

AN ORDINANCE

OF THE THORN CREEK BASIN SANITARY DISTRICT

IN COOK AND WILL COUNTIES, ILLINOIS

ESTABLISHING A USER CHARGE SYSTEM

WHEREAS, operation, maintenance, equipment replacement, existing facility improvement and debt service costs are incurred by the Sanitary District for collection, conveyance, treatment and disposal of wastewaters from various classifications of users connected to the District system or to sewers connected therewith; and

WHEREAS, the District has accepted a loan from the Illinois Environmental Protection Agency for construction of the Wet Weather Retention Facility and will need to generate revenue to provide to cover debt service for the loan; and

WHEREAS, the Sanitary District adopted Ordinance No. 431 establishing a User Charge System for all users that is consistent with Federal Regulations; and

WHEREAS, The Board of Trustees has determined that amendments to the User Charge System are necessary and desirable.

NOW THEREFORE, BE IT ORDAINED by the Board of Trustees of the THORN CREEK BASIN SANITARY DISTRICT of Cook and Will Counties, Illinois, that Ordinance No. 431 be amended as follows:

GENERAL PROVISIONS

Chapter 1

1.01 Authority

This Ordinance is promulgated pursuant to the statutory authority contained in Chapter 70 of the Illinois Compiled Statutes, and further pursuant to the requirements of the Federal Clean Water Act as amended along with any applicable regulations promulgated thereto.

1.02 General Purpose

The purpose of this Ordinance is to establish a User Charge System to pay for the operation, maintenance and capital improvements of the sewage transport and treatment works of the District, to establish principles of application, classes of users, procedures, basis for determination of rates, manner of revenue collection and penalties in the event of nonpayment.

1.03 Relation to Other Ordinances

This Ordinance supplements an Ordinance Governing Industrial Pretreatment and Sewer Use and shall be applied in addition to an Ordinance Establishing the Fees and Charges of the Thorn Creek Basin Sanitary District.

1.04 Federal Regulations

It is hereby declared to be the policy of the District to adhere to the Federal Clean Water Act as amended along with any applicable regulations promulgated thereto.

1.05 Establishment of System

Ad valorem taxes and unit charges levied by ordinance for the operation, maintenance and capital improvements of Thorn Creek Basin Sanitary District wastewater collection and treatment facilities are hereby repealed and in lieu thereof, there shall be assessed to all users, in accordance with the provisions of this Ordinance, a user charge.

General tax revenues may continue to be collected for general obligation bonds, public benefit funds, for the operation, maintenance and capital improvement costs attributable to inflow and infiltration, for the acquisition of capital additions and for any other purpose provided by law.

1.06 Adoption of Staff Assumptions and Analyses

The Board of Trustees, having duly considered the actions and analyses of the staff of the District in the preparation of this Ordinance, hereby adopts such assumptions and analyses contained herein as a basis for the establishment of a procedure for the assessment and collection of a user charge pursuant to the Federal Regulations.

DEFINITIONS

Chapter 2

2.01 General Definitions

The following general definitions shall apply for this Ordinance:

- a. District - Shall mean the Thorn Creek Basin Sanitary District, a municipal corporation organized under Chapter 70 of the Illinois Compiled Statutes, Section 2405.

- b. User - Any person, firm, establishment or institution which discharges wastewater, excluding inflow and infiltration, to a sanitary sewer which eventually leads into a District owned sanitary sewer or treatment plant or any waste hauler as defined in Section 2.06 k. "Customer" and "Discharger" are used interchangeably with "User".

- c. Wastewater - Shall mean the spent water of a community. It thus may be a combination of the liquid and water carried wastes from residences, commercial buildings, industrial plants and institutions both governmental and private, together with any inflow and infiltration. "Sewage" is used interchangeably with "Wastewater".

- d. Domestic Wastewater - Shall mean wastewater, which is the same as, or similar to the strength, character and chemical makeup of wastewater discharged from a building used solely for a residential dwelling.

- e. Wastewater Facilities - Shall include sewers, force mains, pumping stations, sewage treatment plants, outfall sewers, pumping, power and other equipment and appurtenances of such facilities and any other works, including land, which is a part of the treatment process, ultimate disposal of the residues or biosolids, monitoring and testing equipment, or administrative and engineering support systems necessary for treating, separating or disposing of municipal or industrial waste. This term is synonymous with "Wastewater Collection and Treatment Works" and "District's System".

- f. Building Sewer Line - Shall mean the sewer, which transports the wastewater from a discharger's facility to the public sanitary sewer system.

- g. Milligrams per liter - Shall mean a unit of the concentration of the water or wastewater constituent. It is 0.001 grams of the constituent in one liter of water.

- h. Shall and May - shall is required; may is permissive.

- i. Approved - Shall mean the item or procedure must meet the conditions of and be accepted by the District.

- j. Required - Shall mean that the task stated must be done.

