



XV.

Agenda Item

County of Hanover

Board Meeting: November 12, 2014

Subject: Public Hearing – Ordinance 14-08 amending Chapters 20 and 23 of the Hanover County Code to revise the County’s water and sewer capacity fees – Department of Public Utilities

Summary of Agenda Item: During the FY15 budget process, the Board requested that Public Utilities perform a detailed study of its capacity fees. Public Utilities completed the study and presented the results to the Board on October 8, 2014. The Board authorized a public hearing on the recommended changes at this meeting.

Based on the study, Public Utilities recommends changes to capacity fees. For a residential customer, Public Utilities recommends decreasing the sewer capacity fee from \$8,034 to \$6,149 and increasing the water capacity fee from \$5,290 to \$5,982. This proposal would result in a decrease of the combined water and sewer capacity fees for a residential customer from \$13,324 to \$12,131, a total decrease of \$1,193.

Similar, proportional changes are recommended to water and sewer capacity fees for non-residential customers.

Clean and black-lined versions of the proposed ordinance are attached.

County Administrator’s Recommended Board Motion: Approve Ordinance 14-08 amending Chapters 20 and 23 of the Hanover County Code to revise the County’s water and sewer capacity fees

ORDINANCE 14-08

AN ORDINANCE AMENDING CHAPTERS 20 AND 23 OF THE HANOVER COUNTY CODE TO REDUCE SEWER CAPACITY FEES AND INCREASE WATER CAPACITY FEES PURSUANT TO TITLE 15.2, CHAPTER 21 OF THE CODE OF VIRGINIA, AND INCLUDING SPECIFICALLY VA. CODE §§ 15.2-2111, 15.2-2119 AND 15.2-2122, PROPOSED TO BE EFFECTIVE UPON ADOPTION.

WHEREAS the Director of the Department of Public Utilities has performed a review of the cost of providing water and sewer capacity and has recommended a reduction in sewer capacity fees and an increase in water capacity fees; and

WHEREAS the Board of Supervisors has decided to implement this recommendation;

NOW, THEREFORE, BE IT ORDAINED by the Board of Supervisors of Hanover County:

1. That the Hanover County Code, Chapter 20, Sewers and Sewage Disposal, Section 20-23(b) shall be amended to read as follows:

Sec. 20-23. Service fees and capacity fees—Residential (including individually metered multi-family housing units).

(b) Capacity fees for all county-owned sewerage facilities. For residential customers, ~~eight thousand thirty four~~ six thousand one hundred forty nine dollars (~~\$8,034,149.00~~).

For a residential customer served by a water meter larger than five-eighths (5/8) inch, the capacity fee shall be as prescribed in section 20-24(c).

2. That the Hanover County Code, Chapter 20, Sewers and Sewage Disposal, Section 20-24(c) shall be amended to read as follows:

Sec. 20-24. Same—Commercial I, commercial II.

(c) Capacity fees for commercial I and commercial II customers. Capacity fees for commercial customers requiring three-inch and smaller meters shall be based upon the meter size according to the following schedule:

Meter Size	Fee
5/8"	\$ 8,034.00 <u>6,149</u>
1"	20,083.00 <u>15,371</u>
1½"	40,167.00 <u>30,744</u>
2"	64,266.00 <u>49,189</u>
3"	128,534.00 <u>98,380</u>

Capacity fees for commercial customers requiring larger than three-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 a three-inch meter.

For meter sizes three-inch and smaller, if an existing commercial customer desires to redevelop and replace an existing sewer connection with a single or multiple sewer connections, the value of the capacity fee associated with the existing sewer connection shall be determined based on the fee schedule above and credited for use on the property. For commercial customers with connections associated with meters larger than three-inch, the property will be credited the value of a three-inch meter capacity fee unless documentation of payment of a greater capacity fee is provided, in which case the capacity fee credited shall be the actual amount paid. Once a capacity 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.

3. That the Hanover County Code, Chapter 23, Water Code, Section 23-47(a) and (b) shall be amended to read as follows:

Sec. 23-47. Capacity fees.

(a) For residential customers using a standard three-quarter ($\frac{3}{4}$) inch service pipe and a five-eighths ($\frac{5}{8}$) inch meter, the capacity fee shall be ~~five thousand two hundred ninety five thousand nine hundred eighty two~~ dollars (~~\$5,290.00~~5,982.00). Capacity fees for meters larger than five-eighths ($\frac{5}{8}$) inch shall be in accordance with section 23-47(b).

(b) Capacity fees for commercial I, commercial II, and commercial III customers. Capacity fees for commercial customers requiring three-inch or smaller meters shall be based upon the installed meter size according to the following schedule:

Meter Size	Capacity Fee
5/8"	\$ 5,290.00 <u>5,982</u>
1"	13,226.00 <u>14,956</u>
1½"	26,451.00 <u>29,911</u>
2"	42,322.00 <u>47,858</u>
3"	84,643.00 <u>95,716</u>

Capacity fees for commercial customers requiring larger than three-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 a three-inch meter.

For meter sizes three-inch and smaller, if an existing commercial customer desires to redevelop and replace an existing meter with a single or multiple meters, the value of the capacity fee associated with the existing meter shall be determined based on the fee schedule above and credited for use on the property. For commercial customers with meters larger than three (3) inches, the property will be credited the value of a three-inch meter capacity fee unless documentation of payment of a greater capacity fee is provided, in which case the capacity fee credited shall be the actual amount paid. Once a capacity 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.

4. That this Ordinance shall be effective upon adoption.

On motion of _____, seconded by _____, the members of the Board of Supervisors voted to approve Ordinance No. 14-08, as follows:

	Vote:
Sean M. Davis	Aye
Wayne T. Hazzard	Aye
Angela Kelly-Wiecek	Aye
W. Canova Peterson	Aye
Aubrey M. Stanley	Aye
G. E. "Ed" Via, III	Aye
Elton J. Wade, Sr.	Aye

Public Hearing: _____, 2014
Adopted: _____, 2014

Dated: _____, 2014

Cecil R. Harris, Jr., County Administrator
Clerk, Hanover County Board of Supervisors