (c) Minutes of prior meeting to be approved (Minutes of the prior meeting shall be mailed to Board members in advance and only corrections of minutes need be read aloud.)
- (d) Recognition of visitors
- (e) Chairman's remarks
- (f) Members' reports
- (g) Old business
- (h) New business

3.02. OFFICERS. The officers of the Board of Public Utilities shall be the Chairman, Vice Chairman, Secretary, and Treasurer.

A. Manager/Chairman. The Chairman of the Public Utilities Board shall also serve as the Manager of the Wastewater Treatment System. The Chairman is to be elected each July from among the five (5) Board members. (Mount Carmel Municipal Code 18-110).

B. Vice Chairman. The Vice Chairman shall be elected at the same time the Chairman is elected and shall preside in the absence of the Chairman.

C. Secretary. The Secretary is to keep complete and maintain accurate records of all meetings, need not be a member of the Board, and shall be elected by the Board each July.

D. Treasurer. The Treasurer shall account for all receipts and disbursements and must report same at least annually to the Board of Mayor and Aldermen. No bond shall be required of the Treasurer and no compensation is payable to the Treasurer. The City Recorder/Treasurer is appointed to serve as the Public Utilities Board Treasurer. (Mount Carmel Municipal Code 18-110).

4.00. CONNECTION TO SYSTEM. "Mount Carmel Municipal Code 18-104(3). Connection to Public Sewer" prescribes the requirements for connecting to the Town Wastewater Treatment System.

4.01. EXTENSION OF TIME TO CONNECT TO SYSTEM. For good cause shown up to two (2) thirty (30) day extensions may be granted upon proper application to the Board.

A. If no action is taken within sixty (60) days of receiving a final notice to connect to the Wastewater Treatment System, the Chairman shall file charges in the City Court for the Town of Mount Carmel against such person(s) failing to connect for violation of Mount Carmel Municipal Code 18-107(7).

(1) "Final Notices to Connect" shall be sent certified mail, return receipt requested or delivered personally.

4.02. PERMIT REQUIRED.

A. Application form approved. The forms attached hereto are designated as the official application forms for service from the Public Utilities Board for the Town of Mount Carmel.

B. Life and renewal of permit. No connection permit will be issued until thirty (30) days after payment of the system user fee. This thirty (30) days payment requirement is for the purpose of giving the Town adequate notice so that a tap can be made into the sewer main line for the purpose of accommodating the new user. Once the system user fee has been paid and the Town has thirty (30) days to provide the tap into the sewer main line, permits for connection to the public sewer main line by the customer may be issued, are good for fourteen (14) days, and may be renewed for an additional fourteen (14) days.

C. Pre-connection conference. A pre-connection conference is to be conducted by a Public Utilities Board employee with the customer(s) and contractor(s) prior to the actual connection to the main sewer line to discuss among other things:

- (1) Location of the connection,
- (2) Construction standards,
- (3) Inspection requirements.

4.03. INSPECTIONS. Once a customer has completed connection to the system an inspection of the connection shall be conducted. Board employees shall determine that the connection has met the requirements outlined in the Sewer Use Ordinance and these Rules and Regulations. If approved, a connection inspection report found at O & M Manual, 3/14/89, page 12.22 shall be completed and filed. If more than one inspection is required, other inspection reports are to be attached to the initial connection inspection report. The property owner is required to sign the connection inspection report. The form attached hereto is designated as the official Connection Inspection Report of the Board.

4.04. LOCATION OF CONNECTION.

A. Agreement should be reached with the customer regarding the actual location of the connection to the main sewer line.

(1) Multiple adjoining lots. Connections, where practical, are to be made at a point most convenient to the customer and at a point which will cost the least expense to the Board.

B. Basements which may be developed in the future and which could potentially require pressure pumps are to be taken into consideration in locating connections.

