AT A REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE JAMES CITY SERVICE AUTHORITY, JAMES CITY COUNTY, VIRGINIA, HELD ON THE 15TH DAY OF JUNE, NINETEEN HUNDRED NINETY-TWO AT 2:24 P.M. IN THE COUNTY GOVERNMENT CENTER BOARD ROOM, 101 MOUNTS BAY ROAD, JAMES CITY COUNTY, VIRGINIA.

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ROLL CALL

Α.

Stewart U. Taylor, Chairman David L. Sisk, Vice Chairman Perry M. DePue, Jack D. Edwards Judith N. Knudson

David B. Norman, Secretary John E. McDonald, Treasurer Frank M. Morton, III, County Attorney Larry M. Foster, General Manager

B. MINUTES - May 18, 1992

Mr. Taylor asked if there were corrections or additions to the minutes.

Mr. Sisk made a motion to approve the minutes as presented. The motion was approved by a unanimous voice vote.

C. CONSENT CALENDAR

Mr. Taylor asked if the Board wished to discuss the Consent Calendar item.

Mr. Edwards made a motion to approve the Consent Calendar.

The motion was approved by a unanimous voice vote.

Well Dedication - Glenwood Acres

RESOLUTION

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WELL DEDICATION - GLENWOOD ACRES

- WHEREAS, the Commonwealth of Virginia, Department of Health, regulates the use of public water supply wells; and
- WHEREAS, Commonwealth regulations require the well lot to be dedicated for water supply use only, to prevent contamination; and
- WHEREAS, the James City Service Authority operates the Glenwood Acres water supply system as a public water supply system.
- NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, does hereby authorize and directs its Chairman and Secretary to execute the well dedication document for Glenwood Acres water supply system on behalf of the James City Service Authority.

D. PUBLIC HEARING

1. Regulations Governing Utility Services

Mr. Larry M. Foster, General Manager, stated that approval was recommended for the proposed changes to the Regulations Governing Utility Services.

Mr. Taylor opened the public hearing, and as no one wished to speak, he closed the public hearing.

Mr. Edwards made a motion to approve the resolution.

The motion was approved by a unanimous voice vote.

RESOLUTION

UTILITY POLICY CHANGES

- WHEREAS, the Board of Directors of the James City Service Authority have held a public hearing on certain proposed changes to the Regulations Governing Utility Service.
- NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority, James City County, Virginia, hereby adopts the attached changes summarized below to be effective July 1, 1992.

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1.

1. Clarify that Authority requirements will endeavor to conform with policies of the Comprehensive Plan.

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- 2. Amend the definition of adjacent to allow the construction of a two-family dwelling that is more than 300 feet from a public sewer line without connection to public sewer.
- 3. Change mobile home to manufactured home where applicable throughout regulation.
- 4. Clarify that where zoning, special use permit, or proffer conditions do not permit a connection to a sewer line that septic system or private domestic sewage system may be repaired or replaced.
- 5. Change Low-Income Payment Plan late payment fee from 10 percent to 5 percent.
- 6. Clarify that the Authority shall make requests for extra capacity in accordance with recommendations for improvements found in the County's Master Water and Sewer Plan.
- 7. Clarify that no payments shall be made to a developer by the Authority for facilities constructed and installed until formally approved by the Board of Directors.
- 8. Add provision that interest on developer loans will be paid on the anniversary date and will reduce the balance due.
- 9. Clarify that prepaid facilities charges shall not obligate the Authority to provide service outside the Primary Service Area.
- 10. Delete requirement to obtain majority approval of the Authority's acquisition of a private owned water or wastewater system as not feasible to implement.
- 11. Change water and wastewater system facilities charge from a minimum of \$1,500 to \$1,000 with a fixture charge from \$100 to \$230 to a maximum of \$2,000 to \$2,150.
- 12. Clarify that system and local facilities charge shall be paid prior to issuance of a plumbing permit from Code Compliance.
- 13. Deletes provision for a waiver of Wastewater Local Facilities Charge for existing wastewater systems.
- 14. Provides correction to purpose of wastewater retail service charge.
- 15. Includes Summer Conservation Surcharge which was inadvertently omitted from last revision.

BE IT FURTHER RESOLVED, that the complete amendments be made part of this resolution.

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E. BOARD CONSIDERATION

1. <u>Award of Contract - James City Service Authority Operations Center</u> Addition

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Mr. Foster stated that bids were received and the lowest responsible bidder was Star Contractor, Co., Inc. Staff recommended approval of the resolution.

