

CITY OF DIAMOND CITY, ARKANSAS

ORDINANCE NUMBER 03-11

AN ORDINANCE BY THE CITY COUNCIL OF DIAMOND CITY, BOONE COUNTY, ARKANSAS TO ESTABLISH THE RATES CHARGED TO CUSTOMERS OF THE DIAMOND CITY, BOONE COUNTY, ARKANSAS WATER SYSTEM AND TO ESTABLISH REGULATIONS FOR THE COLLECTION OF THOSE RATES AND OPERATION OF THE WATER SYSTEM OF THE CITY OF DIAMOND CITY, ARKANSAS AND DECLARING AN EMERGENCY.

*Amended
by 9-11
11-19-11
Amended
06-2012
06-2015
10-2015*

WHEREAS, the City of Diamond City enters into a signed contract with the citizens of Diamond City for the city to provide water services for a monthly fee; and

WHEREAS, the City of Diamond City, Arkansas is responsible for determining reasonable water rates to ensure that the City has the resources to meets its loan obligations and provide for the efficient operation of the system; and

WHEREAS, to establish the base residential and commercial water rates and to meet the obligations of the city of Diamond City to evaluate the need for a yearly rate increase for water services to ensure the solvency of the system; and

WHEREAS, The City of Diamond City must have established regulations on the collection of water service related fees;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF DIAMOND CITY:

SECTION I: DEFINITIONS

1. Billing Cycle – The dates that payments by customers are due in the Water Department.
2. CBA Check - Closed Bank Account. CBA is an account at any banking institution that has been closed out with no funds in the account.
3. Connection Fee – The fee required to provide a new connection to the Diamond City Water system
4. Downstream Meter – A meter independent of any other meter that is used to gage water usage that is not processed through the regular sewage system. This meter most likely will be attached to an outside faucet.
5. Late Fees – A fee charged to customers who do not pay their bill by the 15th of the month deadline.
6. Legal Residence – A residence that has both proper sewage connections and proper water connections before being inhabited.
7. Meter Deposit – The fee paid by homeowners, renters, and commercial businesses on the water meter installed in the system to gage water usage to the location.
8. NSF Check - Non-sufficient Funds check.

9. Reconnect Fee - The fee to restore a previous water connection to the water system.
10. Tapping Fees – A fee paid to provide the initial connection to the water or sewage system.
11. Upstream Meter – The primary water meter to gage the water usage at the accounts primary residential or commercial location.
12. Water System – The City of Diamond City Water System

SECTION II

1. None of the facilities or services afforded by the system shall be furnished without charges being assessed.

SECTION III: GENERAL PROVISIONS

1. The operation of the water system shall be on a fully metered connection and there shall be but one user on a water connection with one user on a single meter. The primary water meter used on any account will be termed the Upstream Water meter. A secondary water meter, portable and independent of the primary, that is used to gage water usage not run through the sewage system will be termed the Downstream Meter.
2. **NO RESIDENCE IN DIAMOND CITY MAY BE INHABITED UNTIL A PROPER SEWERAGE CONNECTION IS ESTABLISHED AND A LEGAL AND PROPER WATER CONNECTION HAS BEEN MADE. IF A PERSON INHABITS A RESIDENCE WITHOUT THESE PROPER CONNECTIONS THEY WILL, AFTER (15) FIFTEEN DAYS, BE FINED ONE HUNDRED DOLLARS (\$100). IF AFTER (15) FIFTEEN DAYS THEY HAVE NOT INSTITUTED THE PROPER CONNECTIONS THEY WILL BE FINED AT A RATE OF TWENTY-FIVE DOLLARS (\$25) PER DAY UNTIL PROPER CONNECTIONS ARE MADE. IF AFTER (45) FORTY-FIVE DAYS THE PROPER CONNECTIONS HAVE NOT BEEN MADE, THE CITY OF DIAMOND CITY SHALL TAKE APPROPRIATE LEGAL ACTION TO HAVE THE PERSONS REMOVED FROM THE RESIDENCE.**
3. To ensure the proper operation of the water system the Director of Public works, or his/her employees have the discretion to make a determination as to whether the water to a structure should be shut off where they determine a water leak has occurred. The City representative can make a determination, according to the amount of water being leaked as to whether the water will be shut off immediately or whether they make an effort to contact a property owner/renter before shutting off the water.
4. In either situation, the Public Works employees will make every effort to notify the property owner/renter of the leak. If during business hours Public Works employees will notify City Hall of the situation and the Water Department employees will assist the Public Works employees in notifying the property owner/renter. If the property owner/renter cannot be found and notified then the Public Works employees will ensure that written notification is attached to the front door of the structure giving contact information of Public Works.

