

ORDINANCE NO. _____

AN ORDINANCE TO ESTABLISH A SCHEDULE OF SEWER RATES AND CHARGES FOR LITTLE ROCK WATER RECLAMATION AUTHORITY, REPEALING ORDINANCE NO. 21,080 ADOPTED AUGUST 4, 2015; AND FOR OTHER PURPOSES.

WHEREAS, the City of Little Rock, Arkansas (the "City") owns a sewer system (the "System") which is identified as a water reclamation system; and

WHEREAS, the System is operated by the Little Rock Water Reclamation Authority ("LRWRA") under the control and supervision of the Water Reclamation Commission of the City (the "Water Reclamation Commission"); and

WHEREAS, the authority to establish sewer rates and charges for the System is vested in the Board of Directors of the City, and the Water Reclamation Commission has determined and recommended to the City Board of Directors that the rates and charges herein set forth should be duly adopted by ordinance pursuant to law because the current sewer rates and charges need to be adjusted; and

WHEREAS, the City Board of Directors finds that the rates and charges proposed by the Water Reclamation Commission and established herein are adequate to pay the principal of and the interest on the City's outstanding water reclamation system revenue bonds and sewer revenue bonds, to make payments into the sinking fund for those bonds, to provide an adequate depreciation fund, and to provide LRWRA's estimated cost of operating and maintaining the System, including the cost of improvements and replacements; and

WHEREAS, as a result of the comprehensive rate analysis conducted by Raftelis Financial Consultants, Inc. the need for an adjustment of rates and charges was determined, and the Water Reclamation Commission has requested the adoption of rates and charges reflected herein and has stated that the adjustments are necessary to cover the cost of the foregoing items herein, all as more particularly set forth as stated:

**NOW, THEREFORE, BE IT ORDAINED BY THE BOARD OF DIRECTORS OF THE
CITY OF LITTLE ROCK:**

Section 1. That the following monthly rates are hereby established as the rates to be charged for sewer services furnished by LRWRA, which rates the City Board of Directors hereby finds and declares to be the reasonable and necessary minimum rates to be charged;

A. The Water Reclamation Commission shall compute separately for each customer (customer being hereby defined as any landowner, lessee, or tenant whose buildings or premises are

connected with the System or otherwise discharge sanitary sewage, water, or other approved wastewater sources, either directly or indirectly into the System) a monthly bill for each class of customer. All customers of the System are hereby classified as one of the following:

(1) Domestic Customers: Residential users of any structure which is used exclusively as a dwelling. Users of a portion of a structure, which portion is separately metered for water by Central Arkansas Water, or another LRWRA approved water source, and is used exclusively as a dwelling are also classified as domestic customers. All domestic customers shall utilize a meter size of 1 inch or less. Domestic customers shall not include the users of hotels, motels, boardinghouses, apartments (three or more connected residential units), nursing homes, hospitals, residence halls, learning institutions, office complexes, wholesale/retail businesses, etc.

(2) Non-Domestic Customers: All other users of the System other than domestic customers classified above.

(3) Inside-Outside City Customers: Customers classified above (domestic or non-domestic) are further classified as either inside or outside the city limits of Little Rock, Arkansas, for the purpose of setting rates for sewer service provided by LRWRA.

B. Usage Determination: The amount of sewage discharged to the System serviced by LRWRA shall be determined by the quantity of water metered; or other LRWRA approved sewer or diversion metered system(s) (also herein expressed as usage, flow, volume, or consumption). The sewage usage shall be determined based upon any single or combination of the following which may be applicable to the customer's connection to the System; and said usage shall be utilized to compute the portion of the monthly bill known as the volumetric charge:

(1) Domestic Customers:

(a). In the case of domestic customers obtaining water exclusively from Central Arkansas Water, the flow computation shall be based upon the water consumption records of Central Arkansas Water.

(b). In the case of a domestic customer obtaining water from sources other than Central Arkansas Water, LRWRA shall determine the amount of water usage obtained by such customers from other sources, and the amount so determined shall be used (together with the amount reflected by Central Arkansas Water's records for such customer, if any) in making the volumetric computation.

