

ORDINANCE NO. 1074 (2025/2026)

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF NEVADA, IOWA, 2006, BY AMENDING PROVISIONS PERTAINING TO SEWER USE CHARGES (CHAPTER 99)

BE IT ENACTED by the City Council of the City of Nevada, Iowa:

SECTION 1. SECTION MODIFIED. Chapter 99 (Sewer Use Charges of the Code of Ordinances of the City of Nevada, Iowa, 2006, is amended to read as follows:

CHAPTER 99: SEWER USE CHARGES

99.01 PURPOSE.

It is determined and declared to be necessary and conducive to the protection of the public health, safety, welfare and convenience of the City to collect charges from all users. The proceeds of such charges so derived will be used for the purpose of operating, maintaining and retiring the debt for such public wastewater treatment works.

99.02 DEFINITIONS. For use in this chapter, the following terms are defined:

1. "BOD" (denoting Biological Oxygen Demand) means the quantity of oxygen utilized in the biochemical oxidation of organic matter under standard laboratory procedure in five (5) days at twenty degrees (20°) C, expressed in milligrams per liter or parts per million.
2. "COD" (denoting Chemical Oxygen Demand) means the amount of the oxidant consumed is experimentally measured to calculate the equivalent amount of oxygen required by the wastewater for the degradation of the pollutants.
3. City of Nevada Industrial and Commercial Pretreatment Manual This manual sets forth uniform requirements for Users of the Publicly Owned Treatment Works for the City of Nevada [the City] and enables the City to comply with all applicable State and Federal laws, including the Clean Water Act (33 United States Code [U.S.C.] section 1251 et seq.) and the General Pretreatment Regulations (Title 40 of the Code of Federal Regulations [CFR] Part 403).
4. "Service Charges" are for debt retirement of any existing or future bonded indebtedness which include a minimum monthly charge and a usage charge per 1000 gallon.
5. "Normal domestic wastewater" means wastewater that has a BOD₅ concentration of not more than 200 mg/l, a total suspended solids concentration of not more than 200 mg/l and an ammonia nitrogen concentration of not more than 35 mg/l.
6. "Operation and maintenance" mean all expenditures during the useful life of the wastewater treatment works for materials, labor, utilities and other items which are necessary for managing and maintaining the sewage works to achieve the capacity and performance for which such works were designed and constructed.
7. "Penalty Charge" means those charges assessed a major contributing industry when violations of a Participant's Capacity per the NPDES Permit through the City's permit are billed. These are in addition to any surcharges that have been assessed.
8. "pH" = -log[H⁺]: where [H⁺] denotes the molar hydrogen ion concentration
9. "Replacement" means expenditures for obtaining and installing equipment, accessories or appurtenances which are necessary during the useful life of the treatment works to maintain the capacity and performance for which such works were designed and constructed. The term "operation and maintenance" includes replacement.
10. "Residential contributor" means any contributor to the City's treatment works whose lot, parcel of real estate or building is used for domestic dwelling purposes only.
11. "Surcharges" are assessed for discharges of a monitored contributors Industrial Waste with concentrations in excess of normal domestic strength sewage and represents the cost of treatment of the load.

12. "TKN" means the Total Kjeldahl Nitrogen is the sum of the organic nitrogen and ammonia nitrogen. concentration expressed in mg/l as determined using EPA approved methods.

13. Total Nitrogen (TN) The sum of the TKN, Nitrate and Nitrite in the sample using EPA approved methods.

14. Total Phosphorous (TP) total phosphorus is the sum of all the forms of phosphorus in the sample: orthophosphate, condensed phosphate, and organic phosphate using EPA approved methods.

15. "Total Suspended Solids (TSS)" A well-mixed sample is filtered through a weighed standard glass-fiber filter and the residue retained on the filter is dried to a constant weight at 103 to 105°C. The increase in weight of the filter represents the total suspended solids using EPA approved methods.

16. "Treatment works" means any devices and systems used for the storage, treatment, recycling and reclamation of municipal sewage, domestic sewage or liquid industrial wastes. These include intercepting sewers, outfall sewers, sewage collection systems, individual systems, pumping, power and other equipment and their appurtenances; extensions, improvement, remodeling, additions and alterations thereof; elements essential to provide a reliable recycled supply such as standby treatment units and clear well facilities; and any works, including site acquisition of the land, that will be an integral part of the treatment process or used for ultimate disposal of residues resulting from such treatment (including land used for composting sludge, temporary storage of such compost, and land used for the storage of treated wastewater in land treatment systems before land application); or any other method or system for preventing, abating, reducing, storing, treating, separating or disposing of municipal waste or industrial waste, including waste in combined storm water and sanitary sewer systems.

