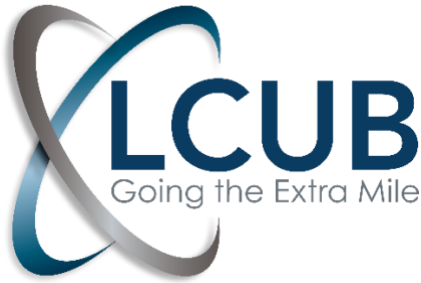


Wastewater System Policy

Approved: March 20, 2023



Wastewater Department Policy

Section I. Purpose

It is the intent of the Lenoir City Utilities Board (*LCUB*) that these *Rules and Regulations* promote the following principles:

1. Assure the safe and efficient use, administration, operation, expansion, extension, and preservation of the wastewater system.
2. Assure its customers' compliance with these Rules and Regulations, Rate Schedules for wastewater service adopted by the Board and Service Procedures established by LCUB.
3. Promote fair, reasonable, and uniform treatment of customers in each of the rate classes of LCUB.
4. Protect the environment through the professional management of our system and maintain public confidence in LCUB's system.
5. Encourage economic development by promoting extensions of the LCUB System.
6. Simplify, clarify, and modernize the policies governing the operation of wastewater system.
7. Assure that LCUB's system operating practices are as uniform as appropriate.
8. Promote the continued evolution and development of LCUB's wastewater system operating guidelines and practices.

Section II. Scope

These Rules and Regulations apply to the application, implementation, and operation of LCUB's wastewater system and the provision of wastewater service.

1. **Conflict.** In addition to these Rules and Regulations, the following documents, listed in order of precedence, are hereby made a part of all contracts and are enforceable through all contracts, actual and implied, for customers and users receiving wastewater service from LCUB and apply to

all wastewater services received by customers, whether the service is based upon contract, agreement, signed application or otherwise:

- i) the Wastewater Division Rate Schedules;
- ii) these Rules and Regulations as may be amended from time to time; and
- iii) the Service Procedures.

In the event of a conflict between the documents listed above, the order of precedence shall govern.

2. Severability. If any clause, sentence, paragraph, section or part of these Rules and Regulations, any applicable Wastewater Division Rate Schedule, or any provision of the Service Procedures shall be declared invalid or unconstitutional, it shall not affect the validity of the remaining parts of these Rules and Regulations or the applicable Wastewater Division Rate Schedule, or the Service Procedures.

3. Authority. Subject to the limitations set forth in the Charter, these Rules and Regulations, applicable Rate Schedules and any other official Board action or resolution, the General Manager, and his/her designees, has all rights, powers, duties, and authorities to implement, and enforce these Rules and Regulations. The General Manager, and his/her designees, has all rights, powers, duties, and authorities to establish and enforce Service Procedures and other such policies and programs necessary to implement these Rules and Regulations.

4. Access to Premises. The customer, user, and if a different person, owner of premises to which wastewater service is provided shall, by its receipt and acceptance of wastewater service, grant to LCUB permission to access the premises at all times, including immediate access if determined to be necessary by LCUB in the event of an emergency, for the purpose of:

- i. Reading meters;
- ii. Installing, testing, inspecting, repairing, operating, maintaining, removing, and replacing any LCUB's wastewater system components
- iii. Clearing hazards away from LCUB wastewater system.
- iv. Inspecting and operating the customer's, user's, and if a different person, owner's wastewater piping and equipment;
- v. Inspecting the premises; and
- vi. Providing notifications

In order to determine that LCUB's Rules and Regulations and/or Service Procedures implementing the Rules and Regulations, the regulations of the Tennessee Department of Environment and Conservation, and to ensure compliance with applicable federal, state, local law(s) and regulation(s).

5. Responsibility for LCUB's Property. The customer, user, and if a different person, owner shall provide a space for and exercise proper care to protect any LCUB property located on the premises; and in the event of loss or damage to LCUB's property, arising from the negligence to care for said property, the cost of necessary repairs or replacements shall be paid by the negligent party.

No person shall perform excavation without a valid TN811 locate request ticket. The Tennessee Underground Utility Damage Prevention Act specifies the requirements for safe digging or other work near utilities.

6. Responsibility for Compliance with Rules and Regulations. Every customer, user, and if a different person, owner shall comply with these Rules and Regulations, Rate Schedules of the Wastewater Division adopted by the Board, and Service Procedures established by LCUB to implement these Rules and Regulations.

