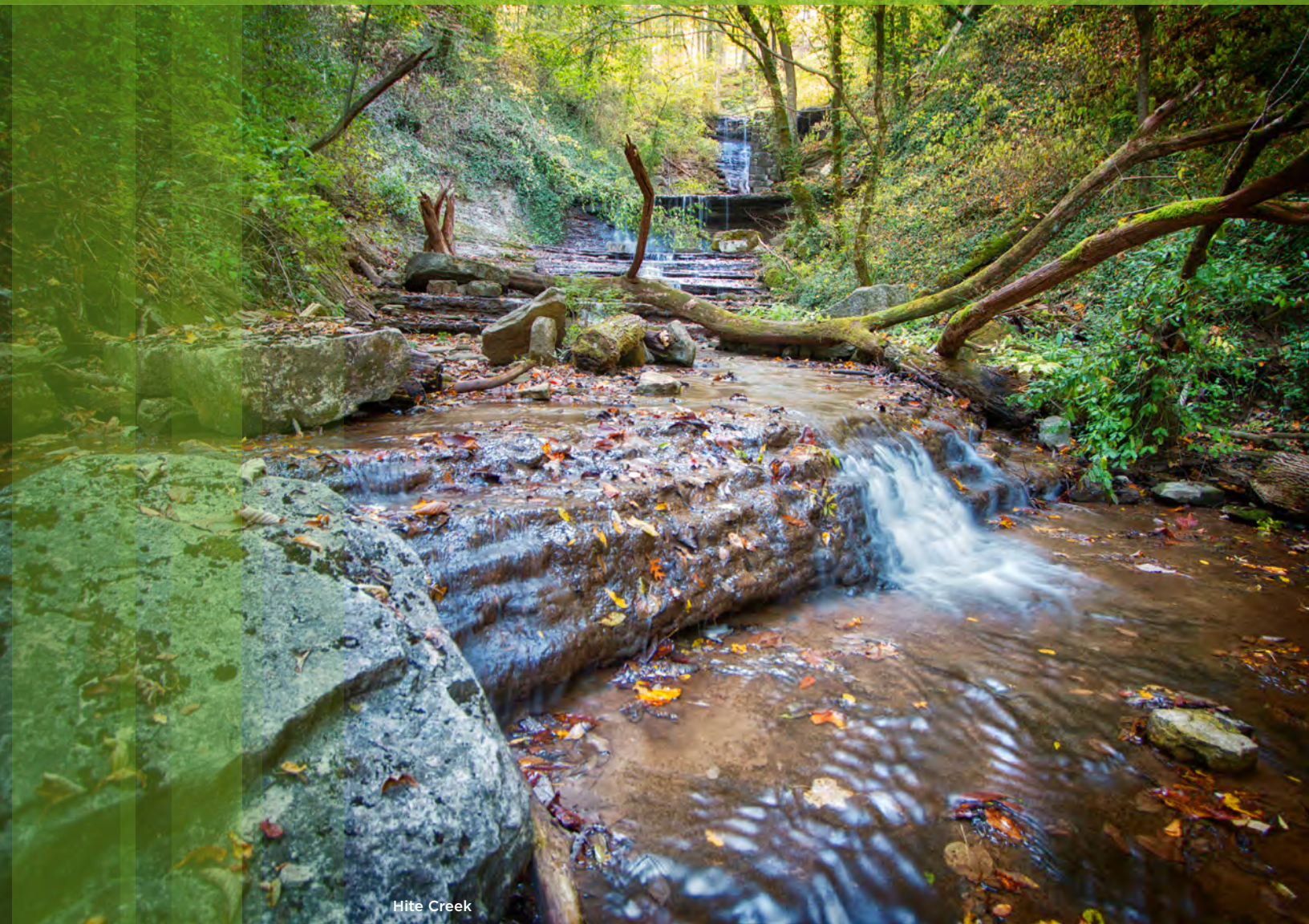




Rates, Rentals and Charges

Oldham County

EFFECTIVE AUGUST 1, 2024



Hite Creek



Oldham County Schedule of Rates, Rentals and Charges Effective August 1, 2024

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Table of Contents

1.0	Wastewater Service Charges	3
2.0	Wastewater Volume Charges	4
3.0	Water Quality Surcharge	5
4.0	Penalty Charges	6
5.0	Unusual Discharge Fee	6
6.0	Connection Fee	6
7.0	Capacity Charges	6
8.0	Wastewater Facility Review and Inspection Fees	7
9.0	Inflow and Infiltration (I&I) Charge	7
10.0	System Development Surcharge	8
11.0	Excess Cost Payments for Sewer Extension	9
12.0	Payment Programs	10
13.0	Emergency Wastewater Rate Assistance Program (EWRAP)	10
14.0	Senior Citizen Discount	12
15.0	Adjustment of Charges and Appeals	12
16.0	Severability	12

Louisville and Jefferson County Metropolitan Sewer District (MSD) is a public body corporate and politic and a political subdivision of the Commonwealth of Kentucky. MSD was created pursuant to Kentucky Revised Statutes (KRS) Chapter 76 in 1946 for the purpose of providing adequate sewer and drainage facilities. MSD is authorized by KRS 76.090 to establish a schedule of rates, rentals, and charges.

On July 1, 2020, Louisville & Jefferson County Metropolitan Sewer District acquired the wastewater system of Oldham County Environmental Authority pursuant to the terms of an Interlocal Cooperation Agreement entered into on November 18, 2019. Article XI of the Interlocal Cooperation Agreement provides MSD authority to set rates, rentals, and charges for the Oldham County service area.

1.0 Wastewater Service Charges

1.1 Commercial and Industrial Charges:

<u>Meter Size</u>	<u>Monthly Billing</u>	<u>Daily Proration</u>
Inches	\$/Bill	\$/Bill
5/8	99.44	3.26910
3/4	99.44	3.26910
1	129.99	4.27364
1 1/2	213.51	7.01941
