

INTRODUCED: April 11, 2022

A RESOLUTION No. 2022-R025

To express the City Council's support for highly prioritizing appropriations for the construction of combined sewer system plan projects by July 1, 2035, to improve water quality in the James River in a financially sustainable manner.

Patrons – Mayor Stoney, Ms. Lambert, Ms. Jordan, Mr. Jones and Ms. Nye

Approved as to form and legality
by the City Attorney

PUBLIC HEARING: MAY 9 2022 AT 6 P.M.

WHEREAS, the water quality of the James River is vital to the City's environmental and public health, recreation, tourism, and economy; and

WHEREAS, the City's combined sewer system, hereinafter referred to as the "CSS," built in the late 1800s, carries both storm water and sanitary sewer water to the City wastewater treatment plant from approximately 19 square miles of the city, a combined sewer system area comparable to that of Washington, D.C.; and

WHEREAS, under dry weather conditions, the City's CSS adequately handles storm water and sanitary water, but during significant rain events, the combined sewer system overflows; and

WHEREAS, the City has spent \$315,000,000.00 on CSS improvements over several decades to reduce combined sewer overflows, hereinafter referred to as "CSOs," by 3,100,000,000

AYES: 9 NOES: 0 ABSTAIN: _____

ADOPTED: Jun 13 2022 REJECTED: _____ STRICKEN: _____

gallons of overflow annually, but the remaining volume of annual CSOs is approximately 1,600,000,000 gallons, with 90 percent of this amount made up of storm water runoff; and

WHEREAS, the City's improvements to the CSS, which enhance the water quality of the James River, include the 2020 project to increase the capacity of the City's wastewater treatment plant for treating wet weather water volumes from 75,000,000 gallons to 140,000,000 gallons, allowing for storm water treatment of over 100,000,000 gallons per day during rain events; and

WHEREAS, \$105,000,000.00 in improvements to the City's wastewater treatment plant's nutrient removal technology have improved water bacteria samples over the last ten years and met or exceeded water quality standards at least 90 percent of the time; and

WHEREAS, to address CSOs, the City and the Virginia State Water Control Board entered into a Special Order by Consent Issued to the City of Richmond, Permit No. VA3363177, dated March 17, 2005, by which the City agreed to implement a plan to control CSO discharges to the James River by the completion of certain CSS projects; and

WHEREAS, the City and the Virginia State Water Control Board entered into a Special Order by Consent Amendment to Special Order by Consent Issued to the City of Richmond, Permit No. VA3363177, dated December 2, 2020, hereinafter known as "the Consent Order," to, *inter alia*, incorporate deadlines set forth in Chapter 634 of the 2020 Acts of Assembly of Virginia; and

WHEREAS, pursuant to the Consent Order, the City submitted a Combined Sewer Overflow Interim Plan, dated July 1, 2021, hereinafter referred to as the "CSO Interim Plan," to the Virginia Department of Environmental Quality, which identified certain CSO Interim Plan projects that the City must initiate by July 1, 2025 and must complete by July 1, 2027; and

WHEREAS, also pursuant to the Consent Order, the City agreed to submit a Combined Sewer Overflow Final Plan, hereinafter referred to as the “CSO Final Plan,” to the Virginia Department of Environmental Quality that would identify certain CSO Final Plan projects that the City must initiate by July 1, 2025, and complete by July 1, 2035, to satisfy the City’s remaining obligations under the Consent Order; and

WHEREAS, the Consent Order contemplates extensions to the completion of CSO Final Plan projects for several reasons, including lack of sufficient funding; and

WHEREAS, the City used its robust integrated water planning stakeholder group, known as RVAH2O, to provide information to the public and solicit input during the development of the CSO Interim Plan and intends to build on this public engagement during the development of the CSO Final Plan; and

WHEREAS, upon information and belief of the Council, the City will meet all CSO Interim Plan deadlines and thereby reduce annual CSOs by approximately 182,000,000 gallons, at a cost of \$33,100,000.00, by July 1, 2027; and

WHEREAS, upon information and belief of the Council, the City is on schedule to meet the CSO Final Plan project deadlines, subject to the appropriation of funding totaling \$1,400,000,000.00; and

WHEREAS, upon information and belief of the Council, the City cannot complete the CSO Final Plan projects before July 1, 2035, at the earliest; and