C. Relocations. Relocation may be performed at the discretion of the Public Utilities Board but only at the owner's expense unless some error was made by the Public Utilities Board in the location where the connection was installed.

4.05. CONNECTION WAIVER (DRY TAP).

A. Only upon written agreement with the customer(s) which may be duly recorded in the Office of the Register of Deeds for Hawkins County, at Rogersville, Tennessee, can the Public Utilities Board waive the requirement that a customer connect to the Wastewater Treatment System. Customers must agree that there shall be no wastewater discharge emanating from any structure on the customer's property. The Public Utilities Board may require demolition or removal of the structure in order to enter into such a waiver. In the event of wastewater discharge after entering into such an agreement, the Board of the Public Utilities shall assess the System User Fee which shall be due immediately and the structure on the customer's property is to be connected and the Connection Charge paid within (30) days of such initial discharge.

B. Any payments assessed due to "dry tap" fees are due in June of each year.

4.06. DRAIN LINE INCLUDED. Not only lines carrying wastewater to private wastewater disposal systems are to be connected to the Wastewater Treatment System, but also drain lines carrying any other "wastewater" as defined in Mount Carmel Municipal Code 18-103(44) shall be connected to the system.

4.07. MULTIPLE CONNECTION.

A. Single parcel of realty. A connection is considered to be a break into the sewer main lines for the purpose of connecting the customer. If a single water bill is issued to a customer for multiple buildings on a single parcel of realty and those structures are serviced by a single connection to the sewer main line, those structures may be considered a single connection. In the event more than one water bill is issued for multiple structures on a single parcel of real estate the combined total of the water usage shall be used to compute the monthly service charge. However, in the case where duplexes, triplexes, townhouses, and condominiums are involved, each unit must have a separate physical connection. The Public Utilities Board will provide a single tap into the wastewater treatment system main line to be located in accordance with other provisions of these Rules and Regulations. To this single break into the main line, the customer will provide separate connections to each dwelling unit.

B. Multiple parcels consolidated. The combining of two or more parcels of real estate into a single parcel for the purpose of making a single service connection to the sewer main line is prohibited. Even in the event of the consolidation of those parcels, if more than one connection into the sewer main line is required, multiple System User Fees and Connection Fees shall be required.

C. Mobile home parks/apartment complexes/car washes/etc. So long as multiple unit

structures may be connected to the sewer main line at one location, only one Connection Charge and one System User Fee with the additional charges for multiple structures shall be assessed. If more than one connection to the sewer main line is required for multiple structured units, then a connection charge shall be assessed for each point of connection to the sewer main line. Additionally, a System User Fee will be assessed for each connection to the sewer main line and the charge for multiple units shall be assessed for all of those units receiving service through that particular connection. Monthly sewer service charges shall be rendered for each metered unit within any multiple unit structure or mobile home park.

4.08. INJUNCTIONS. Continued failure or refusal to connect to the Wastewater Treatment System after proper demand having been made to do so shall result in the Board of Public Utilities seeking a mandatory injunction through the Chancery Court of Hawkins County, Tennessee, to require the customer to connect immediately to the system.

A. The Board of Public Utilities may perform the connection itself and add all of the expenses incurred in same to the monthly sewer service bill to the customer.

B. All of the above-noted remedies for failure to connect are in addition to those contained in Mount Carmel Municipal Code 18-107(7).

4.09. CONFLICTS OF INTEREST. All employees of the Town are discouraged from performing connections for customers as independent contractors while off duty from their employment with the Town. Providing these services as independent contractors may give the appearance of impropriety in that customers could confuse employment of such persons as employment of the Town itself to provide this service.

4.10. MONTGOMERY STREET CUSTOMERS. Customers with property on Montgomery Street in Mount Carmel, Tennessee, may connect to the Church Hill, Tennessee, Wastewater Treatment System upon payment of fees and charges assessed by the Church Hill, Tennessee, Wastewater Treatment System and shall abide by and be governed by all Rules and Regulations maintained by that system.