Mr. Sisk made a motion to approve the resolution.

The motion was approved by a unanimous voice vote.

RESOLUTION

CONTRACT FOR JAMES CITY SERVICE AUTHORITY CENTER ADDITION

- WHEREAS, the James City Service Authority publicly open bids for the JCSA Operation Center Addition on June 11, 1992; and
- WHEREAS, it has been determined that the lowest responsive and responsible bid of \$70,168 was their submitted by Star Contractor Co., Inc.; and
- WHEREAS, funds are available in the James City Service Authority budget for this project.
- NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the James City Service Authority of James City County, Virginia, hereby approves the award of a contract for the JCSA Operation Center Addition to Star Contractor Co., Inc., on the basis of their bid of \$70,168 and authorizes and directs its Secretary to the Board to execute a contract for this work.

E. BOARD REQUESTS AND DIRECTIVES

Mr. Edwards asked whether the Virginia Department of Transportation had replied to the request to narrow the entrance to the Kingspoint Pump Station.

Mr. Foster responded in the negative.

Ms. Knudson made a motion to adjourn.

The motion was approved by a unanimous voice vote.

The Board adjourned at 2:35 p.m.

David B. Norman Secretary

PURPOSE

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The purpose of these regulations is to promote good public utility and good business practice. These regulations reflect the obligations of the Utility to its customers; in addition, these regulations reflect requirements that the customer must observe. These regulations govern the relations between the customer and the Utility.

Obligations of the Authority.

- A. <u>Obligations accepted</u>. Inasmuch as the Authority provides two utility services which are vital and essential to the health, safety, and welfare of the entire community, the Authority accepts certain obligations to safeguard the public interest. Among these obligations accepted by the Authority are the requirements that it perform in the following manner:
 - 1. Serve all who apply and meet the requirements of the Authority and will endeavor to conform with the policies of the James City County Comprehensive Plan.
 - 2. Give equal and adequate service to all persons when the provision of that service would be consistent with policies of the Comprehensive Plan.
 - 3. Make the same charge to all in the same customer class for the same service, except under special contracts when warranted by the circumstances.
 - 4. Charge customers according to the cost of providing the service.
- B. <u>Expectations</u>. In return for the faithful discharge of these obligations, the Utility operates with the following expectations:
 - 1. Reasonable compensation for services rendered.
 - 2. Customer observance of reasonable rules and regulations which govern the conduct of the business of the Authority.

Amendments.

Amendments to these regulations may be made only by approval of the James City Service Authority Board of Directors.

SECTION 1. DEFINITIONS

Unless the context specifically indicates otherwise, the meaning of terms used herein shall be as follows:

Adjacent: premises contiguous to an easement or right-of-way within which there is located either a water or wastewater line and where the premises, as identified as of December 31, 1984, are within 1,000 feet (300 feet for a single-family residence not in a subdivision) of a water and-or wastewater line; provided, however, that the owner of an undeveloped single-family residential lot requiring a grinder pump to connect to the wastewater facilities, located either within a preexisting subdivision which was not initially required to be connected to public water or outside a subdivision, shall not be required to connect to a wastewater line if the owner has obtained a permit from the State Health Department for installation of a septic system. A two family dwelling proposed on a lot that existed prior to May 4, 1992, and more than 300 feet from a public sewer line will not be required to connect to public sewer provided the lot is in the Primary Service Area, is acceptable to the State Health Department and a waiver is granted by the James City County Board of Supervisors in accordance with the Zoning Ordinance.

<u>Allocation:</u> the division of the needed annual revenue requirements for wastewater facilities and service between users (implies a direct use of the wastewater system) and property.

<u>Applicant:</u> the owner or his duly authorized representative who applies to the Utility for either water service or wastewater service or both such services.

<u>Appurtenance</u>: any accessory object or component connected to a public water main or public sewer.

Authority: James City Service Authority.

<u>Backflow:</u> the reversal of flow from its intended direction as a result of backsiphonage or backpressure.

<u>Base costs:</u> costs that tend to vary with the quantity of water used, or commodity costs, plus that portion of operating and capital costs associated with service to customers under <u>average</u> load conditions, without the elements necessary to meet water-use variations and resulting peaks in demand.

<u>Board:</u> the Board of Directors, the governing body of the James City Service Authority, James City County, Virginia.