WHEREAS, even though the General Assembly of Virginia appropriated \$50,000,000.00 requiring a 100 percent match by the City in its 2021 Special Session and may make additional appropriations requiring a 100 percent match by the City in its 2022 Regular Session for City of Richmond’s combined sewer system projects, subject to approval by the Governor of Virginia,

there still will be a funding shortfall exceeding \$1,000,000,000.00 for the completion of CSO Final Plan projects; and

WHEREAS, upon information and belief of Council, if the City's water utility rate payers are required to fund the \$1,000,000,000.00 shortfall, the average monthly sewer rate would increase from \$64.42 to \$184.70, a rate that would exceed the United States Environmental Protection Agency's rate affordability threshold in every City census tract except one and place the rates among the highest in the United States of America, significantly impacting lower income households in the city, negatively affecting the City's bond rating, and making water infrastructure loan programs of little assistance in funding CSS projects; and

WHEREAS, the Council believes that it is in the best interests of ratepayers who live in the city of Richmond that the Council support highly prioritizing appropriations for the construction of combined sewer system plan projects by July 1, 2035, to improve water quality in the James River in a financially sustainable manner;

NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF THE CITY OF RICHMOND:

That the Council hereby supports highly prioritizing appropriations for the construction of combined sewer system plan projects by July 1, 2035, to improve water quality in the James River in a financially sustainable manner.

BE IT FURTHER RESOLVED:

That the Council hereby supports the City's Administration in meeting the requirements and deadlines outlined in the Consent Order.

BE IT FURTHER RESOLVED:

That the Council hereby supports the City Administration's efforts to pursue legislative

and funding opportunities to assist the development and construction of the CSO Interim Plan and CSO Final Plan projects.

BE IT FURTHER RESOLVED:

That the Council hereby supports community engagement, including with RVAH20, to address the impact of CSS and CSO issues on affected underserved communities and to invite residents of those communities to participate in CSO Final Plan development.

BE IT FURTHER RESOLVED:

That the Council hereby supports the City Administration's efforts to maintain stormwater and wastewater utility capital maintenance and improvement project funding for routine projects that are not CSS projects.

A TRUE COPY:
TESTE:
Amelia D. Reed
City Clerk

2022-069



City of Richmond

Intracity Correspondence

O&R REQUEST

DATE: March 22, 2022

EDITION: 1

TO: The Honorable Members of City Council

THROUGH: The Honorable Levar M. Stoney, Mayor

THROUGH: J.E. Lincoln Saunders, Chief Administrative Officer

THROUGH: Robert C. Steidel, Deputy Chief Administrative Officer, Operations

THROUGH: April N. Bingham, Director of Public Utilities

FROM: Patrick Bradley, Deputy Director, Collection Systems and Regulatory Affairs

RE: Combined Sewer Resolution

ORD. OR RES. No. _____

PURPOSE: To express the City Council's support for, and to prioritize the construction of, CSO Final Plan projects by July 1, 2035 to improve water quality in the James River.

REASON: It will be challenging for the City to balance water quality improvement, rate affordability, equity, and public engagement while maintaining the sewer system as a whole and managing a generational infrastructure project program. The adoption of this resolution will signal the City's commitment to improve its combined sewer system (CSS) to reduce combined sewer overflow (CSO) and improve water quality.

RECOMMENDATION: Adopt the resolution substantially in the form of Attachment A. Note there is a blank for an appropriation amount in the draft resolution that is anticipated after the General Assembly resolves the 2022 Regular Session budget.

BACKGROUND: The City has made substantial progress with its CSS but still has much work to do. Pursuant to the City's Special Order by Consent, the City must meet several interim deadlines before completing CSS work by 2035 at an estimated cost of \$1.4 billion. See resolution attached as Attachment A for further details.

FISCAL IMPACT / COST: None.

FISCAL IMPLICATIONS: None.

BUDGET AMENDMENT NECESSARY: No.

REVENUE TO CITY: None.

DESIRED EFFECTIVE DATE: Upon adoption.

REQUESTED INTRODUCTION DATE: April 11, 2022

CITY COUNCIL PUBLIC HEARING DATE: April 25, 2022

REQUESTED AGENDA: Consent.

RECOMMENDED COUNCIL COMMITTEE: Government Operations.

CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES: N/A.

AFFECTED AGENCIES: Department of Public Utilities

RELATIONSHIP TO EXISTING ORD. OR RES.: None.

REQUIRED CHANGES TO WORK PROGRAM(S): None.

ATTACHMENTS: Draft resolution.

STAFF: Patrick Bradley, DPU Deputy Director, Collection Systems and Regulatory Affairs