

Issue Analysis Form



Date: April 26, 2022

Item: Authority to Advertise Pubic Hearing to Consider Adoption of Ordinances to Amend The Code of The County of Prince George, Virginia, 2005, as amended, to revise Water and Sewer Connection Fees and User Charges

Lead Department(s): Engineering & Utilities

Contact Person(s): Frank Haltom, Director

Description and Current Status

The Department of Engineering and Utilities consulted with GettingGreatRates.com, LLC to complete a Water and Sewer Rate Analysis in 2020. The findings and recommendations from the analysis were presented most recently in a pre-budget work session to the Prince George Board of Supervisors on December 15, 2021.

The recommendations include a 30% increase in the water user charges and a 3% increase in the sewer user charges. This recommendation is to ensure fair and equitable rates to all ratepayers that are adequate to cover the projected costs of the utility and maintain responsible reserves for unexpected and future costs.

The proposed increases would be effective July 1, 2022.

Amendments to Chapter 82 of the County Code of Ordinances are required to revise water and wastewater connection fees and user charges.

After holding the public hearing, staff recommends adoption of the attached ordinance to amend and reenact The Code of Prince George County, Virginia, 2005, as amended, by amending sections 82-261, 82-262, 82-536, and 82-537 to revise water and wastewater connection fees and user charges.

Sample Motion after the public hearing: I move that the Board adopt the ordinance to amend and reenact the Code of Prince George County, Virginia, 2005, as amended, amending sections 82-261, 82-262, 82-536, and 82-537 to revise water and wastewater connection fees and user charges.

Government Path

- | | | |
|---|---|--|
| Does this require IDA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require BZA action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does This require Planning Commission Action? | <input type="checkbox"/> Yes | <input checked="" type="checkbox"/> No |
| Does this require Board of Supervisors action? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| Does this require a public hearing? | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| If so, before what date? | April 26, 2022 | |

Fiscal Impact Statement

An increase of 30% for water and 3% for wastewater is recommended to increase utility revenues by approximately \$732,600.

County Impact

The average residential utility bill receiving public water and sewer service is anticipated to increase approximately \$17.56 per bill (\$105.36 annually), based on the average usage of 10,000 gallons per billing period (5,000 gallons per month for a two-month billing period).

Notes

None.

ORDINANCE TO AMEND “THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA”, 2005, AS AMENDED, BY AMENDING § 82-261, 82-262, 82-536 AND 82-537 TO REVISE WATER AND WASTEWATER CONNECTION FEES AND USER CHARGES.

BE IT ORDAINED by the Board of Supervisors of Prince George County:

(1) That The Code of The County of Prince George, Virginia, 2005, as amended, is amended by amending § 82-261, 82-262, 82-536 and 82-537 as follows:

Article II. Water Service

DIVISION 8. FEES AND CHARGES

Sec. 82-261. - Connection charge schedule.

- a. For residential customers using a standard three-quarter inch service pipe and a five-eighths inch meter, the connection fee shall be ~~\$3,000.00~~ **\$4,000.00**. Connection fees for meters larger than five-eighths inch shall be in accordance with subsection (b) of this section.
- b. Connection fees for customers requiring ~~eight-inch~~ **ten-inch** or smaller meters shall be based upon the installed meter size according to the following schedule:

Meter Size	Connection Fee
5/8"	\$3,000.00 <u>\$4,000</u>
3/4"	\$3,000.00 <u>\$4,000</u>
1"	\$11,230.00
1½"	\$23,420.00
2"	\$38,670.00
3"	\$80,840.00
4"	\$133,610.00
6"	\$259,930.00
8"	\$399,630.00 <u>\$559,970</u>
<u>10"</u>	<u>\$839,960</u>

Connection fees for customers requiring larger than ~~eight-inch~~ **ten-inch** meters shall be determined on a case by case basis and established by contract, but in no case shall be less than the capacity fee for an ~~eight-inch~~ **ten-inch** meter.

For meter sizes ~~eight-inch~~ **ten-inch** and smaller, if an existing customer desires to redevelop and replace an existing meter with a single or multiple meters, the value of the connection fee associated with the existing meter shall be determined based on the fee schedule above and credited for use on the property. For customers with meters larger than ~~eight~~ **ten** inches, the property will be credited the value of a ~~eight-inch~~ **ten-inch** meter connection fee unless documentation of payment of a greater connection fee is provided, in which case the connection fee credited shall be the actual amount paid. Once a connection fee has been credited to a property, the amount of the credit is fixed and available for use on the property. Refunds shall not be made for any unutilized amount.