- k. Permit - Shall mean a Wastewater Discharge Permit as required in Part 400 of the Industrial Pretreatment and Sewer Use Ordinance.

- l. Debt Service - Shall mean the amount of money necessary to pay the interest and principal on outstanding debt, to pay the principal of maturing bonded debt not payable from a sinking fund, or to provide a fund for the redemption of bonds payable from a sinking fund. Debt service on bonds may be calculated on a calendar year, fiscal year, or bond fiscal year basis.

2.02 Ordinance Definitions

The following definitions of the District's other ordinances shall apply for the purpose of this Ordinance.

- a. Ordinance Governing Industrial Pretreatment and Sewer Use - Shall mean the Ordinance passed and as amended from time to time by the District that regulates the use and discharge into the wastewater facilities.

- b. Ordinance Establishing the Fees and Charges of the Thorn Creek Basin Sanitary District - Shall mean the Ordinance passed and as amended from time to time by the District setting forth rates for all the various ordinances of the District.

c. Ordinance Regulating Annexation and Sewer Connection - Shall mean the Ordinance passed and as amended from time to time by the District that regulates annexations and sewer extensions and connections.

2.03 Cost Definitions

The following cost definitions shall apply for this Ordinance.

a. Operation - Shall mean all manner of activity necessary including labor, electrical power, fuel, chemical supply and administrative requirements to properly conduct the functions of collection, conveyance, treatment and disposal of wastewater and residuals generated within the District.

b. Maintenance - Shall mean all manner of activity necessary including labor, supply, contract repair work and administrative requirements to maintain the works, assets and property of the District for the purpose of ensuring its continued and uninterrupted operation.

c. Replacement - Shall mean the provision for and the installation of replacement equipment, accessories or appurtenances that are necessary during the service life of the treatment works to maintain the capacity and performance for which such works were designed and constructed.

d. Useful or Service Life - Shall mean the period of time that a particular component of the works of the system can reasonably be expected to perform the function intended in its design before replacement or extensive rehabilitation is required.

e. Existing Facility Improvements - Shall mean major maintenance or rehabilitation of wastewater facilities needed to meet or extend their useful life and improvements to increase the operating efficiency or reliability of the facilities consistent with their design objectives.

f. New Capital Improvements - Shall mean the provision for and installation of wastewater facilities such as equipment and accessories; structures and appurtenances; buildings; pump stations; forcemains; and sewers to increase the capacity of the wastewater facilities or to enhance the system's performance.

2.04 Sampling and Measurement Definitions

The following definitions relating to sampling and measuring wastewater shall apply for this Ordinance:

- a. Water Supplier - Shall mean any city, village or water company, which sells water.

- b. Public Water Meter - Shall mean the water meter installed within the water piping system of any building by a city, village, sanitary district or any other public entity. It also includes all meters owned by a private water company, which is regulated by the Illinois Commerce Commission.

- c. Private Water Meter - Shall mean an existing water meter or a meter required to be installed by this Ordinance on any privately owned water supply or a water meter installed on any portion of a user's water distribution system.

- d. Flow Report - Shall mean a report prepared by the user and approved by the District indicating the total usage for the purpose of invoicing.

- e. Water Meter Readings - Shall mean the periodic water meter readings provided by a supplier, user or by the District by reading the private water meter.

- f. Flat Rate Estimates - Shall mean the water estimated to be used by a structure not equipped with a water meter. Such estimate shall be based upon the District's analysis of other users within that user's category.

- g. Flow Meter - Shall mean a fluid measuring device approved by the District capable of being installed in a sewer sampling manhole and capable of registering continuous flow rates over a prescribed period.

h. Credit Meter - Shall mean a flow meter, which measures water not returned to the sanitary sewer system. These flows would then be subtracted from the incoming water usage. Also means any method or procedure approved by the District that would have the same effect of measuring non-returning water as would be achieved by installing such a meter.

i. Sampling Manhole - Shall mean a structure installed in the building sewer line accessible to District personnel and being capable of housing a flow meter and a composite 24-hour sampler. The construction of such a manhole shall be approved by the District.

j. Composite Sampler - Shall mean a sampling device approved by the District capable of being installed in a sampling manhole and capable of taking flow or time proportioned wastewater samples over a prescribed continuous period.

2.05 Parameter Definitions

The following parameter definitions shall apply for this Ordinance:

a. Flow - Shall mean the total amount of wastewater entering the District's treatment plant, expressed in millions of gallons.

b. TBOD - (denoting total biochemical oxygen demand) - Shall mean the amount of oxygen expressed in milligrams per liter, utilized in the total biological oxidation of the organic matter and total kjeldahl nitrogen present in wastewater. For the purposes of this Ordinance, TBOD shall be determined in one of the following two ways:

If the sample contains only domestic wastewater:

$$\text{TBOD} = (\text{CBOD}_5 \times 1.5) + (\text{total kjeldahl nitrogen} \times 4.6)$$

All other samples:

$$\text{TBOD} = \text{COD} + (\text{total kjeldahl nitrogen} \times 4.6)$$

All parameters expressed in milligrams per liter.

