

**AN ORDINANCE TO RESTATE THE SCHEDULE OF CAPITAL RECOVERY FEES AND CONNECTION FEES FOR WATER AND SEWER CUSTOMERS OF THE CITY OF NEW BERN**

**BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE CITY OF NEW BERN:**

**Section 1.** That there is hereby established a capital recovery fee for connections to the City of New Bern municipal water and sewer systems to be charged based on the customer’s calculated anticipated daily flow rate and customer’s location: i.e. within or without the City of New Bern, as follows:

	<u>Inside City</u>	<u>Outside City</u>
<b>Water</b>	<b>\$5.50/GPD</b>	<b>\$11.00/GPD</b>
<b>Sewer</b>	<b>\$7.00/GPD</b>	<b>\$14.00/GPD</b>

Capital recovery fees shall be based on the calculated gallon per day (GPD) flow rate of the anticipated use of the proposed structure, or increased use anticipated by an addition to the floor space of an existing structure. Flow rates shall be determined in accordance with the flow rates established in 15A NCAC 2T .0114(b) and (c), except for the following:

- General Commercial Buildings, the lesser of: 100 GPD per 1,000 SF of floor space, or 100 GPD per plumbing fixture.
- Restaurants: 300 GPD per 1,000 SF of floor space.
- Residential: 85 GPD per Bedroom.
- Hotels, Motels, Bed & Breakfasts: 65 GPD per Bedroom.
- Convalescent, Nursing, and Rest Homes: 65 GPD per Bedroom.

For purposes of this Ordinance, the terms used in this Section 1 shall have the meaning indicated below.

“*General commercial building*” shall include the following types of establishments identified in 15A NCAC 2T .0114(c), as amended from time to time:

- General business and office facilities
- Churches, with or without kitchens, day care or camps
- Shopping centers and malls with food service
- Stores and shopping centers without food service
- Medical, dental, or veterinary offices
- Barber and beauty shops
- Schools, preschools, or daycares
- Service stations or gas stations

“*Restaurant*” shall include the following types of establishments identified in 15A NCAC 2T .0114(c), as amended from time to time:

- Banquet, dining halls

- Bars, cocktail lounges
- Caterers
- Restaurant, full service
- Deli
- Bakery
- Butcher shop
- Fish market

Adjusted daily flow rates for a specific non-residential use may be granted by the City, in its sole discretion upon submittal and review of well-documented and representative data from other comparable facilities with the same specific use evidencing a flow rate that is significantly divergent from the flow rates established herein.

In no event shall the total combined water and sewer capital recovery fees for any single customer exceed \$50,000.

**Section 2.** That there is hereby established a capital recovery fee for connections to the City of New Bern municipal water system which are intended to serve irrigation systems be charged based on the customer’s water meter size and customer’s location: i.e. within or without the City of New Bern, as follows:

<u>Meter Size</u>	<u>Inside the City of New Bern</u>	<u>Outside the City of New Bern</u>
5/8” & 3/4”	\$2,000.00	\$4,000.00
1” & 1 ¼”	\$3,540.00	\$7,080.00
1 ½”	\$7,080.00	\$14,160.00
2”	\$14,140.00	\$28,280.00

**Section 3.** That there are hereby established connection fees for connection to the City of New Bern municipal water system, to be charged based on the customer’s water meter size and proximity to the existing City of New Bern municipal water system, as follows:

Water-Tier 1: Connection fees applicable at locations where a water service line and water meter box assembly have been properly established as outlined by the most recent version of the “City of New Water & Sewer Design Standards.”

<u>Meter Size</u>	<u>Fee</u>
5/8” & 3/4”	\$196.00
1”	\$315.00
1 ½”	\$485.00
2”	\$600.00

Water-Tier 2: Connection fees applicable at locations where a water service line and water meter box assembly are not currently established as outlined by the most recent version of the “City of New Water & Sewer Design Standards” and the connection will require a water service line of less than 25 feet.

<u>Meter Size</u>	<u>Fee</u>
5/8” & 3/4”	\$500.00
1”	\$650.00
1 1/2”	\$900.00
2”	\$1,200.00

Water-Tier 3: Connection fees applicable at locations where a water service line and water meter box assembly are not currently established as outlined by the most recent version of the “City of New Water & Sewer Design Standards” and the connection will require a water service line of more than 25 feet.

<u>Meter Size</u>	<u>Fee</u>
5/8” & 3/4”	\$600.00
1”	\$800.00
1 1/2”	\$1,200.00
2”	\$1,400.00

**Section 4.** That there are hereby established connection fees for connections to the City of New Bern municipal sewer system, to be charged based on the customer’s sewer lateral size and proximity to the existing City of New Bern municipal sewer system, as follows:

There are no associated connection fees at locations where sewer service laterals and sewer clean out assemblies have been properly established as outlined by the most recent version of the “City of New Water & Sewer Design Standards.”