2	263.12	8.65050
3	338.99	11.14496
4	408.56	13.43195

1.2 Residential Charges:

<u>Monthly Billing</u>	<u>Daily Proration</u>
\$/Bill	\$/Bill
52.84	1.73707

2.0 Wastewater Volume Charges

The Wastewater Volume Charge is based on either water used as measured by a meter(s) or wastewater discharged to the public sewer that is directly measured by either a private effluent flow meter(s) or calculated using a combination of addition meters and subtraction meters that have been certified by the MSD Finance Division for billing purposes. Wastewater Volume Charges may be modified from time to time by contractual agreement with individual customers. Wastewater Volume Charges are calculated based on the following rates:

2.1 Regular Volume Rate

Commercial Volume Rate - \$6.39 per 1,000 gallons of volume billed

Industrial Volume Rate - \$6.39 per 1,000 gallons of volume billed

Residential Volume Rate - \$6.39 per 1,000 gallons of volume billed

2.2 Optional (Clean) Volume Rate

The Optional Volume Rate shall be available to customers whose average water use or wastewater discharged to the public sewer during any consecutive twelve-month period exceeds 1,000,000 gallons per month. Commercial and Industrial customers on the Optional Volume Rate that are subject to a Quality Charge Rate shall pay Total Quality Charges as described in Section 3.2 below.

\$4.25 per 1,000 gallons of volume billed

2.3 Private Property Illicit Discharge Surcharge

Groundwater, rainwater, surface drainage, subsurface drainage or yard drainage shall not be discharged through direct or indirect connections (e.g., downspouts and sump pumps) to a sanitary sewer because these connections increase the volume of wastewater MSD treats at its wastewater treatment centers and increases capacity related strains on the wastewater system during rain events.