(c). The sewer charge each month will be based on the monthly consumption billed in the months of October, November, December, January, February, and March (Winter Months Period). The rate shall be calculated based upon the average of three or more winter months having consumption greater than zero. Amounts shall be rounded to the nearest whole number. (In the case of domestic customers who were not on a meter during the previous Winter Month Period, the rates shall be

1 computed on the actual water usage until such time as an average monthly winter usage can be calculated.)
2 In the case of other domestic customers not on a metered basis, LRWRA shall establish water consumption
3 based on a comparison of the non-metered users with metered domestic customers.

4 (2) Non-Domestic Customers:

5 (a). In the case of non-domestic customers obtaining water exclusively from
6 Central Arkansas Water, the flow computation shall be based upon the water consumption records of
7 Central Arkansas Water.

8 (b). Each non-domestic customer from whose property or premises sewage in
9 any quantity is discharged into the System serviced by LRWRA, but whose water usage is not metered, is
10 hereby required to install a meter, at its source, at the customer's own expense, to measure the quantity of
11 water used, with an appropriate meter to be approved by LRWRA, and to pay a monthly bill for service
12 based upon the amount of water thus metered.

13 (c). In the case of a non-domestic customer obtaining water from sources other
14 than Central Arkansas Water, LRWRA shall include the volume of water obtained by such customer from
15 other sources, and the amount so determined shall be used (together with the amount reflected by Central
16 Arkansas Water's records for such customer, if any) in making the volumetric charge computation.

17 (d). In the case of a single non-domestic customer, whose water usage is
18 measured by multiple meters, the total water usage for all the meters shall be the basis on which the
19 customer's monthly bill is computed and not on the basis of each separate meter source and readings.

20 (e). If a non-domestic customer desires to establish eligibility for a sewage
21 service volume based on less than one hundred percent (100%) of total monthly water usage, the non-
22 domestic customer may submit a written request to LRWRA that it be permitted, at the sole expense of the
23 non-domestic customer, to have a meter installed for the purpose of determining the amount of such quantity
24 not reaching the System, provided, however, the meter shall be inspected and approved by LRWRA prior
25 to being eligible to receive any type of credit or adjustment to the monthly bill. The burden of showing that
26 an appreciable quantity of water usage does not reach the System shall be upon the customer; and the
27 customer shall make a determination if it wishes to either (i) install a sewage meter, or (ii) install a diversion
28 meter as outlined below. Both meter types shall comply with the items listed in (3) below.

29 (1) Install a sewage meter to measure the volume of wastewater
30 actually discharged into the System from the non-domestic customer's premises. In the event a sewage
31 meter is installed, the rate schedule as set forth in this Ordinance shall be applied to either: (i) the volume
32 of sewage entering the System as measured by the meter; or (ii) in the event the sewage meter fails, a
33 calculated volume shall be substituted, for up to ninety (90) days, based on the percentage of metered water

usage discharged to the System as determined by the historical comparison of water usage to that of the metered sewage; or

(2) Install a diversion meter. In lieu of a sewage meter, the non-domestic customer may install diversion water meter(s) to measure that portion of water used which is diverted completely away from entering the System. In the event a diversion water meter is installed, the volume of water metered by such meter(s) shall be deducted from the total volume of water usage (master water meter provided by Central Arkansas Water) before the sewer service rate schedule is applied. In the event the diversion meter fails, a calculated volume shall be substituted, for up to ninety (90) days, based on the percentage of metered diverted water usage to the master water meter usage as determined by the historical comparison of the two; and

(3) The following conditions shall also apply to non-domestic customers who desire to establish eligibility for credit related to the use of either a sewer or diversion water meter:

