

April 11, 2017

## RESUME

**PUBLIC HEARING; ADOPTION OF AN ORDINANCES TO AMEND  
THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA,  
2005, AS AMENDED, TO REVISE WATER AND SEWER USER  
CHARGES AND FEES**

Public Hearing for ordinances amending The Code of Prince George County, Virginia, 2005, as amended, by amending sections 82-262, 82-265, 82-537, and 82-540 to revise water and wastewater user charges and fees.

The Department of Engineering and Utilities with the help of GettingGreatRates.com, LLC completed a Water and Sewer Rate Analysis in January 2017. The findings and recommendations from this analysis were presented in a pre-budget work session to the Prince George Board of Supervisors on January 11, 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 the recommended rate scenarios for water and sewer included in the Water and Sewer Rate Analysis Report (January 18, 2017) have been reflected in the proposed amended code sections.

Draft copies of these ordinances are included with this resume and have been made available through the County's website and at the Engineering and Utilities Department.

ORDINANCE TO AMMEND THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA, 2005, AS AMENDED, BY AMENDING SECTIONS 82-262, AND 82-265 TO REVISE WATER USER CHARGES AND FEES

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"	<del>\$8.27</del> <u>\$9.10</u>
¾"	<del>\$8.27</del> <u>\$9.10</u>
1"	<del>15.01</del> <u>\$16.51</u>
1½"	<del>28.85</del> <u>\$31.74</u>
2"	<del>48.22</del> <u>\$53.04</u>
3"	<del>103.56</del> <u>\$113.92</u>
4"	<del>181.03</del> <u>\$199.13</u>
6"	<del>402.39</del> <u>\$442.63</u>
8"	<del>712.30</del> <u>\$783.53</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	<del>\$2.57</del> <u>\$2.83</u>
	6,000 gallons to < 20,000 gallons	<del>3.22</del> <u>\$3.54</u>
	20,000 gallons and greater	<del>4.02</del> <u>\$4.42</u>
¾"	0 to < 6,000 gallons	<del>\$2.57</del> <u>\$2.83</u>
	6,000 gallons to < 20,000 gallons	<del>3.22</del> <u>\$3.54</u>
	20,000 gallons and greater	<del>4.02</del> <u>\$4.42</u>
1"	0 to < 8,000 gallons	<del>\$2.57</del> <u>\$2.83</u>
	8,000 gallons to < 25,000 gallons	<del>3.22</del> <u>\$3.54</u>
	25,000 gallons and greater	<del>4.02</del> <u>\$4.42</u>
1½"	0 to < 15,000 gallons	<del>\$2.57</del> <u>\$2.83</u>
	15,000 gallons to < 61,000 gallons	<del>3.22</del> <u>\$3.54</u>
	61,000 gallons and greater	<del>4.02</del> <u>\$4.42</u>
2"	0 to < 30,000 gallons	<del>\$2.57</del> <u>\$2.83</u>
	30,000 gallons to < 94,000 gallons	<del>3.22</del> <u>\$3.54</u>
	94,000 gallons and greater	<del>4.02</del> <u>\$4.42</u>
3"	0 to < 70,000 gallons	<del>\$2.57</del> <u>\$2.83</u>
	70,000 gallons to < 215,000 gallons	<del>3.22</del> <u>\$3.54</u>
	215,000 gallons and greater	<del>4.02</del> <u>\$4.42</u>
4"	0 to < 128,000 gallons	<del>\$2.57</del> <u>\$2.83</u>