7. Promotion of Technology. LCUB may establish and maintain processes consistent with these Rules and Regulations that promote and utilize new technologies for the operation of its wastewater system which improve system reliability, increase operational flexibility and/or lower costs of operation. Examples include, but are not limited to, automated remote metering, estimated metering, etc.

8. Health and Safety. All Rules and Regulations and Service Procedures affecting health and safety, including (without limitation) all provisions relating to inspection, general safety precautions for utilization, operation and maintenance of LCUB's wastewater system (including but not limited to prequalified wastewater contractor requirements for the Tennessee Department of Environment and Conservation), and rules governing installations, are for the guidance and benefit of customers, users, and if a different person, owners, and LCUB shall not be responsible for the health and safety thereof, or for any loss, damage, or injury resulting from any violation thereof, but LCUB reserves the right, in its discretion, to refuse to furnish wastewater service, or to discontinue furnishing wastewater service, where the customer, user, and if a different person, owner fails to comply therewith.

9. Interpretation. It is the intent of LCUB that these Rules and Regulations be liberally interpreted.

Section III. Definitions

For the purpose of these Rules and Regulations, and unless the context specifically indicates otherwise, the following terms shall have the meaning ascribed:

Wherever the context shall require, words used herein in the singular shall include the plural, words used in the plural shall include the singular, words used in the masculine shall include the feminine, and words used in the feminine shall include the masculine.

Board shall mean the LCUB power board members, six positions as elected from time to time by the Citizens of the City of Lenoir City and two positions appointed by the Mayor of Knox County, Tennessee.

General Manager shall mean the President or Chief Operating Officer of the Lenoir City Utilities Board, shall administer, implement, and enforce the provisions of these Rules and Regulations.

City shall mean the City of Lenoir City, Tennessee.

Commercial and industrial use shall mean all uses with the exception of domestic use as defined in these Rules and Regulations.

Contribution in Aid of Construction (CIAC) shall mean a payment required of the customer for the extension of LCUB's wastewater system.

Customer shall mean any person who receives wastewater service from LCUB under either an express or implied contract requiring such person to pay LCUB for such service. The term shall also include illicit users of wastewater service from LCUB.

Domestic use of the wastewater system shall be defined and limited to single family, multifamily, apartment or other dwelling unit or dwelling unit equivalent connecting to LCUB's wastewater system and used for residential purposes only.

Dwelling unit shall mean any structure occupied by one or more persons of a single family for residential purposes. Apartment buildings and other structures occupied by more than one family shall be considered multiple dwelling units.

Fee is any amount levied that is set at the discretion of management of LCUB as authorized by the Board but does not include a rate.

Customer service line shall mean the line from the property line to the equipment utilizing wastewater on the customer's, user's, and if a different person, owner's premises.

Wastewater collection main shall mean the principal or major pipe in the wastewater system conveying wastewater from wastewater service lines for collection.

Wastewater Division or division shall mean the part of the LCUB system having charge of the physical operation and financial oversight of LCUB's wastewater system.

Wastewater service line shall mean the pipe, which leads from the wastewater collection main to the property line; it does not include the metering equipment. The wastewater service line shall be operated and maintained by LCUB.

Wastewater system shall mean all components for receiving wastewater, including but not limited to wastewater collection mains, wastewater service lines, and metering equipment, and wastewater plant.

Wastewater and/or wastewater service means wastewater collected by LCUB for its customers, users, and if a different person, owner for domestic, commercial and/or industrial use by collecting wastewater via the LCUB wastewater system.

Lenoir City Utilities Board, or LCUB, shall mean the Lenoir City Utilities Board of the City of Lenoir City, Tennessee, or, as the context requires, the management of LCUB, its contractors or agents.

Person shall mean any individual, partnership, firm, company, association, society, corporation, limited liability company, trust, estate, governmental entity, or any other legal entity, or its legal representatives, agents, or assigns. This definition includes all federal, state, and local governmental entities and shall also include illicit users of wastewater service from LCUB.

Point of Collection shall mean the point of connection at property line or control valve, unless otherwise designated by LCUB.

Pre-qualified wastewater contractor shall mean any contractor employee performing work on the LCUB wastewater system in any of the covered functions set forth by the Tennessee Department of Environment and Conservation.