17. "Useful life" means the estimated period during which a treatment works will be operated.

18. "User charge" means that portion of the total wastewater service charge which is levied in a proportional and adequate manner for the cost of operation, maintenance and replacement of the treatment works.

19. "Water meter" means a water volume measuring and recording device, furnished and/or installed by the City or furnished and/or installed by a user and approved by the City, as further defined in Chapter 90 through 92 of this Code of Ordinances.

99.03 ANNUAL REVENUE REQUIRED. The user charge system shall generate adequate annual revenues to pay costs of annual operation and maintenance including replacement and costs associated with debt retirement of bonded capital associated with financing the treatment works which the City may by ordinance designate to be paid by the user charge system. That portion of the total user charge which is designated for operation and maintenance including repair, expansion or replacement of the collection system, pumping stations and treatment works shall be established by this chapter.

99.04 WATER METERS. Each user shall pay for the services provided by the City based on said user's use of the treatment works as determined by water meters acceptable to the City, and as further defined in Chapter 90 through 92 of this Code of Ordinances.

99.05 CHARGES BASED ON USAGE. For residential contributors, monthly user charges will be based on actual water usage for that month as evidenced by meter readings. For industrial and commercial contributors, user charges shall be based on water used during the current month. If a commercial or industrial contributor has a consumptive use of water, or in some other manner uses water at the contributor's expense, and in a manner acceptable to the City.

99.06 DOMESTIC, COMMERCIAL AND INDUSTRIAL CLASSIFICATION SYSTEM. The City of Nevada evaluates sewer use charges for domestic, commercial and industrial dischargers based on a flow charge that includes the treatment of: Flow, BOD, COD, TSS, TKN, Total Nitrogen, Total Phosphorous, Oil/Grease and any other requirements based on the City's NPDES permit. The universal flow-based rate is applied to all dischargers. Additional surcharges for excessive discharges of the conventional pollutants listed above are applied through the City's NPDES Treatment Agreements, sewer discharge monitoring and the Commercial-Industrial Classification

System. Sewer use charges will address the discharges as to the type of discharge and with uniform surcharge rates for monitored industrial dischargers. Classifications will be: Residential: Single family domestic sewage discharger; Commercial; Industrial; Industrial-Monitored.

99.07 CLASSIFICATION DEFINITIONS. The universal flow-based rate is applied to all dischargers to the City of Nevada Wastewater Treatment Facility. Additional surcharges for excessive discharges of the conventional pollutants listed are applied through the City's NPDES Treatment Agreements, sewer discharge monitoring and the Commercial-Industrial Classification System

2. Industrial-Monitored: An industrial discharger that:

A. Monitors and records the flow from their discharge to the sanitary sewer with a Flow Paced or Time Paced Sampler and pH Recording Sampler five (5) days a week.

B. Determines the concentration of the following conventional pollutants utilizing the approved methods in 40 CFR part 136 and under the requirements of the Sufficiently Sensitive Method requirements in 40 CFR part 122.44. BOD, COD, CBOD, TSS, TKN, Total Nitrogen, Total Phosphorous, Total Oil and Grease (HEM), and Silica Gel Treated Oil and Grease (HEM-SGT).

C. Determines the concentration of the following inorganic and organic pollutants utilizing the approved methods in 40 CFR part 136 under the requirements of the Sufficiently Sensitive Method requirements in 40 CFR part 122.44. 40 CFR Part 503 Sludge Metals, 40 CFR Part 433 Categorical Pollutants, Other Pollutants of Concern Determined by the City of Nevada.

99.08 USER CHARGES. User charge means that portion of the total wastewater service charge which is levied in a proportional and adequate manner for the cost of operation, maintenance and replacement of the treatment works.

1. Minimum User Charge. The minimum User Charge per month per account shall be:

METER READING DATE	MONTHLY USER FEE
June, 2024 All Users	\$20.00
June, 2025 All Users	\$ 20.00
December, 2025 All Users	\$8.90
June, 2026 All Users	\$9.17

*A 3% annual increase shall apply to the monthly User Charge starting June, 2027 and each year thereafter.

