

ORDINANCE NO. 105

AN ORDINANCE TO AMEND THE MT. CARMEL SEWER USE ORDINANCE TO PROVIDE FOR ACCEPTANCE OF PROMISSORY NOTES AND LIENS ON PRIVATE PROPERTY TO SATISFY SEWER CONNECTION CHARGES.

Whereas, the present Sewer Use Ordinance, Ordinance No. 86 under IV. General Regulations: C. Connection to Public Sewer: 2. Connections: provides:

"(a) Before excavating for sewer service, permit must be obtained from the Sewer commission. A tap fee is required, and must be paid in full before a permit is issued."; and

Whereas, it is an undue burden on some of the citizens of the Town of Mt. Carmel to pay the entire tap-on fee which at the present time is \$1,000.00 for gravity fed sewer and \$2,500.00 for pressure pump sewers; and

Whereas, it is in the best interest of the Town of Mt. Carmel and the health and welfare of all the citizens of the Town of Mt. Carmel that the waste water treatment system be fully utilized so as to lower each subscriber's use bill and the collection of connection fees and the additional connections should be encouraged; and

Whereas, the Town of Mt. Carmel seeks to provide a means whereby that connection fee can be paid in installment payments through the device of a promissory note and at the same time the Board of Public Utilities be secure in the collection of same through a lien on said property all of which may be accomplished by the execution of a promissory note and lien which is substantially the same as that attached hereto.

Now, therefore, be it ordained by the Town of Mt. Carmel that the Sewer Use Ordinance No. 86 be revised as follows:

IV. General Regulations: C. Connection to Public Sewer: 2. Connections:

(a) Before excavating for sewer service, a permit must be obtained from the Public Utilities Board. A tap fee is required and must be paid in full before a permit is issued. In lieu of payment in full of the tap fee, a subscriber upon proof of acceptable credit, may be allowed to enter into a promissory note upon terms and conditions set by the Public Utilities Board for the full payment of same but in no event shall any such promissory note be entered into without said promissory note being secured by a lien on the property serviced by said sewer.

Passed 1st reading 12-28-89

Passed 2nd reading 1-25-90

Passed 3rd reading 2-22-90

Ronnie L. Davis
MAYOR

ATTEST:

Rita J. Jones
CITY RECORDER

APPROVED AS TO FORM:

Michael A. Faulk
CITY ATTORNEY

PUBLIC UTILITIES BOARD OF THE TOWN OF MT. CARMEL, TENNESSEE

REQUEST FOR AMENDMENT OF MT. CARMEL SEWER USE ORDINANCE

Comes now the Public Utilities Board of the Town of Mt. Carmel, Tennessee, who states that the following proposed amendment to the Sewer Use Ordinance of the Town of Mt. Carmel has been passed and is hereby duly recommended by the Public Utilities Board to the Board of Mayor and Aldermen for prompt amendment and passage.

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Whereas, the Town of Mt. Carmel seeks to provide a means whereby that connection fee can be paid in installment payments through the device of a promissory note and at the same time the Board of Public Utilities be secure in the collection of same through a lien on said property all of which may be accomplished by the execution of a promissory note and lien which is substantially the same as that attached hereto.

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IV. General Regulations: C. Connection to Public
Sewer: 2. Connections:

(a) Before excavating for sewer service, a permit must be obtained from the Public Utilities Board. A tap fee is required and must be paid in full before a permit is issued. In lieu of payment in full of the tap fee, a subscriber upon proof of acceptable credit, may be allowed to enter into a promissory note upon terms and conditions set by the Public Utilities Board for the full payment of same but in no event shall any such promissory note be entered into without said promissory note being secured by a lien on the property serviced by said sewer.

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MT. CARMEL PUBLIC UTILITIES BOARD
OF THE
TOWN OF MT. CARMEL, TENNESSEE

PROMISSORY NOTE AND LIEN FOR SEWER TAP FEES

Account No. _____

Date _____

For the value of sewer improvements of \$ _____ I (We) _____

the undersigned owners of property located at _____
(street)

_____, _____, _____, Lot _____ and Block No. _____
(city) (state) (zip)

of _____ further identified in the assessment
(subdivision description)

roll as No. _____ and
(map) (group) (parcel ID)

recorded in the Registrar of Deed's office Deed Book No. _____, Page

No. _____, dated _____, do hereby acknowledge a lien on

the herein described property and against the improvements thereon in the

amount of \$ _____ and promise to pay the order of the Town of

Mt. Carmel, Tennessee, Public Utilities Board _____

_____ Dollars \$ _____ to bear interest at the rate of 10%

annually payable, first principal installment of \$ _____ paid on even

date herewith, in _____ more equal annual principal installments over a

_____ -year period in the amount of \$ _____, due on June 1st of each

year, and a final principal installment of \$ _____ due on the 1st

day of June, 19____.

Accelerated principal payments without additional charges of penalties or premiums are permitted under this Note, but, prepayments to be held in escrow and applied to unmatured installments, i.e., principal and interest, on the appropriate due dates are not permitted and will not be accepted as such.

In case of default in the payment of any installment due under this Note, and if such default is not made good within thirty (30) days, the entire unpaid principal amount of the Note, together with accrued interest and late charges, shall become immediately due and payable, at the option of the Town without notice to the property owner (owners). Failure of the Town to exercise such option shall not constitute a waiver of such default. If the Town exercises its option to declare this entire amount of the property owner's (owners') tap fee immediately due and payable as provided above, the property owner (owners) and endorser, waive demand notice, protest, homestead and other exemptions, to the extent permitted by law, and in the event this note is placed in the hands of an attorney for collection we the makers and endorser agree to pay all fees, cost and expenses of collection including a reasonable attorney's fee. If this note is reduced to judgment, the judgment shall bear interest at the maximum rate permissible on such judgments in the State of Tennessee.

This Instrument Prepared By
THE LAW OFFICES OF
MIKE FAULK
P. O. Box 2080
CHURCH HILL, TN 37642

IN WITNESS WHEREOF, this Note has been duly executed by the undersigned Property Owner (Owners), as of the date shown above.

Sworn to and subscribed before me on this _____ day of
_____, 19____.

Notary Public

My Commission Expires: _____