Branch sewer or sub-main sewer: a sewer that receives wastewater from a relatively small area and discharges into a trunk sewer or main sewer.

SECTION 2. CONNECTION REQUIRED

The following regulations shall be observed to determine who shall be required to connect to the facilities of the Authority.

- A. <u>Service to existing structures.</u> An owner or tenant of property adjacent to a right-of-way or easement within which there is located a public water main or public wastewater line or both shall connect each existing structure or manufactured home situated thereon to the facilities of the Authority or (at the option of the Authority) to HRSD; provided, however, an owner or tenant of property shall not be required to connect an existing structure or manufactured home situated thereon to a public water main or to a public wastewater line when the following conditions apply:
 - 1. <u>Comprehensive Plan</u>: The existing structure or manufactured home is prohibited from connection to a water or sewer line by zoning, special use permit, or proffer conditions and is served by a domestic supply or source of potable water and-or a private septic or domestic sewage system which meets the standards established by the Virginia Department of Health.
 - 2. <u>Water:</u> the existing structure or manufactured home is used principally for residential or commercial purposes and is served by a domestic supply or source of potable water which meets the standards established by the Virginia Department of Health.
 - 3. <u>Sewer:</u> the existing structure or manufactured home is used principally for residential or commercial purposes and is served by a private septic system or domestic sewage system which:
 - (a) has absorption trenches that are functioning properly. The Virginia Department of Health shall determine whether absorption trenches are functioning properly, or
 - (b) can be made to function properly by replacing or repairing one of the following: building sewer; septic tank or any of its parts; pump or pump chamber; conveyance lines: distribution box. Additionally, a one time remedial repair may be made to correct a failing drainfield that would not require excavation or replacement of any portion of the drainfield such as a chemical treatment, flushing, or root removal. Minor excavations to access the drainfield lines will be allowed, or
 - (c) has zoning, special use permit, or proffer conditions that do not permit a connection to a sewer line, private septic systems or domestic sewage systems may be repaired or replaced subject to Virginia Department of Health approval and appropriate County department approval.

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- B. <u>Time to connect.</u> The owner or tenant of an existing structure shall comply with this connection regulation within one (1) year after receiving from the Authority written notice that utility service is available.
- C. <u>Plumbing facilities</u>. An existing structure required by these Regulations to connect to a utility service of the Authority but equipped with plumbing facilities required by the Virginia Uniform Statewide Building Code shall be so equipped and connected to the available utility service.
- D. <u>Service to future structure, new development.</u> An owner of property shall be required to connect to the facilities of the Authority when each development or each future structure not part of a development when such development or future structure shall be situated on property adjacent to a right-of-way or easement within which there is located a public water main or wastewater line; provided however, that connection to said facilities shall not be required nor permitted if connection is not permitted by zoning, special use permit or proffer conditions. A replacement structure that is required due to a natural disaster or fire is not considered a future structure or new development.

The Board of Directors of the James City Service Authority may grant a waiver for a period not to exceed three years for commercial-industrial properties to the requirement to connect to public sewer under the following terms and conditions:

- 1. The applicant submits in writing a substantial justification for such a waiver; and
- 2. The applicant has Department of Health approval for alternative sewage system; and
- 3. The applicant enters into an agreement with the Authority with a letter of credit in favor of the Authority in an amount that will cover the cost of such service connection, the amount to be set by the Authority and to be based on the cost of such connection at the expiration of the waiver period; and
- 4. The applicant agrees to pay 33% of the connection fee for the period of the waiver prior to the approval of the waiver by the Authority; and
- 5. The applicant agrees that the balance of the connection fee due at the end of the waiver period shall be calculated on the then existing rate; and
- 6. The applicant agrees to pay the balance due and any other applicable service charges prior to service being provided.