5.00. SYSTEM GROWTH AND EXPANSION.

5.01. NEW CONSTRUCTION AND NEW SUBDIVISIONS WITHIN COVERED AREA.

A. The Public Utilities Board shall approve all plans and specifications prior to the development of any new subdivision within areas already covered by the Wastewater Treatment System.

(1) All plans and specifications are to provide for sewer lines which run within two hundred (200) feet of a lot line for all lots within said subdivision.

B. During an extension phase of the Wastewater Treatment System, no concession may be made upon System User Fees to any developer or customer in the event that the system is not completed when anticipated and as a result the customer or contractor must install a private domestic wastewater disposal system.

5.02. NEW SUBDIVISIONS ADJOINING AREA COVERED BY EXISTING WASTEWATER TREATMENT SYSTEM.

A. The Public Utilities Board shall approve all plans and specifications prior to the development of any new subdivision which adjoins areas presently covered by the existing Wastewater Treatment System.

(1) All plans and specifications are to provide for sewer lines which run within fifty (50) feet of a lot line for all lots within said subdivision.

5.03. SYSTEM EXTENSION.

A. Public Hearing. Prior to recommending the expansion or extension of the Wastewater Treatment System to the Board of Mayor and Aldermen, a public hearing shall be conducted with notice to the customers in the area to be serviced by the system expansion or extension to be accomplished by publication of same in a newspaper of general circulation within the area proposed to be serviced. A report of the comments and remarks made at such public hearing shall be included within any recommendation to the Board of Mayor and Aldermen.

B. Recommendations to Board of Mayor and Aldermen. Any recommendation for the extension of the Wastewater Treatment System into new areas either within or without the Town are to include all necessary data and information required by the Board of Mayor and Aldermen. Mount Carmel Municipal Code 18-111(5).

C. A minimum of six months prior notice shall be given to customers in the proposed extension area as to the due date of the System User Fee.

(1) At least once in this six month interval prior to the due date of the System User Fee, notice by registered mail shall be given to prospective customers (as noted in the records of the Property Assessor of Hawkins County, Tennessee.)

D. Record Date. A "record date" must be established to determine who is responsible for the payment of the System User Fee in the event a building is sold subsequent to the initial notice. A "record date" is also necessary to determine whether construction on the building is "commenced" to determine whether grant funds to help defray the "System User Fee" are available.

E. Lien to secure System User Fee. If permitted under Tennessee law, the Board shall file a lien in the appropriate office to give notice of the assessment of a System User Fee.

F. A letter of approval of construction plans and specifications will be required from the Tennessee Department of Environment and Conservation.

5.04. CONSTRUCTION CONTRACTS.

A. The requirements of conducting pre-blast surveys and monitoring all blasts shall be included in all contracts for construction concerning the Wastewater Treatment System.

B. Lawn and driveway restoration.

(1) All contracts for construction concerning the Wastewater Treatment System shall include the requirements that photography of existing lawns, driveways, and etc. to be taken prior to commencement of any ditching or excavation which would materially alter said lawns, driveways, etc.

(2) Restoration is to be done so as to nearly as practical restore the law and/or driveway to its original condition as soon as feasible -- weather permitting.

C. Bonding. Sufficient performance bonds and adequate retainage is to be required of all contractors.

D. Paving. All contracts for the placement of sewer lines within any paved street or right-of-way shall include the provision that such paved street or right-of-way shall be restored -- as nearly as practical -- to its pre-construction condition and preferably repaved after the completion of installation of such lines.

E. Construction "Acceptance". The Board of Public Utilities shall make recommendations to the Board of Mayor and Aldermen as to whether it should "accept" construction upon completion. Mount Carmel Municipal Code 18-111(5).

F. Equal opportunity. Any contract for construction work on the Wastewater Treatment System shall include an "Equal Opportunity clause" which is in substantial compliance with all rules, regulations, and relevant orders of the Secretary of Labor.

