

INTRODUCED: September 26, 2016

AN ORDINANCE No. 2016-256

To amend City Code § 28-592, concerning the fee for commercial or industrial wastewater accounts, for the purpose of allowing a reduction in the fee where a portion of the metered water used for industrial purposes will not be discharged back into the sewer system, pursuant to rules and regulations made by the Director of Public Utilities.

\_\_\_\_\_  
Patron – Mayor Jones

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Approved as to form and legality  
by the City Attorney  
\_\_\_\_\_

PUBLIC HEARING: NOV 14 2016 AT 6 P.M.

THE CITY OF RICHMOND HEREBY ORDAINS:

§ 1. That section 28-592 of the Code of the City of Richmond (2015) be and is hereby amended and reordained as follows:

**Sec. 28-592. Payment of costs of extending sanitary sewer lines; connection fees.**

The entire cost, including engineering and inspection costs, of constructing a sanitary sewer extension and connections within and without the corporate City limits shall be paid by the grantee subject to the following terms and conditions:

AYES:            9            NOES:            0            ABSTAIN: \_\_\_\_\_

ADOPTED:    NOV 14 2016    REJECTED: \_\_\_\_\_    STRICKEN: \_\_\_\_\_

(1) The responsibility for and the entire cost, including engineering and inspection costs, of maintaining or repairing a City-owned sanitary sewer extension within and without the corporate City limits shall be that of and shall be paid by the City.

(2) Title to a sanitary sewer extension within the corporate City limits shall vest in the City upon completion of the construction of the extension, unless the Director of Public Utilities determines that the sewer extension shall remain private. Title to a sanitary sewer extension without the corporate City limits shall vest in the City upon completion of the construction of the extension if the Director agrees in writing that the City will accept the extension, and if the acceptance is lawful in light of other requirements of law regarding neighboring jurisdictions.

(3) If the City's plans call for a pipe larger than that required to serve the needs of the grantee, the City will bear the additional cost for a sanitary sewer larger than that required to serve the grantee, provided funds are available therefor. There will be no combined sewer extensions permitted within or without the corporate City limits, however this requirement shall not prevent the connection of new sanitary sewers to existing combined sewers for the purpose of conveying sanitary sewage to the City's treatment plant.

(4) The applicant shall secure from the governing body of the locality into which the sanitary sewer is to be extended a written statement to the effect that:

- a. The locality does not desire to make such extension;
- b. The locality authorizes the construction of such extension; and
- c. The locality authorizes the City or the grantee to maintain such extension.

(5) If a grantee to be served by a City-owned sanitary sewer extension does not receive water service from the City, the grantee shall nonetheless be responsible for paying the appropriate rate for wastewater service.

(6) The owner of property on which is or will be constructed a building or structure in which plumbing fixtures are or will be installed shall make application to the Director for each connection to discharge sewage. The fee for adding a sewer connection to a sanitary sewer main or a combined sewer main will be as provided in Appendix A to this Code except as provided in subsection (9) of this section. If making a stormwater connection, applicable fees shall apply. Construction of sanitary sewer facilities shall be the responsibility of the property owner or customer. The Director may approve the connection provided such sanitary or combined sewer facilities are available in sufficient capacity and grade to serve the property. No new connection shall be made to the combined sewers where the connection would cause overflows during dry weather conditions. The Director may reject any connection to a combined sewer main at the Director's discretion.

(7) Whenever an existing sanitary or combined sewer connection is replaced at the request of the grantee, and the grantee increases the size of the water meter, the Director may require the owner or occupant to pay the full sewer connection charge set forth in Appendix A to this Code based upon the size of the new meter size. Whenever an existing sanitary or combined sewer service connection is replaced at the request of the owner with one of lesser capacity, the owner or occupant shall receive no refund for any connection charges originally paid.

(8) Owners of buildings or structures who paid the County of Chesterfield a sewer connection fee prior to January 1, 1970, and who have not connected to the wastewater system may connect to the existing wastewater service line at their property line after obtaining the required plumbing permit without the payment of any additional wastewater service connection fee. If a new service line is required or desired, the provisions of this section, as applicable, shall apply.

(9) With regard to commercial or industrial accounts for which the sewer flow differs from the metered water flow, the water meter size set forth in Appendix A to this Code used to determine the total connection charge set forth in Appendix A to this Code shall be adjusted as provided in this subsection (9) for the purpose of better reflecting the actual cost of service. To qualify for an adjustment of the water meter size used to determine the total connection charge, the owner or customer shall (i) submit an engineering analysis that, in compliance with the Department's regulations, projects by how much flows that will be discharged to the City's wastewater system will be less than the flows upon which the total connection charges set forth in Appendix A of this Code and (ii) thereafter measure its wastewater flows with a sewage flow meter, installed and paid for by the owner or customer, that complies with and is operated and maintained in compliance with the Department's regulations. Any adjustment to the water meter size shall be in direct proportion to the reduction in wastewater flows projected in the engineering analysis. The total connection charge shall be determined based on the adjusted water meter size instead of the actual water meter size. If after a total connection charge based on an adjusted water meter size has been paid, the Department determines, based on flow meter measurements or otherwise, that the adjusted water meter size used to determine the total connection charge does not properly reflect the wastewater flows projected in the engineering analysis, the Department shall assess the owner or customer an amount equal to the difference between the total connection charge based on the actual water meter size and the total connection charge actually paid by the owner or customer. The Director shall adopt rules and regulations pursuant to section 28-26 to implement the provisions of this subsection (9).