- C. <u>Collection of other funds advanced</u>. The Authority may enter into an agreement with the Office of Community Development to collect installment payments on funds loaned to customers for the purpose of paying for expenses of connecting to water and sewer in addition to local and system facility fees.
- D. <u>Payment.</u> Installment payments shall be made monthly to the Authority, either in person or by mail. Payments shall be due on the first day of the month with a late payment fee charged if the payment is received after the fifteenth day of the month. The late payment fee shall equal five percent of the monthly payment rounded to the nearest dollar.
- E. <u>Change in Ownership.</u> Should the ownership of the property change before the fees have been completely paid to the Authority, the balance of the fees shall be due immediately in accordance with the provisions of the Deed of Trust. Exception shall be made when the change in ownership is based on inheritance and the new owner of the property also qualifies for the program and agrees to assume the liability for the balance of the unpaid fees. A payment plan will then be calculated by the Community Development Office based on the new owner's gross monthly household income.
- F. <u>Rights of the Authority.</u> All recommendations made by the Office of Community Development are subject to approval by the General Manager. In cases of financial crisis, the General Manager may approve a written agreement with the customer to temporarily modify the payment plan. However, the Authority reserves the right to call due the balance of the unpaid fees should the program participant be found to be habitually delinquent.

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SECTION 29. EXTENSION AND EXPANSION OF AUTHORITY FACILITIES

The policies reflected below govern the extension and expansion of Authority facilities.

- A. <u>Service to new developments.</u> The developer of any new subdivision intended for residential, commercial or industrial use or any combination thereof, or the developer of any commercial or industrial site shall construct all Authority facilities as herein required. The Authority reserves the right at any and all times to make, connect or permit new connections, extensions, or improvements or to otherwise use the facilities in the best interests of the Authority.
 - 1. Primary service area.
 - (a) <u>Local facilities</u>. The developer shall construct and install at his expense all local facilities within his subdivision or development; provided, however, local sewer facilities are not required within a reservoir protection area identified in the comprehensive plan and the zoning ordinance. The developer and successor property owner(s) are exempt from payment of local facilities charges when local facilities are constructed and installed at the expense of the developer. Investments by a developer in local facilities to serve his development, such as distribution mains, service connections and meters, fire laterals, and hydrants. sewer manholes other local appurtenances, shall neither be refunded by nor become an obligation of the Authority as such investments are considered a benefit accruing to the property which is recovered through an increase in the value of the property.
 - (b) System facilities. The Authority is responsible for the construction and installation of all system facilities to serve a new development when it is in the best interest of the Authority, consistent with the policies of the Comprehensive Plan and Master Water and Sewer Plan, economically feasible, and system capacity is available. If funds are not available, the Authority may permit the developer, under written contract and at his expense, to construct and install the system facilities. If system facilities are constructed and installed at the expense of the developer, the developer shall be reimbursed for the costs of such system facilities if the provisions of Section 29(E) are observed as follows:
 - Credit shall be given the developer for such contributed facilities against payment of system facilities fees on a dollar for dollar basis as the service connections are made to his property, or

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(2) If the developer who has incurred the costs of the construction of the system facilities transfers ownership of the property to be served by the new facilities, before service connections are made, the construction costs shall be refunded to the developer out of the system facilities fees which are remitted to the Authority by the new property owners when such property owners connect to the facilities.

The manner in which the developer's expenses are to be recovered will be determined by the provisions of the contract, which shall be executed prior to construction.

- 2. <u>Outside the PSA.</u> The County's Comprehensive Plan generally does not support development densities and intensities of an urban and suburban nature outside the Primary Service Area. Development of this nature is not consistent with the intent of both the Comprehensive Plan and the Primary Service Area policy and in most cases will require the approval of the Board of Supervisors. The Comprehensive Plan generally does not support the formation of new, private, central utility systems outside the Primary Service Area. Where approved, the following shall apply:
 - (a) <u>Local facilities</u>. All conditions in Section 29 (A)(1)(a) above apply.
 - (b) System facilities. The Authority has no responsibility for the construction and installation of system facilities which serve developments outside the PSA. However, the Authority, under written contract, may permit the construction and installation of such facilities at the expense of the developer. If such an agreement is entered into, the developer and successor property owners will be exempt from system facilities fees.

Provided further, the developer shall be required to pay a System Replacement Fee to cover the cost of increasing the incremental capacity in the existing system facilities, should the Authority allow the developer to connect the facilities which serve the development outside the PSA, to the system facilities inside the PSA, at some future date. The terms and amount of this fee shall be determined by the provisions of the written contract which shall be set forth before beginning construction of the system facilities outside the PSA.