5. To ensure the safety and sanitary condition of the structure there **MUST** be a proper sewage system installed and fully functional according to Diamond City Ordinance 88-88 before water connections to a residence will be considered.
6. If the City of Diamond City Public Works director, or his/her employees determine that a structure has a malfunctioning sewage system the Director of Public Works or employees will immediately cause the water service to the structure to be turned off or a new connection denied so that no sewage will be generated. No water service to the structure will be restarted until the sewage system is returned to proper working order and has been inspected and approved by the Director of Public Works.
7. Public Works employees will make every effort to notify the property owner/renter of the malfunctioning sewage system. If during business hours Public Works employees will notify City Hall of the situation and the Water Department employees will assist the Public Works employees in notifying the property owner/renter. If the property owner/renter cannot be found and notified then the Public Works employees will ensure that written notification is attached to the front door of the structure giving the contact information of Public Works.

SECTION IV: METER DEPOSITS

1. The following will be the water meter deposit rates paid to the water system before an upstream meter will be installed or unlocked for an account. The city will retain the deposit for five (5) years and then be refunded except for renters. Renter's deposits will be refunded upon the account being closed and the final bill being paid from the deposit if necessary.
 - a. One hundred dollars (\$100) for homeowners
 - b. One hundred dollars (\$100) for commercial accounts
 - c. One hundred fifty dollars (\$150) for renters (Refunded on Closure of Account)
2. If the account is closed prior to the five (5) year period the deposit will be used to pay any outstanding account balance. If there is any remainder of the deposit once the account has been paid in full it will be refunded to the customer.
3. The Diamond City Water Department offers a meter that is called a Downstream Meter. This meter may be used for lawn, garden, flowerbed etc. watering. This meter is portable and may be hooked to an outside faucet. The Customer's main account is automatically adjusted so that the customer is not charged sewage on the water that is used.
4. There is a one time deposit for a Downstream Water Meter of \$30.00. The deposit is refundable when the customer closes the Downstream Meter account and the meter is returned to the City of Diamond City. Customers may keep and store the meter during the winter months to avoid having to open an account each spring and pay the new account fees.

SECTION V: CONNECTION FEES

1. The connection fee for a new Upstream water service will be fifty dollars (\$50) for all accounts. This fee must be paid prior to a meter being installed or unlocked for an account and is not refundable.
2. The connection fee for a Downstream meter will be twenty dollars (\$20.00) dollars. This fee must be paid prior to a meter being given to a customer and is not refundable.

SECTION VI: RECONNECTION FEES

- 1. In the event water service has been disconnected due to non-payment of a bill the gross amount due plus a reconnection fee of forty-five dollars \$45.00 shall be paid before reconnection. If the bill is more than (30) thirty days delinquent, there will be an additional \$50.00 deposit required before service is reconnected. In the event the water service has been disconnected temporarily at the request of the customer who is in good standing with their water account, a fee of \$40 (forty dollars) shall be paid before reconnection.

SECTION VII: TAPPING FEES

- 1. There will be a tapping fee in the amount of five hundred dollars (\$500) or the actual cost, whichever is greater paid to the city by the customer for each new connection to the Diamond City Water system. The tapping fee will be paid prior to setting the meter and the customer will enter into a written agreement to pay any remaining required fee(s) before construction can begin.

SECTION VIII: WATER RATES

- 1. The following table will be the rates for service from the Diamond City Water system.

Residential And Commercial Inside The City Limits

| | |
|-------------------------------|---------|
| First 1,000 Gallons | \$14.50 |
| Remaining (Per 1,000 Gallons) | \$7.50 |

Commercial Rates

| | |
|-------------------------------|---------|
| First 1,000 Gallons | \$14.50 |
| Remaining (Per 1,000 Gallons) | \$7.50 |

Commercial Rates Outside City Limits

| | |
|-------------------------------|---------|
| First 1,000 Gallons | \$19.50 |
| Remaining (Per 1,000 Gallons) | \$7.50 |

Corps. Of Engineers Park

| | |
|-------------------------------|---------|
| First 1000 Gallons | \$14.50 |
| Remaining (Per 1,000 Gallons) | \$7.50 |

- 2. To ensure the future solvency of the Diamond City, Arkansas, Water System, there will be a review of the current water rates to evaluate any needed increases in the month of January of each calendar year beginning with the year 2012. The Diamond City City Council with the recommendation of the Mayor and Recorder/Treasurer will set rate increases.

SECTION IX: MONTHLY BILLS

- 1. All bills for the Diamond City water and sewage services will be mailed to the customers no later than the 1st day of the month. If the 1st day of the month should fall on a Saturday or a Sunday

then the bills will be mailed on the Friday before the 1st of the month. All late notices of unpaid bills will be mailed by the close of business on the 15th. If the 15th day of the month should fall on a Saturday or a Sunday then the bills will be mailed on the Friday before the 15th of the month.

2. All bills will be paid in the net due amount no later than 2:00 PM on the 15th day of the month. If the 15th day of the month should fall on a Saturday or a Sunday then the bill will be due by 2:00 PM on the Friday before the 15th of the month.
3. If the bill is not paid by the deadline as described above then a ten percent (10%) penalty will be added to the bills net amount due. If the bill is not paid by the tenth (10th) day after the due date, or if the customer has not made satisfactory arrangements for payment the water service will be disconnected without further notice.

