

**PRELIMINARY RESOLUTION BY THE BOARD OF THE LOUISVILLE AND JEFFERSON COUNTY  
METROPOLITAN SEWER DISTRICT AMENDING THE 2025 JEFFERSON COUNTY SCHEDULE OF  
RATES, RENTALS AND CHARGES FOR WASTEWATER AND DRAINAGE SERVICES PURSUANT  
TO KRS CHAPTER 76**

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WHEREAS, the Louisville and Jefferson County Metropolitan Sewer District was created and established pursuant to Chapter 76 of the Kentucky Revised Statutes ("KRS") in the interest of public health for the purpose of providing adequate sewer and drainage facilities in the City of Louisville and Jefferson County, Kentucky; and

WHEREAS, on the 10<sup>th</sup> day of May 1947, by Resolution of its Board, the Louisville and Jefferson County Metropolitan Sewer District ("MSD") adopted and established a schedule of rates, rentals and charges for its services and thereafter has amended said schedule from time to time as authorized pursuant to KRS Chapter 76; and

WHEREAS, pursuant to KRS Chapter 76, the schedule of rates, rentals and charges shall be established and revised from time to time so as to produce aggregate revenues to MSD sufficient for the payment of interest on and principal of all revenue bonds and other obligations of MSD, all costs and expenses of operating and maintaining MSD's sewer and drainage system, and for the payment of all costs of renewals and replacements of such system; and

WHEREAS, on August 12, 2005, MSD entered into a Consent Decree with the United States Environmental Protection Agency and the Commonwealth of Kentucky in the United States District Court for the Western District of Kentucky, pursuant to civil action number 3:05-cv-236-S, subsequently amended and superseded by the Amended Consent Decree entered on April 15, 2009 pursuant to civil action number 3:08-cv-00608-CRS, whereby MSD committed to rehabilitating portions of its sewer systems and to construct other capital improvements to reduce and/or eliminate combined sewer overflows and sanitary sewer overflows to comply with state and federal environmental laws with all work to be completed by the year 2024; and

WHEREAS, on February 12, 2010, an Integrated Overflow Abatement Plan ("IOAP") was incorporated into the Amended Consent Decree which includes as components the final Sanitary Sewer Discharge Plan ("SSDP") and final Long-Term Control Plan ("LTCP") as required by the Amended Consent Decree; and

WHEREAS, a non-material modification to the Amended Consent Decree occurred through adjustments set forth in a revised IOAP (the "2012 IOAP Modification") approved on June 19, 2014; and

WHEREAS, after approval of the 2012 IOAP Modification, MSD began experiencing changed circumstances including an increase in the failures of aging critical interceptor sewers, and accelerated deterioration of biosolids processing equipment due to higher solids and grit loadings, creating risks of non-compliance with its KPDES permits and potential risks to public health and safety; and

WHEREAS, also partnered with the United States Corp of Engineers to complete a Preliminary Feasibility Study for sixteen (16) Ohio River Flood Pump Stations which identifies approximately \$188.1 million in critical projects for ensuring that flood protection infrastructure will meet current standards for both the protection of public health and safety and protection of the combined sewer system, including new infrastructure constructed in compliance with MSD's final LTCP; and

WHEREAS, due to the changed circumstances and Feasibility Study, MSD, the Commonwealth of Kentucky and United States Environmental Protection Agency have negotiated an agreement to enter into a Second Amended Consent Decree which supersedes and replaces the 2009 Amended Consent Decree and updates the 2012 IOAP Modification with a 2021 IOAP Modification; and

WHEREAS, the Second Amended Consent Decree was negotiated to integrate the development of an asset management plan that provides for a long-term maintenance and funding strategy for

rehabilitation and renewal of MSD's aging biosolids systems, and failing critical interceptors and flood protection system; and

WHEREAS, to facilitate MSD's ability to reprioritize projects and capital spending, the Commonwealth of Kentucky and United States Environmental Protection Agency have agreed to extend the time for completion of remaining IOAP projects to 2035; and

WHEREAS, in exchange for the time extension, MSD has agreed to invest a minimum of \$25 million on average each fiscal year in asset management projects for a total of \$375 million by June 30, 2035, and to incorporate \$70 million in its 5-year Capital Improvement Program for critical sewer rehabilitation; and