G. Compliance with Title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d *et seq.*) It shall be the policy of the Board that no person shall on the ground of race, color, or national origin be excluded from participation in, be denied benefits of or otherwise be subjected to discrimination in connection with the construction or providing serves, programs, or activities in regard to the Wastewater Treatment System.

H. No Handicap Discrimination. Under Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. 794), no handicapped individual shall, solely by reason of their handicap be excluded from participation in, be denied the benefits of, or otherwise be subjected to discrimination under any operations, programs, services, or activities rendered by the Public Utilities Board.

5.05. USE OF STREETS AND EXISTING EASEMENTS. Whenever possible and practical so as to lower construction costs, existing easements and streets are to be used for the installation of sewer lines.

5.06. EASEMENTS.

A. In purchasing easements a rate per square foot is to be determined.

B. The area of easement sought is to be mapped or staked for the customer's review before negotiating a purchase price.

C. Any negotiated price is to be approved by the Public Utilities Board if it exceeds by twenty-five percent (25%) the calculated price per square foot. Designated Board employees are given the authority to negotiate easements with customers up to a figure in excess of the rate per square foot of twenty-five percent (25%).

5.07. APPRAISALS. The Board shall employ General Certified Appraisers who are to make the determination as to the value of all easements sought, properties to be condemned, and properties to be acquired including any incidental damages caused by the conveyance of such easements or properties.

5.08. NOTICE TO CUSTOMERS. The Public Utilities Board shall make available to customers plans and specifications of the proposed extension, shall assist customers in the identification of existing septic tank locations, and shall conduct a connection line conference at the customer's request prior to the plans and specifications becoming finalized and the construction commenced.

5.09. CONDEMNATIONS. Board authority to condemn property is found in Tenn. Code Anno. §7-35-101, §29-17-201, and §7-031-107. Unless otherwise requested, condemnation proceedings shall be conducted pursuant to the supplementary method of condemnations specified in Tenn. Code Anno. §29-17-802 through §29-17-814. Whenever practical, the Board shall conduct negotiations to obtain easements, right-of-ways, properties for the purposes of the Wastewater Treatment System and condemnation shall be used as a matter of last resort. Where practical, notice should be given to customers of deadlines for the completion of negotiations in the acquisition of such properties.

5.10. CONSTRUCTION ACCOUNT. During an extension or expansion phase of the Wastewater Treatment System funds earmarked for construction shall be deposited in a special

construction account.

6.00. RATES AND CHARGES.

6.01. SEWER SERVICE CHARGE.

A. Where sewer service is available a monthly sewer service charge shall be assessed whether the structure is connected to the system or not.

(1) A monthly sewer service bill will be assessed whether the structure is occupied or not.

(a) If the customer will provide evidence to the Public Utilities Board that the water has been turned off a Dry Tap Fee on such unoccupied structure of \$12.00 annually will be assessed.

B. Adjustments. Adjustments in the monthly sewer service charge may be made pursuant to contract with the First Utility District.

(1) Leaks. Leaks may be adjusted by the First Utility District following the same procedures used by the First Utility District to adjust water bills (Ordinance 102) or leaks may be adjusted for months where a leak is proven to exist by the customer so that the customer will be charged in that month the average monthly bill for the seven (7) months preceding the leak.

C. Agricultural usage. Whenever feasible, customers shall be required to separately meter water used for livestock and agricultural purposes should the customer desire to not be billed sewer service charges on water amounts so used for agricultural purposes.

(1) Charges for those customers (without separate meters) with such agricultural usage are not to exceed the average bill for residential households (average of 30 randomly selected households) which average residential household bill is to be re-computed annually.

D. Landlord obligation for the payment of sewer service charge in the event building is rent. At the landlord's request, the Public Utilities Board will send Sewer Service Bills to tenants but landlords shall be responsible for any and all unpaid bills when the rental property is unoccupied unless the water is turned off as noted in 6.01(1)(a) above.

