

10-1208. Rates, fees and charges; depreciation or renewal and replacement fund; reserve fund; annual audit, filing; billing and collection of sewer service charges; discontinuance of water service.

(a) The governing body or other proper officers having the control and management of the utilities of such municipality shall provide for the payment of such bonds by fixing rates, fees or charges for the use of or services rendered by such utility, which rates, fees or charges shall be sufficient to pay the cost of operation, improvement and maintenance of the utility, and provide either a depreciation fund or a renewal and replacement fund, provide a reserve fund and pay the principal of and the interest upon such bonds when due. Rates, fees and charges for the use of or services rendered by any interceptor sewer utility, including the cost of construction, alteration, repair or reconstruction of any such interceptor sewer utility, shall not be based on strength or volume of sewage to be carried in any interceptor sewer of such utility. The rates, fees and charges for the use of or services rendered by any sewage disposal plant utility may be based in part upon the strength or volume of sewage contributed.

(b) The municipality shall cause an audit to be made annually by a licensed municipal public accountant or certified public accountant of the operation of any utility for which revenue bonds have been issued by the municipality. If the audit discloses that proper provision has not been made for all of the requirements of this section, then the governing body or other officers having the control and management of the utilities of such municipality shall promptly proceed to cause to be charged for the utility service rendered rates which will adequately provide for the requirements of this section. Within one year after the audit period of the audit, a copy of the audit report shall be filed with the clerk of the municipality and shall be open to public inspection.

(c) If the municipality does not own the waterworks system serving it and has instituted sewer service charges and rates for the use of its sanitary sewage system utility under this section, it may contract with any corporation owning the waterworks system serving such municipality for the billing and collection of sewer service charges in conjunction with the billing and collection of water charges, and such corporation shall have the power to contract for such billing and collection of sewer service charges. The terms of such contract shall be such as may be reasonable under the circumstances including the payment of reasonable compensation for the services rendered in billing and collecting such sewer service charges and may include a provision that water service to any customer using or required by law to use the sewage facilities of the municipality, except the juvenile correctional facility at Atchison, shall be discontinued, at the direction of the municipality, in the event of such customer's failure to pay sewer service charges, and such water company shall have the power to discontinue such water service under such circumstances.

(d) If the municipality owns and operates both the waterworks system and sanitary sewer system serving such municipality and it has instituted sewer rates, fees, and charges under this section, it may combine the billing and collection of the charges for both such utility services and may discontinue the water service to any sewer user who may be delinquent in the payment of sewer service charges.

History: L. 1947, ch. 107, § 8; L. 1949, ch. 117, § 4; L. 1955, ch. 74, § 2; L. 1959, ch. 63, § 1; L. 1979, ch. 47, § 4; L. 1980, ch. 64, § 1; L. 1996, ch. 229, § 20; July 1, 1997.