WHEREAS, final approval of the Second Amended Consent Decree by the Commonwealth of Kentucky and United States Environmental Protection Cabinet, was granted on September 14, 2022; and

WHEREAS, in order to comply with the terms of the Second Amended Consent Decree, and to operate and maintain its wastewater and drainage system in compliance with the Federal Water Pollution Control Act Amendments of 1972 (Pub. L. 92-500), the Clean Water Act of 1977 (Pub. L. 95-217), and United States Environmental Protection Agency rules and regulations, MSD must maintain a schedule of sewer service rates that will proportionally charge operation and maintenance costs to all users of the MSD wastewater and drainage system and that will generate sufficient revenue to offset the cost of repair and replacement of its aging biosolids system, failing interceptor sewers and flood protection system; and

WHEREAS, pursuant to KRS Chapter 76, the Board of Aldermen of the City of Louisville, by Ordinance No. 152, Series 1979, as amended by Ordinance No. 388, Series 1986, and the Fiscal Court of Jefferson County, by Ordinance No. 25, Series 1979, as amended by Ordinance No. 32, Series 1986, and Louisville Metro Ordinance No. 62, Series 2003, as amended by Ordinance No. 155, Series 2007, which ratified the aforementioned ordinances, approved a schedule of wastewater and drainage service charges for MSD which includes the following Debt Service Adjustments provision:

"Whenever MSD's net revenues are less than 1.10 times the debt service on MSD's outstanding revenue bonds for any consecutive six-month period, by order of the Board of MSD, the schedule of wastewater service charges and drainage service charges shall be amended in order to maintain a 1.10 debt service coverage required by MSD's 1971 Bond Authorizing Resolution which was approved by City of Louisville Ordinance Number 86, Series 1971; provided the aggregate of such adjustments for any 12-month period shall not generate additional revenue from wastewater service charges and drainage service charges in excess of 7%.

The term 'net revenues' is defined as gross revenue from wastewater service charges and drainage service charges, less operating expenses and debt payments other than debt service payments on MSD's outstanding revenue bonds [;]" and

WHEREAS, the Board of MSD has been advised by MSD's Chief Financial Officer that net revenues, as defined by Louisville Metro Ordinance No. 155, Series 2007, for the six-month period ended March 31, 2025, are less than 1.10 times the debt service on MSD's outstanding revenue bonds for the same six-month period; and

WHEREAS, MSD's current Jefferson County Schedule of Rates, Rentals and Charges (wastewater and drainage service charges) will not continue to generate sufficient revenue for the proper operation and maintenance of the existing sewerage, drainage, and flood protection system and for the retirement of MSD's outstanding debt and, therefore, will not be in compliance with the Kentucky Revised Statutes, MSD's Bond Authorizing Resolutions and relevant ordinances; and

WHEREAS, in order to generate sufficient revenue to maintain the required debt service coverage, continue the proper operation and maintenance of MSD's existing sewerage, drainage, and flood protection

system, and meet the obligations of MSD's Second Amended Consent Decree, the Board is proposing that the Jefferson County Schedule Rates, Rentals and Charges be amended; and

WHEREAS, pursuant to KRS Chapter 76 and 424, the proposed amended Jefferson County Schedule Rates, Rentals and Charges will be published, giving notice that objections and/or comments on the schedule may be filed within a period of thirty (30) days from the date of said publication.

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF MSD that,**

The above recitals are hereby incorporated into this Resolution as if set forth fully within, and MSD's Jefferson County Schedule Rates, Rentals, and Charges be, and they are hereby amended to include the following new rates in addition to current rates and said new rates shall be used for billings rendered on and after August 1, 2025:

**I. Section 1.0 Wastewater Service Charges** is hereby amended, and shall read as follows:

The Wastewater Service Charge is a fixed service charge based on the size of the water meter and applies to all wastewater service connections. The Wastewater Service Charge shall be calculated using the table below and may be prorated based on the number of actual days in a billing cycle:

**1.1. Residential Service Charges:**

Meter Size	Monthly	Daily Proration	Bi-Monthly	Daily Proration
5/8-3/4	\$23.79	\$0.78218	\$47.58	\$0.78218
1	\$47.77	\$1.57057	\$95.54	\$1.57057
1 1/2	\$79.47	\$2.61279	\$158.94	\$2.61279
2	\$109.00	\$3.58361	\$218.00	\$3.58361
3	\$242.98	\$7.98838	\$485.95	\$7.98838
4	\$392.86	\$12.91598	\$785.73	\$12.91598