Sewer-Tier 1: Connection fees applicable at locations where a sewer service lateral and a sewer cleanout assembly are not currently established as outlined by the most recent version of the “City of New Water & Sewer Design Standards” and the connection will require a sewer service lateral of less than 25 feet.

<u>Sewer Lateral Size</u>	<u>Fee</u>
4”	\$425.00
6”	\$530.00

**Sewer-Tier 2:** Connection fees applicable at locations where a sewer service line and a sewer cleanout assembly are not currently established as outlined by the most recent version of the “City of New Water & Sewer Design Standards” and the connection will require a sewer service lateral of more than 25 feet.

<b><u>Sewer Lateral Size</u></b>	<b><u>Fee</u></b>
<b>4”</b>	<b>\$530.00</b>
<b>6”</b>	<b>\$665.00</b>

**Sewer-Tier 3:** Connection fees applicable for customers connecting to the City of New Bern Septic Tank Effluent Pump (S.T.E.P) collection system. This fee includes installing the equipment and components required for an operational service. The S.T.E.P. tank and electrical service must be installed by the customer in accordance with Section 4.0 of the “City of New Bern Water & Sewer Design Standards.”

<b><u>Connection Type</u></b>	<b><u>Fee</u></b>
<b>Simplex</b>	<b>\$1,850.00</b>
<b>Duplex</b>	<b>\$2,650.00</b>

**\* Additional service line in excess of 150’ will be charged at \$5/ft.**

**Section 5.** Rates for connections in excess of the meter and lateral sizes listed in section one, two, and three shall be established by the Board of Aldermen after consultation with City staff.

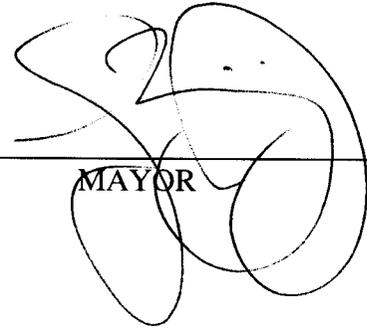
**Section 6.** This ordinance shall be enforced to the maximum extent allowed as to services provided to customers where Capital Recovery Fees and Connection Fees (formerly identified solely as “Connection Fees”) are controlled by contract validly entered into by the City, if such contract was executed and effective prior to the effective date of this ordinance. In such circumstances, such fees shall be increased consistent with the provisions of this Ordinance to the maximum allowed by such contract. In no event shall fees charged in accordance with such a contract be lowered based on this ordinance.

**Section 7.** Capital recovery fees and connection fees established herein shall be paid in full prior to the issuance of a building permit for the structure to be built at the service address.

**Section 8.** That previous ordinances in conflict with this ordinance are hereby repealed.

**Section 9.** That this Ordinance shall effective from and after the date of its adoption.

ADOPTED THIS 23<sup>rd</sup> DAY OF APRIL, 2013.



MAYOR

Veronica E. Matlock  
CITY CLERK

# City of New Bern



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DIRECTOR OF FINANCE

### MEMORANDUM

**TO:** Mayor and Board of Aldermen  
**FROM:** Jordan B. Hughes P.E., City Engineer *JBH*  
**DATE:** April 16, 2013  
**CC:** Mike Epperson, City Manager

**SUBJECT: Recommendation to Restate the Schedule of Capital Recovery Fees and Connection Fees for Water & Sewer Customers of the City of New Bern**

#### **Background Information:**

In May of 2011, the City revised water and sewer connection fee policies to provide for a more equitable and customer friendly structure. The revisions established a policy that is comprised of two components, a capital recovery fee and a connection fee. The capital recovery fee is based on the demand of the proposed development and these fees are directed to the capital reserve funds to offset the future cost of major capital improvements to the City's water and sewer system. The connection fee is based on the type of connection needed and reflects the actual labor and material cost to make a service connection to the City's water and sewer mains.

Now that the new fee policy has been in effect for a couple of years, City Staff has had the opportunity to analyze the components of the fee structure and are recommending the following revisions to improve the equity and effectiveness of the system:

- The capital recovery fees are based on the calculated average daily demand for water and sewer consumption. The proposed ordinance has been revised to incorporate demand rates that more accurately represent the actual expected use from a proposed development.
- The proposed ordinance will allow in certain cases for historical consumption data to be evaluated in establishing an alternative demand rate for the proposed usage.
- In the proposed ordinance a ceiling has been established, so that no single customer will have a combined water and sewer capital recovery fee that exceeds \$50,000.
- Connection fee charges have been revised to incorporate the actual meter cost of the new AMI water meters.

#### **Recommendation:**

Based on the statements above, the Department of Public Utilities recommends that the Board of Aldermen adopt the attached Ordinance to restate the schedule of capital recovery fees and connection fees for water and sewer customers of the City of New Bern.

Enclosed please find the proposed Ordinance, which incorporates the aforementioned recommendations.

Please contact me if there are any questions or if additional information should be required.

*Striving for Excellence*