	128,000 gallons to < 385,000 gallons	<del>3.22</del> <u>\$3.54</u>
	385,000 gallons and greater	<del>4.02</del> <u>\$4.42</u>
6"	0 to < 289,000 gallons	<del>\$2.57</del> <u>\$2.83</u>
	289,000 gallons to < 867,000 gallons	<del>3.22</del> <u>\$3.54</u>
	867,000 gallons and greater	<del>4.02</del> <u>\$4.42</u>
8"	0 to < 289,000 gallons	<del>\$2.57</del> <u>\$2.83</u>
	289,000 gallons to < 867,000 gallons	<del>3.22</del> <u>\$3.54</u>
	867,000 gallons and greater	<del>4.02</del> <u>\$4.42</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.
- Permit fee .....~~\$50.00~~ \$55.00
  - Deposit (refundable), negotiated depending on expected usage
  - Water charge, per 1,000 gallons ....~~42.87~~ \$14.16
- (5) Metered private fire protection system. Private fire protection system, metered (does not apply when domestic and fire services are master-metered):
- Monthly charge: Two percent of corresponding minimum charge, as provided in subsection (1) of this section.
  - Commodity charge, per 1,000 gallons: See subsection (2) above.
- (6) Reserved.

**Sec. 82-265. - Other charges.**

The department shall make the following charges for the respective water services to utility customers:

- Turn-on water, account charge (payable in advance); new service, new account: ~~\$20.00~~ \$25.00
- Meters shall be read every two months by the properly authorized personnel, and utility bills shall be prepared therefrom by the utility department and rendered by deposit in the U.S. mail

no later than the 20th working day of the month after the meters are read. Such bills so rendered shall be due and payable by cash, check, charge card or money order in the office of the county treasurer on or before 5:00 p.m. of the 15th calendar day of the following the month the bill was rendered, and, if not so paid, a ten percent penalty ~~or \$10.00 whichever is greater~~ shall be added thereon and the department shall mail the customer a delinquent notice. The bill may be exempted from this penalty once in a 12 month period if a good faith effort can be shown that the customer attempted to pay the bill and the customer has had no payments late in the previous 12 months.

If such bill is not so paid on or before 5:00 p.m. ten days subsequent to the mailing of the delinquent notice, the utility service to such delinquent customer shall be discontinued. Any utility service discontinued under this subsection shall only be reconnected after all delinquent amounts and penalties have been paid by cash or money order along with a reconnection fee of ~~\$40.00~~ \$45.00.

- (3) Change of meter size: cost plus ten percent.
- (4) Change service connection size, location: cost plus ten percent.
- (5) Raise or lower meter box: cost plus ten percent.
- (6) Remove obstruction with easement: cost plus ten percent.
- (7) Inspection of utility extensions, developer-installed systems: cost plus ten percent.
- (8) Repair utility line or appurtenances damaged by known person: cost plus ten percent.

*(2) That this ordinance shall be effective July 1, 2017 for Cycle 2 customers, and August 1, 2017 for Cycle 1 customers.*

ORDINANCE TO AMMEND THE CODE OF THE COUNTY OF PRINCE GEORGE, VIRGINIA, 2005, AS AMENDED, BY AMENDING SECTIONS 82-537, AND 82-540 TO REVISE SEWER USER CHARGES AND FEES

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"	<del>\$9.62</del> <u>\$11.54</u>
¾"	<del>\$9.62</del> <u>\$11.54</u>
1"	<del>\$15.15</del> <u>\$18.18</u>
1½"	<del>\$26.49</del> <u>\$31.79</u>
2"	<del>\$42.37</del> <u>\$50.84</u>
3"	<del>\$87.74</del> <u>\$105.29</u>
4"	<del>\$151.25</del> <u>\$181.50</u>
6"	<del>\$332.71</del> <u>\$399.25</u>
8"	<del>\$586.75</del> <u>\$704.10</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 ~~\$6.84~~ \$8.21 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 ( <del>cents</del> \$ per 1,000 gallons)
I	0—300	0.00
II	301—600	<del>8.3</del> <u>\$0.0830</u>
III	601—1,000	<del>16.5</del> <u>\$0.1650</u>
IV	1,001—1,400	<del>26.5</del> <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.

