

Issue Analysis Form (rev. July 2013)



Date: March 13, 2018
Item: Authorization to Advertise for Public Hearing
for FY19 Utility Rate Increases
Lead Department(s): Engineering/Utilities
Contact Person(s): Dickie Thompson

Description and Current Status

Authorization to advertise for and hold a public hearing on April 10, 2018 to consider adoption of Ordinances to amend the Code of the County of Prince George, Virginia, 2005, as amended, to revise water and sewer and user charges by amending sections 82-262 and 82-537.

The Department of Engineering and Utilities with the help of GettingGreatRates.com, LLC completed a Water and Sewer Rate Analysis in January 2017. The goals of the Rate Analysis were to ensure rates that: are adequate to cover current costs and those that can be predicted for about ten years, will enable the building of responsible reserves to hedge against future costs, and will be fair and equitable to all ratepayers.

Several rate scenarios were modeled during the rate analysis, and it was recommended to establish annual rate increases after the initial increase (recommended 20% water and 30% sewer, adopted April 2017 - 10% and 20% respectively). The proposed increases to be effective July 1, 2018 are 5% water and 7.5% sewer.

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? **July 1, 2018**

Fiscal Impact Statement

An increase of 5% for and 7.5% for sewer would be equal to approximately \$5.21 additional per month based on 5,000 gals per month (increase of \$10.42 for 10,000 per two months). The estimated revenues from this increase totals approximately \$373,000 to help preserve Utility Fund balance.

County Impact

Additional funds to support future projects for rehab/replacement of utilities and to continue day to day operation/maintenance of existing facilities.

Notes

Board of Supervisors
County of Prince George, Virginia

Resolution

At a regular meeting of the Board of Supervisors of the County of Prince George held in the Boardroom, Third Floor, County Administration Building, 6602 Courts Drive, Prince George, Virginia this 13th day of March, 2018:

Present:

Alan R. Carmichael, Chairman
Donald R. Hunter, Vice-Chairman
Floyd M. Brown, Jr.
Marlene J. Waymack
T. J. Webb

Vote:

On motion of _____, seconded by _____, which carried unanimously, the following Resolution was adopted:

AUTHORIZATION TO HOLD A PUBLIC HEARING ON APRIL 10, 2018 TO CONSIDER ADOPTION OF AN ORDINANCES TO AMEND THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA, 2005, AS AMENDED, TO REVISE WATER AND SEWER AND USER CHARGES

NOW, THEREFORE, BE IT RESOLVED That the Board of Supervisors of the County of Prince George this 13th day of March, 2018, does hereby authorize the advertisement of a public hearing to consider adoption of ordinances to amend The Code of the County of Prince George, Virginia, 2005, as amended, by amending sections to revise water and sewer user charges.

A Copy Teste:

Percy C. Ashcraft
County Administrator

ORDINANCE TO AMMEND THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA, 2005, AS AMENDED, BY AMENDING SECTION 82-537 TO REVISE SEWER 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 and re-codified to read as follows:*

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"	\$11.54 <u>\$12.41</u>
3/4"	\$11.54 <u>\$12.41</u>
1"	\$18.18 <u>\$19.54</u>
1 1/2"	\$31.79 <u>\$34.17</u>
2"	\$50.84 <u>\$54.65</u>
3"	\$105.29 <u>\$113.19</u>
4"	\$181.50 <u>\$195.11</u>
6"	\$399.25 <u>\$429.19</u>
8"	\$704.10 <u>\$756.91</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 ~~\$8.24~~ \$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	<u>\$0.0830</u>
III	601—1,000	<u>\$0.1650</u>
IV	1,001—1,400	<u>\$0.2650</u>
V	1,401 and over	*

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

(2) *That this ordinance shall be effective July 1, 2018 for Cycle 2 customers, and August 1, 2018 for Cycle 1 customers.*

ORDINANCE TO AMMEND THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA, 2005, AS AMENDED, BY AMENDING SECTION 82-262 TO REVISE WATER 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 and re-codified to read as follows:*