E. Customers whose water source is from a well are charged the minimum monthly service charge. Any such customer who pays the monthly service charge by a single advance annual payment shall pay an amount equal to ten times the minimum monthly service charge then in effect.

6.02. SYSTEM USER FEE.

A. Due date.

(1) Discounts may be granted for early payment of the System User Fee.

(a) No discounted early payment fee on the System User Charge may be granted unless the amount due is paid in full by the deadline date.

(2) For good cause shown the Public Utilities Board may extend the date the System User Fee is due.

(3) Notice of the due date and the amount due is to be accomplished by certified mail sent at least thirty (30) days prior to the due date. In the event the customer refuses to accept such certified mail, actual notice of the due date shall be attempted.

(4) For newly constructed buildings, notice shall be given as to the amount of the System User Fee by indicating the same on the application for building permit. The System User Fee shall be paid on or before final inspection of the construction is completed and approved.

B. Split fee. When practical, the System User Fee may be divided into one or more installments.

C. Financing System User Fee.

(1) Installment payments shall be acceptable and received by the Board without benefit of a promissory note up to the deadline for the payment of the System User Fee at which time the balance shall be due and owing.

(a) Installment payments prior to the final due date for payment of the System User Fee shall be no less than \$50.00 each on a monthly basis.

(2) Lien/Promissory Note.

(a) Promissory notes secured by lien may be presented for the payment of the System User Fee upon proof of acceptable credit. Mount Carmel Municipal Code 18-104(3)(b)(1).

(b) Promissory notes paying the System User Fee on gravity connections are not to exceed a term of five (5) years and on pressure pump connections are not to exceed a term of ten (10) years.

(c) Promissory notes are acceptable at an interest rate of ten percent (10%) per annum.

(d) The Board of Public Utilities shall approve all credit applications. Credit applications by subscribers will be submitted to the Credit Bureau of Kingsport, Tennessee, wherein the Town of Mount Carmel shall maintain the membership for the purpose of obtaining credit information on such applicants.

(e) The form attached hereto is approved as the official "application for credit" form.

(f) The form attached hereto is approved as the official "promissory note and lien."

D. System User Fee amount. Unless otherwise modified by the Board of Mayor and Aldermen by ordinance, the system user fee shall be Two Thousand One Hundred (\$2,100.00) per connection. (Adopted by PUB, Feb. 10, 2000).

E. Multiple Units.

(1) For trailer parks, apartment house, hotels/motels, and all other multiple structures, in addition to the System User Fee of Two Thousand One Hundred Dollars (\$2,100.00) for the first unit, there is assessed Five Hundred Dollars (\$500.00) for each additional unit. (Ord. 135 adopted October 22, 1992, and Ord. 209, adopted October 28, 1999).

(2) The System User Fee for car washes is Two Thousand One Hundred Dollars (\$2,100.00) which includes up to four (4) bays plus One Hundred Fifty Dollars (\$150.00) for each additional bay. (Ord. No. 135 adopted October 22, 1992).

F. Nontransferability. Once paid for a particular address to be served by the Wastewater Treatment System, the System User Fee is nontransferable.

G. Vacant lots. After reaching agreement as to whether gravity or pressure pump connections will be required, customers may pay the then existing System User Fee on any vacant lot and then connect to the Wastewater Treatment System when any structure is built thereon. No monthly sewer service bill, accounting fee, or connection charge will be due and owing until the structure is sufficiently complete to connect to the Wastewater Treatment System.

H. Refunds. Refunds of the System User Fee are to be made only if the system is not installed, if the system is installed but such that the main sewer line is more than five hundred (500) feet from the building to be connected or if the installation of the system is feasible only with grant funds from some state, federal, or other governmental agency and said grant funds do not become available. Upon request of the customer, refunds shall include interest to be calculated at the same rate charged by the Town to persons delinquent in paying their System User Fee. (as modified December 10, 1992).