3. <u>Application and Contract Required</u>. A developer who desires water or wastewater service or both such services for a certain specified area, shall make application to the Authority before starting construction of any water or wastewater facilities. Each application shall be approved by the James City County Zoning Administrator for

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- (c) <u>System facilities fees</u>. Upon completion of the construction and installation of such local facilities, but before physical connection, the applicants shall remit to the Authority, the then prevailing system facilities fee. These fees may be paid in advance and accompany the Application for Service and Contract.
- (d) <u>Refund to nonowners</u>. If the local and-or system facilities fees or construction costs have been advanced to the Authority by a party other than an owner of property to be served by the new facilities, these fees shall be considered a loan to the Authority. Such charges shall be refunded to the nonowners from the local and system facilities fees that are remitted by the owners of the property, which is serviced by the new facilities, as the Authority receives such remittance. The sum of the monies refunded shall not exceed the sum of the loan; no refund shall be made after a period of ten years from the date of such advance.
- Outside the PSA. All terms and conditions in section 29(B)(1) above 2. The County's Comprehensive Plan generally does not support apply. extension of facilities outside the Primary Service Area and in most cases such extensions will require the approval of the Board of Supervisors. A request for the Authority to construct and install local and system facilities will also be reviewed by the Board of Directors for consistency with the Comprehensive Plan. In addition, should the Authority elect to construct and install system facilities to serve an existing development outside the PSA, which development is independent of the system facilities within the PSA, the property owners shall remit in advance to the Authority a sum of money equal to the total estimated construction and installation costs of such Grant monies, donations and County monies system facilities. contributed in aid of construction shall be deducted from the monies required to be remitted in advance by the applicants. The property owners shall then be exempt from the payment of system facilities fees until such time that the independent system is connected to the system facilities within the PSA. Each property owner will then be liable for the system facilities fee then prevailing.
- C. <u>Service initiated by the Authority</u>. The Authority, upon approval of the Board of Directors, may construct and install local facilities and system facilities anywhere in its service area whenever it determines that circumstances warrant utility service, for example, to implement the land use element of the comprehensive plan, or to protect the health of its citizens or to promote economic development of the community. The financial performance standards of the Authority shall be observed when such construction work is undertaken.

If such service is initiated by the Authority, the funding procedures contained in Sections 29 (A) and (B) above, which are based on the cost of service philosophy, shall be observed to the maximum extent possible.

The Authority may enter into contracts with any person, firm, or corporation, or municipality, or sanitary district, or other political subdivision or public body for the rendering of any unusual or extraordinary water or wastewater service or both such services; provided, the rates or charges to be paid thereunder shall be an amount which is fair and equitable, taking into account the cost to the Authority of providing such service.

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- D. <u>Off-site extensions.</u> Extensions to areas outside the Primary Service Area are not generally supported by the County's Comprehensive Plan and in most cases such extensions will require the approval of the Board of Supervisors.
 - 1. Extensions to new developments.
 - (a) <u>Cost of Extension</u>. The construction and installation of an extension of a water or sewer line from existing local or system facilities to the property boundary of the developer shall be the responsibility of the developer and undertaken at his expense.

If, at the request of the Authority, the developer includes capacity beyond that needed for his development, the Authority shall refund to the developer the construction costs involved in including such extra capacity. The Authority shall make requests for extra capacity in accordance with recommendations for improvements found in the County's Master Water and Sewer Plan. The terms of the reimbursement shall be determined by the contract between the developer and the Authority.

- (b) <u>Local facilities</u>. The terms and conditions of Section 29(A)(1)(a) shall be observed.
- (c) <u>System Facilities</u>. The terms and conditions of Section 29(A)(1)(b) shall be observed.
- (d) <u>General</u>. The terms and conditions of Section 29(A)(3) through 29(A)(12) shall be observed.
- 2. Extensions to existing developments.
 - (a) <u>Cost of extension</u>. The construction and installation of an extension of a water or sewer line, from existing local or system facilities to the property boundary of the applicants, shall be the responsibility of the applicant and undertaken at his expense.
 - (b) <u>Local Facilities</u>. The terms and conditions of Section 29(B)(1) shall apply.