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"	\$9.10 <u>\$9.56</u>
¾"	\$9.10 <u>\$9.56</u>
1"	\$16.51 <u>\$17.34</u>
1½"	\$31.74 <u>\$33.33</u>
2"	\$53.04 <u>\$55.69</u>
3"	\$113.92 <u>\$119.62</u>
4"	\$199.13 <u>\$209.09</u>
6"	\$442.63 <u>\$464.76</u>
8"	\$783.53 <u>\$822.71</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"	0 to < 6,000 gallons	\$2.83 <u>\$2.97</u>
	6,000 gallons to < 20,000 gallons	\$3.54 <u>\$3.72</u>
	20,000 gallons and greater	\$4.42 <u>\$4.64</u>
¾"	0 to < 6,000 gallons	\$2.83 <u>\$2.97</u>
	6,000 gallons to < 20,000 gallons	\$3.54 <u>\$3.72</u>
	20,000 gallons and greater	\$4.42 <u>\$4.64</u>
1"	0 to < 8,000 gallons	\$2.83 <u>\$2.97</u>
	8,000 gallons to < 25,000 gallons	\$3.54 <u>\$3.72</u>
	25,000 gallons and greater	\$4.42 <u>\$4.64</u>
1½"	0 to < 15,000 gallons	\$2.83 <u>\$2.97</u>
	15,000 gallons to < 61,000 gallons	\$3.54 <u>\$3.72</u>
	61,000 gallons and greater	\$4.42 <u>\$4.64</u>
2"	0 to < 30,000 gallons	\$2.83 <u>\$2.97</u>
	30,000 gallons to < 94,000 gallons	\$3.54 <u>\$3.72</u>
	94,000 gallons and greater	\$4.42 <u>\$4.64</u>
3"	0 to < 70,000 gallons	\$2.83 <u>\$2.97</u>
	70,000 gallons to < 215,000 gallons	\$3.54 <u>\$3.72</u>
	215,000 gallons and greater	\$4.42 <u>\$4.64</u>
4"	0 to < 128,000 gallons	\$2.83 <u>\$2.97</u>

	128,000 gallons to < 385,000 gallons	\$3.54 <u>\$3.72</u>
	385,000 gallons and greater	\$4.42 <u>\$4.64</u>
6"	0 to < 289,000 gallons	\$2.83 <u>\$2.97</u>
	289,000 gallons to < 867,000 gallons	\$3.54 <u>\$3.72</u>
	867,000 gallons and greater	\$4.42 <u>\$4.64</u>
8"	0 to < 289,000 gallons	\$2.83 <u>\$2.97</u>
	289,000 gallons to < 867,000 gallons	\$3.54 <u>\$3.72</u>
	867,000 gallons and greater	\$4.42 <u>\$4.64</u>

- (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.
- a. Permit fee\$55.00
 - b. Deposit (refundable), negotiated depending on expected usage
 - c. Water charge, per 1,000 gallons~~\$14.16~~ \$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.

(2) That this ordinance shall be effective July 1, 2018 for Cycle 2 customers, and August 1, 2018 for Cycle 1 customers.

**PUBLIC NOTICE
COUNTY OF PRINCE GEORGE**

The Prince George County Board of Supervisors will hold a public hearing on Tuesday, April 10, 2018 beginning at 7:30 p.m. concerning the following matter:

PROPOSED ADOPTION OF AN ORDINANCE TO AMEND THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA, BY AMENDING SECTIONS 82-262 TO INCREASE ALL WATER USER CHARGES BY FIVE PERCENT, AND BY AMENDING SECTIONS 82-537 TO INCREASE ALL SEWER USER CHARGES BY SEVEN AND A HALF PERCENT, PURSUANT TO AUTHORITY CONTAINED IN VIRGINIA CODE §15.2-2119.

The meeting will be held in the Board of Supervisors Meeting Room, third floor, County Administration Building. A copy of the proposed Ordinance, as well as information concerning the documentation for the proposed increases, may be examined at the Prince George County website at <http://www.princegeorgecountyva.gov> and/or at the Engineering and Utilities Department (804-722-8706) in the County Administration Building, second floor, open from 8:30 a.m. to 5:00 p.m., Monday – Friday. All interested persons shall have the opportunity to be heard at such public hearing.

Percy C. Ashcraft
County Administrator