**1.2. Commercial and Industrial Service Charges**

Meter Size	Monthly	Daily Proration	Bi-Monthly	Daily Proration
5/8-3/4	\$23.79	\$0.78218	\$47.58	\$0.78218
1	\$47.77	\$1.57057	\$95.54	\$1.57057
1 1/2	\$79.47	\$2.61279	\$158.94	\$2.61279
2	\$109.00	\$3.58361	\$218.00	\$3.58361
3	\$242.98	\$7.98838	\$485.95	\$7.98838
4	\$392.86	\$12.91598	\$785.73	\$12.91598
6	\$771.96	\$25.37948	\$1,543.91	\$25.37948
8	\$1,157.95	\$38.06956	\$2,315.90	\$38.06956
10	\$1,521.28	\$50.01471	\$3,042.56	\$50.01471

12	\$2,241.51	\$73.69360	\$4,483.03	\$73.69360
16	\$2,716.93	\$89.32376	\$5,433.85	\$89.32376

**II. Section 2.1 Metered Volume Rate** is hereby amended, and shall read as follows:

**2.1.1.** The Metered Volume Rate (or “Sewer-Only” Rate) shall be applicable to 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. All effluent flow meters, addition and subtraction meters shall be inspected and certified by the MSD Finance Division prior to being used for billing purposes.

**Residential Metered Volume Rate:** \$7.49 per 1,000 gallons of volume billed

**Commercial Metered Volume Rate:** \$8.39 per 1,000 gallons of volume billed

**Industrial Metered Volume Rate:** \$8.45 per 1,000 gallons of volume billed

Commercial and Industrial customers on the Metered Volume Rate that are subject to a Quality Charge Rate shall pay Total Quality Charges as described in Section 4.1 below.

**2.1.2.** The Optional Metered (“Sewer-Only”) Volume Rate shall be available to customers whose average water use or average wastewater discharged to the public during any consecutive twelve-month period exceeds 1,000,000 gallons per month per service address.

**Commercial Optional Metered Volume Rate:** \$4.75 per 1,000 gallons of volume billed

**Industrial Optional Metered Volume Rate:** \$4.75 per 1,000 gallons of volume billed

Commercial and Industrial customers on the Optional Metered Volume Rate that are subject to a Quality Charge Rate shall pay Total Quality Charges as described in Section 4.2.

**2.1.3.** A Meter Reading Charge of \$100.00 shall be applicable for the first regular meter reading for the purpose of determining billable consumption per location. Each additional meter will be charged at \$10.00 per reading per location.

Customers on AMI meters shall pay a fee of \$50 for the first regular meter reading for the purpose of determining billable consumption per location. Each additional meter will be charged at \$5.00 per reading per location.

**III. Section 2.2 Optional (Clean) Volume Rate** is hereby amended, and shall read as follows:

The Optional (Clean) Volume Rate shall be available to customers whose average water use during any consecutive twelve-month period exceeds 1,000,000 gallons per month per service address.

**Commercial Option (Clean) Volume Rate:** \$4.46 per 1,000 gallons of volume billed

**Industrial Option (Clean) Volume Rate:** \$4.46 per 1,000 gallons of volume billed

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 4.2 below.

**IV. Section 2.3 Regular Volume Rate** is hereby amended, and shall read as follows:

The Regular Volume Rate shall be applicable to all water used and not meeting the requirements of the Metered or Optional Volume Rates as described in Section 2.1 or 2.2.

The Regular Volume Rate is calculated to provide a year-round discount for lawn watering and other uses of water which do not enter the public sewer. The Residential Rate is discounted 15%

off the Metered Residential Volume Rate, the Commercial Rate is discounted 10% off the Metered Commercial Volume Rate and the Industrial Rate is discounted 5% off the Metered Industrial Volume Rate.

**Residential Regular Volume Rate:** \$6.37 per 1,000 gallons of volume billed

**Commercial Regular Volume Rate:** \$7.55 per 1,000 gallons of volume billed

**Industrial Regular Volume Rate:** \$8.04 per 1,000 gallons of volume billed

Commercial and Industrial facilities on the Regular Volume Rate that are subject to a Quality Charge Rate shall pay Excess Quality Charges as described in Section 4.1 below.