Remaining portion of this section of code remains unchanged and intentionally not included.

Notes:

1. For single-family dwellings served by a private water supply at the time a newly constructed utility line is completed, a discount in the list connection charges may be offered, subject to the conditions of section 82-110.
2. Developer-installed charge shall be assessed for each single-family residential unit, as defined in section 82-31, included in the development connecting to a line installed by the developer or any subsequent owner of the lot or premises within the development. Commercial or industrial uses included in any development shall be assessed at the charges listed in the schedule. Developer-installed connection charges shall be subject to the credits provided for in section 82-73.
3. If the service connection has not been installed during the initial construction, the lot owner would be responsible for the installation costs as well as the connection fee listed.

(Code 1988, § 16-176; Ord. No. O-00-006, 5-9-2000; Ord. No. O-01-006, 8-22-2001; Ord. No. O-03-003, 8-13-2003; Ord. No. O-08-10, 11-12-2008; Ord. No. O-14-023A, § 1, 10-14-2014; Ord. No. O-16-06, § 1, 7-12-2016; Ord. No. O-19-03, § 1, 3-26-2019)

Sec. 82-262. - Water user charge schedule.

Bills for water production and the use of the water distribution system shall be rendered to residential and nonresidential users based on the following monthly rates:

- (1) *Fixed minimum charge.* The fixed minimum charge shall be as follows:

Meter Size	Minimum Charge Per Month
5/8"	\$9.56 <u>\$11.72</u>
3/4"	\$9.56 <u>\$11.72</u>
1"	17.34 <u>\$18.32</u>
1 1/2"	33.33 <u>\$29.30</u>
2"	55.69 <u>\$42.49</u>
3"	119.62 <u>\$84.24</u>
4"	209.09 <u>\$143.56</u>
6"	464.76 <u>\$292.98</u>
8"	822.71 <u>\$622.58</u>
<u>10"</u>	<u>\$930.20</u>

(2) *Commodity charge.* For the amount of water consumed, the following rate block schedule shall apply.

Meter Size	Rate Block	Unit Charge per 1,000 gallons
5/8" & 3/4"	0 to < 6,000 gallons	\$2.97 <u>\$3.86</u>
	6,000 gallons to < 20,000 gallons	3.72 <u>\$4.83</u>
	20,000 gallons and greater	4.64 <u>\$5.33</u>
3/4"	0 to < 6,000 gallons	\$2.97
	6,000 gallons to < 20,000 gallons	3.72
	20,000 gallons and greater	4.64
1"	0 to < 8,000 6,000 gallons	\$2.97 <u>\$3.86</u>

Meter Size	Rate Block	Unit Charge per 1,000 gallons
	8,000 <u>6,000</u> gallons to < 25,000 <u>20,000</u> gallons	3.72 <u>\$4.83</u>
	25,000 <u>20,000</u> gallons and greater	4.64 <u>\$5.33</u>
1½"	0 to < 15,000 <u>12,000</u> gallons	\$2.97 <u>\$3.86</u>
	15,000 <u>12,000</u> gallons to < 61,000 <u>50,000</u> gallons	3.72 <u>\$4.83</u>
	61,000 <u>50,000</u> gallons and greater	4.64 <u>\$5.33</u>
2"	0 to < 30,000 <u>25,000</u> gallons	\$2.97 <u>\$3.86</u>
	30,000 <u>25,000</u> gallons to < 94,000 <u>80,000</u> gallons	3.72 <u>\$4.83</u>
	94,000 <u>80,000</u> gallons and greater	4.64 <u>\$5.33</u>
3"	0 to < 70,000 <u>50,000</u> gallons	\$2.97 <u>\$3.86</u>
	70,000 <u>50,000</u> gallons to < 215,000 <u>200,000</u> gallons	3.72 <u>\$4.83</u>
	215,000 <u>200,000</u> gallons and greater	4.64 <u>\$5.33</u>
4"	0 to < 128,000 <u>80,000</u> gallons	\$2.97 <u>\$3.86</u>
	128,000 <u>80,000</u> gallons to < 385,000 <u>350,000</u> gallons	3.72 <u>\$4.83</u>
	385,000 <u>350,000</u> gallons and greater	4.64 <u>\$5.33</u>
<u>6", 8" & 10"</u>	0 to < 289,000 <u>120,000</u> gallons	\$2.97 <u>\$3.86</u>
	289,000 <u>120,000</u> gallons to < 867,000 <u>700,000</u> gallons	3.72 <u>\$4.83</u>
	867,000 <u>700,000</u> gallons and greater	4.64 <u>\$5.33</u>
8"	0 to < 289,000 gallons	\$2.97
	289,000 gallons to < 867,000 gallons	3.72
	867,000 gallons and greater	4.64