- (c) <u>System Facilities</u>. If system facilities to serve an existing development are necessary and are installed at the expense of the property owners, the reimbursement schedule, if applicable, shall be set forth in the contract between the applicants and the Authority.
- E. <u>Conditions for Authority participation</u>. The Authority shall participate in the construction and installation costs of local and system facilities and off-site extensions to serve new development when the developer observes all of the terms and conditions set forth below; provided, the Authority reserves the right to decline to participate in a utility project with a developer if the project is either detrimental to the utility system, the project is economically unfeasible, or the project is inconsistent with the policies of the Comprehensive Plan. If the Authority selects to participate, the following conditions shall apply:

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- 1. <u>Pipe size.</u> The size of pipe of water distribution mains and branch and lateral sewers shall be not less than eight inches in diameter; provided in residential districts a six (6) inch water line may be used in blocks six hundred (600) feet or less in length if such water main completes a good gridiron.
- 2. <u>Developer responsibility.</u> The developer accepts in writing sole responsibility for all matters relating to the construction and installation of all facilities required in the project, including the acquisition of all necessary permits from regulatory agencies. The developer shall acquire at his expense all easements required to install utility service to his development.
- 3. <u>Prior approvals required.</u> All required federal, state and local government approvals of both the developer's building project and utility project shall be obtained by the developer and delivered in writing to the Authority before the Utility agrees to participate in the utility project.
- 4. <u>Bidding required.</u> The intent of the provisions of the County <u>Purchasing Manual</u> shall be observed by the developer in the award of a contract for the construction and installation of a utility project. The project shall be awarded by the developer to the lowest responsible bidder. Authority approval of the lowest responsible bidder shall be required prior to the award of the contract.
- 5. <u>Performance guarantee</u>. Prior to the award of the contract, the developer shall furnish to the Authority either a certified check or a letter of credit in the amount of the contract award.
- 6. <u>Payments to contractor; change orders.</u> During progress of the construction work, the Authority shall approve: (1) all project partial payments prior to payment to the contract; and (2) all change orders.

- 7. <u>Eligible costs.</u> In calculating the costs of facilities which are considered developer loans to the Authority, only labor and materials costs incurred by the developer in the construction of the project are considered eligible for refund. Costs of administration, engineering and legal representation are not eligible.
- 8. <u>Developer option to bid.</u> The developer may elect not to publicly bid the utility project in which case the Authority shall not participate with the developer in the cost of the project as provided for in Sections 29 (A) and 29 (D) above.
- 9. Payments to developer; applicants. Payments on loans shall be remitted directly to the developer, his assignee or successor, or to the party or parties representing the applicants in the manner stipulated in the contract. Payments shall be made annually on the anniversary date stipulated in Section 29 (E)(10) below out of revenues collected from remittances made by applicants for service for connections made directly to the facilities and by affected non-users. No more than ten (10) such annual payments may be made. Such remittances shall be deposited in an interest-bearing escrow account and investment earnings shall be distributed to the developer.

No payments shall be made to the developer or to the applicant by the Authority until the facilities constructed and installed are formally approved by the Board of Directors and accepted into the utility system.

- 10. <u>Interest on loans</u>. The unpaid balance of developer and applicant loans shall bear interest at the rate of six (6) percent per annum, compounded on the anniversary dates as follows:
 - (a) <u>Developer loans</u>: date of acceptance of the facilities by the Authority.
 - (b) <u>Applicant loans</u>: date facilities are placed in operation by the Authority.

This interest will be paid on the anniversary date and will reduce the balance owed to the developer and-or applicant.

- 11. Acceptance of new facilities.
 - (a) <u>Conditions of acceptance.</u> The General Manager shall accept newly constructed and installed water and wastewater facilities described in Sections 29 (A) and 29 (D) when satisfied that the following conditions have been observed:
 - (1) Full compliance with all provisions of the contract between the developer or owner and the Authority.
 - (2) Full compliance with all requirements of the "Standards."

time, a draft is presented to the issuer for payment of the full face value of the letter of credit, less draws thereon, and the prepaid charges outstanding are forfeited to the Utility at the expiration of the letter of credit.

- (c) Prepaid facilities charges shall not obligate the Authority to provide service outside the Primary Service Area.
- 14. Use of dedicated facilities unfettered. The Authority shall have the right at any and all times to make, connect or permit new connections, extensions, or improvements or to otherwise use the dedicated public utilities in the best interests of the Authority.

