

Stafford County Utilities Commission
Tuesday, March 29, 2022

7:00 p.m.

Board Chambers,
1300 Courthouse Road
Stafford, VA 22554

- I. Call to Order
- II. Roll Call
- III. Public Hearing – Proposed Ordinance O22-11 would amend and readopt fees for providing public water and sewer services as authorized by Virginia Code §§ 15.2-2111, 15.2-2119, 15.2-119.4, and 15.2-2122 as provided in the advertisement published in the Free Lance-Star Newspaper on Tuesday, 3/22/2022, and Tuesday, 3/29/2022.
- IV. Public Comment on Proposed Ordinance O22-11
- V. Adjournment

USER FEES							
Effective for water/sewer usage on or after 6/01/2022 and reflected on bills on or after 7/01/2022.							
USER CATEGORY	CONSUMPTION CHARGES PER 1000 GALLONS						CODE SECTION
	WATER			SEWER			
RESIDENTIAL (INCLUDING APARTMENTS)	Current	Proposed	Change	Current	Proposed	Change	25-96 (b)
0-2,000 GALLONS	\$2.77	<u>\$2.84</u>	\$0.07	\$6.56	<u>\$6.72</u>	\$0.16	25-98 (b, c)
3,000-4,000 GALLONS	\$3.85	<u>\$3.95</u>	\$0.10	Per 1,000 gallons for all usage up to non-seasonal average + 20%	Per 1,000 gallons for all usage up to non-seasonal average + 20%	Per 1,000 gallons for all usage up to non-seasonal average + 20%	
5,000-8,000 GALLONS	\$5.28	<u>\$5.41</u>	\$0.13				
9,000-12,000 GALLONS	\$10.60	<u>\$10.87</u>	\$0.27				
13,000-25,000 GALLONS	\$13.44	<u>\$13.78</u>	\$0.34				
ABOVE 25,000 GALLONS	\$18.70	<u>\$19.17</u>	\$0.47				
NON-RESIDENTIAL (Commercial, Industrial, Multi-Family, Public, Semi-Public, and Mobile Homes) All Consumption	\$5.02	<u>\$5.15</u>	\$0.13				\$6.56
Water-Dependent, Home-Based Business	\$12.55	<u>\$12.86</u>	\$0.31	\$6.56	<u>\$6.72</u>	\$0.16	25-96(b) and 25-98 (b, c)
Irrigation, Bulk Construction and Hydrant Meters	\$18.17	<u>\$18.62</u>	\$0.45	n/a	n/a	n/a	25-96(e)
Monthly Customer Service (per Account)	\$2.79	<u>\$2.86</u>	\$0.07	\$2.85	<u>\$2.92</u>	\$0.07	25-96(c) and 25-98(d)
Monthly Demand Charge (per meter equivalent, per account)	\$10.51	<u>\$10.77</u>	\$0.26	\$13.77	<u>\$14.11</u>	\$0.34	25-96(d) and 25-98(e)



Utilities Fund – Budget Public Hearing

Stafford County Government
Utilities Commission
March 29, 2022



Highlights from Five Year Plan

Efforts included in Previous Five Year Plans

- **2018 Master Plan**
 - Focused on system expansion requirements due to growth
 - Identified need for water/sewer expansion – Centreport Parkway
- **FY21 Benchmarking Study**

Stafford Utilities compared itself against other water and wastewater utilities in over 100 categories