(3) *Responsibility of owner of rental dwelling containing more than one dwelling unit.* Whenever water service is provided to a rental dwelling which has more than one dwelling unit, the utility service will have to be kept in the name of the owner of the dwelling, and he will be responsible for the payment of the bill.

(4) Fire hydrant service. For temporary service by means of a hydrant meter, as provided in division 4 of this article, the applicant shall pay a permit fee and shall place a deposit with the department. The deposit shall be applied toward the applicant's bill for water use, and any excess refunded upon closing of the account.

Permit fee\$55.00

Deposit (refundable), negotiated depending on expected usage

Water charge, per 1,000 gallons\$14.87

(5) Metered private fire protection system. Private fire protection system, metered (does not apply when domestic and fire services are master-metered):

a. Monthly charge: Two percent of corresponding minimum charge, as provided in subsection (1) of this section.

b. Commodity charge, per 1,000 gallons: See subsection (2) above.

(6) Reserved.

Article III. Wastewater Service

DIVISION 6. - FEES AND CHARGES

Sec. 82-536. - Connection charge schedule.

The following schedule of charges shall apply for the connection of an applicant's premises to the public utility system, in accordance with all applicable provisions of this article:

Meter Size	Connection Fee
5/8"	\$4,000.00 <u>\$5,000</u>
3/4"	\$4,000.00 <u>\$5,000</u>
1"	\$7,800.00 <u>\$12,500</u>
1½"	\$16,230.00 <u>\$25,000</u>
2"	\$26,790.00 <u>\$40,000</u>

Meter Size	Connection Fee
3"	\$55,960.00 <u>\$87,500</u>
4"	\$92,480.00 <u>\$155,000</u>
6"	\$179,890.00 <u>\$325,000</u>
8"	\$276,550.00 <u>\$700,000</u>
<u>10"</u>	<u>\$1,049,670</u>

Connection fees for customers requiring larger than ~~eight-inch~~ **ten-inch** meters shall be determined on a case by case basis and established by contract, but in no case shall be less than the capacity fee for an ~~eight-inch~~ **ten-inch** meter.

For meter sizes ~~eight-inch~~ **ten-inch** and smaller, if an existing customer desires to redevelop and replace an existing meter with a single or multiple meters, the value of the connection fee associated with the existing meter shall be determined based on the fee schedule above and credited for use on the property. For customers with meters larger than ~~eight~~ **ten** inches, the property will be credited the value of ~~an eight-inch~~ **a ten-inch** meter connection fee unless documentation of payment of a greater connection fee is provided, in which case the connection fee credited shall be the actual amount paid. Once a connection fee has been credited to a property, the amount of the credit is fixed and available for use on the property. Refunds shall not be made for any unutilized amount.

Notes:

1. For single-family dwellings served by a private wastewater disposal system at the time a newly constructed utility line is completed, a discount in the listed connection charges may be offered, subject to the conditions of section 82-429.
2. Developer-installed charge shall be assessed for each single-family residential unit, as defined in section 82-351, included in the development connecting to a line installed by the developer or any subsequent owner of each lot or premises within the development. Commercial or industrial uses included in any development shall be assessed at the charges listed in the schedule. Developer-installed connection charges shall be subject to the credits provided for in section 82-393.
3. If the service connection has not been installed during the initial construction, the lot owner would be responsible for the installation costs as well as the connection fee listed.