§ 2. This ordinance shall be in force and effect upon adoption.



CITY OF RICHMOND
INTRACITY CORRESPONDENCE

O & R REQUEST

JUL 13 2016

Chief Administration Office
City of Richmond

O & R REQUEST

DATE: July 8, 2016

EDITION: 1

TO: The Honorable Members of City Council

RECEIVED

THROUGH: Dwight C. Jones, Mayor

SEP 06 2016

THROUGH: Selena Cuffee-Glenn, Chief Administrative Officer

OFFICE OF CITY ATTORNEY

THROUGH: Jay A. Brown, Director of Budget and Strategic Planning

THROUGH: Lenora Reid, Deputy Chief Administrative Officer - Finance

THROUGH: John B. Wack, Finance Director

THROUGH: John Buturla, Interim Deputy Chief Administrative Officer

FROM: Robert C. Steidel, Director of Public Utilities

RE: Amending City Code Sec. 28-592. - Payment of costs of extending sanitary sewer lines; connection fees, paragraph 6, by providing authority for the DPU director to adopt departmental regulations regarding changing the flow meter wastewater connection charge procedure

ORD. OR RES. No. \_\_\_\_\_

PURPOSE: The administration of city code section 28-592 by DPU has made it apparent that a change is needed to more properly serve customers under the following general scenario.

The scenario to be addressed in paragraph 6 is to provide for the establishment of regulations by the DPU director in accordance with section 28 - 26 Adoption of Rules and Regulations to allow for the correct fee for adding a sewer connection when the wastewater flow is measured by a sewage flowmeter instead of measured by a water meter. This is due to loss or use of water in the process performed by the commercial or industrial user of the account which is a volume not conveyed through the wastewater collection system nor cleaned in the wastewater treatment works, which to be equitable should not be charged to the commercial and industrial users.

REASON: Administration of the current text in city code by staff has made it apparent that flexibility in decision making is necessary to address variables currently being evaluated by staff in engineering and development services. In order to be equitable in the cost of business to commercial and industrial users, staff needs the ability to determine that correct cost of service.

**RECOMMENDATION:** The City Administration recommends adoption of this the code change to allow DPU to formalize this process in a departmental regulation.

**BACKGROUND:** The City of Richmond, Virginia (City) Department of Public Utilities (DPU) shall develop internal policy to provide adequate flexibility in how commercial and/or industrial customers are assessed the capacity component of the wastewater connection fee. Specifically, for a commercial and/or industrial customer that expects to use a significant portion of its purchased water such that it is not returned to the wastewater system for treatment (e.g. process water), the customer may prepare and submit a separate engineering analysis of wastewater expected to be discharged to the City's wastewater system including identification of ultimate average day and maximum day flow. Upon the DPU's review and approval, the customer must agree to install, at its own expense, a wastewater flow meter capable of quantifying the amount of flow discharged to the City's wastewater system. If both of these requirements are satisfied, the DPU may reduce the charge associated with the capacity component of the wastewater connection fee to be commensurate with the water meter size that would provide adequate capacity to address the anticipated level of flow returned to the City's wastewater system. The customer will provide wastewater flow readings to the DPU on a monthly basis, and the DPU reserves the right to inspect such meter and appurtenances at all reasonable times upon prior arrangement with the customer. If, at any time, the level of wastewater flow exceeds the capacity limits of the water meter size used as a surrogate to assess the capacity component of the wastewater connection fee, the DPU may assess the customer an incremental charge based on the appropriate water meter size necessary to provide adequate capacity associated with actual flow returned to the City's wastewater system.

**FISCAL IMPACT / COST:** The cost for charges for commercial and industrial users will be calculated following procedures in regulation to make sure the cost of wastewater service is as accurate as possible.

**FISCAL IMPLICATIONS:** Appropriately charges commercial and industrial customers for their impact to the wastewater system.

**REPORTING:** The charge calculation will be documented according to regulation as adopted and stated in the account notes for each individual account.

**BUDGET AMENDMENT NECESSARY:** No

**REVENUE TO CITY:** Revenue will be neutral to the calculated expense.

**DESIRED EFFECTIVE DATE:** Upon Adoption

**REQUESTED INTRODUCTION DATE:** July 25, 2016

**CITY COUNCIL PUBLIC HEARING DATE:** September 12, 2016

**REQUESTED AGENDA:** Consent Agenda

**RECOMMENDED COUNCIL COMMITTEE:** Finance Committee

**CONSIDERATION BY OTHER GOVERNMENTAL ENTITIES:** None

**AFFECTED AGENCIES:** Department of Public Utilities

**RELATIONSHIP TO EXISTING ORD. OR RES.:** None

**REQUIRED CHANGES TO WORK PROGRAM(S):** None

**ATTACHMENTS:** "Language for Review" document

**STAFF:** Mark McClain, Customer Service Administrator, DPU

**Ec:** Robert Stone, Engineer IV, DPU  
C. Scott Yates, Operations Manager, DPU  
Wayne Lassiter, Deputy Director, DPU  
Rosemary H. Green, Deputy Director, DPU