**V. Section 3.0 Consent Decree Surcharge** is hereby amended, and shall read as follows:

The Consent Decree Surcharge became effective August 1, 2007, to provide funding capacity to comply with the requirements of MSD's Consent Decree to reduce sewer overflows. Today the surcharge funds both infrastructure reinvestment as well as debt service on funds borrowed to finance new infrastructure. The following Consent Decree Surcharge rates shall be applicable based on service type:

**Residential:** \$19.45 per month or \$38.90 bi-monthly

**Condominium complexes without water meters for each condominium:** greater of \$19.45 per month or \$3.26 per 1,000 gallons of water billed

**Commercial Regular Volume Rate:** greater of \$19.45 per month or \$2.32 per 1,000 gallons of water billed

**Commercial Metered (Sewer-Only) Volume Rate:** greater of \$19.45 per month or \$2.58 per 1,000 gallons of wastewater discharged

**Industrial Regular Volume Rate:** greater of \$19.45 per month or \$2.42 per 1,000 gallons of water billed

**Industrial Metered (Sewer-Only) Volume Rate:** greater of \$19.45 per month or \$2.58 per 1,000 gallons of wastewater discharged

**Optional (Clean) Volume Rate:** greater of \$19.45 per month or \$1.40 per 1,000 gallons of water billed

**Optional Metered (Sewer-Only) Volume Rate:** greater of \$19.45 per month or \$1.49 per 1,000 gallons of wastewater discharged

**VI. Section 4.0 Water Quality Charges** is hereby amended, and shall read as follows:

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.

#### **4.1. Excess Quality Charges**

**4.1.1.** Excess Quality Charges shall apply to Commercial and Industrial customers paying the Regular Volume or Metered Volume Rates as follows:

**4.1.1.1. BOD Concentration:** \$0.006194 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

**4.1.1.2. TSS Concentration:** \$0.00250279 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.

#### **4.2. Total Quality Charges**

**4.2.1.** Total Quality Charges shall apply to Commercial and Industrial customers paying the Optional (Clean) Volume or Optional Metered Volume Rates as follows:

**4.2.1.1. BOD Concentration:** \$0.005774 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

**4.2.1.2. TSS Concentration:** \$0.00255138 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.

#### **4.2.2. Hospital Water Quality Rate Class**

MSD has established a hospital rate class for purposes of assessing the Water Quality Surcharge. Hospitals that meet requirements and are currently permitted under a Pretreatment General Discharge Permit will not require a permit after August 1, 2024. Hospitals will be required to meet MSD Local Limits and Wastewater/Stormwater Discharge Regulations (WDRs) but will not have to sample or submit semi-annual sampling results. Hospitals are subject to periodic inspections for administration of the Hazardous Materials Ordinance or WDRs for applicable purposes. MSD reserves the right to re-establish permit requirements at any time in the future based on regulatory requirements, the need to protect MSD wastewater treatment and collection assets, to prevent potential pollutants from entering discharge waters, or for other identified purposes. Excess Quality Charges shall apply to hospital customers paying the Optional Volume rate as follows:

**4.2.2.1. BOD Concentration:** 250 mg/L billed at \$0.005774 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

**4.2.2.2. TSS Concentration:** 300 mg/L billed at \$0.00255138 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.

**VII. Section 5.0 Flat Rate Wastewater Charges for Residential Customers** is hereby amended, and shall read as follows:

**5.1.** The following flat rate wastewater service charges shall be applicable to any single-family residential customer without metered public water service:

\$56.27 monthly plus \$19.45 Consent Decree Surcharge or \$112.53 bi-monthly plus \$38.90 Consent Decree Surcharge

**5.2.** The following flat rate wastewater service charges shall be applicable to any single-family residential customer connected to a master-metered public water service:

\$23.79 monthly plus \$19.45 Consent Decree Surcharge or \$47.58 bi-monthly plus \$38.90 Consent Decree Surcharge

**VIII. Section 6.0 Wastewater Penalty Charge** is hereby amended, and shall read as follows:

Pursuant to KRS 76.090, 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. It is unlawful for any delinquent to use water from any public water service or system and discharge same into a public sewer. No public water service or system shall furnish the delinquent with water to be discharged into a public sewer. MSD may enter into agreements with any public water company or public water service providing for the discontinuance of water service to delinquents.