- Said meters shall measure flow in units of cubic-feet and be maintained and routinely calibrated to assure an accuracy of $\pm 10\%$.
- The readings from the meter shall be taken at least once monthly and shall be provided to LRWRA in units of 00-ft³ (100 cubic-feet).
- Cooling towers and boilers used for conditioning the air space of buildings or used by customers of non-domestic facilities for processing shall only be eligible for up to seventy percent (70%) credit when the bleed and/or blow-down wastewater is connected to the System.
- No refunds, allowances, credits, or reductions from the one hundred percent (100%) water use base will be granted to a non-domestic customer for any time period prior to approval of a sewage metering or diverted water metering system.
- Should a non-domestic customer fail to report a meter reading to LRWRA for more than ninety (90) days, the customer shall be removed from the sewer meter program. The customer may reapply by making written application to LRWRA for approval.
- After receiving approval for a meter installation, and should that metering system later fail, or the customer fail to report monthly

1 readings for ninety (90) days, LRWRA shall apply one hundred
2 percent (100%) of the total water metered volume as if it was all
3 discharged to the System for the purposes of preparing the
4 monthly bill.

- 5 • Any deviations will be at the discretion of the Director of
6 Environmental Affairs Division LRWRA.

7 (3). The following shall apply to both domestic and non-domestic customers:

8 In the case of a customer using water for irrigation or lawn sprinkling purposes, the customer may have an
9 additional service meter installed by Central Arkansas Water to deliver the water in such a way that the
10 water is billed separately without a sewer charge being computed.

11 (a). The following rates shall be effective starting January 1, 2026 upon the
12 adoption of this Ordinance (and shall be increased thereafter upon the dates set forth below) and shall be
13 applied to each customer, unless modified by contract recommended by the Water Reclamation
14 Commission and approved by ordinance by the City Board of Directors if the facility provides its own
15 conveyance directing its waste stream to the digester or another specialty treatment process which does not
16 commingle with the influent at the headworks of one of LRWRA's Water Reclamation Facilities, and which
17 does not adversely impact the fair and reasonable rate structure applicable to all customers, as above
18 determined, to arrive at the monthly charge for each customer:

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(1) Inside City – Domestic Customers

(i). Service Availability Charge

Description	January 1 2026	January 1 2027	January 1 2028	January 1 2029	January 1 2030
<u>Meter Size</u>					
5/8"	\$13.87	\$14.88	\$15.96	\$17.12	\$18.36
3/4"	17.92	19.22	20.61	22.10	23.70
1"	27.10	29.06	31.17	33.43	35.85

(ii). Volumetric Charge (for all water consumed)

Description	January 1 2026	January 1 2027	January 1 2028	January 1 2029	January 1 2030
Flow	\$5.15	\$5.52	\$5.92	\$6.35	\$6.81

(2) Outside City – Domestic Customers

(i). Service Availability Charge

Description	January 1 2026	January 1 2027	January 1 2028	January 1 2029	January 1 2030
<u>Meter Size</u>					
5/8"	\$20.81	\$22.32	\$23.94	\$25.68	\$27.54
3/4"	26.88	28.83	30.92	33.15	35.55
1"	40.65	43.59	46.76	50.15	53.78

(ii). Volumetric Charge (for all water consumed)

Description	January 1 2026	January 1 2027	January 1 2028	January 1 2029	January 1 2030
Flow	\$7.73	\$8.28	\$8.88	\$9.53	\$10.21

(3) Inside City – Non-Domestic Customers

(i). Service Availability Charge

Description	January 1 2026	January 1 2027	January 1 2028	January 1 2029	January 1 2030
<u>Meter Size</u>					
5/8"	\$13.87	\$14.88	\$15.96	\$17.12	\$18.36
3/4"	17.92	19.22	20.61	22.10	23.70
1"	27.10	29.06	31.17	33.43	35.85
1.5"	47.85	51.32	55.04	59.03	63.31
2"	74.26	79.64	85.41	91.60	98.24
3"	135.71	145.55	156.10	167.42	179.56
4"	223.78	240.00	257.40	276.06	296.07
6" or greater	443.81	475.99	510.50	547.51	587.20

(ii). Volumetric Charge (for all water consumed)

Description	January 1 2026	January 1 2027	January 1 2028	January 1 2029	January 1 2030
Flow	\$6.97	\$7.48	\$8.02	\$8.60	\$9.22

(4) Outside City – Non-Domestic Customers

(i). Service Availability Charge.