Premises shall mean any structure, group of structures, or property, whether occupied or unoccupied, operated as a single business, enterprise, or dwelling unit, but shall not include more than one dwelling unit.

Private wastewater system is any wastewater system owned and maintained by the customer, whose operation is regulated by entities other than LCUB including but not limited to the Tennessee Department of Environment and Conservation. The wastewater use of a private wastewater system may be metered by LCUB at a central location.

Rate is any quantitative value used to determine an amount levied on a customer directly related to the provision and/or consumption of wastewater typically associated with utility usage, as set forth in a Wastewater Division Rate Schedule adopted by the Board.

Rules and Regulations means the rules and regulations adopted by the Board governing the operation and use of LCUB's wastewater system.

Service Procedures means those governing procedures set forth in a document or document(s) adopted by the General Manager implementing the Rules and Regulations for the LCUB wastewater system and outlining the guidelines necessary to oversee the daily operation of LCUB's wastewater system.

Standards and specifications shall mean a set of processes or procedures regarding certain aspects of the LCUB wastewater system, which may be in effect from time to time, but may not be included in the Service Procedures.

User shall mean any premise having a connection to the LCUB wastewater system or having access thereto. The term shall include illicit users of wastewater service from LCUB

Section IV. Initiation of Wastewater Service

1. Residential use. A formal request for either original or additional wastewater service must be made to LCUB by the customer and be duly approved by LCUB before connection to the LCUB wastewater system is made. The request shall be in the prescribed form according to the Service Procedures. The receipt by LCUB of a prospective customer's request for wastewater service shall not obligate LCUB to render wastewater service. LCUB may, at its sole discretion, require the customer to provide security, assurance, or guaranty prior to LCUB rendering wastewater service.

2. Commercial and industrial use. A formal request for either original or additional wastewater service must be made to LCUB and be duly approved before connection is made. The request shall be in the prescribed form according to the Service Procedures. The receipt by LCUB of a prospective customer's request for wastewater service shall not obligate LCUB to render the

wastewater service. LCUB may, at its sole discretion, require the customer to provide security, assurance, or guaranty prior to LCUB rendering wastewater service.

3. Intergovernmental agreements. At LCUB's sole discretion, LCUB may enter into agreements with municipalities and unincorporated areas in the metropolitan area of service for the collection of wastewater service. Any such agreement must comply with all applicable federal, state and local laws, ordinances, regulations and LCUB's Rules and Regulations. There shall be no liability on the part of LCUB to the requestor for refusal of such service.

Section V. Connections to LCUB Wastewater System

1. Wastewater system extensions or relocations. Wastewater system extensions or relocations will be located in a right-of-way or dedicated easement acceptable to LCUB. The customer shall grant an easement, without cost to LCUB, for that portion of the right-of-way that traverses property owned by the customer or runs along a roadway on property owned by the customer. If additional easements are required, the customer shall bear LCUB's costs of obtaining said easements. Unless approved by LCUB, the right-of-way must be adjacent to a road that is suitably maintained to permit LCUB to have direct access to the LCUB wastewater system. Should the right-of-way be adjacent to a private road, rights of ingress and egress shall be granted to LCUB, and a dedicated easement shall be provided before any wastewater collection main is installed.

2. Point of collection

- A. The point of collection shall be the point at the outlet at the property line, unless otherwise designated by LCUB. Costs and expenses incidental to the installation, connection and inspection of wastewater piping and equipment beyond the point of collection shall be borne by the customer.
- B. All connections to the LCUB wastewater system are to be made in accordance with all applicable LCUB standards and specifications.
- C. LCUB operates, maintains, repairs, and replaces all portions of the LCUB wastewater system. LCUB shall perform all work in accordance with Tennessee Department of Environment and Conservation regulations, LCUB's standards and specifications, these Rules and Regulations, and any other applicable codes and ordinances.

