

User Charge System  
for  
Municipal Wastewater Treatment Services

Prepared for  
Lakeland Sanitary District No. 1  
State of Wisconsin  
December 1, 2025

**Article I. Sewer Utility; User Charge System and Regulations.**

- (1) Authority. This Ordinance is adopted under the authority granted by §§ 60.77 and 66.0821 of the Wisconsin State Statutes.
- (2) Title. This Ordinance shall be known as, referred to and cited as the "USER CHARGE SYSTEM ORDINANCE FOR THE LAKELAND SANITARY DISTRICT No. 1, STATE OF WISCONSIN", and hereinafter referred to as the "Ordinance".
- (3) Findings and Declaration of Policy. The Commission of the Lakeland Sanitary District No.1 , Oneida County, Wisconsin, hereby finds that the requirements for the issuance of State grants and the acceptance of such grants by the District under The Wisconsin Grant Fund Program, § 144.24, Stats., and the regulations of the Wisconsin Department of Natural Resources as set forth in Chapter NR 128, Wisconsin Administrative Code, for the construction of waste treatment works to improve the quality of effluent discharges from the District, establish:
  - (a) The necessity of adoption of a User Charge System that would be proportionate to all classes of users and produce the revenue required to sustain the sewage collection and waste treatment system;
  - (b) The necessity of enacting regulations that control the use and inflow into wastewater treatment works.
- (4) Purpose and Intent. The purpose of the Ordinance is to promote the public health, safety, prosperity, aesthetics, and general welfare of the citizens of the District, and is designed to provide the legislative enactment's required under § 144.24(8)(a), Stats., NR 128.20(5), Administrative Code, and applicable (State) regulations for the acceptance of construction grants to improve the quality of effluent discharges from the wastewater treatment works. It is further intended to provide for administration and enforcement of the Ordinance and to provide penalties for its violations.
- (5) Abrogation and Greater Restrictions. It is not intended by this Ordinance to repeal, abrogate, annul, impair, or interfere with, any existing easements, covenants, deed restrictions, agreements, rules, regulations, ordinances or permits previously adopted or issued pursuant to law. However, wherever this Ordinance imposes greater restrictions, the provisions of this Ordinance shall govern.
- (6) Interpretation. In their interpretation and application, the provisions of this Ordinance shall be held to be minimum requirements and shall be liberally construed in favor of the District and shall not be deemed a limitation or repeal of any other power granted by the Statutes of the State of Wisconsin.

- (7) Definitions. The Definitions of terms herein are located in Article 2 of the Sewer Use Ordinance for Lakeland Sanitary District No. 1.

## **Article II. Revenue.**

- (1) Establishment of Revenue System. A user charge shall be assessed to all Users by the District in accordance with the provisions of this Ordinance.
- (2) Basis for Sewer Service Charges.
- (a) A Sewer Service Charge is imposed upon each User for the construction, reconstruction, improvement, extension, operation, maintenance, repair, and replacement of the sewerage System, and for the payment of all or part of the principal and interest of any indebtedness incurred for those purposes, including the replacement of funds advanced by or paid from the District's water fund.
- (b) Metered and Unmetered Users.
1. Sewer users served by Water Utility meters. There is hereby levied and assessed upon each lot, parcel of land, building, or premises having a connection with the wastewater collection system and being served with water solely by the Water Utility, a wastewater treatment service charge based, in part, on the quantity of water used, as measured by the Water Utility water meter used upon the premises.
  2. Sewer users served by private wells. If any user discharging wastewater into the System procures any part or all of its water from sources other than the Water Utility, all or part of which is discharged into the System, the user may be required to install one or more water meters (Source Meters) for the purpose of determining the volume of water obtained from these other sources. Source Meters shall be installed, owned, and maintained by the User, at the User's sole expense. All Source Meters shall be inspected and certified by the Water Utility prior to acceptance of the readings. The User shall submit Source Meter readings at the interval specified by the Water Utility. For those Users without a meter installed the District will assume usage of 13,000 gallons per quarter to arrive at the recovery for the systems variable costs.