2. Quantity User Charge. In addition to the minimum monthly charge, each contributor shall pay a User Charge rate per 1000 gallons for operation and maintenance (including replacement), or construction of reasonable and necessary improvements:

METER READING DATE	USER CHARGE PER 1000 GALLONS OR PRO RATA PART THEREOF
June, 2022	\$6.26
December, 2022	\$10.00 Ord 1030
December 2025	\$6.05
June 2026	\$6.23
June 2027	\$6.42

*A 3% annual increase shall apply to the monthly User Charge starting June, 2028 and each year thereafter.

99.09 SERVICE CHARGE

In addition to the above two User Charges, each user shall be assessed an additional Service Charge per month for payment of debt retirement of any existing or future bonded indebtedness. Service Charges will replace the previous Sewer Construction Charge. Service Charges not applicable to any user who contributes upfront toward the debt or has an agreement in place for their cost share of the City's debt service.

1. Minimum Service Charge. Except for industries which have an agreement to establish separate debt repayment obligations, the minimum Service Charge per month per account shall be:

METER READING DATE	MONTHLY SERVICE FEE
Dec, 2025 All Users, excluding all Burke Marketing Corp. accts	\$19.25
Burke Marketing Corp, (1 acct only) From Effective Date of Allocated Capacity Agreement for Wastewater Services:	**Pursuant to Schedule G of the Allocated Capacity Agreement for Wastewater Services:
Year 1	\$94,211.65
Year 2-20	\$162,235.07

*Rates shall be adjusted annually if necessary for any fluctuation in bond payment schedules.

**Burke rate shall be adjusted based on Final Cost of wastewater facility construction.

2. Quantity Service Charge. Except for industries which have an agreement to establish separate debt repayment obligations, in addition to the Service Charge minimum monthly charge, each contributor shall pay a Quantity Service Charge rate for debt retirement of any existing or future bonded indebtedness:

METER READING DATE	SERVICE CHARGE PER 1000 GALLONS OR PRO RATA PART THEREOF
December, 2025, excluding all Burke Marketing Corporation accounts	\$6.10

*Rates shall be adjusted for any fluctuation in bond payment schedules.

In addition, each monitored Industrial contributor will be charged a \$100.00 per month Billing Fee in recognition of the additional administrative costs associated with the billing of monitored Industrial contributors.

99.10 SURCHARGE. A Surcharge for discharge of Industrial Waste with concentrations in excess of normal domestic strength sewage and represents the cost of treatment of the load. For those monitored contributors who contribute wastewater the strength of which is greater than the limits set out below, a surcharge in addition to the normal user charge will be collected. The surcharge for operation and maintenance including replacement is:

1. Biological Oxygen Demand (BOD) per pound over 200 mg/l

July 2025	July 2026	July 2027
0.472	0.501	0.516

*A 3% annual increase shall apply to the surcharge starting July 2028 and each year thereafter.

**BOD surcharges shall apply to all Burke Marketing Corporation accounts.

OR

Chemical Oxygen Demand (COD) per pound over 360 mg/l

July 2025	July 2026	July 2027
0.262	0.270	0.278

* A 3% annual increase shall apply to the surcharge starting July 2028 and each year thereafter.

2. Total Suspended Solids (TSS) per pound in excess of 200 mg/l

July 2025	July 2026	July 2027
\$1.12	1.15	1.19

* A 3% annual increase shall apply to the surcharge starting July 2028 and each year thereafter.

3. Total Kjeldahl Nitrogen (TKN) per pound in excess of 35 mg/l

July 2025	July 2026	July 2027
\$1.50	1.55	1.59

* A 3% annual increase shall apply to the surcharge starting July 2028 and each year thereafter.

4. Total Phosphorous Surcharge per pound in excess of 30 mg/l

July 2025	July 2026	July 2027
\$1.00	1.03	1.06

* A 3% annual increase shall apply to the surcharge starting July 2028 and each year thereafter.