MSD monitors the collection system flows to its wastewater treatment centers during rain events. Through this monitoring, MSD has determined there are certain areas within its service area that contribute higher effluent flows that exceed the amount anticipated during a rain event; this indicates customers in that area have connections other than sewage to the sanitary system. Wastewater collection systems are not designed to accommodate stormwater flows, and MSD's drainage service fee is based upon the cost of flood protection and stormwater entering an impervious surface and not the costs associated with treating non-wastewater flows to the sanitary system. MSD has calculated that the average cost per month to treat the additional non-effluent flows during an average rain event of 0.10" to be \$188.00 per source.

Areas within the MSD service area will be identified based upon MSD's analysis of hydraulic modeling and flow monitoring data during rain events and as further prescribed in MSD's Private Property Illicit Discharge Program Procedures. Once identified, MSD customers will receive communications from MSD to schedule an inspection of their property for any additional connections to the MSD sanitary sewer system. If an additional connection(s) is found, MSD will pay a licensed plumber to remove the connection as detailed in the Private Property Illicit Discharge Program Procedures, and subject to MSD's available funding. If the customer does not schedule the inspection or otherwise fails to remove the connection(s), MSD will assess a Private Property Illicit Discharge

Surcharge of \$75.00 per month to the customer's bill. The Private Property Illicit Discharge Surcharge is not eligible for the EWRAP or Senior Citizen discount.

3.0 Water Quality Surcharge

A Water Quality Surcharge (also called Quality Charge) is applicable to Commercial and Industrial customers that discharge wastewater to the public sewer characterized by strengths in excess of 250 mg/l of biochemical oxygen demand (BOD) and/or 270 mg/l of total suspended solids (TSS).

Customers placed on a Quality Charge rate by MSD shall have their wastewater tested for the purpose of accessing a Quality Charge billing rate in addition to the volume rate applied.

MSD shall, at all times, have access to the premises of a customer for the purpose of determining an appropriate Quality Charge rate. Quality Charge rates shall be based on sampling and analyses conducted by MSD personnel using MSD protocols and methods, unless otherwise approved by the MSD Board.

MSD shall set the frequency and duration for Quality Charge Rate sampling events. MSD will take business cycle fluctuations that may affect loadings into consideration when determining sampling frequency and duration.

MSD may establish standard BOD and TSS loadings for a specific customer class which shall be used to assess applicable Quality Charge rates.

MSD may use other methods such as contractual agreements to determine a Quality Charge rate for individual customers for which standard sampling and analyses do not represent the actual BOD and/or TSS concentrations being discharged to the public sewer.

3.1. Excess Quality Charges

3.1.1. Excess Quality Charges shall apply to Commercial and Industrial customers paying the Regular Volume rate as follows:

3.1.1.1. BOD Concentration: \$0.005905 per mg/liter in excess of 250 mg/liter billed per 1,000 gallons of water recorded by a Louisville Water Company meter or wastewater discharged to the public sewer as directly measured by an effluent flow meter; and/or

3.1.1.2. TSS Concentration: \$0.00238588 per mg/liter in excess of 270 mg/liter billed per 1,000 gallons of water recorded by a Louisville Water Company meter or wastewater discharged to the public sewer as directly measured by an effluent flow meter.

3.2. Total Quality Charges

3.2.1. Total Quality Charges shall apply to Commercial and Industrial customers paying the Optional Volume rate as follows:

3.2.1.1. BOD Concentration: \$0.005504 per mg/liter billed per 1,000 gallons of water recorded by a Louisville Water Company meter or wastewater discharged to the public sewer as directly measured by an effluent flow meter; and/or

3.2.1.2. TSS Concentration: \$0.00243220 per mg/liter billed per 1,000 gallons of water recorded by a Louisville Water Company meter or wastewater discharged to the public sewer as directly measured by an effluent flow meter.

4.0 Penalty Charges

Whenever any sewer rates, rentals, or charges for services remains unpaid for a period of thirty days (30) days after the same becomes due and payable, the property, the owner thereof, and the user of the service shall be deemed delinquent until such time as all service rates, rentals and charges are fully paid and shall be subject to cut off of sewer connection and service, and the discontinuation of water service.