I. Subdivision development charges. System User Fee shall be Four Hundred Dollars (\$400.00) per lot in newly developing subdivisions where the developer installs at his own expense according to the specifications of the Public Utilities Board and the Town of Mount Carmel sewer lines and pumps, where necessary (if any), within said development and said developer pays said Four Hundred Dollars (\$400.00) per lot fee prior to the marketing and sale of any lot in said subdivision. When in doubt as to whether a residence will require a pump or

will flow by gravity, the additional connection charge for a pump (\$1,200.00), over and above the above-noted Four Hundred Dollars (\$400.00) system user fee for a newly developed subdivision lot, will also be assessed in calculating the total amount to be paid under this provision by the subdivision developer. In the event the residence, once built, is gravity flowed, the additional connection charge for the pump will be refunded to the developer. All the terms and definitions of what constitutes a subdivision will be determined by the Mount Carmel Regional Planning Commission (as modified August 12, 1999, September 9, 1999, and February 10, 2000, by the Public Utilities Board and by Ord No. 209 adopted September 23, 1999).

J. Assessment of System User Fee in Advance of Availability of Services. Authority for the assessment of the System User Fee in advance of the availability of service is found under "Local Government Public Obligation Law," Tenn. Code Anno. §9-21-101 *et seq.* where local governments are authorized to "fix, levy and collect fees, rents, tolls or other charges for the use of or in connection with any public works project . . ." (emphasis added.) No System User Fee is to be assessed in advance of services being available unless the Board of Mayor and Aldermen accept the Public Utilities Board's recommendation to expand the Wastewater Treatment System, architects and/or engineers have been hired to prepare plans and specifications of such extension or expansion project, and the estimated completion date of said project is no more than twenty-four (24) months in advance of the assessment of the System User Fee.

6.03. CONNECTION CHARGE.

A. Gravity. The connection charge on connections to the main sewer line for gravity propelled systems is Two Hundred Dollars (\$200.00).

B. Pressure pump. The connection charge on connections to the main sewer line for pressure pump systems is Twelve Hundred Dollars (\$1,200.00). Customers connecting during an expansion or extension phase of the Wastewater Treatment System shall pay no more than a Two Hundred Dollars (\$200.00) connection charge whether by gravity or pressure pump.

(1) The connection charge must be paid before final inspection and a discharge permit approved on any newly constructed property or on any building connecting to the system during the expansion phase of the Wastewater Treatment System.

(2) "Expansion of Extension Phase" is considered completed and the availability of the discounted connection fee ended when notice is given to customers that the new line is available for connection. (adopted 09/09/93).

6.04. ACCOUNTING FEE.

A. Nontransferable. The \$35.00 accounting fee shall not be transferable and shall be reassessed any time there is a change in the name of the customer or customers being billed at a particular address (modified by Ord. No. 135, adopted October 22, 1992).

B. Payable by actual users. The person in whose name the monthly sewer service bill is rendered shall be the person responsible for the payment of the accounting fee.

6.05. INSPECTION FEE.

A. Initial inspection fee. The initial connection is to be inspected without charge.

B. Subsequent inspections. Any additional inspection required shall require a fee of \$13.50.

6.06. OTHER FEES.

A. Septic tank trucks. Persons wishing to empty septic tank trucks directly into the Wastewater Treatment System must have a permit (form attached), shall be charged a minimum fee of \$20.00, and shall pay no additional charge for the first 2,000 gallons dumped. Each additional 2,000 gallons will result in another \$20.00 fee.

B. Industrial users/septic tank truck permit. For each permit issued under the provisions of Mount Carmel Municipal Code 18-104(9) an annual service charge shall be paid for the period of one (1) full fiscal year or fraction of the fiscal year.

C. Extra strength surcharge. Users who discharge or cause to be discharged extra strength waste into the sewer system who possess an appropriate permit will be subject to a surcharge incurred in treating and disposing of their discharge. Mount Carmel Municipal Code 18-104(10).