A Delinquent Bill Penalty or "Late Charge" shall be added to all wastewater service bills not paid by their due dates in accordance with the Late Charges policy in use by MSD's billing and collection agent, the Louisville Water Company, or as otherwise determined by MSD.

A Payment Extension fee shall be added to all wastewater service bills granted a single payment extension in accordance with the Late Charges policy in use by MSD's billing and collection agent, the Louisville Water Company, or as otherwise determined by MSD.

**IX. Section 10.2.2 Drainage Service Charge** is hereby amended and shall read as follows:

The following charges are hereby established and imposed for all parcels of real property within the drainage service area, excluding exempted properties, and may be prorated based on the actual number of days in the billing cycle.

**10.2.2.1. Class A Properties or Single-Family Residential**

The single-family residential charge rate shall be \$14.95 per month for each parcel having one or two residential dwelling unit(s) and single unit condominiums. This flat rate fee is based on each single-family residential parcel being equal to one equivalent service unit (ESU).

**10.2.2.2. Class B or other Parcels**

The charge for all other parcels within the drainage service area shall be based upon the number of square feet of measured impervious surface, as determined by MSD through

aerial photography and surface feature evaluation processes, expressed in whole ESUs and rounded to the next highest integer. The monthly charge for Class B property may be computed by multiplying the number of ESUs for a given parcel by the unit rate established by MSD of \$14.95.

Any owner of Class B property may request a drainage charge credit adjustment for approved on-site stormwater retention or detention facilities provided:

- 10.2.2.2.1. The property owner remains responsible for all costs of operation and maintenance of the facility;
- 10.2.2.2.2. The facility has been constructed in accordance with all approved plans;
- 10.2.2.2.3. The owner has obtained the MSD required permits for the facility; and
- 10.2.2.2.4. MSD has access to the facility for purposes of inspecting for compliance with design, maintenance, and operating standards.

**X. Section 10.7 Billing and Collection** is hereby amended and shall read as follows:

Drainage service charges shall be billed and made payable using the same frequencies and billing cycles used by the Louisville Water Company for its billing system. The amounts to be billed shall be included as additions to the billings of the Louisville Water Company for water and/or sewer service, or by separate billings and billing cycles for accounts not maintained by the Louisville Water Company. Drainage Charges may be pro-rated based on the number of actual days in a billing cycle.

The owner(s), tenant(s) or person(s) responsible for the payment of water service charges and/or sewer service charges shall also be responsible for the payment of drainage service charges for the same parcel(s), except for multiple occupancy such as shopping centers, apartment, condominiums, etc., in which cases MSD may either allocate the drainage service charges among the occupants of the parcel or may deem that a single billing to the parcel's owner(s), agent or association is appropriate. In either case, the billed party shall be responsible for payment of drainage service charges. For properties not billed by the Louisville Water Company for water service charges and/or sewer service charges, the owners of such properties shall be billed drainage service charges and shall be responsible for payment of same. In all situations, the owners of properties subject to drainage service charges shall be fully responsible for payment of said charges regardless of any other parties herein above identified as also being responsible for payment of drainage service charges.

When any drainage service charge remains unpaid for a period of thirty (30) days after the amount becomes due and payable, the property, tenant and the owner thereof shall be deemed delinquent until such time as the charges are fully paid. MSD may terminate or cause to be terminated public sewer, water, and/or drainage services against the tenant or owner to obtain payment, all in accordance with KRS 76.090(4).

A Delinquent Bill Penalty or "Late Charge" shall be added to all drainage service bills not paid by their due dates on their bill in accordance with the Late Charges policy in use by MSD's billing and collection agent, the Louisville Water Company, or as otherwise determined by MSD.

A Payment Extension fee shall be added to all drainage service bills granted a single payment extension in accordance with the Late Charges policy in use by MSD's billing and collection agent, the Louisville Water Company, or as otherwise determined by MSD.