- c. CBOD₅ (denoting carbonaceous biochemical oxygen demand) - Shall mean that amount of oxygen expressed in milligrams per liter, utilized in five days at 20 degrees C. in the presence of a nitrification inhibitor, for biochemical oxidation of the organic matter present in wastewater and measured by the method set forth in the most recent edition of "Standard Methods for the Examination of Water and Wastewater" or EPA-600/4-79-20 "Methods for Chemical Analysis of Water and Wastes" as approved under the Code of Federal Regulations 40 CFR part 136.

- d. COD - (denoting chemical oxygen demand) - Shall mean the quantity of oxygen consumed from a chemical oxidant (standard potassium dichromate solution) measured by the method set forth in the most recent edition of "Standard Methods for the Examination of Water and Wastewater" or EPA-600/4-79-20 "Methods for Chemical Analysis of Water and Wastes" as approved under the Code of Federal Regulations 40 CFR part 136.

- e. Total Kjeldahl Nitrogen - Shall mean all nitrogen in the trinegative state including ammonia and organic nitrogen contained in wastewater expressed as milligrams per liter of nitrogen and measured by the method set forth in the most recent edition of "Standard Methods for the Examination of Water and Wastewater" or EPA-600/4-79-20 "Methods for Chemical Analysis of Water and Wastes" as approved under the Code of Federal Regulations 40 CFR part 136.

- f. Suspended Solids - Shall mean non-filterable solids expressed in milligrams per liter, contained in wastewater and measured by the method set forth in the most recent edition of "Standard Methods for the Examination of Water and Wastewater" or EPA-600/4-79-20 "Methods for Chemical Analysis of Water and Wastes" as approved under the Code of Federal Regulations 40 CFR part 136. Suspended Solids refers to Total Suspended Solids.

- g. Sulfate – Shall mean the amount of sulfate ion that is precipitated in an acetic acid medium with barium chloride to form barium sulfate expressed in milligrams per liter of sulfate, contained in

wastewater and measured by "Standard Methods for the Examination of Water and Wastewater" or EPA-600/4-79-20 "Methods for Chemical Analysis of Water and Wastes" as approved under the Code of Federal Regulations 40 CFR part 136.

h. Infiltration - Shall mean water other than wastewater that enters a sewage system from the ground through such means as defective pipes, pipe joints, connections or manholes.

i. Inflow - Shall mean water other than wastewater that enters a sewage system from sources such as roof leaders, drains, manhole covers, cross connections between storm and sanitary sewers, catch basins, cooling towers, storm waters, surface runoff, street wash waters or drainage.

2.06 User Category Definitions

All users of the system shall be divided into the following sixteen (16) categories according to the definition that best fits a particular user:

a. R01-Residential - Shall mean any single family or multiple family dwelling unit designed primarily as a place of human habitation which discharges to the District's system domestic wastewater only.

b. G01-Governmental - Shall mean any unit of federal, state, county or municipal government which has been given the authority to control or rule over the affairs of the above mentioned units and which discharges to the District's system primarily domestic wastewater. Any unit of government not primarily discharging domestic wastewater shall be assigned to the user category that best fits that unit of government.

c. S01-Institutional - Shall mean any organization having a social, education or religious purpose which discharges to the District's system primarily domestic wastewater.

d. C01-Commercial - Shall mean any business establishment dealing with the commerce or trade of a product or skill or the buying and selling of goods or services on a large scale without manufacturing and which discharges to the District's system domestic wastewater only.

- e. C02-Food Store - Shall mean any establishment primarily engaged in the sale of foods or food and household products.

- f. C03-Bakery - Shall mean any establishment engaged in the production and/or selling of bread, pastries, cookies, crackers, candies, soft drinks or any other bakery or confectionery goods.

- g. C04-Auto Service - Shall mean any establishment solely engaged in the repair or servicing of transportation equipment, or engaged solely in the sale of repair parts for transportation equipment, or both.

- h. C05-Cleaning Establishment - Shall mean any establishment primarily engaged in the laundering or cleaning, dry or otherwise, of personal clothing or household items, or cleaning or laundering of items either worn or used within an industry as a service to that industry.

- i. C06-Restaurant - Shall mean any establishment where food can be bought and eaten on the premises, whether served or not, or where food which is prepared on the premises can be purchased for consumption at another location.

- j. C07-Carwash - Shall mean any establishment whose main service is that of exterior cleaning of any vehicle that may be used for the transportation of passengers, freight, etc.

- k. C08-Waste Hauler - Shall mean any establishment whose main service is that of hauling, storage and disposing of waste materials from residential septic tank systems.