D. Sampling, flow monitoring, and analysis fees. Users who are required by the Board to have sampling and flow monitoring devices installed (temporary or permanent) or who choose to have flow monitoring device(s) installed in order to measure actual amounts of wastewater discharged shall be charged to compensate for operating and maintaining equipment and for performing analytical tests on their discharge.

E. Connection permits. A connection permit is free but expires within fourteen (14) days. Any subsequent connection permit shall cost the customer \$7.50.

6.07. HARDSHIP COMMITTEE. There is hereby established a Hardship Committee whose purpose it is to review applications submitted by system customers for the payment of fees and charges by installment payments, to reduce the amount of fees and charges, or to waive the amount of fees and charges altogether.

A. The Hardship Committee shall consist of three (3) persons to be appointed by the mayor and approved by the Board of Mayor and Aldermen.

B. The Hardship Committee shall review applications for hardship determination in regard to the System User Fee, Monthly Sewer Service Charge, and Connection Charges.

C. The application attached hereto is approved as the official "application for hardship determination."

D. The Hardship Committee is to make recommendations to the Board on all applications. The Board will have the final approval on same.

E. The degree or amount of charge to be reduced or waived by the Hardship Committee shall be deducted from the interest earned from the deposits in an interest bearing account of the

original billing deposit fees paid by the system's initial customers. Once the above-referenced interest is exhausted no additional hardship reductions or waivers may be granted in that fiscal year.

6.08. COLLECTIONS. The following practices shall be followed in collecting delinquent fees, rates, and charges.

A. Monthly sewer service bills.

(1) Initial customers. Agreement is reached with Collection, Inc., that those customers incurring charges and failing to pay same prior to the contract being entered into for the First Utility District of Hawkins County, Tennessee, to collect the monthly sewer service charges for the collection of such delinquent sewer service charges. With the collection of sewer charges, Collection, Inc., is to receive one-third (1/3) of all amounts collected.

(2) For all those persons with delinquent monthly sewer service bills after the First Utility District of Hawkins County, Tennessee, began collection of same, their water shall be disconnected in accordance with the contract with the First Utility District (see Ordinance No. 102) as a first step. After the water has been turned off and the customer continues to be delinquent in the payment of monthly sewer service bills, the matter may be turned over to Collection, Inc., for collection through the State court system.

B. System User Fees.

(1) Those persons failing to timely pay the System User Fee by the due date shall be assessed on a monthly basis interest at the rate of ten percent (10%) per annum until the full System User Fee is paid.

(2) If the entire System User Fee is not paid within thirty (30) days after the system is available for the customer's connection to the system, the Board shall seek payment of

the System User Fee through the State Court system and shall place a lien lis pendens upon the property of the customer until the fee is paid in full.

C. The Board shall comply in all respects with the Fair Debt Collection Practices Act, U.S.C., Title 15 §1692, et seq. and with Farmers Home Administration Debt Collection Policies.

D. Water disconnections - Before any customer's property has water disconnected, all provisions of the contract with the First Utility District (Ordinance No. 102) shall be followed.

E. Attorneys fees. A reasonable attorneys fee of no more than fifteen percent (15%) of the amount sought to be collected shall also be sought.

6.09. LATE FEES AND INTEREST CHARGES. For those persons paying System User Fees by monthly installments, a late charge of \$5.00 per month is established.

6.10. PARTIAL PAYMENTS. The acceptance of partial payments on any charge, fee, or assessment shall be discouraged.

7.00. OPERATIONS.

7.01. PURCHASING PROCEDURES. All the standard purchasing procedures followed by the Town of Mt. Carmel shall also be followed by the Public Utilities Board and the provisions of the Municipal Purchasing Law, Tenn. Code Anno. §6-56-301, et seq. shall be followed.