- D. The Codes Inspector for the City for connections within the City and the appropriate regulatory authority for the area of connection outside the City, including but not limited to the Loudon County Inspector, must inspect, and approve the service line.
 - E. The location of LCUB's metering equipment shall not change the location of the point of collection.
 - F. All wastewater piping or equipment beyond the point of collection at property line shall be owned and maintained by the customer, user, and if a different person, owner.
 - G. LCUB shall not be liable for any injury to persons or property on account of any defect or negligence in the installation, maintenance, or use of the customer's, user's, and if a different person, owner's equipment beyond the point of collection.
- 3. Mains on Private Property.** LCUB reserves the right to install wastewater collection main in dedicated easements on private property for residential and business developments, including but not limited to condominium developments and commercial strip malls.
- 4. Low Pressure System.** Eone and other low-pressure systems including service lines are the sole responsibility of the property owner, unless otherwise approved by LCUB. Designated systems maintained by LCUB shall be subject to monthly maintenance fees. All systems shall be subject to management under the sewer use ordinance. Noncompliance may result in termination of service and/or associated fees.
- 5. Private Owned Wastewater Stations.** Wastewater stations not owned by LCUB are the sole responsibility of the homeowner's association, property owner, and/or management company. Stations are subject to all Rules and Regulations set forth by all LCUB policies and the Tennessee Department of Environment and Conversation. Systems stations and influent lines shall be controlled, maintained, and protected from possible infiltration or inflow. LCUB shall reserve the right to inspect, meter, and /or disconnect service.

Section VI. Interruption of Wastewater Service

LCUB shall not be liable for any damage resulting from failure of any LCUB wastewater system component, or by fluctuations in wastewater pressure, or by discontinuing the operation of any segment of its wastewater system for repair,

extensions or connections, or from the accidental failure of its wastewater system from any cause whatsoever, or the termination of wastewater service as the result of violations by any customer, user, and if a different person, owner, of any applicable federal, state and local laws and/or these Rules and Regulations or LCUB's Service Procedures, or damage resulting from LCUB's failure to terminate wastewater service after notice of termination of wastewater service by the customer. In cases of emergency, LCUB shall have the right to restrict the use of its wastewater system in any reasonable manner for the protection of LCUB's wastewater system, customers, the public, and the environment.

Section VII. Restricted Use of Wastewater

LCUB also reserves the right to grant no further applications for wastewater service until such time that the wastewater system can adequately meet the demands on its wastewater system.

Section VIII. Termination of Wastewater Service; Refusal to Connect Wastewater Service

LCUB has the right to terminate or refuse wastewater service based on outstanding debts owed to LCUB related to the non-payment of utility bills, a dispute as to the ownership of the premises requesting wastewater service or the customer's disputed right to occupancy of the premises, a violation of these Rules and Regulations, a violation of Service Procedures, a violation of a customer contract, non-payment of a utility bill by the customer, non-usage of wastewater service for a reasonable period of time, a violation of any other applicable rule, law, or ordinance, or any other legitimate reason deemed in LCUB's best interests and the best interests of LCUB's wastewater system.

Section IX. Rates for Wastewater Service

Wastewater service rates shall be set forth in the Wastewater Division Rate Schedules as adopted by the LCUB Board.

Section X. Billing for Wastewater Service

The billing for wastewater service shall be in accordance with the Rate Schedules of the Wastewater Division as approved by the Board and this section of the Rules and Regulations.

1. **Minimum charges.** The minimum charge, if any, will be as stated in the Rate Schedules of the Wastewater Division.
2. **Estimated billing.** LCUB may periodically estimate a customer's wastewater discharge and submit to customer for payment such estimated service bill.
3. **Billing adjustments.** Upon approved request LCUB does make adjustments on wastewater usage allowing once within a twelve-month period and limiting adjustment for two consecutive month billing cycles only. Adjustments shall be made within ninety days of occurrence and may require proof of repair. Adjustments are only issued for water leaks found not discharging in the wastewater collection system. Wastewater billing adjustments are not permitted on Irrigation or fire type systems.

Section XI. Authority to Levy Charges and Fees

Under the provisions of its charter and of the general laws of the State of Tennessee, LCUB is authorized and empowered to fix, levy and collect fees, rents, tolls or other charges for the use of or in connection with the LCUB wastewater system. This authorization includes but is not limited to the establishment, levy and collection of a service charge, improvement charge, or other charges deemed necessary. The General Manager and/or his/her designee may establish Service Procedures addressing the establishment of charges and fees associated with wastewater service.

