

ORDINANCE NO. 8, 2016 SERIES

AN ORDINANCE AMENDING FRANKFORT CODE OF ORDINANCES
CHAPTER 52, SECTION 52.04, PARAGRAPH (A) (1) CHARGES

BE IT ORDAINED BY THE CITY OF FRANKFORT, KENTUCKY, Frankfort Code of Ordinances Section 52.04 Paragraph (A) (1) is hereby amended to read as follows:

- (A) (1) There is hereby established a schedule of rates and charges for the use of and services rendered by the municipal sewer system of the city, which shall be paid by the owner or occupant of each and every lot, parcel of land, building or premises throughout the city discharging sewage, water or other liquid wastes connected with the municipal sewer system. The rates and charges shall be computed and billed monthly and shall be based insofar as possible upon the quantity of water used or supplied each lot, parcel of land, building or premises, as determined by readings of the water meters supplying water thereto, plus any collection fee charged by the collecting water district. The per month charges shall be \$9.33 after July 1, 2014, per 1,000 gallons of water usage, plus any collection fee charged by the collecting water district, with a minimum monthly charge for 2,000 gallons of water usage. On January 1, 2016, a rate increase of two and one-half percent (2.5%) in the per month charge shall be enacted. On January 1, 2017, a rate increase of two and one-half percent (2.5%) in the per month charge shall be enacted. On January 1, 2018, a rate increase of two and one-half percent (2.5%) in the per month charge shall be enacted. On January 1, 2019, a rate increase of two and one-half percent (2.5%) in the per month charge shall be enacted. On January 1, 2020, a rate increase of two and one-half percent (2.5%) in the per month charge shall be enacted. Beginning July 1, 2007 charges shall increase annually at a rate equal to the Consumer Price Index (CPI) for the prior calendar year as published on December 31 of that year with a maximum of 9.99 percent, but in no event shall this annual increase be less than 1.5% per year; increases of 10 percent or greater shall require the approval of the Frankfort Board of Commissioners. In addition, all industrial users shall pay an industrial cost recovery surcharge of \$0.20 per 1,000 gallons of standard strength industrial process wastewater discharged to city sewers. Separate meters shall be maintained at the expense of the industrial user to separately meter sanitary sewage and industrial process wastewater. All sewage from any industrial source, excepting only that which is strictly sanitary sewage is declared to be industrial process wastewater.
- (2) In the event a lot, parcel of land, building or premises discharging sewage, water or other liquid wastes, as aforesaid, uses water supplied on other than a metered basis from either a private or a public water supply, then in each case the owner or occupant may be required to cause a water meter or other measuring device to be installed, acceptable to the city, and the quantity of water used, as measured by such meter, shall determine the sewer rate, rental or charge and, pending installation of the meter, rates, rentals or charges shall be based upon an estimated quantity of water used provided that pending such installation of water meters in private dwellings the sewer rate, rental or charge shall be based on the following usage rates:
- (a) One- or two-bedroom house: 2,000 gallons per month.
 - (b) Three-, four-, five- or six-bedroom house: 4,000 gallons per month.
 - (c) More than six bedrooms: 6,000 gallons per month.
- (3) The rates and charges for sewer services as established by this section, which are based upon water meter readings, shall carry proportionately the same discounts for prompt payment and proportionately the same added charges for past due payments as are presently fixed for water service billings. All charges for sewer services not based on water meter readings shall be due when notice of the amount of the charges is mailed with a penalty of 10% of the amount thereof if not paid within ten days from the mailing, and any bill not paid within 20 days from such mailing shall be classified as delinquent.
- (4) The city shall review not less often than annually the wastewater contribution of users, the total cost of operation, maintenance and replacement of the wastewater works, debt service obligation and user charge rates. Based on the review, the city shall revise, when necessary, the schedule of user charge rates to accomplish the following:
- (a) Maintain an equitable distribution of operation and maintenance and replacement costs among users of the treatment system; and
 - (b) Generate sufficient revenues to offset costs associated with the proper operation and maintenance of the wastewater system and to meet debt service requirements.
- (5) Excessive strength and toxicity surcharges shall be reviewed at the time of and in conjunction with the review of user charges. Surcharge rates shall be revised where necessary to reflect current treatment and monitoring costs.
- (6) Each user shall be notified, at least annually, in conjunction with a regular bill of the rate and that portion of the total charge which is attributable to operation and maintenance and replacement of the wastewater system.
- (7) Refunds may be made for sewer charges in hardship cases, in accordance with the City's sewer adjustment policy. A customer's bill may be credited based upon the Electric and Water Plant Board's determination of water usage.
- (8) The city will allow the use of a separate "agricultural" water meter, if approved by the Electric and Water Plant Board of the City of Frankfort, and will not assess a sewer use charge for the water used by the "agricultural" service.

(B) Special charge or treatment for unusual waste substances.

- (1) In the event the sewage, water or other liquid waste being discharged into the municipal sewer system from any buildings or premises contains unduly high concentrates or any substances which add to the operating costs of the municipal sewer system, then special rates, rentals or charges will be charged and collected as to the building or premises, or the owner or other interested party may be required to specially treat the sewage, water or other liquid wastes before it is discharged into the municipal sewer system.

First Reading on the 23 day of May, 2016.
Final adoption on the 20 day of June, 2016.