**XI. Section 12.1 Stormwater Regional Facility Fee** is hereby amended and shall read as follows:

- 12.1.1.** All new sewerage systems, whether involving wastewater or stormwater facilities, shall be sized, located, designed and constructed in accordance with MSD's Design Manual, Standard Specifications, and Master Plan or Action Plan so as to provide optimum and adequate service to existing and future users within the affected service area(s).
- 12.1.2.** If regional stormwater facilities are required for a development in accordance with MSD's Design Manual, Standard Specifications and Master Plan or Action Plan, MSD may require a developer to participate in the cost of regional stormwater facilities. The requirement to build or participate in the cost of regional stormwater facilities shall be determined concurrently with the review by MSD of the developer's proposed development plans by an analysis of the development's impact on the general community and watershed, other development, existing service facilities and its conformance with MSD's Master or Action Plans.
- 12.1.3.** The capacity used for sizing a regional facility and for determining the needs of each development shall be the capacity determined by the Development and Stormwater Services Director based on MSD's design criteria and sound engineering judgment.
- 12.1.4.** Fees for participating in a regional stormwater facility constructed by MSD shall be determined as follows:
  - 12.1.4.1.** For development within MSD's Stormwater Service Area, the current fee is \$1.80 per cubic foot of stormwater volume mitigation required.
  - 12.1.4.2.** For development outside of MSD's Stormwater Service Area, the fee listed in 12.1.4.1 shall be increased by twenty percent (20%) to account for the estimated cost of maintenance of the regional facility by MSD. This additional cost is applicable to all development within the corporate limits of any city within Jefferson County that has elected not to participate in MSD's stormwater service.

**XII. Section 12.3 Floodplain Compensation Fee** is hereby inserted and shall read as follows:

- 12.3.1.** All new floodplain development shall be permitted, designed, and constructed in accordance with MSD's Design Manual and Standard Specifications and Louisville Metro's Floodplain Management Ordinance.
- 12.3.2.** Floodplain compensation must be provided for any floodplain storage capacity that is displaced due to new development as defined in the Floodplain Management Ordinance and the MSD Design Manual. If compensation cannot be provided onsite, MSD may allow a Floodplain Compensation Fee to be paid to MSD to create regional floodplain compensation facilities. Eligibility for participation in the regional floodplain compensation facilities shall be determined concurrently with MSD's review of the developers proposed development plans through an analysis of the development's impact on the general community and watershed, other development and existing service facilities.
- 12.3.3.** The Floodplain Compensation Fee is \$1.80 per cubic foot of floodplain compensation volume mitigation required.

**XIII. Section 17.0 Emergency Wastewater Rate Assistance Program** is hereby amended and shall read as follows:

**17.1. Definitions**

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

17.1.2. "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.

17.1.3. "Income-eligible residential customer" means a direct residential customer of MSD having a gross total household income at or below one hundred seventy five percent (175%) 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.

17.1.4. "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.

## **17.2. Wastewater Discount**

Income-eligible residential customers may receive a thirty percent (30%) discount on the wastewater charges on their sewer bill beginning November 1, 2025. The discount, known as the Emergency Wastewater Rate Assistance Program (EWRAP) discount, shall apply to MSD wastewater charges. Program participation is limited to 3,000 customers and/or will only be offered until available funding is expended.

## **17.3. Eligibility Criteria**

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

17.3.1. 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.

17.3.2. 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.

17.3.3. 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.

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

17.3.5. Have total gross household income, when computed annually, including the income of all occupants, and regardless of age, that does not exceed 175% of the official poverty income guidelines referenced in section 17.1.3 computed annually.

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

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

**17.4. 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.

**17.5. Effective Date of EWRAP Discount**

Except as set forth in Section 17.7, the EWRAP discount shall commence on the next subsequent billing date following approval of the customer's application and shall continue until October 31, 2026, conditioned upon the customer's continued eligibility. If the program is continued after October 31, 2026, customers will be required to re-apply.

**17.6. 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.

**17.7. Program Modification / Termination**

The EWRAP shall continue through October 31, 2026, unless earlier termination at the discretion of MSD, and may be modified by MSD at any time.

**XIV. Section 18.0 Senior Citizens Discount is hereby amended and shall read as follows:**

Senior Citizens are eligible for a 30% discount off MSD's wastewater charges. The Senior Citizen Discount is available to customers of MSD that are 65 years or older, have a gross household income of \$40,000 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.

**XV. Additional Provisions Affecting Schedule:**

All remaining provisions of MSD's current Jefferson County Schedule of Rates, Rentals and Charges not amended herein shall continue in full force and effect. MSD's Jefferson County Schedule of Rates, Rentals and Charges as amended herein shall become effective August 1, 2025.

Adopted this 27<sup>th</sup> day of May 2025.

MSD Board:

  
Ricky Mason, Chair

Attest:

  
James A. Parrott, Secretary-Treasurer

Adopted May 27, 2025