- l. I01-Industrial I - Shall mean any establishment primarily engaged in wholesale commercial or industrial wet warehousing and which is located in a building which could easily be converted into a manufacturing facility and which discharges to the District's system primarily domestic wastewater.

m. I02-Industrial II - Shall mean any establishment primarily engaged in the manufacturing of goods or engaged in manufacturing service goods which discharges to the District's system primarily domestic wastewater.

n. I03-Industrial III - Shall mean any establishment primarily engaged in manufacturing service goods which discharges to the District's system non-domestic wastewater and which normally has a flow less than 25,000 gallons per day.

o. I04-Industrial IV - Shall mean any establishment primarily engaged in the manufacturing of goods or engaged in manufacturing service goods which discharges to the District's system non-domestic wastewater and which normally has a flow of 25,000 or more gallons per day but less than 50,000 gallons per day.

p. I05-Industrial V - Shall mean any establishment primarily engaged in the manufacturing of goods or engaged in manufacturing service goods which discharges to the District's system non-domestic wastewater and which normally has a flow of 50,000 gallons or more per day or which is subject to a National Categorical Pretreatment Standard.

The above sixteen (16) user categories shall be further grouped into five general classes based upon the first letter designating each such user category. The five general classes shall be residential (R), governmental (G), institutional (S), commercial (C) and industrial (I).

The term "non-residential" user shall mean any user except those designated R01-Residential.

The term "non-contract" user shall mean any user except those designated as Sewer Service Agreement user. A Sewer Service Agreement user shall be any user with whom the District has a contract setting forth the terms and conditions of its connection along with the fees charged. In no case is a sewer permit issued by the District to be construed as a contract for the purposes of this classification of customers.

USAGE DATA AND CUSTOMER MONITORING

Chapter 3

3.01 Non-Residential Waste Control

Under the provisions of this Ordinance and the applicable provisions contained within the Industrial Pretreatment and Sewer Use Ordinance, the District shall administer the following aspects of the user charge system in connection with non-residential users:

- a. meter flows of the above users when deemed necessary;
- b. measure strengths and concentrations of any pollutants or chemical constituents in the wastewater of the above users;
- c. verify CBOD₅ or COD, total kjeldahl nitrogen, suspended solids and sulfate data furnished by the users to the District;
- d. verify the credit data furnished by any user that has been granted an exemption for water not returned to the sanitary sewer system;
- e. report the billable flows and strengths of the above users;
- f. classify all users of the system into various user categories; and

- g. determine standard TBOD, suspended solids and sulfate concentrations by user category.

3.02 Installation of Water Meters on Private Supplies

Within 180 days after the effective date of this Ordinance, all nonresidential users, not having a water meter in their source of water supply shall install, at their own expense, a water meter approved by the District between the well or other source of supply and the plumbing system of such building. The District may waive this requirement and instead base the usage upon an estimate derived from a physical inspection and analysis of the user's premises.

3.03 Water Usage Data

The District will use, as an estimate of the water volume for a user for a given time period, the volume of water as reported to the District by that user's water supplier or by the user in a flow report. For those users without a meter, the District shall use an amount of water previously determined as being representative for that user or user category.

3.04 Strength Data

The District may use, as an estimate of the strength of a user's wastewater, concentrations for TBOD, suspended solids and sulfate that have been determined as indicative and typical for that user's category. Such values shall be known as standard values and shall be reviewed annually by the District and issued for use beginning in the next subsequent month. All users shall be charged, at a minimum, for domestic strength wastewater.

The discharge of wastewater containing CBOD₅, suspended solids, COD, total kjeldahl nitrogen or sulfate in excess of the limits defined in Section 300.110 part d of the Industrial Pretreatment and Sewer Use Ordinance shall be by permission only. All pounds of pollutants above domestic strength wastewater including those above said limits shall be charged at rates derived from Section 4.04 below.

Those users, for which standard values are not indicative and typical of a particular user's wastewater, will be sampled in a manner and frequency deemed necessary, to determine the CBOD₅ or COD, total kjeldahl nitrogen, suspended solids and sulfate concentrations. Likewise, any user who believes that the strength of its wastewater is below the values assigned for its user category, may at its own expense, request the District to determine the strength of its wastewater. Alternately, a user may install such facilities necessary to determine the strength of the wastewater and shall have such samples analyzed also at its own expense. Such facilities and sampling program must be approved by the District. In addition, the user shall supply the District upon request with a split sample for comparison purposes. All users will be charged, at a minimum, for domestic strength wastewater, as discussed above.

All costs incurred by the District in sampling and testing such users shall be recovered by invoicing such users according to the fees listed in an Ordinance Establishing the Fees and Charges of the Thorn Creek Basin Sanitary District.