S/William I. May, Jr.
T/Mayor

Attest:

S/Chermie Maxwell
T/City Clerk

SUMMARY:

This Ordinance provides that the annual increases in the sewer rates based upon the consumer price index, all urban consumers, shall not be less than 1.5% per year.

S/Robert C. Moore
T/City Solicitor

Published in full July 3, 2016.

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August 31, 2021

it is hoped that the issues related to the pandemic and the remaining issues stemming from the loss of City servers will be resolved, allowing FSD to resume normal in-person education and outreach activities as well as providing new online resources for this kind of information.

3.4.3. Sewer Use, Industrial Pretreatment and FOG Ordinance Updates

FSD has a well-established SUO that was assembled in the fall of 2007 and approved in April 2008. In recent reporting periods, FSD has prepared modifications to the SUO to provide appropriate fines for illicit discharges by both industrial customers and residential customers. The City Solicitor developed escalation procedures for customers in the SSS who refuse to comply with inspection requirements. These modifications were finalized in the 2016-2017 reporting period and were approved by the City Commission. Once these modifications were made to the SUO, the SUO Communications Plan was updated to include the SUO enforcement changes related to I&I coming from private properties.

It was anticipated that the Private Property I&I Program would begin 2019-2020 reporting period, however, hiring and inspector for this project has been temporarily postponed due to the COVID-19 pandemic and social distancing requirements. Inspectors will be required to closely interact with residents and will need to enter the residences from time-to-time. In the meantime, related data is being collected in the IMS in advance of the Private Property I&I Removal Program implementation. This project is still considered ongoing and is anticipated to be ongoing for multiple years. FSD intends to prioritize private property compliance in conjunction with system improvements completed by the Department on the public lines FSD is responsible for and based on data collected in the IMS. FSD believes this will foster community trust in the inspection process and rationale for having and enforcing the SUO.

Last reporting period the Industrial Pretreatment Ordinance (IPO) was approved on September 24, 2018 and is currently being enforced. The FOG Program has also been well established for a number of years and FSD continues to proactively inspect high FOG contributors, working with the community to reduce these types of wastes.

3.5. Operations Update

3.5.1. User Rates and Financial Capability Update

On July 1, 2007, FSD implemented an annual rate increase based on the consumer price index. The rate increases occurred on July 1 for a number of years. These rate increases have been:

July 1, 2007	3.2%
July 1, 2008	2.8%
July 1, 2009	3.8%
July 1, 2010	2.5%
July 1, 2011	2.5%
July 1, 2012	3.2%
July 1, 2013	2.5%
July 1, 2014	1.5%
July 1, 2015	1.6%
July 1, 2016	1.5%
July 1, 2017	1.5%

July 1, 2018	2.1%
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Additional rate increases were implemented to fund CIPs. These rates increases have been:

January 1, 2008	12.0%
January 1, 2016	2.5%
January 1, 2017	2.5%
January 1, 2018	2.5%

The last user rate increase was July 1, 2018. It should be noted that in past reports, the July 1, 2018 rate increase was misreported as 1.5% for a total user rate of \$10.68 per 1,000 gallons. This was incorrect but has been corrected this reporting period. The correct rate increase in July 2018 was actually 2.1% resulting in a total user rate of \$10.94 per 1,000 gallons. This remains the user rate to date. The industrial cost recovery surcharge has also remained unchanged this reporting period at 20 cents per 1,000 gallons of water used.

In the 2016/2017 reporting period FSD proposed to extend the compliance deadline for the LTCP project and one of the requests by KDOW in response to the time extension request was to conduct a FCA. This was done during the 2017/2018 reporting period and it was determined that the LTCP is a high financial burden to the community (Appendix 8). It was also determined that a ten year schedule extension would benefit residents but minimize the impact on LTCP Projects. Even with a ten year extension, the 85% capture threshold in the CSO control policy (the Presumptive Approach) was expected to be exceeded by original deadline of 2023 when the time extension request was made. This reporting period it was demonstrated by preliminary modeling results that this threshold has now been achieved. The results of the FCA were presented to KDOW in the 2017/2018 reporting period and the modeling results of efforts undertaken during this reporting period, are discussed in the next section, 3.5.2 Monitoring and Modeling Update.

As always, FSD explores ways to save utility funds and reduce energy consumption in an effort to use rate payer funds in the most beneficial, fiscally conservative way possible. LED bulbs are used for lighting in all FSD facilities to reduce energy usage by the Department and pump station elimination projects are considered more desirable than pump station replacement or upgrade projects. This reporting period one pump station elimination and two pump station consolidation projects are in design, resulting in the removal of five pump stations from the system by providing gravity flow instead. These efforts will not only reduce energy usage and power costs but will also reduce pump station labor and O&M costs.

3.5.2. Monitoring and Modeling Update

In November 2003, FSD began analyzing samples for fecal coliform on a monthly basis, to establish the baseline water quality conditions in the Kentucky River. This monitoring has continued to date. In addition to baseline water quality monitoring, FSD developed a sampling protocol to determine the impact of CSOs on the Kentucky River and its tributaries. The sampling protocol involves sampling both dry and wet weather conditions at locations along the Kentucky River and its tributaries. Using the baseline data and the CSO water quality sampling, FSD can determine the true impact of efforts on CSOs and receiving water quality (not just flow reductions).