5. Oil and Grease:

- A. \$.50 per pound in excess of 100 mg/l and an additional
- B. \$1.00 per pound in excess of 200 mg/l

99.11 PENALTY CHARGE. Major Contributing Industry Violations. The following Penalty Charges shall be assessed for exceeding Daily or Monthly Average flows and/or loads for any Participant's Capacity per a NPDES Permit through the City's Permit and are billed in addition to surcharges. In addition, any violations of a specified pollutant. Such Penalty Charges are set forth in addition to Surcharges.

CONSECUTIVE DAILY OCCURRENCE (determined based on number of consecutive sampling days with a daily maximum violation):

- 1. First Day: $\$250.00 \times (\text{actual/pollutant limit})$
 Example: Actual BOD is 680 pounds per day, limit is 500 pounds per day. Fine would be: $\$250.00 \times (680/500) = \340.00
- 2. Second Day: $\$500.00 \times (\text{actual/pollutant limit})$
- 3. Third Day: $\$750.00 \times (\text{actual/pollutant limit})$
- 4. Fourth and additional Days: $\$1,000.00 \times (\text{actual/pollutant limit})$

**Consecutive sampling days shall be based on a 3-day cycle. If there are 2 clean sampling days after a violation, the penalty charge restarts at the First Day. *In addition, if Treatment Agreement violations by a major contributing industry cause permit violations by the City, the industry will be responsible for costs incurred by the City.*

CONSECUTIVE MONTHLY AVERAGE OCCURRENCE (determined based on number of consecutive months with a monthly average violation):

- 1. First Month: $\$1,000 \times (\text{actual/pollutant limit})$ (if there has been a violation of the specified pollutant in the last 12 months)
 *Example: Actual BOD is 680 pounds per day, limit is 500 pounds per day. Fine would be: $\$1,000 \times (680/500) = \$1,360.00$
- 2. Second Month: $\$2,000.00 \times (\text{actual/pollutant limit})$
- 3. Third Month: $\$3,000.00 \times (\text{actual/pollutant limit})$
- 4. Fourth and additional Month: $\$4,000.00 \times (\text{actual/pollutant limit})$

**Consecutive monthly violations shall be based on a 3-month cycle. If there are 2 months without a penalty following a violation, the penalty charge restarts at the First Month.*

**In addition, if Treatment Agreement violations by a major contributing industry cause permit violations by the City, the industry will be responsible for costs incurred by the City.*

99.12. CUSTOMER SEWER DEPOSITS. Customer sewer deposits, waivers and additional deposits shall be as set forth in this section.

- 1. Before sewer service is provided to any customer, a deposit is required to the City Clerk equal to three months' average use based on past usage during the most recent period of continuous occupancy, but not less than seventy-five dollars (\$75.00). The deposit may be refunded or credited to the customer's account after a period of twenty-four (24) months during which time not more than one late payment penalty has been assessed.
- 2. The deposit requirement may be waived by the City Administrator if the customer is the owner of property upon which the sewer service is located and the customer has previously established a record of prompt payment of sewer bills due the City.
- 3. Any customer who does not presently have a deposit on file, or in cases where a deposit is on file with the City, and who has been assessed more than two (2) late

penalties within a twelve (12) month period, shall be required to pay a deposit in an amount equal to three months average use based on past usage during the most recent period of continuous occupancy, but not less than \$75.00. In these cases, a "Notice of Required Deposit" shall be mailed by ordinary U.S. mail to the customer. In addition to notifying the customer that they must remit the deposit and the reason for its requirement, the Notice shall also state that if the deposit is not paid within 30 days from the date of the Notice, the sewer service may be discontinued. Any deposit required under this subsection may be refunded or credited to the customer's account after a period of twenty-four (24) months during which time not more than one late payment penalty has been assessed.

4. In cases where a deposit is on file with the City, but the customer has been assessed two (2) or more late payment penalties within a twelve (12) month period, the City may, in its sole discretion, require an additional deposit of \$75.00 in addition to the existing deposit. However, the total deposit shall not exceed an amount that is equal to three months' average use based on past usage during the most recent period of continuous occupancy. In these cases, a "Notices of Additional Deposit" shall be mailed by ordinary U.S. mail to the customer. In addition to notifying the customer that they must remit the additional deposit and the reason for its requirement, the Notice shall also state that if the additional deposit is not paid within 30 days from the date of the Notice, sewer service may be disconnected pursuant to the same procedures in section 92.06 of this Code. Any deposit required under this subsection may be refunded or credited to the customer's account after a period of twenty-four (24) months during which time not more than one late payment penalty has been assessed.