3. Metering Waste. Sewer Discharge Meters for measuring the volume of Waste Discharged may be required by the Sewer Utility if this volume cannot otherwise be determined from the metered water consumption records. Such meters shall be installed, owned and maintained by the User, at the User's sole expense. All Sewer Discharge Meters shall be inspected and certified by the District prior to acceptance of the readings. Following certification, such meters shall not be removed without the consent of the District. Specifications for installation and maintenance of Sewer Discharge Meters shall be set forth in a written agreement or in a Permitted Industrial User's Discharge Permit.
4. Unmetered Users. Users may be metered or unmetered. The volumetric charge for unmetered Users shall be determined based on 13,000 gallons of water usage per quarter, regardless of the actual usage (Unmetered Quarterly Flat Charge). Users shall be metered or unmetered only upon determination by the District.

(3) User Charge System.

(a) Operation and Maintenance Charges.

1. Costs shall be separated in accordance with their applicability to flow, BOD, TSS, TKN, Total Phosphorous (TP), chlorides and monitoring sampling/analysis. The percentage breakdown shall be reviewed annually by the District and approved by the District.
2. Operation and maintenance costs for flow, BOD, TSS, TKN, TP and chlorides are totaled for each. The unit charges for each are obtained by dividing the total costs of the previous year's total billable flow in 1,000 gallons, billable pounds of BOD, TSS, TKN, TP and chlorides. The monitoring unit charge is obtained by dividing the total monitoring sampling/analysis costs for each industrial user by the number of samplings/analyses per year for that user class.

(b) Replacement Charges.

1. The replacement charge shall be sufficient to replace any equipment in the sewers or sewage works owned by the District as required, in order to assure the continued peak performance of the equipment and to maintain the capacity for which the sewers and sewage works were designed and constructed. The service life for real and personal property shall be established by the District Engineer in

cooperation with the District auditors, in accordance with experience of the District, State and Federal guidelines and accepted accounting procedures. Each piece of equipment shall be evaluated biennially to determine if its useful life has been extended as a result of preventive maintenance programs or repairs.

2. Yearly replacement costs for each piece of equipment shall be separated in accordance with their applicability to flow, BOD, TSS, TKN, TP and chlorides. This breakdown shall be reviewed biennially by the District and approved by the District.

3. The yearly replacement costs attributable to flow, BOD, TSS, TKN, TP and chlorides shall be divided by the previous year's total billable flow in 1,000 gallons, billable pounds of BOD, TSS, TKN, TP and chlorides respectively, and totaled to obtain unit replacement charges.

(c) Administrative and Sampling Charges.

1. The total administrative and overhead costs associated with billing, collection, and record keeping shall be determined by the District and assessed against users.

2. Industrial users shall be charged an additional amount to cover the cost of wastewater monitoring, proportionate to the number of samples and the unit sampling costs for their user class. This additional amount shall be determined as described in this Ordinance.

(d) Debt Service.

1. Revenues to pay for debt service shall be collected as required for debt amortization.

(e) Additional Charges.

Additional charges shall be billed, as required, for the following:

1. Actual costs incurred for user-requested samplings and analyses.

2. Actual costs incurred for meter inspection requested by the user.

3. Actual costs incurred for special handling not provided for elsewhere in this Ordinance.

4. Actual costs incurred for handling a user's check returned because of insufficient funds.

5. Each user which discharges toxic pollutants which cause an increase in the cost of managing the effluent or the sludge of the treatment works shall pay for such increased costs and toxic monitoring.

**(4) Wastewater Treatment Charges.**

(a) All Users. The basic wastewater treatment bill to be paid by all users shall consist of user charges for operation, maintenance, and replacement, using the unit charges from this Ordinance, and user charges for billing and collection as described in this Ordinance. The unit charges shall be applied to the user's billable flow, BOD, TSS, TKN, TP and chlorides respectively.

(b) Industrial and Commercial Users.

1. In addition to the basic wastewater treatment bill described in the Ordinance for the user charge system, wastewater treatment bills for industrial and commercial users shall consist of industrial waste monitoring charges as described in this Ordinance.

2. The District shall periodically sample and analyze wastes from selected users in each industrial and commercial user classification to determine the BOD, TSS, TKN, TP and chlorides strengths of the wastes and these results shall be used as representative of wastes from all users in that classification for billing purposes unless the user's waste is classified by the District Engineer as having special problems. At the request of the user, samples shall be made and analyzed on the same frequency as samples of the user's classification, and that analysis shall be used as typical of that particular user's waste for billing purposes. Industries with wastes classified by the District Engineer as having special problems shall, if directed by the District Engineer, install at the industry's own cost and in a structure located on the building service line, whatever sampling devices are required by the District Engineer to obtain exact information about the waste. Such charges are additional charges.

(c) Additional Charges. Additional charges as described above shall, if required, be listed on the wastewater treatment bill.