Description	January 1 2026	January 1 2027	January 1 2028	January 1 2029	January 1 2030
<u>Meter Size</u>					
5/8"	\$20.81	\$22.32	\$23.94	\$25.68	\$27.54
3/4"	26.88	28.83	30.92	33.15	35.55
1"	40.65	43.59	46.76	50.15	53.78
1.5"	71.78	76.98	82.56	88.55	94.97
2"	111.39	119.46	128.12	137.40	147.36
3"	203.57	218.33	234.15	251.13	269.34
4"	335.67	360.00	386.10	414.09	444.11
6" or greater	665.72	713.99	765.75	821.27	880.80

(ii). **Volumetric Charge (for all water consumed)**

Description	January 1 2026	January 1 2027	January 1 2028	January 1 2029	January 1 2030
Flow	\$10.46	\$11.22	\$12.03	\$12.90	\$13.83

B. The new rates shall be applied to service availability and volumetric charges included within bills that have meter read dates starting February 1, 2026 and shall be increased thereafter in February 2027, 2028, 2029 and 2030. As a result, a customer with a February 7, 2026, meter read date will be charged the new rate for both the service availability charge and the volumetric charge, even though part of the customer's water consumption (volumetric charge) occurred prior to February 1, 2026.

C. Billing Charge: Customers whose usage requires rendering a bill (directly from LRWRA) shall pay a service charge as determined by LRWRA's Annual Consolidated Fee Schedule which shall be duly adopted by the Water Reclamation Commission.

D. Delinquent Accounts: All accounts for sewer service not paid within thirty (30) days of the billing date shall bear interest at the maximum rate permitted by law until paid in full.

E. Wastewater Rate Subsidy Program: A domestic customer may qualify for payment of sewer rates payable according to the Wastewater Rate Subsidy Program by submitting a written application, as provided by the City of Little Rock Department of Public Works, Solid Waste Division for the Solid Waste Fee Increase Subsidy Program, and if approved by LRWRA, such customer will pay the minimum service availability charge for the size water meter located at the customer's residence.

Section 2. A. The following rates for extra strength charges (or surcharge) are also established as rates effective starting January 1, 2026, that the City Board of Directors further finds and declare to be reasonable rates to be charged.

Unit Extra Strength Surcharges (Inside & Outside City)						
Description	Cost Rate Based on Units of	January 1 2026	January 1 2027	January 1 2028	January 1 2029	January 1 2030
Unit Extra Strength Surcharges*						
TSS > 600 mg/L	pounds	\$0.22	\$0.24	\$0.26	\$0.28	\$0.30
O&G > 50 mg/L	pounds	0.26	0.28	0.30	0.32	0.34
COD > 960 mg/L	pounds	0.26	0.28	0.30	0.32	0.34

1 A. Applicability of Payment of Surcharge: The discharge of wastewater having an excessive
2 chemical oxygen demand (COD), total suspended solids (TSS), or oil and grease (O&G) constitute an
3 added expense in the operation and maintenance of LRWRA's treatment facilities and should be
4 accompanied by payment of an extra strength surcharge to compensate for this added expense.

5 (1) Any non-domestic customer who demonstrates the ability, in any single month, to
6 discharge 4,000 pounds per month of COD, or more, shall receive a monthly bill for surcharge for all
7 applicable parameters. The applicability determination shall be on the following basis:

8
$$COD, \text{ lbs/month} = ((\text{flow, gallons per month})/1,000,000) (8.34) (COD, \text{ mg/L}^*)$$

9 (2) *COD, mg/L shall be measured on the total sample basis and shall not receive any
10 deduction for the typical background domestic wastewater characteristic.