**Sec. 82-540. - Other charges.**

Under this division, meters shall be read every two months by the properly authorized personnel, and utility bills shall be prepared therefrom by the utility department and rendered by deposit in the U.S. mail no later than the 20th working day of the month after the meters are read. Such bills so rendered shall be due and payable by cash, check, charge card or money order in the office of the county treasurer on or before 5:00 p.m. of the 15th calendar day of the month following the month the bill was rendered. If not so paid, a ten percent penalty or \$10 whichever is greater shall be added thereon and the department shall mail the customer a delinquent notice. The bill may be exempted from this penalty once in a 12 month period if a good faith effort can be shown that the customer attempted to pay the bill and the customer has had no payments late in the previous 12 months. If such bill is not so paid on or before 5:00 p.m. ten days subsequent to the mailing of the notice, the utility service to such delinquent customer shall be discontinued. Any utility service discontinued under this subsection shall only be reconnected after all delinquent amounts and penalties have been paid by cash or money order along with a reconnection fee of ~~\$40.00~~ \$45.00.

*(2) That this ordinance shall be effective July 1, 2017 for Cycle 2 customers, and August 1, 2017 for Cycle 1 customers.*



# Public Hearing Utility Rates April 11, 2017





# Proposed Rate Increase

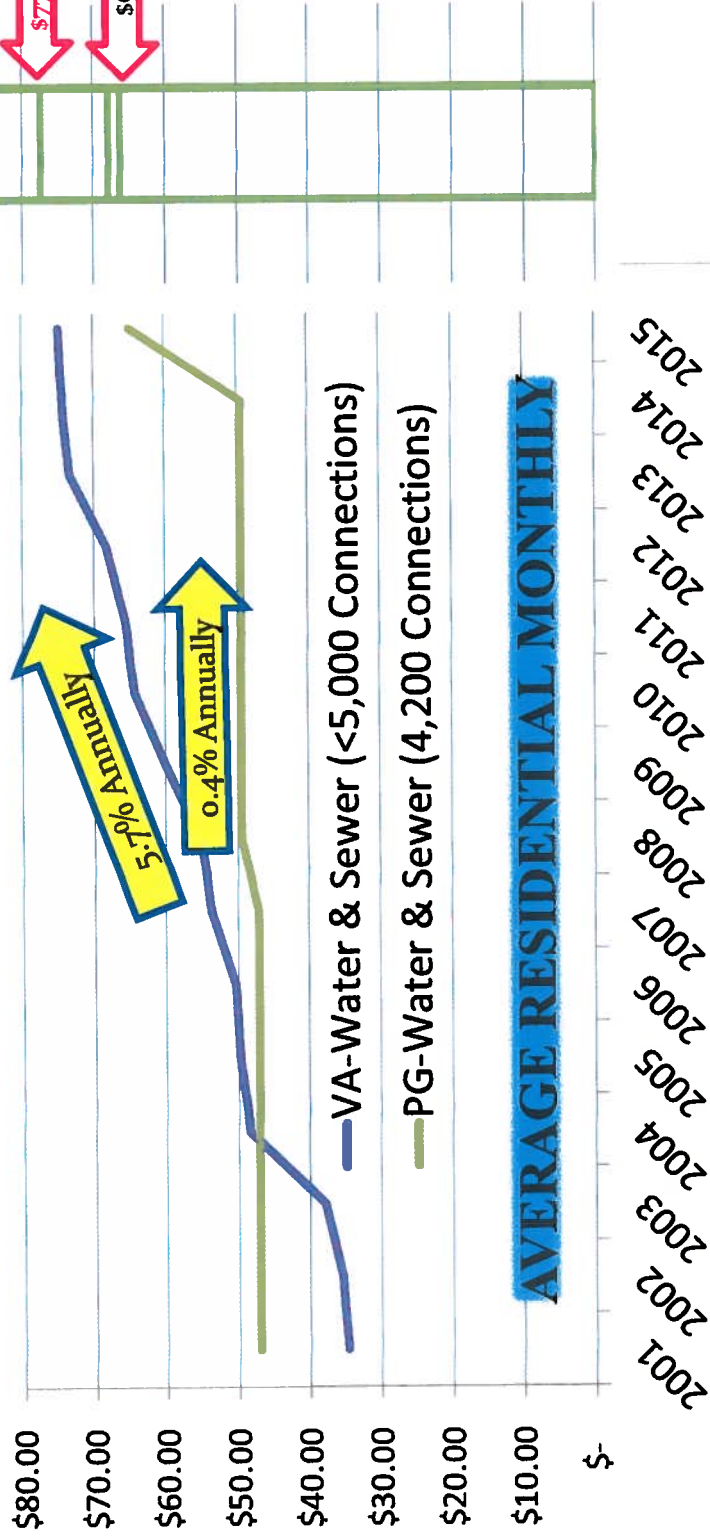
- Generates \$731,200 in New Revenue
  - Water: \$160,000 (10% Increase)
  - Sewer: \$571,200 (20% Increase)
- \$11 Per Month Increase for Average Residential Customer \*
  - Water: \$2.24 Per Month Increase
  - Sewer: \$8.76 Per Month Increase