## **(5) Sewer Service Charge Components**

### **(a) Fixed Charge**

1. In an attempt to stabilize revenues the utility will charge a fixed charge.
2. To recover the fixed portion of allocated system costs as discussed in the Ordinance the utility will charge each customer a quarterly service charge that is based on the customer's meter size.
3. Fixed Charge Components

In order to equitably allocate the fixed charges the utility has chosen to apply a customer charge component and a meter charge component. The customer charge will recover the costs such as meter reading, billing costs, and other costs the utility incurs equally per customer. The meter component will recover similar costs as the customer charge plus other customer related costs that change as a function of meter size. These other costs typically include meter-related costs such as meter testing, repairs, and replacements.

### **(b). Volume Charge**

1. To recover variable costs that change based on customer usage the utility will charge a uniform rate per thousand gallons. A uniform rate demonstrates the similarities between customer groups in usage characteristics, ease of customer understanding and ease of administration.

### **(c). Rates**

1. Rates referenced in paragraphs 1. and 2., above are set and adjusted from time to time by Resolution of the District Board.

## **(6) High Strength Wastewater Surcharge.**

- (a). A surcharge shall be imposed on the rates charged to users for the treatment of high strength wastewater. The surcharge shall be based on the volume, strength, and character of the high strength wastewater treated as compared to volume, strength and character of normal domestic sewage experienced by the District.

(b). High strength wastewater is defined as any sewage having waste characteristics greater than normal domestic sewage values as defined below:

- a. BOD – 250 mg/l
- b. TSS – 300 mg/l
- c. TKN – 40 mg/l
- d. TP – 7 mg/l
- e. Chlorides – 250 mg/l
- f. pH – 6 to 9

(c). The surcharge for high strength wastewater shall be charged at a rate per lb. BOD, TSS, TKN, TP and chlorides for waste characteristics in excess of normal domestic sewage characteristics. The TP surcharge will be on a tiered basis for minor vs. major surcharge concentrations. The surcharge for pH outside the normal range shall be charged at an amount per pH point/1,000 gallons.

(d). The surcharge, for users discharging high strength wastewater shall be determined in accordance with the following formula:

$$SU = [(B-250)*V_w*Cb*8.34] + [(S-300)*V_w*Cs*8.34] + [(N-40)*V_w*Cn*8.34] + [(P-7.0)*V_w*Cp*8.34 + (P-10.0)*V_w*Cp*8.34] + [(Cl-250)*V_w*Cl*8.34] + [(pH<6)*V_w*1000*Cph + (pH>9)*V_w*1000*Cph]$$

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Where:

- SU = Surcharge to the user  
V<sub>w</sub> = Waste water volume in million gallons  
B = Concentration of BOD in milligrams per liter (mg/l)  
S = Concentration of TSS in milligrams per liter (mg/l)  
N = Concentration of TKN, as N, in milligrams per liter (mg/l)  
P = Concentration of TP, in milligrams per liter (mg/l)  
Cl = Concentration of Chlorides, in milligrams per liter (mg/l)  
pH = Value of pH  
C<sub>v</sub> = Cost per 1,000 gallons of flow  
C<sub>b</sub> = Surcharge per pound of BOD  
C<sub>s</sub> = Surcharge per pound of TSS  
C<sub>n</sub> = Surcharge per pound of TKN  
C<sub>l</sub> = Surcharge per pound of Chlorides  
C<sub>p</sub> = Surcharge per pound of TP  
C<sub>ph</sub> = Surcharge per point of pH outside normal range.

\*\* Formula will require adjustment where TP is at times below and above 10 mg/l.



(7) **Surcharge Rates.** Surcharge rates as described in Article II (6) established above are set and adjusted from time to time by Resolution of the District Board.

(8) **Sewer Connection Fee.**

(a). Pursuant to the authority granted by 66.0821, Wis. Stats., and in addition to all other sewer charges imposed under this Chapter, a sewer connection fee, shall be paid to the District by the owner of any property upon connecting any building or structure thereon to a sanitary sewer where such building or structure was not connected to a sanitary sewer served by the wastewater treatment utility on the effective date of this ordinance.

(b). Connection Fee charges are set and adjusted from time to time by Resolution of the District Board.