11 B. If applicable in Section 2(a), surcharge will be determined as follows:

12 (1) Excessive strength is hereby defined as COD in excess of 960 mg/L, TSS
13 in excess of 600 mg/L, and O&G in excess of 50 mg/L, as determined in accordance with test methods
14 approved under 40 C.F.R. Part 136. The surcharge costs shall be based upon the pounds of pollutant
15 discharged in excess, and the following shall also apply:

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$$COD, \text{ lbs/month} = ((\text{flow, gallons per month})/1,000,000) (8.34)(COD, \text{ mg/L} - 960 \text{ mg/L})$$

17
$$TSS, \text{ lbs/month} = ((\text{flow, gallons per month})/1,000,000) (8.34)(TSS, \text{ mg/L} - 600 \text{ mg/L})$$

18
$$O\&G, \text{ lbs/month} = ((\text{flow, gallons per month})/1,000,000) (8.34)(O\&G, \text{ mg/L} - 50 \text{ mg/L})$$

19 (2) The surcharge shall be computed separately for COD, TSS, and O&G on the total
20 discharge, unless the usage determination has been adjusted as provided for under Section 1.B(2)(e).

21 C. Determination of Surcharge Strengths: LRWRA will perform analyses at minimum of once
22 per calendar year to determine the strength of sewage discharged by non-domestic customers, whose
23 wastes are subject to surcharge, and who have demonstrated the ability to exceed the pounds of COD
24 specified in Section 2(B). For those non-domestic customers, the following shall also apply:

25 (1) If a non-domestic customer disagrees with the analytical value determination made
26 by LRWRA, the customer may, at its sole expense, employ an independent laboratory, acceptable to
27 LRWRA, to conduct sampling and analysis of its sewage discharge. The time period and location for the
28 collection of the samples shall be designated by LRWRA. LRWRA and the independent laboratory shall
29 both preside over the collection of the samples and shall equally divide the final composite sample so that
30 duplicate analyses may be made. In the case of the O&G, two separate and distinct samples shall be
31 collected and both analyzed.

32 (2) The results of the analyses of the sewage sample made by both LRWRA and the
33 independent laboratory will be averaged. The average of the results of these analyses shall be used to
34 determine the actual extra strength surcharges.

1 E. Reevaluation Period: If any non-domestic customer improves the quality of its sewage
2 discharged, upon written request by the customer, LRWRA shall reevaluate the strength of the sewage
3 discharge over a period of no more than one (1) year. If after the one (1) year evaluation period, the
4 monitoring data reveals the customer did not, in any one single data point, exceed the amount of 4,000
5 pounds per month of COD, then LRWRA shall remove the customer from the extra strength surcharge
6 program the first billing cycle following the conclusion of the one (1) year evaluation period. The
7 customer shall pay LRWRA for any additional monitoring data requested by the customer over and above
8 the routine monitoring normally performed by LRWRA. The additional monitoring charge shall consist
9 of all costs for personnel, material, and equipment used to collect and analyze samples from the
10 customer's discharge of sewage. The exact charge shall be based on actual costs and shall be determined
11 by LRWRA.

12 F. Performance of Analyses: All analyses shall be performed in accordance with the
13 provisions as specified in City of Little Rock Ordinance 21,776, or its successor ordinance. All surcharges
14 shall be calculated based on one hundred percent (100%) of metered water use, except as otherwise
15 provided in Section 1.B(2)(e) of this Ordinance.

16 **Section 3.** Adjustments: Any customer who feels its monthly bill is unjust and inequitable
17 may make written application to LRWRA requesting a review of this charge. Said written request shall,
18 when necessary, show the actual or estimated average flow and/or strength of the customer's wastewater in
19 comparison with the values upon which the charge is based, including how the measurements or estimates
20 were made. Review of the request shall be made by LRWRA. If substantiated, the charges for that customer
21 shall be recomputed based on the revised flow and/or strength data, and the new charges shall be applicable
22 to the next billing cycle/period. The following shall apply to any adjustments made:

23 A. Subject to Section 3.B, LRWRA shall adjust a customer's account and issue a corrected
24 bill if it determines that it has over-billed or under-billed the customer for sewer services because of:

25 (1) Central Arkansas Water meter's failure to meet the accuracy standards of the
26 American National Standards Institute or the American Water Works Association, as applicable (subject to
27 verification by LRWRA with Central Arkansas Water);

28 (2) The application of an incorrect sewer rate to the customer's account;

29 (3) An erroneous meter reading or the reading of a meter other than that through which
30 the customer actually received service; or

31 (4) The failure of Central Arkansas Water to include the sewer service in the
32 customer's billing account.