Pursuant to KRS 76.090, it is unlawful for any delinquent to use water from any public water service or system and discharge same into an MSD sewer.

A delinquent bill penalty of five percent (5%) of the outstanding wastewater charges shall be added to all wastewater service bills not paid by their due dates in accordance with the penalty policy in use by MSD's billing and collection agent or as otherwise determined by MSD.

5.0 Unusual Discharge Fee

Any business, firm or individual introducing into MSD's sewer system a substance detrimental to MSD's sewers, wastewater treatment facilities, pumping facilities or wastewater treatment processes, or which results in abnormal costs for MSD, shall be charged and shall pay the actual total costs incurred as determined by MSD. For additional information please see <https://louisvillemsd.org/industrial-waste-programs/udr>

5.1 Unusual Discharge Fees – Wastewater

Any business, firm, or individual proposing to discharge any substance that is not consistent with typical wastewater discharge in composition or flow rate to the sanitary or combined sewer system shall prepare and submit an application for such discharge. MSD will review, comment, modify, and approve or disapprove the application. MSD may charge an application review fee. MSD may also charge fees for accepting or handling the discharge including inspection, sampling, testing, and monitoring fees. Accidental discharges shall be reported to MSD at the earliest opportunity. MSD may charge field response, review, inspection, investigation, sampling, testing, monitoring, quality charges, sewer rates, and other applicable fees. MSD may pursue enforcement actions including penalties, fines, and remedial measures for failure to follow proper discharge procedures.

6.0 Connection Fee

6.1 A property service connection is the physical connection from MSD's public sewer to the property to be served or the easement line.

6.1.1 The Connection Fee shall be equal to the actual construction cost plus a \$250.00 administrative fee. The cost of connection must be paid prior to the installation of the connection.

7.0 Capacity Charges

Capacity fees are charged by sewer utilities to assure that customers that connect to their system pay the customer's share of sewers and treatment plants required to convey and treat their

wastewater. Capacity fees defray the cost of expansions made to serve new customers and have new customers share the cost of repair or replacement of other system components needed to serve them.

Capacity Fee Calculation:

7.1 Single-family Units:

These are buildings usually occupied by just one household or family and consist of just one dwelling unit that does not share an inside wall with any other house or dwelling. The fee is \$3,520/home.

7.2 Multi-Family Units:

These are separate living units usually occupied by just one household or family and that share one or more inside walls with other similar units. These includes apartments and condominiums, whether they exist in structures as small as a duplex or large enough to contain dozens of units. They do not include a hotel, motel, nursing home, dormitory and other similar residential dwelling. The fee for three or more bedrooms is \$3,520/unit. The fee for two bedrooms \$2,640/unit. The fee for one bedroom \$1,720/unit.

7.3 Other Structures:

These are dwellings or structures that are not a single family detached home or a multi-family unit. A capacity fee for these dwellings and structures is based the estimated average daily volume of wastewater that will be generated at the structure and discharged to the former OCEA system. For these structures a capacity fee is due before initial construction and prior to any modification or expansion reasonably expected to increase by 10% or more the average daily volume of wastewater generated at the structure. Additional capacity fees are calculated by multiplying the anticipated volume increase by the capacity fee in effect at the time modification approval is requested. The fee shall be \$8.80/gallon estimated average daily volume of wastewater to be generated.

8.0 Wastewater Facility Review and Inspection Fees

The MSD Board may establish fees for the review and approval of plans and designs of wastewater facilities and for the inspection of the construction of wastewater facilities and the review, approval and programming of telemetry for wastewater facilities, all in accordance with KRS Section 76.085. For additional information please see <https://louisvillemsd.org/what-we-do/stormwaterdrainage/permitting>.