Section XII. LCUB Wastewater System Extensions

1. General Extension Policy

- A. The investment that LCUB will make, if any, toward an extension of the LCUB wastewater system will be equitably determined by LCUB on the basis of economic and/or technical feasibility. In making such determination, LCUB shall consider the total capital cost, the anticipated revenues, the estimated expenses associated with the extension, such other economic factors as LCUB may deem appropriate under the circumstances and the availability of adequate capacity in the LCUB wastewater system. LCUB may require the customer to pay a CIAC.
- B. LCUB may require the customer to execute an extension agreement which requires and/or provides for assurances or other security or credit arrangements as may be required by LCUB in its sole discretion, with respect to the extension, including, but not limited to, refundable

construction advances, minimum demand or bill requirements, and such other forms of security, assurance, and/or guaranty, as LCUB determines to be necessary or appropriate to protect the interest of LCUB and its customers. LCUB shall not be obligated to provide refunds unless specified in a contract. In no event shall a refund be in excess of the amount of the advance for or actual cost of construction.

- C. LCUB shall have the authority to extend its wastewater system in a manner different from that set forth in the Rules and Regulations and charge a CIAC when any such extension is determined to be in the best interest of LCUB, economic interest of the community, or to the benefit of the public health of the community.
- D. The authority to make wastewater extensions is in LCUB's sole discretion even though all requirements have been met. Nothing contained herein shall be construed as requiring LCUB to extend wastewater service to any property. LCUB wastewater system extensions shall not be denied on the basis of race, sex, religion, color, age or national origin.

2. Construction of LCUB Wastewater System

- A. LCUB's wastewater system shall be constructed by LCUB personnel or a LCUB pre-qualified wastewater contractor. LCUB may approve advance written requests from persons to contract with LCUB pre-qualified wastewater contractors to install wastewater collection main and wastewater service lines.
- B. The size, type and installation of wastewater system components shall comply with LCUB's standards and specifications and must be approved by LCUB.
- C. Construction work on LCUB's wastewater system shall at all times be subject to inspection by LCUB to assure that the work conforms to LCUB's standards and specifications.
- D. No approval or inspection by LCUB hereunder shall relieve a LCUB pre-approved wastewater contractor or a person who contracted with a LCUB pre-approved wastewater contractor of any liability for work performed on the LCUB wastewater system.
- E. Upon the completion of construction and subsequent inspection and approval by LCUB, such construction shall become the property of LCUB

and thereafter become a part of LCUB's wastewater system. The persons paying the cost of construction shall execute any written instrument requested by LCUB to provide evidence of LCUB's title. In consideration of such being transferred to LCUB, LCUB shall incorporate such as an integral part of LCUB's wastewater system in accordance in or within these Rules and Regulations.

- F. LCUB may, at the request of a person, relocate or change existing LCUB wastewater system components. The person may be required to reimburse LCUB for costs of such relocation or change including but not limited to appropriate overheads and associated costs for easement acquisitions. When a public right-of-way is changed for the benefit of private interests and LCUB's wastewater system must be adjusted to accommodate said change, the cost of such adjustments shall be paid in advance on a non-refundable basis by the requesting parties.
- G. LCUB will require that the owner/developer warranty the new construction for a period of one-year after the date of service and that a warranty inspection be done at the end of this period and all documentation of the warranty inspection be forwarded to LCUB. Provided the warranty inspection furnishes evidence that the wastewater collection system is in proper working order and without flaw, testing reports, progress pictures and record drawings are provided, LCUB shall accept ownership of the collection system and all other appurtenances. During the one-year warranty period if LCUB is required to do any repairs to any portion of the wastewater system the owner/developer shall be billed for any material and labor charges.

Section XIII. Unauthorized Wastewater Disposal.

Any customer found to be improperly discharging or illegally dumping wastewater shall have the collection estimated and charged accordingly. In addition to the estimated collection charges, an illegal disposal fee shall also be charged.

Section XIV. Service Request / Emergency Callout

Service request of LCUB staff and equipment during normal business hours or after hours that have been determined to be the responsibility of the owner, contractor, or other referenced party shall be responsible for incurred cost but not limited to employee's rate, equipment, and/or material.