33 B. No billing adjustment shall be made, and no back credit or refund shall be issued, with
34 respect to sewer services provided as follows:

1 (1) More than twelve (12) months before the date the error or inaccuracy is discovered
2 if the error or inaccuracy caused the customer to be over-billed;

3 (2) More than twelve (12) months before the date the error or inaccuracy is discovered
4 if the error or inaccuracy caused the customer to be under-billed for non-domestic customers, or, in the case
5 of a domestic customer, more than six (6) months before the date the error or inaccuracy is discovered;

6 (3) Limited to the customer currently receiving sewer service at the service address to
7 which the adjustment pertains;

8 (4) Under an account that has become an inactive account and for which a final bill
9 was issued more than ninety (90) days before the error or inaccuracy was discovered.

10 C. For an adjustment due to an inaccurate meter, LRWRA may estimate the customer's utility
11 consumption using prior consumption history, comparisons to similarly situated customers under similar
12 weather conditions, readings from a replacement meter, or such other methods and information that it
13 reasonably deems appropriate. In the case of the application of an incorrect rate, LRWRA shall base the
14 adjustment on the correct rate.

15 D. In the event an adjustment is made for Central Arkansas Water's utility service, the sewer
16 charges will be adjusted by LRWRA for the same period. With the exception that the adjustment period
17 directly impacted the sewer, to which LRWRA will make no adjustment.

18 E. If a customer is liable for a balance under an inactive account, LRWRA may transfer that
19 balance to any of the customer's active accounts. The time limitations in Section 3.B shall not apply to a
20 transfer made under this subsection.

21 F. If LRWRA makes a determination on its own that an adjustment is needed to a customer's
22 bill, notwithstanding the above provisions, LRWRA may make that adjustment.

23 **Section 4.** All bills for sewer service shall be rendered monthly. Under the provision of Ark.
24 Code Ann. § 14-235-223, if any sewer charge is not paid within thirty (30) days after same is due, there
25 shall be a ten percent (10%) penalty on the amount due, for which suit may be brought to collect all sums
26 due, together with a reasonable attorney's fee.

27 **Section 5.** Each user of the System shall be notified, at least annually by publication having
28 circulation in Pulaski County, Arkansas, in conjunction with a regular bill, of the rate and the portion of the
29 user charges which are attributable to wastewater treatment services, in compliance with 40 C.F.R. §35.929-
30 2(f).

31 **Section 6.** **Severability:** In the event any title, section, paragraph, item, sentence, clause,
32 phrase, or word of this Ordinance is declared or adjudged to be invalid or unconstitutional, such declaration
33 or adjudication shall not affect the remaining portions of this Ordinance, which remain in full force and
34 effect as if the portion so declared or adjudged invalid or unconstitutional is not a part of this Ordinance.

1 **Section 7. Effective Date.** This Ordinance will become effective on January 1, 2026
2 (“Ordinance Effective Date”).

3 **Section 8. Repealer:** All resolutions and ordinances and parts thereof in conflict with this
4 Ordinance, including City of Little Rock Ordinance No. 21,080 (approved August 4, 2015), are repealed at
5 the effective date of this Ordinance, as provided herein.

6 **PASSED: October 21, 2025**

7 **ATTEST:**

APPROVED:

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10 _____
11 **Allison Segars, City Clerk**

Frank Scott, Jr., Mayor

12 **APPROVED AS TO LEGAL FORM:**

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17 **Thomas M. Carpenter, City Attorney**

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