9.0 Inflow and Infiltration (I&I) Charge

9.1 I&I charges are applicable to individuals and/or entities (“hereinafter “Developers”) who provide sewer service by extension of or connection to MSD’s separate sanitary sewer system as follows:

\$1 per gallon per day calculated by multiplying \$1 times the gallons per day estimated to flow from a new development connecting to MSD’s sewer system as determined by MSD, with a minimum charge of \$400.00 for a single project.

9.2 I&I fees are due and payable to MSD in full at time of the Developer’s payment of Capacity Charges.

9.3 I&I fees are not applicable to the following:

- 9.3.1** Properties located within an area of an MSD sewershed subject to “recapture fees” but exempted from such fees as “Non-Subject Properties” pursuant to express terms and conditions of the applicable Recapture Agreement between MSD and Developer, provided the Facilities constructed pursuant to the Agreement were constructed according to MSD’s Master Plan for sewerage Jefferson County.
 - 9.3.2** Properties at which I/I reduction work has been approved by MSD and performed in accordance with the MSD Capacity Assurance Program.
 - 9.3.3** Properties which do not impact documented sanitary sewer overflows as determined by MSD, and for which a Reservation of Capacity Agreement was executed prior to August 1, 2008, and a Lateral Extension Agreement was executed prior to September 1, 2008.
 - 9.3.4** Properties which will discharge flow directly into an MSD combined sewer and for which a separate MSD sanitary sewer is not available.
- 9.4** I/I Surcharge fees will terminate at such time MSD terminates its Capacity Assurance Program.

10.0 System Development Surcharge

A System Development Surcharge Area is a means through which MSD can recoup funds used to extend, upsize, or in other ways increase system capacity within a specific area. The area may be identified by MSD when (i) sewer facilities are constructed or acquired and such facilities are consistent with MSD’s approved Master Plan or Action Plan, (ii) regional sewers are constructed, or (iii) facilities are upgraded or extended pursuant to Section 11 (Excess Cost Payments for Sewer Extension). To defray the cost of providing sanitary sewer facilities, including applicable design costs, a System Development Surcharge Fee shall be imposed on the development of all properties within the System Development Surcharge Area. A System Development Surcharge Fee shall be paid when a development proposes to provide sewer services by extension of, or connection to, MSD’s sewer system. A System Development Surcharge Fee shall also be paid when a property not located within a System Development Surcharge Area connects to the sewer facilities located within a System Development Surcharge Area via pumping or other means. Payment of a System Development Surcharge Fee shall not exempt a development from payment of other applicable fees and charges, including but not limited to, Inflow and Infiltration Charges and Capacity Charges.

The guidelines below provide for the development of a System Development Surcharge Fee based on a consideration of the size of the System Development Surcharge Area. However, MSD may apply one, or a combination of, the methodologies in Sections 9.1 and 9.2 for the development of a System Development Surcharge Fee if MSD determines that doing so is fair and reasonable based upon the facts related to the specific System Development Surcharge.

- 13.1.** For a System Development Surcharge Area in excess of 1,000 single family residential equivalent lots or cost greater than \$2,000,000, the System Development Surcharge Fee will be determined based upon an evaluation for the relevant System Development Surcharge Area. The evaluation shall consider the cost of constructing the facilities, the capacity for the relevant System Development Surcharge Area, estimated residential, commercial and industrial development based on current zoning information, and estimated water use associated with potential developments.

- 13.2.** For a System Development Surcharge Area less than 1,000 single family residential equivalent lots or \$2,000,000, MSD will establish a methodology for calculating the System Development Surcharge Fee. The methodology shall consider the cost of constructing the facilities, the estimated developable lots within the surcharge area, the additional capacity provided, and estimated water use, in order to establish a price per gallon.

11.0 Excess Cost Payments for Sewer Extension

If a wastewater sewer extension funded by a private developer provides the opportunity to affect MSD's long-term sewer plans, MSD may participate in the cost of construction of the facilities.

