

**AN ORDINANCE AMENDING AND SUPPLEMENTING CHAPTER 376 ARTICLE V. WATER CHARGES AND SURCHARGES; BILLING PROCEDURES, SECTIONS 376-61 & 62 OF THE BOROUGH CODE**

**WHEREAS**, Chapter 376, Article V. Water Charges and Surcharges; Billing Procedures, of the Borough Code governs Annual Charges and rates for the Water and Sewer Utility in the Borough of Spring Lake; and

**WHEREAS**, Chapter 376 Article V is entitled "Water Charges and Surcharges; Billing Procedures" and the Mayor and Council have recommended that Sections 376-61 & 62 be amended as it is in the best interests of the health, safety and welfare of the residents of the Borough as follows;

**NOW, THEREFORE, BE IT ORDAINED**, by the Borough Council of the Borough of Spring Lake in the County of Monmouth and State of New Jersey that Sections 376-61 & 62 to Chapter 376, Article V is therefore amended and supplemented with deletions reflected in ~~strike through~~ and additions reflected in **bold underline** as follows:

ARTICLE V. Water Charges and Surcharges; Billing Procedures

§ 376-61. Water meters; annual usage charge **and flat rate capital infrastructure fee.**

All water delivered in the Borough except special service connections for private and municipal fire hydrants and private fire sprinkler systems shall be measured by meters and sold at the meter rates set forth herein. There shall be an annual usage charge **and flat rate fee** for any house or other building arranged for, adapted to or capable of habitation or use in which water is consumed and which house or other building arranged for, adapted to or capable of habitation or use if connected with the water supply system of the Borough shall be in accordance with fee schedule resolution which shall be adopted annually by the Mayor and Borough Council. ~~This user~~ **There will be a** minimum usage fee **and flat rate capital infrastructure fee which** shall be charged even if no water is used during the fiscal year. Each and every building arranged for, adapted to or capable of habitation or use to which the water supply system of the Borough is connected, irrespective of whether or not the same is a residence, shall be deemed to be a separate connection and the charge for each such building shall be as set forth herein. Credit for the quarterly payment of the water user fee **fees** shall be given against the total quarterly bill due to the Borough ~~based upon the total usage as determined by the meter reading.~~ The **usage portion of the** bill shall be determined by multiplying the total usage times the rate per gallon charged as set forth herein.

§ 376-62. Calculation of water and sewer fees.

**A. The annual flat rate capital infrastructure fee shall be based on the annual budget for debt service and large capital infrastructure projects costs divided by the number of water meters (accounts) processed by the borough. This fee shall be calculated on a per water/sewer meter and divided into quarterly installments to be billed as a flat rate fee in addition to section B. usage charges.**

**B.** Water and sewer **usage** charges shall be calculated on a "rate per gallon basis", which shall be equal to the sum of the following items:

**(1)** The annual fee charged to the Borough of Spring Lake by the Southern Monmouth Regional Sewerage Authority divided by the estimated number of gallons of water processed by the Borough Water Utility.

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B.(2) The annual payment for treated and untreated water service charged to the Borough of Spring Lake by the Manasquan Reservoir Water Treatment System (New Jersey Water Supply Authority) divided by the estimated number of gallons processed by the Borough Water Utility.

C.(3) A proportionate share of the debt service cost, **not included as part of the flat rate fee in section A of this ordinance**, with respect to any bonds, which shall include the aggregate amounts payable during any specific period for 1) interest accruing during such period on such bonds, 2) that portion of each required principal payment or mandatory redemption or sinking fund payment on such bonds, divided by the number of gallons of water processed by the Borough Water Utility.

D.(4) All other expenses of the Borough Water Utility including, but not limited to, operation and maintenance expenses arising in connection with operation, maintenance and administration of the utility, and minor additions or improvements thereof or thereto, to the extent properly allocable to the Utility, determined on the accrual basis of accounting and in accordance with generally accepted accounting principles including:

(1) (a) All repairs and ordinary replacements and reconstruction of the facilities; all wages, salaries and other personnel costs, including costs of pension, retirement, health and other employee benefit programs; all fuel, utilities, supplies and equipment; and all supervisor, engineering, accounting, auditing, legal and financial advisory services;

(2) (b) All taxes and payments in lieu of taxes;

(3) (c) All claims not covered by insurance; and

(4) (d) All gallonage unaccounted for by way of metering.


E.(5) A contingency amount of 5% to cover unanticipated expenses or emergency needs, divided by the number of gallons of water processed by the Borough Water Utility.

§ 376-63. Adjustment procedures.

The Borough reserves the right, from time to time, but not more frequently than at six-month intervals, to adopt adjustments to the billing calculation if the estimated gallons of water usage should have an unanticipated reduction, whether through unanticipated conditions or emergencies, natural or otherwise, or as a result of a substantial change in the operating and maintenance budget, or in the schedule of debt service costs.

INTRODUCED: August 11, 2015

ADOPTED: August 25, 2015

APPROVED:   
JENNIFER NAUGHTON, Mayor

Attest:

  
DINA M. ZAHORSKY, Deputy Borough Clerk