3.05 Installation of Sampling Manholes and Equipment

After the effective date of this Ordinance, each nonresidential user, where required by the District and within 90 days of notice by the District, shall install a sampling manhole and may also be required to install a flow meter and/or composite sampler on each building sewer line so designated. Such manhole and equipment shall be maintained at the user's expense according to the terms and conditions set forth in the Industrial Pretreatment and Sewer Use Ordinance.

3.06 Inspections and Meter Readings on Private Property

From and after the passage of this Ordinance authorized District personnel shall have the right to enter upon private property to take water meter readings and to take flow meter readings and composite samples from meters and samplers installed therein. They shall also have the right to conduct an inspection of a property in order to determine whether the user is exempt from the system and to validate compliance with the conditions as set forth in this Ordinance.

District personnel shall be considered authorized under this Ordinance if they have been bonded and insured and have been issued District badges that contain their photograph and other identification information.

The District shall hold harmless the owner of the property and/or the tenant for injury or death to such District employees, except such as may be caused by negligence or failure of the owner of the property and/or the tenant to maintain safe conditions.

In the event of a refusal to permit District personnel upon private property, the authorized person shall seek the assistance of the local police department or the sheriff's office, and shall make the inspection accompanied by such officer. Failure to permit such readings shall constitute grounds for termination of service or for estimating the usage based upon past or similar use.

DETERMINATION OF RATES

Chapter 4

4.01 Determination of Annual Costs

Once a year, the Board of Trustees shall determine annual costs. The annual costs shall include:

- a. the projected amount for all operation and maintenance costs for the next 12 months;
- b. an annual amount for equipment replacement and existing facility improvement costs as determined by:
 - i. projecting for the next five years all equipment replacement costs and those existing facility improvement costs that the Board of Trustees has determined shall be recovered from user charges;
 - ii. projecting interest earned on the balance in the Capital Improvement Account;

- iii. calculating the minimum balance to be maintained in the Capital Improvement Account that is equal to the replacement cost of all fixed assets divided by the average life of all fixed assets;
 - iv. calculating an annual amount of user charge revenue to be transferred to the Capital Improvement Account, that after considering the net of the projected costs and the interest earned on the account's balance, will maintain a balance at or above the calculated minimum for the next five years.
- c. an annual amount for new capital improvements or such portion of annual capital improvements that the Board of Trustees has determined shall be covered by user charges.
- d. an annual amount for debt service to cover the payment of interest, principal and coverage of either loans or bonds outstanding, including IEPA loan number L17 2117, and other debt service, as determined to be payable from user charges by other ordinances of the District.

The total annual cost for determination of rates shall be the sum of the four above annual costs.

4.02 Allocation of Costs to Cost Parameters

The total annual costs shall be apportioned among the following eight parameters using such percentages as were derived from the previous fiscal year:

- a. Flow
- b. TBOD
- c. Suspended Solids
- d. Sulfate

- e. User Charge Invoicing
- f. Industrial Pretreatment Program
- g. User Surveillance
- h. Sanitary collection sewer operation, maintenance and replacement

4.03 Determination of System Usage

Then, in order to determine the costs that must be recovered through the user charge system, all other sources of revenue such as interest on investments, laboratory fees, penalties, violations charges and fees for other special services, must first be applied against the above costs. Industrial Pretreatment Program fees shall first be applied against the costs attributable to 4.02f. The laboratory fees shall first be applied against the costs attributable to 4.02g. Revenues from sanitary collection sewer charges shall first be applied against the costs attributable to 4.02h. Any revenues remaining shall then be prorated against the costs of 4.02a to 4.02d inclusive. Such costs remaining shall then be the costs of 4.02a to 4.02e inclusive which will be used in the determination of rates as set forth in Section 4.04.

There shall be submitted to the Board of Trustees, at the same time that the annual estimate of projected costs is determined, the individual components and summary totals of the following parameters from data recorded during the previous calendar year:

- a. the component quantities and totals of yearly water use obtained from public water meter readings, private water meter readings, waste flow meter readings and flat rate estimates less credit meter readings;
- b. the yearly total quantities of TBOD as calculated from the base of historical data on the users of the system;

- c. the yearly total quantities of suspended solids as calculated from the base of historical data on the users of the system,
- d. the yearly quantities of sulfate as calculated from the base of historical data on the users of the system;
- e. the yearly total number of user charge invoices.

4.04 Determination of Unit Rates

The unit rates to be used by the District shall then be determined as follows:

- a. the flow rate shall be computed by dividing the costs in Section 4.02a by the total flow in Section 4.03a. The resulting number shall be expressed in all the various units of measure as are used by the various water suppliers;
- b. the TBOD rate shall be computed by dividing the costs in Section 4.02b by the total annual quantity of TBOD in Section 4.03b. The resulting number shall be expressed in \$ per pound;
- c. the suspended solids rate shall be computed by dividing the costs in Section 4.02c by the total annual quantity of suspended solids in Section 4.03c. The resulting number shall be expressed in \$ per pound;
- d. the sulfate rate shall be computed by dividing the costs in Section 4.02d by the total annual quantity of suspended solids in Section 4.03d. The resulting number shall be expressed in \$ per pound;

- e. the rate for user charge invoice handling shall be computed by dividing the costs in Section 4.02e by the total number of invoices in Section 4.03c. The resulting number shall be expressed in cost per invoice.