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- 15. <u>Economic feasibility</u>. The General Manager shall determine the economic feasibility of a proposed extension or expansion. In making such a decision, the following factors shall be considered:
 - (a) Sufficient revenues to amortize all project costs on the accrual basis.
 - (b) Sufficient revenues to pay all operation, maintenance and administration costs.
 - (c) The time frame for the recovery of all expenses on the accrual basis shall not exceed twenty (20) years.
 - (d) The availability of funds in the form of contributions in aid of construction, facilities charges, donations or grants.
- F. <u>Acquisition of privately owned systems</u>. The Authority shall consider the acquisition of privately owned water or wastewater systems when the following questions are answered in the affirmative:
 - 1. Is the privately owned system within the Primary Service Area?
 - 2. Will a negotiated sales price (excluding non-Utility funds) provide economic <u>value</u> to the Utility in terms of physical property and other rights or in an evaluation of the projected revenue stream?
 - 3. Does the Authority have capacity to serve the customers of the private system?
 - 4. Will the acquisition improve the customer's public health, public safety, quality or quantity of service, or the reliability of service?
 - 5. Does the Authority have the ability to finance the acquisition through either internally generated funds or debt?

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(a) <u>Metered water service</u>

Commercial, industrial, institutional, multifamily residential, and single-family residential:

Meter size (inches)	<u>Charge</u>	Meter size (inches)	Charge
5-8 (See Note Below) 3-4	<pre>\$ 1,000 Min \$2,150 Max. 2,500 4,000</pre>	3 4 6	\$24,000 37,500 75,000
1-1-2 2	7,500 12,000		10,000

Note: Residential bath with three plumbing fixtures minimum charge is \$1,000 and a charge of \$230 for each additional fixture to maximum of \$2,150.

(b) Non-metered water service.

Where water is provided by an unmetered source, the following estimated charges shall be assessed:

Activity, Use	<u>Unit</u>	Charge
Single-family residences Single-family	Each (See Note Below)	\$1,000 Min 2,150 Max.
manufactured homes Manufactured	Each	1,000
homes in parks Two family, apartments and	Each lot	1,000
townhouses	Each (See Note Below)	1,000 Min 2,150 Max.
Schools (with showers) Schools (without showers)	Student Student	80 50
Motels and hotels Minimum	Room	650 2,500
Manufacturing Minimum	Msf	300 1,200
Warehouses	Msf	100
Minimum Service stations	Each	1,200 1,200
Camping facilities Minimum	Each space	500 1,200
Restaurants Minimum	Seat	20 1,200
Commercial	Msf	N-A
Minimum First	30,000 sq. ft.	1,500 500
Next Next	10,000 sq. ft. 10,000 sq. ft.	450 400
Over	50,000 sq. ft.	350

Note:

Residential bath with three plumbing fixtures minimum charge is \$1,000 and a charge of \$230 for each additional fixture to maximum of \$2,150.

The purpose of this charge is to defray in part the cost of providing force mains, pump stations, transmission mains, booster pumps, and other system facilities. The charge shall be paid prior to the issuance of a plumbing permit from Code Compliance.

2. Local facilities charge. A local facilities charge of \$1,050 for each separate connection to public sewer shall be paid by each applicant who desires to secure wastewater service therefrom, which charge shall be paid prior to the approval of the application for service; provided, however, in any instance where satisfactory evidence shows that an applicant has paid the cost of installation of the local facility to which the connection is to be made, either by installing the local facility at his expense and then conveying the same to the Authority (or its predecessors) or by reimbursing the Authority (or its predecessors) for the cost of such local facilities. charge shall be local facilities the waived. Additionally, when the Authority did not install or have a rebate agreement, the local facilities charge shall also be waived.

In situations where a new wastewater system has been installed by the Authority and whereas any applicant adjacent to this new system that has an existing septic system desires to secure wastewater service therefrom, the local facilities charge shall be waived for a period of 12 months from the completion date of the new wastewater system installation.

The purpose of this charge is to defray in part the cost of installing collection mains which are necessary to provide wastewater collection service to abutting properties and which have been provided at the expense of the Authority or persons, firms or corporations other than the applicant. The charge shall be paid prior to the issuance of a plumbing permit from Code Compliance.

3. Grinder Pump Installation and Maintenance Charge.

(a) Any applicant for a sewer connection requiring a residential grinder pump may purchase the grinder pump (that meets Authority Standards and Specifications) plus ancilary parts from the Authority at cost if the grinder pump is necessary to replace an existing septic system. In addition, if the connection to the public sewer system is replacing a septic system, the applicant is eligible for the deferred payment plan discussed in Paragraph G, Section 2.

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Amended July 1, 1992

Commercial	Msf	18.55
Minimum	1,000 Sq. Ft.	55.85
Churches	Each	40.65
Swimming pools	Sfe	40.65
Laundromats	Sfe	40.65

Others to be established when needed.