7.02. CONTRACTOR AND VENDORS. Where practical, the Board shall use contractors and vendors employed by the Town of Mt. Carmel. In the even volume purchases can be made by the Town the Town General Fund shall be reimbursed for the portion of such goods or services so purchased for the use and benefit of the Public Utilities Board. Purchases made by the Public Utilities Board may also be made in volume and such purchases shared with the Town so long as funds are transferred from the Town General Account to the Public Utilities Board Account.

7.03 BUDGETING. An annual budget is to be prepared and submitted to the Board of Mayor and Alderman and approved by the Board of Mayor and Aldermen at the same time the annual budget is approved for the Town.

A. Depreciation savings accounts. Twenty Five percent (25%) of each dollar of revenue for monthly Sewer Service Charges is to be deposited into a "Depreciation Saving Account" and allowed to accumulate until the "Depreciation Savings Account" balance equals or exceeds the annually budgeted line item amount for depreciation.

(1) This Depreciation Savings Account shall also serve as a reserve account during periods of system expansion or extension. Such a reserve account shall be accomplished by depositing one-tenth (1/10) of an annual payment per year for ten (10) years or until one annual payment is deposited in the account.

7.04. BANKING. First American National Bank is designated as the official depository for the funds and accounts of the Board.

7.05. EMPLOYMENT POLICIES AND PAY PRACTICES.

A. On call pay. Employees shall be allowed a \$75.00 per week allowance for being "on call"

B. Employees shall meet the requirements and fill the necessary designated classifications in accordance with the requirement of the State of Tennessee. (see O&M manual, 3/14/89, page 4. 1-4.5 and Appendix).

7.06. HAULING LIQUID WASTE.

A. Any persons hauling liquid waste within the Town of Mt. Carmel must file an application with the Board. Upon payment of the appropriate fees and approval by the Board, the permit for hauling of liquid waste may be issued. In any event, septic tank truck disposal permits are required prior to the discharge of wastewater into the Wastewater Treatment System by septic tank truck operators. (Application & permit forms attached).

7.07. SLUDGE DISPOSAL SITES. The Board shall designate the Official sludge disposal site(s) (See O&M Manual, 3/14/89, page 1.7) which require prior approval of the State of Tennessee Department of Conservation and Environment.

7.08. BY-PASS REPORTING. All State of Tennessee and Environmental Protection Agency requirements are to be followed as soon as possible in reporting and curing and bypasses. (see O&M manual, 3/14/89, page 2.2).

7.09. ODORS. All reports of foul odors shall be investigated as soon as possible by representatives of the Board. Odors are either to be verified in person or if the designated Board representative is unable to identify odors in person but the complainants insist that odors continue to exist, then those odors are to be verified by testing monitors. In the initial case, deodorizers are to be used in attempting to cure odors.

7.10. RESPONSIBILITY FOR DAMAGES DUE TO SYSTEM MALFUNCTION. As nearly as possible, customers are to be made whole from any and all losses sustained as a result of system malfunction.

7.11. OPERATION AND MAINTENANCE MANUAL. Under 40 C.F.R. 35.2206 the Tennessee Division of Construction Grants and Loans (Tennessee Department of Health and Environment) must give final approval to the Operation and Maintenance Manual. That manual and any changes to said manual are incorporated by reference into these Rules and Regulations. where necessary, any additions or alterations in said manual are to be approved by said division.

A. The O & M Manual shall govern the day-to-day operations of the Wastewater Treatment System.

7.12. RECORDKEEPING. O & M Manual, 3/14/89, Chapter 6, shall govern minimum record keeping requirements.

7.13. PROPERTY INSURANCE. Property insurance will be required on all above-ground structures with the exception of water reservoirs, stand pipes, elevated tanks and other non-combustible materials in the amount of there replacement value.

7.14. WORKER'S COMPENSATION INSURANCE. Worker's compensation insurance for all employees of the Board shall be provided in accordance with State laws.