4.05 Determination of Combined Rates

For ease of administering the system, the District shall develop combined rates. A combined flow rate for each user category shall be developed which incorporates the flow rate, TBOD rate, the suspended solids rate and the sulfate rate. This shall be done by converting the total loadings into a flow equivalent rate based upon each user category's standard TBOD, suspended solids and sulfate concentrations. The formula is as follows:

$$\begin{aligned} \text{Combined Flow Rate} &= \text{Flow Rate} + \\ (\text{per 1000 gallons}) & \quad (1000 \times 8.34 \times \text{TBOD} / 1000000 \times \text{TBOD rate}) + \\ & \quad (1000 \times 8.34 \times \text{TSS} / 1000000 \times \text{TSS rate}) + \\ & \quad (1000 \times 8.34 \times \text{SO}_4 / 1000000 \times \text{Sulfate rate}) \end{aligned}$$

where: TBOD = standard TBOD concentration for that user category

TSS = standard TSS concentration for that user category

SO₄ = standard sulfate concentration for that user category

Any user who is not individually sampled may thus be billed at the District's option on the combined rates. In no case may the actual fees charged a user on an invoice be different by using the combined rates as

opposed to using the determined individual rates, after taking into account the fact that all rates are to be rounded to the nearest cent.

4.06 Pretreatment Charges

Industrial users required to obtain a Wastewater Discharge Permit under the Industrial Pretreatment and Sewer Use Ordinance shall be billed a permit application fee to obtain their permit and a monthly pretreatment program fee to cover the costs of administering and monitoring the permit. Rates shall be determined by dividing the estimated cost of issuing permits and the estimated cost of administering the program by the number of users required to obtain permits.

4.07 User Surveillance Fees

The laboratory fees for user surveillance shall be determined by estimating the actual labor, material and capital depreciation costs for sample collection and each type of laboratory analysis. The laboratory fees shall not exceed the typical commercial laboratory fees for the same analyses.

4.08 Sanitary Collection Sewer Charges

In areas where the District owns the local sanitary collection sewers, a charge shall be developed to cover the cost of operation, maintenance and replacement of the local sanitary sewers. Replacement costs may be estimated based on the expected service life of the sewers divided into the estimated cost of new sewers. A rate for sanitary collection sewers shall be determined by dividing the estimated average annual cost for operation, maintenance and replacement, as determined by the Board of Trustees, by the total annual water usage. Totals of yearly water use shall include public water meter readings, private water meter readings, waste flow meter readings and flat rate estimates for un-metered users; less credit meter readings.

The revenue from the portion of the rate to cover replacement shall be transferred to the Capital Improvement Account at least annually.

4.09 Reference to the Rates

All such individual and combined rates shall be listed in the Ordinance Establishing the Fees and Charges of the Thorn Creek Basin Sanitary District. User charge rates shall be effective in the next month after their adoption and publication as required by law.

HANDLING OF CUSTOMER ACCOUNTS

Chapter 5

5.01 Issuance of Invoices

Users shall be invoiced at the same frequency with which they receive their water bills, except for those users that require special billing, flow reports or usage determinations other than their total water usage. Such invoices shall be sent out as soon as possible after the issuance of the water bills by the particular water supplier. Those customers who do not receive a water bill shall be invoiced at the same frequency with other users of the same category in their community. Invoice, when issued, shall use the most current set of rates. No invoice will be issued for less than the minimum as set forth in an Ordinance Establishing the Fees and Charges of the Thorn Creek Basin Sanitary District. Instead, any usage that would have been billed will be carried forward to the next invoice.

5.02 Payment of Invoices

Customers may pay either at the District's office during normal business hours, by mail, or at an authorized collection agent. Payment in any other manner shall be deemed to have been paid by mail. The date that a payment is made shall be the date that the payment was either received at the office of the District or received at an authorized collection agent.

5.03 Accounts Past Due

Each invoice shall become due twenty one (21) days after its issuance. An invoice not paid by the due date and which has an outstanding balance of at least the minimum as set forth in an Ordinance Establishing the Fees and Charges of the Thorn Creek Basin Sanitary District shall have a delinquent penalty charge assessed. Such charges shall be as set forth in the Ordinance Establishing the Fees and Charges of the Thorn Creek Basin Sanitary District.