(Code 1988, § 15-146; Ord. No. O-01-005, 8-22-2001; Ord. No. O-03-002, 8-13-2003; Ord. No. O-04-009, § 15-146, 8-10-2004; Ord. No. O-05-007, 7-12-2005; Ord. No. O-08-10, 11-12-2008; Ord. No. O-14-023B, § 1, 10-14-2014; Ord. No. O-16-06, § 1, 7-12-2016; Ord. No. O-19-03, § 1, 3-26-2019)

Sec. 82-537. - Wastewater user charge schedule.

Bills for wastewater disposal and the use of the wastewater collection system shall be rendered to residential and nonresidential users based on the following monthly rates:

(1) Fixed minimum charge. The fixed minimum charge shall be as follows:

Meter Size	Minimum Charge Per Month
5/8"	\$12.41 <u>\$14.14</u>
3/4"	\$12.41 <u>\$14.14</u>
1"	\$19.54 <u>\$21.32</u>
1½"	\$34.17 <u>\$29.13</u>
2"	\$54.65 <u>\$38.49</u>
3"	\$113.19 <u>\$68.15</u>
4"	\$195.11 <u>\$110.30</u>
6"	\$429.19 <u>\$216.44</u>
8"	\$756.91 <u>\$450.58</u>
<u>10"</u>	<u>\$669.11</u>

For uses metering wastewater flow, contracted capacity shall be used to determine equivalent water meter size for computation of minimum monthly fees.

(2) Commodity charge. For all water delivered or wastewater collected a unit charge of \$8.83 per 1,000 gallons shall apply.

(3) Owner's responsibility for rental dwelling unit. Whenever wastewater service is provided to a rental dwelling which has water service provided by an individual well, the utility service will have to be kept in the name of the owner of the dwelling, and he will be responsible for the payment of the bill.

(4) Strength charges. In accordance with the procedures defined in [section 82-507](#), the following charges per 1,000 gallons shall be assessed against the users whose wastes exceed the strength of normal domestic wastewater. All residential users shall be assumed to be in category I:

Category Designation	Range of Strength (standard strength units)	Strength Charge (\$ per 1,000 gallons)
I	0—300	0.00
II	301—600	0.0830
III	601—1,000	0.1650
IV	1,001—1,400	0.2650
V	1,401 and over	*

* Subject to determination by the director based on actual strength units in the user's wastes.

(Code 1988, § 15-147; Ord. No. O-01-005, 8-22-2001; Ord. No. O-04-002, § 15-147, 3-9-2004; Ord. No. O-04-009, § 15-147, 8-10-2004; Ord. No. O-05-004, 6-14-2005; Ord. No. O-06-05, 11-28-2006; Ord. No. O-08-06, 9-23-2008; Ord. No. O-12-01, § 3, 1-10-2011; Ord. No. O-14-023B, § 1, 10-14-2014; Ord. No. O-16-06, § 1, 7-12-2016; Ord. No. O-17-03, § 1, 4-11-2017; Ord. No. O-18-06, § 1, 4-10-2018)

(2) That this Ordinance shall be effective July 1, 2022.

**NOTICE OF PUBLIC HEARING
COUNTY OF PRINCE GEORGE**

Notice is hereby given to all interested persons that the Prince George Board of Supervisors will hold a public hearing on April 26, 2022 beginning at 7:30 p.m. in the Board of Supervisors Meeting Room, Third Floor of the County Administration Building, 6602 Courts Drive, Prince George, Virginia, (located at the intersection of Laurel Springs Road and Courts Drive in the County Government Complex) pursuant to § 15.2-1427, Code of Virginia (1950), as amended, to consider:

Adoption of an Ordinance to amend “The Code of the County of Prince George, Virginia,” 2005, as amended by amending §§ 82-261, 82-262, 82-536 and 82-537 revising water and wastewater connection fees and user charges as authorized in Virginia Code §15.2-2119. The proposed increase is 30% for water charges and 3% for waste water charges.

Adoption of an Ordinance to amend “The Code of the County of Prince George, Virginia,” 2005, as amended by amending and reenacting §§ 78-96, 78-96.1, 78-97, 78-98, 78-99, 78-100, and 78-102 to eliminate the vehicle license fee effective for the 2022 personal property tax year but to clarify that delinquent vehicle fees from prior tax years shall still be owed.

A copy of the proposed Ordinances are available for review in the County Administrator’s Office (Tel. 722-8600), 6602 Courts Drive, Prince George, Virginia. All interested persons shall be given an opportunity to be heard.

Jeffrey D. Stoke
Interim County Administrator