- 11.1** When determining whether to contribute money to the construction of sewer facilities, MSD shall consider the following factors:

11.1.1 The extent to which funds are available.

11.1.2 Whether the project is consistent with MSD's Design Manual, Standard Specifications, and Master Plan or Action Plan, taking into consideration the location of the infrastructure, timing of construction, sizing of the infrastructure and the service area.

11.1.3 Whether the project will bring public sewers closer to areas needing service.

11.1.4 Whether the project is necessary to protect public health, safety and welfare.

11.1.5 Whether the project, when completed, will generate significant revenue for MSD's wastewater and drainage system.

11.1.6 Whether the project, when completed, will eliminate existing pump stations.

11.2 Oversized Sewers

11.2.1 When sewers to or through a development are required to be oversized in order to serve properties upstream or adjacent to a proposed development, MSD may participate in the cost of sewers as determined by MSD.

11.2.2 When the oversized sewer is deeper than required to serve the development and will result in additional excavation beyond the applicant's needs, MSD may reimburse for additional trench and rock excavation as determined by MSD.

11.2.3 When conditions exist other than those described in sections 11.2.1 and 11.2.2, MSD will evaluate each situation and prepare unit calculations based on the current construction cost conditions and other factors as determined by MSD.

11.3 Additional Sewers

11.3.1 MSD may require additional infrastructure to be installed within a development in accordance with MSD's Master Plan or Action Plan

11.4 Pump Station Decommissioning and Upsizing

11.4.1 MSD may elect to eliminate existing pump stations within or adjacent to an existing development.

11.4.2 When a pump station must be constructed to serve a development and there is an opportunity to upsize the pump station to serve additional properties, MSD may require the pump station to be upsized and pay excess costs as determined by MSD.

11.5 Design Costs

11.5.1 MSD may share in the design costs of sewer infrastructure constructed by private developers when the planned facilities must be altered to meet MSD's Master Plan or Action Plan. The excess design costs shall be determined prior to the start of final design.

11.6 Conditions

11.6.1 Available funding as determined by MSD.

11.6.2 A written agreement between MSD and the developer as to the excess costs having been executed prior to the execution of a Lateral Extension Agreement.

11.6.3 Agreement by the developer to obtain additional bonding and insurance as determined by MSD. Additional bonding and insurance requirements shall be included in the written agreement.

11.6.4 A determination by MSD that the payment of excess cost is equitable and in the best interest of MSD based on consideration of the factors set forth at section 11.1.

12.0 Payment Programs

The Executive Director is authorized to develop programs to facilitate the payment of costs authorized by and the collection of fees and surcharges imposed under this Schedule of Rates, Rentals and Charges, to include the development of all necessary supplemental guidelines, applications and agreements.

13.0 Emergency Wastewater Rate Assistance Program (EWRAP)

13.1 Definitions

For purposes of this Section only, the words or phrases below shall have the following meanings:

13.1.1 Household means an individual or group of individuals who are living together in the principal residence sharing common living arrangements.

13.1.2 Gross Household income means all earned and unearned income, including lump sum payments received by a household during the calendar month preceding the month of application.

13.1.3 Low-income residential customer means a direct residential customer of MSD having a gross total household income at or below one hundred fifty percent (150%) of the official poverty income guidelines updated annually in the Federal Register by the U.S. Department of Health and Human Services under authority of 42 U.S.C. 9902(2), or who is eligible for the Low Income Home Energy Assistance Program state plan prepared by the Kentucky Cabinet for Health and Family Services, Department for Community Based Services at the time of application.

13.1.4 “Principal residence” means the place where the customer is living voluntarily and not on a temporary basis; the place the customer considers home; the place to which, when absent, the customer intends to return; and is identifiable from another residence, commercial establishment or institution.

13.2 Wastewater Discount

All eligible low-income residential customers may receive a thirty percent (30%) discount on the wastewater charges on their sewer bill beginning November 1, 2024. The discount, known as the Emergency Wastewater Rate Assistance Program (EWRAP) discount, shall apply to wastewater service charges and wastewater volume charges. Program participation is limited to 3,000 customers and/or will only be offered until available funding is expended.