SECTION X: NON-PAYMENT OF AMOUNT OWED

1. All due amounts are to be paid according the **SECTION IX** above. Customers who have neglected to pay their bill in a timely manner and allow the charges to accumulate and move from the location the account is for will have the service disconnected immediately. If the customer returns to Diamond City and tries to open a new account with an outstanding balance in an old account he/she will not be able to do so until the previous account is settled in full and all fees are paid in cash to open the new account. If this should occur on a second occasion then the customer will be banned hereafter from opening an account in the city of Diamond City.
2. If an account has been determined to be uncollectible and has been “written off” by resolution or ordinance the account holder will be permanently barred from opening a water account in the city of Diamond City in their name.

SECTION XI: NSF CHECKS AND CBA

1. Upon receipt of a NSF check or a CBA check, the City of Diamond City Water Department will immediately attempt to make contact with the issuer of the check by telephone to advise the issuer of the receipt of the check and the steps that need to be taken to resolve the issue.
2. If telephone contact cannot be made at that time the Water Department may request that the personnel from Diamond City Public Works or the Diamond City Police Department go to the service address to attempt to make contact with the issuer of the check or a responsible adult at the service address.
3. If personal contact cannot be made on the date of receipt of the NSF Check or CBA check, the next business day another attempt will be made to contact the issuer of the check. If contact cannot be made the next business day, the Water Department will cause the water service to the service address to be shut off and the water meter will immediately be locked out.
4. To resolve the issue of the NSF check or a CBA check the issuer will do the following:
 - A. Once notified the issuer of the check will have 3 (three) business days to resolve the payment that is in error.
 - B. A fee of \$25.00 (twenty-five dollars) will be charged in addition to any other charges for the NSF check or the CBA check. If the issue has not been resolved according to

Paragraph 4 subsection A, then a fee of \$5 (five dollars) will be assessed per day beginning on the fourth business day.

5. If applicable, any late charges at the rate of 10% of the outstanding bill will be added to the bill if warranted.
6. If the NSF check or CBA check and any additional charges are not paid within 3 (three) business day after notification then the water service will be cut off and the water meter will be locked out.
7. Once all of the outstanding charges have been satisfied a reconnection fee of \$50.00 (fifty dollars) must be paid to restore water service to the service address.
8. All charges resulting from the NSF or CBA (the outstanding bill amount, service charge, and re-connection fee) **MUST** be paid in cash.
9. After the second instance of a NSF or CBA check the Diamond City Water Department **WILL NOT** accept a check for payment of water, sewage, and sanitation services from the issuer. The only form of payment that will be accepted will be cash or money order for future services.

SECTION XII: SEVERABILITY

1. This ordinance and the various parts thereof are hereby declared to be severable. Should any section or subsection be declared by the courts to be unconstitutional or invalid, such decision shall not affect the ordinance as a whole, or any portion thereof other the section or subsection to be declared unconstitutional or invalid.
2. This ordinance repeals the following ordinances: 7-03 An Ordinance to Establish the Rates Charged to Customers of the Diamond City, Boone County, Arkansas Water System; 5-07 An Ordinance Amending Ordinance 7-03 Establishing Water Rates; 2-08 An Ordinance Amending Ordinance 5-07 Establishing Water Rates and 5-07 Establishing Refunds.

SECTION VIII: EMERGENCY CLAUSE

1. It is hereby found that the establishment of rates and charges for the water system of the City of Diamond City along with the establishment of reasonable regulations thereof critical for the safe orderly operation of the water system. Therefore an emergency is hereby declared to exist and in order to preserve the health, welfare, and safety of the citizens of Diamond City, the provisions hereof have immediate effect and therefore this ordinance shall be in full force and effect from and after its passage.

Approved and adopted by roll call vote as follows this 14th day of April 2011. This Ordinance shall be known as Ordinance 03-11.

Ayes 6 Nays 0 Abstentions 0 Absent 1

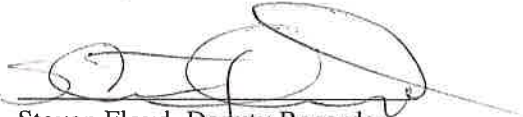
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|---------------|------------------------|--------|
| Councilperson | Sally Allen | Yes |
| Councilperson | Barbara Lucas | Yes |
| Councilperson | Ed Umek | Yes |
| Councilperson | Donna Reeves | Yes |
| Councilperson | Coetta Andrews-Davison | absent |

Councilperson Don West


Yes

ATTEST:

APPROVED:



Steven Floyd, Deputy Recorder



Shari L. Marshall, Mayor


PROOF OF POSTING OF ORDINANCE

STATE OF ARKANSAS

COUNTY OF BOONE

We, Shari Marshall and Cheryl Guthrie, do solemnly swear that as Mayor and City Recorder/Treasurer, respectively, of and for the City of Diamond City, Boone County, Arkansas, that a certified copy of Ordinance No. 03 – 11 was, on the 14th day of April, 2011, duly posted in five separate and distinct places inside the corporate limits of the Town in accordance with Ordinance No. 03 – 10 of the City, and that Ordinance No. 03 - 11 remain posted for thirty (30) days.

Dated this 14th day of May, 2011.



Cheryl Guthrie, City Recorder/Treasurer



Shari Marshall, Mayor