Section XV. Sewer Use Ordinance / Pretreatment

The sewer use ordinance sets forth uniform requirements for users of the LCUB's wastewater treatment system and enables the city to comply with the Federal Clean Water Act and the state Water Quality Control Act and rules adopted pursuant to these acts. The objectives of this program are:

- (1) To protect public health,
- (2) To prevent the introduction of pollutants into the municipal wastewater treatment facility, which will interfere with the system operation.
- (3) To prevent the introduction of pollutants into the wastewater treatment facility that will pass through the facility, inadequately treated, into the receiving waters, or otherwise be incompatible with the treatment facility.
- (4) To protect facility personnel who may be affected by wastewater and sludge in the course of their employment and the general public.
- (5) To promote reuse and recycling of industrial wastewater and sludge from the facility.
- (6) To provide for fees for the equitable distribution of the cost of operation, maintenance, and improvement of the facility; and
- (7) To enable the city to comply with its National Pollution Discharge Elimination System (NPDES) Permit conditions, sludge and biosolid use and disposal requirement, and any other Federal or State industrial pretreatment rules to which the facility is subject.

Section XVI. Fats, Oils, and Grease Program.

To prevent wastewater system blockages, obstructions and overflows due to the contribution and accumulation of fats, oils and grease from food service establishments, residential, commercial, and industrial facilities see LCUB's FOG policy.

Schedule Of Wastewater Rates, Deposits, and Fees

Tap Fees

\$1200.00 Standard Residential / Commercial / Industrial Minimum Tap Fee.
Charges may increase due to additional costs related to long-side services or other factors necessary to provide service to the customer.

Residential / Commercial / Industrial development tap fees shall be determined by LCUB on an individual basis.

Special Assessment Fee

Special Assessment Fees will be implemented upon the submission and approval of wastewater plans and specifications and/or request for wastewater service as follows:

\$1500.00 Residential (single dwelling)

\$1000.00 Residential (multi-dwelling)

\$3250.00 Commercial

LCUB reserves the right to enact special assessment fees and/or any other charges that may be necessary to recover capital investments made during construction to provide wastewater service to any area of the collection system.

Capital Reserve and Maintenance Fee

The Capital Reserve charge is a one-time charge to any single residential, commercial, or industrial customer connecting to LCUB's wastewater system. This charge enables LCUB to fund capital expenditures.

The Maintenance Fee charge is a one-time charge to any single residential, commercial, or industrial customer connecting to LCUB's wastewater system. This charge enables LCUB to provide for additional maintenance on the wastewater system. EPA strongly recommends that a maintenance charge be enacted and that the charge be separated from normal revenues. The fees shall be assessed, and payment made up-front for all residential, commercial, or industrial developments based on the total number of services being provided. If the development is staged as multi-phase, each phase will be assessed the fees at the time LCUB approves the design plans.

The Capital Reserve and Maintenance Fee charge for customers inside and outside the corporate city limits is established at \$1.80 per gallon of daily discharge. A capital reserve charge of \$1.50 per gallon of daily discharge and a maintenance charge of \$0.30 per gallon of daily discharge.

Residential customers will be based on an average daily discharge of 145 gallons per household.

Larger commercial and industrial customers will be required to provide LCUB with maximum daily discharge quantities. LCUB will establish the capital reserve and maintenance charge from the data provided and LCUB has the right to adjust the fee after a 6-month history of discharged quantities compilation. LCUB may at its discretion establish the capital reserve and maintenance fees using TDEC's design basis for sewage works.

The fees shall be assessed, and payment made up-front for all residential, commercial, or industrial developments based on the total number of services being provided.

Low Pressure Systems

Customers having property in the designated areas maintained by LCUB shall be responsible for cost recovery of the equipment and material necessary for the low-pressure systems.

Line Extension Fee

Requested line extensions by individuals or developers shall be discussed, designed, estimated, and permitted on an individual basis by the LCUB.

Inspection Fees

\$35.00 Inspection fee for general lateral and connections for residential customers. A reinspection fee shall be charged for additional inspections in the event of a failure.

\$45.00 Hourly rate for pretreatment / grease trap / etc. inspections

Engineering and / or Inspection Fees hourly rate of services for residential / commercial developments including but not limited to associated work conducted in vicinity of LCUB infrastructure shall be estimated on individual basis.

Unauthorized Wastewater Use or Disposal

\$375.00 Tampering fee per event, if applicable. Additional charges may result regarding necessary repairs or replacement, estimated discharge, etc. for the unauthorized connection or illegal dumping.

Wastewater Rate Schedule

See LCUB's latest updated schedule.

Board Action

September 20, 1999

October 21, 2002, Amended

August 22, 2006, Amended

March 20, 2023, Approved