\*For a residential home using an average of 5,000 gallons per month.  
(NOTE: About two thirds of residential customers will actually see less than \$11 per month increase because they consume less than the average 5,000 gallons per month.)

# Rate Benchmarking

Projections Based on 5,000 gallon per month average customer (NOTE: Most customers are below 5,000 gallon per month average)

## Comparison



# Minimum Monthly Charges

## WATER

## SEWER

Meter Size	Minimum Charge Per Month
5/8"	<del>\$8.27</del> <u>\$9.10</u>
3/4"	<del>\$8.27</del> <u>\$9.10</u>
1"	<del>15.04</del> <u>\$16.51</u>
1 1/2"	<del>28.85</del> <u>\$31.74</u>
2"	<del>48.22</del> <u>\$53.04</u>
3"	<del>103.56</del> <u>\$113.92</u>
4"	<del>181.02</del> <u>\$199.13</u>
6"	<del>402.39</del> <u>\$442.63</u>
8"	<del>712.30</del> <u>\$783.53</u>

Meter Size	Minimum Charge Per Month
5/8"	<del>\$9.62</del> <u>\$11.54</u>
3/4"	<del>\$9.62</del> <u>\$11.54</u>
1"	<del>15.15</del> <u>\$18.18</u>
1 1/2"	<del>26.40</del> <u>\$31.79</u>
2"	<del>42.37</del> <u>\$50.84</u>
3"	<del>87.74</del> <u>\$105.29</u>
4"	<del>151.25</del> <u>\$181.50</u>
6"	<del>322.71</del> <u>\$399.25</u>
8"	<del>556.75</del> <u>\$704.10</u>



# Commodity Charges

\$ per 1000 Gallons	Commodity (Existing)	Commodity (Proposed)
Water Tier 1	\$ 2.57	\$ 2.83
Water Tier 2	\$ 3.22	\$ 3.54
Water Tier 3	\$ 4.02	\$ 4.42
Sewer	\$ 6.84	\$ 8.21



# Proposed Other User Fee Increases

	Existing	Proposed
Temporary Hydrant Fee	\$ 50	\$ 55
Temporary Hydrant Rate/1000 Gallons	\$ 12.87	\$ 14.16
Water Turn On Charge	\$ 20	\$ 25
Water Reconnection Charge	\$ 40	\$ 45
Sewer Reconnection Charge	\$ 40	\$ 45





# Questions?

**PUBLIC NOTICE  
COUNTY OF PRINCE  
GEORGE**

The Prince George County Board of Supervisors will hold a public hearing on Tuesday, April 11, 2017 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, AND 82-265, TO INCREASE ALL WATER USER CHARGES AND FEES BY TEN PERCENT, AND BY AMENDING SECTIONS 82-537, AND 82-540, TO INCREASE ALL SEWER USER CHARGES AND FEES BY TWENTY 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.princegeorge-countyva.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