(9) **Sewer Credits.**

The wastewater volume billed shall be based upon and equal to water consumption for the period and shall be billed at rates described above, except as modified below:

(a). Credits for not reaching water system. These meters were previously known as deduct meters and will be referenced as an Additional Meter. The District will allow an additional meter to be installed for water which is used but does not enter the sanitary sewer system for seasonal outside use of water through exterior hose bibs for purposes of gardening, watering lawns, filling swimming pools/hot tubs, and washing vehicles.

(b). Additional meters shall be read along with water meters once quarterly, and the volume that passed through the meter shall not be included in the wastewater volume consumption for the period at current rates per 1,000 gallons.

(c). Leak Adjustments. When water consumption for a given period is substantially increased due to leaks in the plumbing system of a property, the resident may ask for an adjustment of the sewer volume to partially offset the increased cost for the period.

1. Adjustments will not be made until the problem which caused the increased consumption is corrected, and such correction is documented with the wastewater utility.

2. Upon such documentation, the wastewater charge for the period may be adjusted downward to reflect the average charge for the previous four quarterly periods, except where the volume for one or more of those periods was unusually high or low for the customer. In such case, the average of the most recent representative periods shall be used for averaging purposes.

3. Such adjustment shall not be made more than one time in any 12-month period.

### **Article III. Financial Management.**

#### **(1) Budget and Appropriation.**

a. On an annual basis, the District shall prepare a Sewer Utility budget. The budgeted revenues shall be sufficient to cover projected Operation, Maintenance, Debt Service and Replacement Costs of the Sewer Utility.

#### **(2) Accounts and Funds.**

a. Income and revenues derived by the Sewer Utility shall be placed in an account which is separate and distinct from the General Fund. Other segregated funds, for example, a debt reserve fund or equipment replacement reserve fund, may be established and maintained as necessary.

#### **(3) Audits.**

a. The District Board shall cause an annual audit of the financial report of the Sewer Utility to be made, and shall make the audit report available for inspection during regular business hours.

#### **(4) User Charges.**

a. Money. All user charge payments shall be placed in the wastewater utility's general fund. Such money shall be used only to cover the costs of operation and maintenance, replacement, toxic, handling and sampling, and other costs as outlined in this Ordinance.

b. Expenditures. Expenditures shall be made from the user charge monies by the District in accordance with the detailed annual budget and Ordinance authorized by the District Board.

c. Replacement Reserve Expenditures. Expenditures from the accrued replacement reserve on facilities shall be for making renewals to accommodate wear of physical elements and/or movable property that would result in an extended useful life or meet the anticipated useful life of the present plant and not for plant expansion or additions.

d. Renewals. Renewals to accommodate wear of physical elements and/or movable property shall be capital expenditures that cause the annual estimate for accrued reserves from replacement to be evaluated in terms of extended useful life as a result of preventative maintenance programs or of such renewals. The expenditures to overcome physical and/or functional obsolescence shall be capitalized against the element of the facility and charged to the fixed assets groups of accounts as an improvement to such element. Future estimates of accrued reserve requirements shall be evaluated and reflected in the replacement reserve requirements.

e. User Notification. That the users will be notified upon review of the User Charge System. The purposes of this review shall be to maintain the proportionality between Users and User Classes of the user charge System, and to ensure that adequate revenues are available in the event of increasing Operation, Maintenance, and replacement Costs, and to adhere to debt coverage requirements in connection with a Clean Water Fund Loan Financial Assistance Agreement. The charges established hereunder may be developed using either a utility ratemaking method, which would include Recovery of Operation and Maintenance Costs plus depreciation and a return on investment, or a cash-based ratemaking method, which would include Recovery of Operation and Maintenance Costs, debt service payments, capital outlay, taxes and a deposit to the equipment Replacement Fund.

f. Method of Billing. Billing shall be performed quarterly at the end of each calendar quarter. Billing will normally be done as part of a combined invoice including fees for the Water Utility, Wastewater Utility, Stormwater Utility and such other utilities and special fees or assessments as may be added from time to time by the District Board.

g. Delinquent Bills. Policies for late payment will be handled in the same manner as the Water Charges and can be found in Schedule labeled as "Mg" of Appendix C as established by the Public Service Commission of Wisconsin for Lakeland Sanitary District.

*SIGNATURE PAGE TO FOLLOW*

This Ordinance shall take effect upon passage and publication as provided by law.

Adopted: By the Lakeland Sanitary District Board on \_\_\_\_\_.

\_\_\_\_\_  
Tom Wipperfurth, President

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Mark Killian, Treasurer

Attest:

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Rick LaPlante, Clerk

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Julie VanSkyhawk, Office Manager