



# **Rates, Rentals and Charges**

## **Bullitt County**

**EFFECTIVE JANUARY 1, 2025**



Tributary Floyds Fork



## **Bullitt County Schedule of Rates, Rentals and Charges Effective January 1, 2025**

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On November 30, 2021, Louisville & Jefferson County Metropolitan Sewer District acquired the wastewater system of the Bullitt County Sanitation District (BCSD) including the Big Valley and Hunters Hollow systems pursuant to the terms of an Interlocal Cooperation Agreement dated May 6, 2021, as amended.

The initial charges by MSD applicable to wastewater customers for wastewater collection and treatment services, and for capacity, in all areas of the former BCSD service area, including areas served by the Big Valley Wastewater System and the Hunters Hollow Wastewater Collection System, will be no more than the charges being paid by customers for wastewater collection and treatment services, and for capacity, immediately prior to the transfer of the System. From and after the date of transfer through December 31, 2026, MSD increases in charges for wastewater collection and treatment services will not exceed the increases authorized by Bullitt County Ordinance No. 17-2 adopted by Bullitt County Fiscal Court on February 7, 2017. Accordingly rates for residential, commercial and industrial customers in the former BCSD service area including Big Valley Wastewater System and Hunters Hollow Collection System shall be:

## 1. Wastewater Service Charges

The Wastewater Service Charge is based on water used as measured by a Louisville Water Company meter(s).

### 1.1. Charges for former Bullitt County Sanitation District service area:

1.1.1. The first 2,000 gallons of usage shall be billed at \$49.99 per month.

1.1.2. A consumption charge of \$14.54 applies for each additional 1,000 gallons of usage per month.

### 1.2. Charges for former Big Valley and Hunters Hollow service areas:

1.2.1. The first 2,000 gallons of usage shall be billed at \$45.58 per month.

1.2.2. A consumption charge of \$11.94 applies for each additional 1,000 gallons of usage per month.

## 2. 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. Penalty Charges

#### 3.1. Delinquent Bill Penalty

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.

A Delinquent Bill Penalty 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, the Louisville Water Company, or as otherwise determined by MSD.

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.

### 4. 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>.

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.

### 5. Connection Fees

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

**5.2.** The Connection Fee shall be equal to the actual construction cost plus a \$250.00 administrative fee.

**5.2.1.** The cost of the connection must be paid prior to the installation of the connection.

## 6. Capacity Charge

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.

### Fee Calculation:

#### 6.1. Capacity Fee for Single Family Residential Unit:

The capacity charge for a single family residential unit shall be \$5,286.00.

#### 6.2. Capacity Fee for Commercial, Industrial and Multi-Family Residential:

The capacity charge for commercial, industrial or multi-family residential users shall be estimated based on MSD's design manual and shall be \$5,286.00 per residential equivalent. A residential equivalent shall be defined as 400 gallons of usage per day.

## 7. Wastewater Facility Review and Inspection Fees

The MSD Board has established 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 76.085. For additional information, please see:

<https://louisvillemsd.org/what-we-do/stormwaterdrainage/permitting>.

## 8. Inflow and Infiltration (I&I) Charge

8.1 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.

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

8.3 I&I Surcharge fees will terminate at such time MSD terminates its Capacity Assurance Program.

## 9. 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 8.0 (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 7.1 and 7.2 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.

- 9.1. 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.
- 9.2. 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.

## 10. 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.

- 10.1. When determining whether to contribute money to the construction of sewer facilities, MSD shall consider the following factors:
  - 10.1.1. The extent to which funds are available.
  - 10.1.2. 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.
  - 10.1.3. Whether the project will bring public sewers closer to areas needing service.
  - 10.1.4. Whether the project is necessary to protect public health, safety and welfare.
  - 10.1.5. Whether the project, when completed, will generate significant revenue for MSD's wastewater and drainage system.
  - 10.1.6. Whether the project, when completed, will eliminate existing pump stations.
- 10.2. **Oversized Sewers**

**10.2.1.** 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.

**10.2.2.** 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.

**10.2.3.** When conditions exist other than those described in sections 8.2.1 and 8.2.2, MSD will evaluate each situation and prepare unit calculations based on the current construction cost conditions and other factors as determined by MSD.

### **10.3. Additional Sewers**

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

### **10.4. Pump Station Decommissioning and Upsizing**

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

**10.4.2.** 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.

### **10.5. Design Costs**

**10.5.1.** 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.

### **10.6. Conditions**

**10.6.1.** Available funding as determined by MSD.

**10.6.2.** 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.

**10.6.3.** 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.

**10.6.4.** 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 8.1.

## **11. 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.



## 12. Emergency Wastewater Rate Assistance Program (EWRAP)

### 12.1. Definitions

- 12.1.1. **“Household”** means an individual or group of individuals who are living together in the principal residence sharing common living arrangements.
- 12.1.2. **“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.
- 12.1.3. **“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.
- 12.1.4. **“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.

### 12.2. Wastewater Discount

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 discount, shall apply to wastewater service charges, wastewater volume charges and Consent Decree surcharges. Program participation is limited to 3,000 customers and/or will only be offered until available funding is expended.

### 12.3. Eligibility Criteria

The EWRAP discount shall be available to low-income residential customers who:

- 12.3.1. Apply for and are approved for the discount. Customers shall provide required information and in the manner required by Program rules to certify their eligibility.
- 12.3.2. 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.
- 12.3.3. Are named customers with MSD and are responsible for paying the sewer bill received from the Louisville Water Company for the customer’s principal residence.
- 12.3.4. Verify and certify gross household income and ownership or leasehold of their principal residence in the manner required by the Program.
- 12.3.5. 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 9.1.3 computed annually.

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

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

#### **12.4. Exclusions**

MSD customers, age 65 years of age or older, receiving or who have been approved to receive MSD's Senior Citizen's discount, shall not be eligible for the Emergency Wastewater Rate Assistance Program.

#### **12.5. Effective Date of EWRAP Discount**

Except as set forth in Section 9.7, the emergency wastewater rate assistance 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.

#### **12.6. 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 Emergency Wastewater Rate Assistance Program.

#### **12.7. Program Modification / Termination**

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

### **13. Senior Citizens Discount**

Senior Citizens are eligible for a 30% discount off wastewater service charges, wastewater volume charges and the Consent Decree Surcharge. This discount will be made 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 first full 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, proof of all income received during the previous month by any member of the household. Customers that qualify for this discount will be asked to recertify eligibility every three years or as otherwise determined by MSD.

### **14. Adjustment of Charges and Appeals**

Any owner who considers that wastewater or drainage 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.

## **15. 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.