The purpose of the retail service charge is to defray all other costs of providing wastewater collection for domestic, commercial and industrial uses including replacement, renewals, extensions; and repayment of money borrowed to acquire or construct the wastewater collection and transmission system.

C. Water charges.

1. <u>System facilities charge</u>. A system facilities charge for water service to be furnished through each new separate service connection which is to be made to a public water main, regardless of who may have paid for the installation of the public water main to which the connection is to be made, shall be paid by each applicant for service prior to the installation of the water service connection, as follows:

Commercial, industrial, institutional, multifamily residential and single-family residential:

Meter size (inches)	Charge	Meter size (inches)	Charge
5-8 (See Note) 3-4	\$ 1,000 Min \$2,15 2,500	0 max. 3 4	\$24,000 37,500
ĩ	4,000	6	75,000
1-1-2	7,500		
2	12,000		

Note: Residential bath with three plumbing fixtures minimum charge is \$1,000 and a charge of \$230 for each additional fixture to maximum of \$2,150.

The purpose of this charge is to defray in part the cost of providing major supply, transmission main, booster pumping and distribution storage facilities. The charge shall be paid prior to the issuance of a plumbing permit from Code Compliance.

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 - 2. Local facilities charge. A local facilities charge of \$1,300.00 for each separate connection to an existing water main shall be paid by each applicant who desires to secure water service therefrom, which charge shall be paid prior to the approval of the application for service; provided, however, in any instance where satisfactory evidence shows that an applicant for a connection has paid the cost of installation of the local facility to which the connection is to be made, either by installing the local facility at his expense and then conveying the same to the Authority (or its predecessors) or by reimbursing the Authority (or its predecessors) for the cost of such local facility, the local facilities charge shall be waived. Additionally, where the Authority did not install or have a rebate agreement, the local facilities charge shall also be waived.

The purpose of this charge is to defray in part the cost of installing mains, valves and fire hydrants which are necessary to provide water service to abutting properties and which have been provided at the expense of the Authority or persons, firms or corporations other than the applicant. The charge shall be paid prior to the issuance of a plumbing permit from Code Compliance.

3. <u>Service connection charge</u>. A service connection charge shall be paid by each applicant for each new service connection and meter installation prior to the approval of the application, as follows:

Installation of connection by:

Charge

Developer, applicant

\$10 per meter inspection fee

Authority

Actual cost times 1.25, including overhead

The purpose of this charge is to defray the cost of installation or inspection of a service connection from the water main in the street to the curb or property line and the installation of a meter either at the curb or property line or within the premises.

The service connection charge shall be waived provided the applicant has paid a local facilities charge and the water service line is not greater than 2 inches in diameter. In the event that the service connection charge is not waived, the local facilities charge will be applied against the service connection charge.

4.

<u>Retail service charge</u>. Water service shall be based upon a commodity charge for all consumption, as follows:

Volume		Charge
1,000 gallons 100 cubic feet		\$2.50 \$1.875

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<u>Billing Service Charge</u>. A billing service charge of \$2.07 shall be paid for each Newport News Waterworks customer receiving Authority sewer service. The purpose of this charge is to pay for fire hydrant rentals from Newport News Waterworks.

<u>Plan Review Fee</u>. The following charges shall be assessed for the appropriate plan. The purpose of this charge is to defray cost incurred for time used to provide engineer technical review.

Document		<u>Collection</u>
REZONINGS		
10 acres or less Greater than 10, but 50 acres	less than	\$ 50 \$100
Greater than 50 acres		\$150

SPECIAL USE PERMITS

Mobile Ho	me			N-A
Other				\$ 50

SITE PLANS

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Residential	Structures (Multi-Family)	\$ 50
Business or	Shopping Center	\$ 50
Amendment to	o an approved plan	\$ 25

MASTER PLAN REVIEW

Initial Review Revision of plan SUBDIVISION PLAN REVIEW

Plat Review

Facility Review

\$25 per plat plus \$1 per lot over 15 lots.

\$ 75

N-A

\$100 per wastewater pumping station or well facility.

<u>Summer Conservation Surcharge</u>. The surcharge has been implemented to complement existing conservation efforts by discouraging nonessential use of water during the summer months. The surcharge will only be charged to customers whose summer usage (May through October) exceeds their usage for the winter (November through April). The summer surcharge in \$0.25 per thousand gallons or \$0.187 per hundred cubic feet.

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