5.04 Exemption From the System

Any user may petition for exemption from the system by completing a form established for this purpose. Exemptions shall be granted for the following reasons:

- a. user is not connected to a sanitary sewer;
- b. user is connected to a sanitary sewer but the sanitary sewer does not eventually lead into a District owned sanitary sewer or treatment plant;
- c. a partial exemption will be granted for water not returned to the sanitary sewer system. The user must install a credit meter or a meter on the sanitary line or have a method of procedure to determine such amounts that has been approved by the District. Such values shall be reported to the District in order to have the values deducted from the user's incoming water readings.

5.05 Responsibility for Payment

The owner of the property and the occupant/user of the property shall be jointly and severally liable for the charges for wastewater collection and treatment services. Wastewater collection and treatment

services are supplied to the property solely upon the condition that the owner and occupant/user of the service are jointly and severally liable to the District. A new property owner shall be responsible for all unpaid service charges of the previous owner or occupant/user. The new owner is responsible for requesting a final water meter reading and insuring that the final service charges are paid by the previous owner. Property owners may receive user charge invoices instead of the same persons that currently receive the water supplier invoices. The property owner must submit to the District a written request to change the invoiced party.

5.06 Procedures for Dispute of an Invoice

A user may dispute an invoice and withhold payment for the same. Any such contention must be stated in writing. All amounts not disputed must be paid in the normal time and manner. While the matter is in dispute, no late fees, finance charges or penalties will accrue and no action will be taken to collect the amounts in dispute. If it is decided that the District erred, no such penalties will have to be paid on the amounts in error. Furthermore, the user will be given the normal time to pay which is accorded undisputed amounts. If it is decided that there was no error, the user may be required to pay any such penalties that would have accrued and the amounts must then be paid in the same time as though the amounts had not been disputed.

All such disputes will first be referred to the user charge section of the District for analysis and a decision. If the user is not satisfied with that decision, the matter will then be referred to a committee hereby created called the User Charge Review Committee consisting of three employees of the District appointed by the Manager. The User Charge Review Committee will review the matter and make a decision. If the user is not satisfied with this decision, the matter will then be referred to the Manager of the District and the Manager will make a decision. If the user is not satisfied with that decision, then the matter is subject to appeal as set forth in Section 5.07 of this Ordinance.

5.07 Appeal of Disputes

In the case that a user is not satisfied with a decision of the District staff with respect to the disputed amounts or with respect to the manner in which the District staff has determined the user's billable flow, TBOD concentration, suspended solids concentration or sulfate concentration, the user may request in writing that the dispute be appealed to the Board of Trustees.

The user shall present the case at the next regularly scheduled meeting of the Board of Trustees. All decisions rendered by the Board of Trustees shall be considered final and binding to all parties involved.

5.08 Filing of Liens and Civil Suits

All user charges including charges incurred by the District for the collection of amounts owed shall become a lien upon the lands on or after the effective date of this Ordinance. In addition to any other method of collection as herein provided or as provided by law, the District shall also have the power to sue the owner or the occupant/user of the real estate involved in a civil action to recover any money due plus court costs and a reasonable attorney's fee to be fixed by the Court.

The District shall establish a fee to recover the costs of both filing and releasing a lien. The user shall be liable for such costs unless it is subsequently determined that no lien should have initially been placed on the property. All such actions to file and release a lien shall be done in accordance with Chapter 70 of the Illinois Compiled Statutes. No lien shall attach to real estate until the oldest unpaid invoice is at least sixty (60) days past due; however, the lien amount shall include all invoices that are past due, plus unpaid user charges incurred by the user until the release of the lien and all charges and expenses incurred by the District related to the lien and the collection of unpaid charges. Collection charges shall include attorneys' fees and expenses incurred by the District to collect unpaid charges. A notice shall be sent to the owner or owners of record of the real estate, as referenced by the taxpayer's identification number, stating that unpaid charges or rates may create a lien on the real estate and that all charges

including all expenses and attorneys' fees incurred by the District for collection of the charges shall be paid prior to the release of a lien after it is filed with a copy of all past due notices.

The notice of the lien filed with the recorder of the county in which such real estate is located shall include the information required by statute. A copy of the notice of lien shall be sent to the owner or owners of record of the real estate.

The District shall have the power to foreclose such lien in like manner and with like effect as in the foreclosure of a mortgage on real estate. Judgment in a civil action or filing of a suit shall not operate as a release and waiver of said lien. Only satisfaction of said judgment and the payment of all unpaid user charges and collection charges incurred by the District or the filing of a release of satisfaction of said lien shall release said lien. Payments made to the District for collection charges and user charges shall be applied in the following order: (1) user charges billed by the District after referral of unpaid invoices to a collection agency or attorney, (2) collection charges incurred by the District to recover amounts owed, (3) user charges billed by the District prior to referral to a collection agency or attorney.

5.09 Private Collection Agency

The District may employ a private collection agency and/or attorneys to attempt to collect past due invoices. In the case that this option is employed, any additional expenses incurred by the District or the fees of said collection agency and attorneys shall be added to the amount of the past due invoices.