13.3 Eligibility Criteria

The Emergency Wastewater Rate Assistance Program (“EWRAP” / “Program”) discount shall be available to low-income residential customers who:

13.3.1 Apply for and are approved for the discount. Customers shall provide required information upon forms and in the manner required by Program rules to certify their eligibility.

13.3.2 Are receiving water by separate metered water service for a property or dwelling used solely for residential purposes owned or leased by the customer as his or her principal residence.

13.3.3 Are named customers with MSD and are responsible for paying the sewer bill received from MSD’s billing service provider for the customer’s principal residence.

13.3.4 Verify and certify gross household income and ownership or leasehold of their principal residence in the manner required by the Program.

13.3.5 Have total gross household income, when computed annually, including the income of all occupants, and regardless of age, that does not exceed 150% of the official poverty income guidelines referenced in section 13.1.3 computed annually.

13.3.6 Are not receiving and have not been approved to receive MSD’s Senior Citizen discount as of the date of application for the Program.

13.3.7 Satisfy all other terms and conditions established by the Program for eligibility.

13.4 Exclusions

MSD customers, age 65 years of age or older, receiving or who have been approved to receive MSD’s Senior Citizen discount, shall not be eligible for the EWRAP discount.

13.5 Effective Date of EWRAP Discount

Except as set forth in Section 13.7, the EWRAP discount shall commence on the next subsequent billing date following approval of the customer’s application and shall continue until October 31, 2025, conditioned upon the customer’s continued eligibility. If the program is continued after October 31, 2025, customers will be required to re-apply to

continue to receive the discount. Customer's receiving the EWRAP discount on August 1, 2024, will continue to receive the discount through October 31, 2024. They must reapply for the EWRAP discount that begins November 1, 2024.

13.6 Program Administration

The Executive Director or his designee may prescribe such policies, regulations, and procedures, consistent with the provisions of this Section, as deemed necessary and appropriate to administer and enforce the EWRAP.

13.7 Program Modification / Termination

The EWRAP shall continue through October 31, 2025, unless earlier termination at the discretion of MSD and may be modified by MSD at any time.

14.0 Senior Citizen Discount

Senior Citizens are eligible for a 30% discount off MSD's wastewater service charges. The Senior Citizen Discount is available to customers of MSD that are 65 years or older, have a gross household income of \$35,000 or less, and are the primary titleholder or leaseholder on the property subject to the bill. An application will be sent to those customers that request one and the discount shall begin on the billing period following the date that the application is approved by MSD. In order to qualify for this discount, proof of age such as a birth certificate or driver's license must be provided. In addition, applicants must provide proof of all income received during the previous month by all members of the household. Customers that qualify for this discount will be asked to recertify eligibility every three years or as otherwise determined by MSD.

15.0 Adjustment of Charges and Appeals

Any owner who considers that wastewater charges applied to the owner's parcel are inaccurate or otherwise disagrees with the determination may apply to MSD's Financial Director for a rate review, stating in writing the grounds for the adjustment. The Financial Director will review the case and report findings to the Executive Director. The Executive Director shall consider the complaint and staff recommendations and determine whether an adjustment is necessary to provide for reasonable and equitable application of the charge(s).

Appeal of decisions made by the Executive Director may be brought before the MSD Board in writing with notice and substance of the appeal sent to the Board's secretary within fifteen (15) days after the owner receives the Executive Director's decision. Upon reviewing the documentation, the Board shall render a final decision.

In the event of a billing error, MSD may back bill the customer for a period of two years from the date the error was discovered and MSD will grant refunds for overbillings for a period of two years from the date it was notified of the overbilling.

16.0 Severability

If any section, clause or provision of this amendment be declared by the courts to be invalid, the same shall not affect the validity of the amendment as a whole or any part thereof, other than the part so declared to be invalid.