5. The Wastewater Superintendent is authorized to terminate sewer service to any customer who does not timely remit the deposit or additional deposit set forth in this section.

6. Service Fee. A Monthly Service Fee may be added to any customer that requires a special meter read.

99.13 RECOVERY OF INCREASED TREATMENT COSTS.

Any user which discharges any toxic pollutants which cause an increase in the cost of managing the effluent or the sludge from the City's treatment works or any user which discharges any substance which singly or by interaction with other substances causes treatment works shall pay for such increased costs. The charge to each such user shall be as determined by the responsible plant operating personnel and approved by the Council.

99.14 UTILITY BILL ADJUSTMENT POLICY. To establish a consistent framework for adjustments to the wastewater portion on a customer's utility bill that is reasonable and bill caused by a leak on the customer's side of the meter or increased usage due to reasons listed in the Utility Bill Adjustment Policy. Customer's may submit a Utility Adjustment Request Form and required documents to the City Administrator's office for consideration.

99.15 APPLICABILITY. All sewer service charges are due and payable under the same terms and conditions provided for payment for a combined service account as contained in Section 92.05 of this Code of Ordinances. Sewer service may be discontinued in accordance with the provisions contained in Section 92.06 if the combined account becomes delinquent, and the provisions contained in Section 92.09 relating to lien notices shall also apply in the event of a delinquent account.

99.16 LIEN FOR NONPAYMENT. Unpaid charges, fines and penalties shall, after thirty (30) calendar days, be assessed an additional penalty of five percent (5%) of the unpaid balance. The owner of the premises served and any lessee or tenant thereof shall be jointly and severally liable for sewer service charges to the premises. Sewer service charges remaining unpaid and delinquent shall constitute a lien upon the premises served and shall be certified to the County Treasurer for collection in the same manner as property taxes. Unless stated otherwise in a binding agreement.

99.17. RATES REVIEWED. The City shall review the user charge system at least annually in accordance with the Financial Policy of the City and revise user charge rates as necessary to ensure that the system generates adequate revenues to pay the costs of operation and maintenance including replacement and any debt retirement of any existing or future bonded indebtedness and that the system

continues to provide for the proportional distribution of operation and maintenance including replacement costs among users and user classes.

99.18 NOTICE TO USERS. The City will notify each user at least annually, in conjunction with a regular bill, of the rate being charged for operation and maintenance including replacement of the treatment works.

99.19 USER CHARGE ORDINANCE. The user charge ordinance shall take precedence over any terms or conditions of agreements or contracts which are inconsistent with the requirements of Section 204(b)(1)(A) of the Federal Clean Water Act and 40 CFR Part 35.2140 per current edition.

SECTION 3. REPEALER. All ordinances or parts of ordinances in conflict with the provisions of this ordinance are hereby repealed.

SECTION 4. SEVERABILITY CLAUSE. If any section, provision or part of this ordinance shall be adjudged invalid or unconstitutional such adjudication shall not affect the validity of the ordinance as a whole or any section, provision or part thereof not adjudged invalid or unconstitutional.

SECTION 5. WHEN EFFECTIVE. This ordinance shall be in effect from and after its final passage, approval and publication as provided by law.

Passed and approved first reading by the Nevada City Council this _ day of _, 2025.

Passed and approved second reading by Nevada City Council this _ day of _, 2025.

Passed and approved third reading by the Nevada City Council this _ day of _, 2025.

_____, Mayor

ATTEST:

Kerin Wright, City Clerk

1st Reading – _

Motion by Council Member __, seconded by Council Member __, to adopt the first reading of Ordinance No. 1074 (2025/2026).

AYES: _

NAYS: _

ABSENT: _

2nd Reading – _

Motion by Council Member __, seconded Council Member by __, to approve the second reading of Ordinance No. 1074 (2025/2026).

AYES: _

NAYS: _

ABSENT: _

3rd Reading –

Motion by Council Member __, seconded by Council Member __, to approve the third reading of Ordinance No. 1074 (2025/2026).

AYES: _

NAYS: _

ABSENT: _

The Mayor declared Ordinance No. 1074 (2025/2026) adopted.

I certify that the foregoing was published as Ordinance No. 1074 (2025/2026) on the _day of __, 2025.

Kerin Wright, City Clerk