5.10 Disconnection of Sewer Service

The District reserves the right to discontinue service or disconnect the sewer servicing the property for which service charge invoices are more than thirty (30) days past due, regardless of the action taken by the District to collect said amounts. Such discontinuation of service or disconnection shall be processed in accordance with procedures established by the Board of Trustees and Public Act 093-0500 and after notice to the owner, user or both. In the event the user/owner shall within five (5) working days of the receipt of notice request a hearing before the Board of Trustees, the discontinuation of service or disconnection shall be stayed until the user is given an opportunity to be heard by the Board of Trustees.

All invoices due shall continue to be due, whether or not said sewer is disconnected. No service shall be restored nor sewer shall be reconnected until the District is paid in full all amounts due plus all costs incurred by the District for discontinuation of service or cost of disconnect.

5.11 Failure to Receive an Invoice

Failure of any property owner or user of the works of the system to receive an invoice for sewage treatment user charges shall not be grounds for nonpayment or reason to extend or defer the date upon which payment is due or to avoid the inclusion of penalties. The responsibility for the payment of said user charges rests entirely with the property owner and user of the system.

5.12 Falsifying Information

Any user who knowingly makes any false statement, representation or certification in any application, record, report, plan or other document filed or required to be filed pursuant to this Ordinance, or who falsifies, tampers with or knowingly renders inaccurate any monitoring device or method under this Ordinance, shall, upon conviction be punished by the imposition of a civil penalty of not more than \$1,000 or by imprisonment for not more than six (6) months. A separate violation shall be deemed to have occurred on every day in which a violation occurs or continues.

REVENUES AND ACCOUNTS

Chapter 6

6.01 Deposit of Funds

The following deposit of funds shall apply for this Ordinance.

All moneys received from the user charge system shall be delivered to the Treasurer or the Treasurer's authorized representative within the time interval prescribed by the Board of Trustees. The Treasurer or the authorized representative shall, upon receipt of said funds, deposit said funds in the General Operating Account within the time interval prescribed by the Board of Trustees. Funds to cover the equipment replacement and existing facility improvement costs shall be transferred to the Capital Improvement Account. The portion of the Sanitary collection sewer charges intended to cover replacement costs shall be transferred to the Capital Improvement Account. Funds to cover the debt service shall be transferred to a separate account.

All such revenues and moneys shall be held by the Treasurer separate and apart from the Treasurer's private funds.

6.02 Accounts

The District shall establish a system of accounts in accordance with generally accepted accounting principles in which all transactions relative to the user charge system shall be kept. At regular annual intervals the District shall have an independent auditing concern audit the books to show the receipts and disbursements of the District.

6.03 Access to Records

The Illinois Environmental Protection Agency or its authorized representative shall have access to any books, documents, papers and records of the District which are applicable to the District's system of

user charges for the purpose of making audit, examination, excerpts and transcriptions thereof to ensure compliance with the terms of any grants issued by the Illinois Environmental Protection Agency.

The general public shall have access to the District's user charge records as required by the "Illinois Freedom of Information Act".

Chapter 7

7.01 User Charge Rate Amendments

The Board of Trustees shall be empowered at any time at their discretion, as it is deemed necessary, to amend the terms of this Ordinance and to increase the individual charges to provide additional revenue to defer costs not known or anticipated at the time of preparation of the latest estimate of anticipated costs, except, however, if at such time the Board has determined that funds allocated in the latest estimate of anticipated costs will not be expended for items originally intended, either in full or in part, the unexpended funds may be allocated to the new or increased cost to the extent possible before increasing the charges heretofore established. Amendments to this Ordinance and to user rates shall be effective in the next month after their adoption and publication as required by law.

7.02 Reference Statutes

- a) "Sanitary District Act of 1917" (Illinois Compiled Statutes, Chapter 70, Section 2405).
- b) "Sanitary District Act of 1941", Section II (Illinois Compiled Statutes, Chapter 70, Section 3010).
- c) "Environmental Protection Act", Title XIII (Illinois Compiled Statutes, Chapter 415, Section 5/46).

7.03 Severability

If any provision, paragraph, word, section or chapter of this Ordinance is invalidated by any court of competent jurisdiction, the remaining provisions, paragraphs, words, sections and chapters shall not be affected and shall continue in full force and effect.

7.04 Conflict

All other ordinances and parts of other ordinances inconsistent or conflicting with any part of this Ordinance are hereby repealed to the extent of such inconsistency or conflict; provided, however, that the foregoing repeal shall have no effect on the right of the District to collect any sum due and unpaid under any prior ordinance.

7.05 Effective Date

This Ordinance shall be in full force and effect from and after its passage, approval and publication as required by law.

Thomas E. Brabec, President

ATTEST:

David M. Zerante, Clerk

Passed: 5/18/07

Approved: 5/18/07

Published: 5/24/06

Effective: 6/04/07