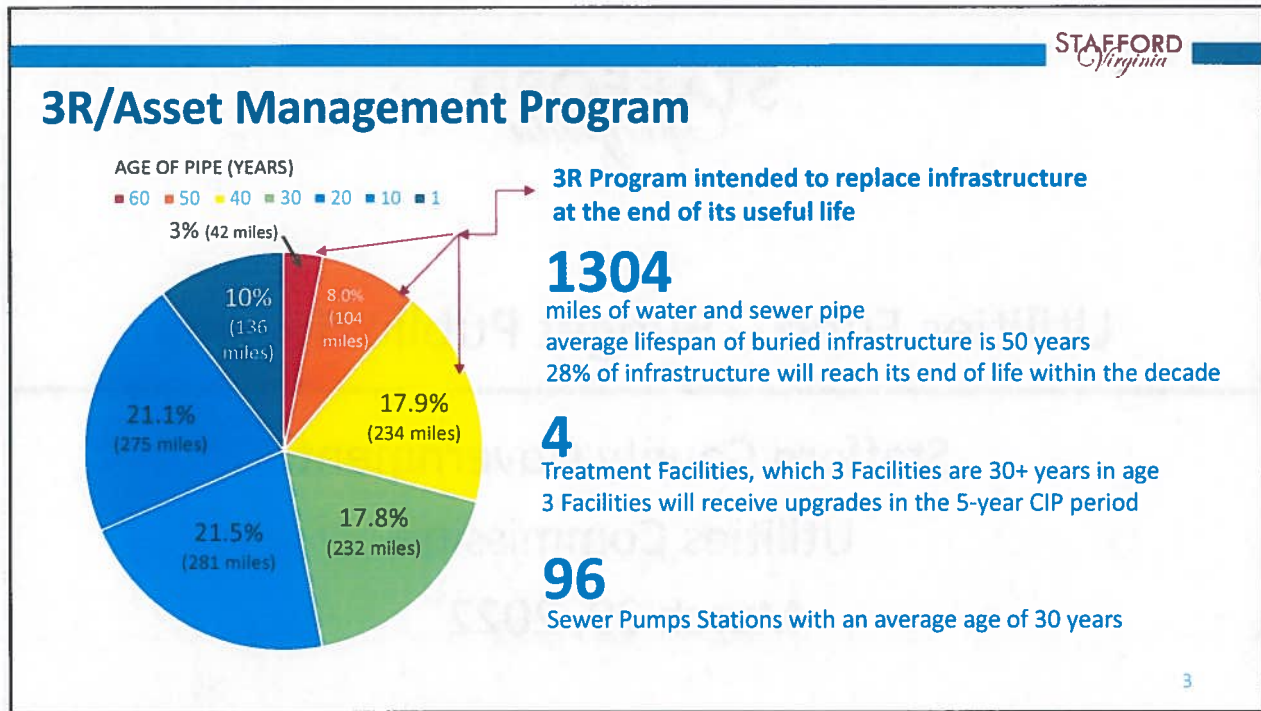
 - Increased Focus: **Renewal and Replacement Rate (3R scored in the bottom 25%)**
 - Need for increased Asset Management
 - Address Retirement Eligibility
 - 5-year staffing plan developed

COVID-19 Impacts

- Inflation increases impacting commodity costs
- Supply chain and distribution disruptions

Utilities Fund Financial Policies

- Rate Adjustment = Minimum increase of 75% of Consumer Price Index (CPI) – Water and Sewerage Maintenance
- 3.2% Increase in CPI index over the past year
- 2.5% Proposed rate increase to maintain consistency with Board approved financial policy



STAFFORD
Virginia

Five Year Plan: Utilities Fund

Revenues	FY2021 Actuals	FY2022 Adopted	FY2023 Proposed Budget	FY2024 Projection	FY2025 Projection	FY2026 Projection	FY2027 Projection
Water & Sewer Fees	\$29,788,799	\$31,073,555	\$32,216,809	\$33,505,481	\$34,845,701	\$36,239,529	\$37,689,110
Charges for Services	16,563,238	15,830,408	16,581,612	\$17,244,876	\$17,934,672	\$18,652,058	\$19,398,141
Use of Money and Property	264,678	380,200	385,100	192,550	163,668	163,668	163,668
From fund 110 CARES alloc	657,680	-	-	-	-	-	-
Miscellaneous Revenue	268,334	118,600	65,000	65,000	65,000	65,000	65,000
Capital Revenue	\$7,958,226	\$8,470,800	\$12,470,000	\$8,470,800	\$8,470,800	\$8,470,800	\$8,470,800
Proceeds from Indebtedness	-	-	31,900,000	11,882,825	32,868,158	5,432,233	-
Prior Year Fund Balance	-	16,977,880	1,000,000	(559,502)	85,546	(138,640)	2,513,143
From Utility Operating Fund	-	7,459,900	5,026,100	4,331,550	3,890,961	3,168,307	5,415,393
ProRata Fees	1,338,972	800,000	1,800,000	5,273,800	7,523,600	6,319,450	3,146,059
TOTAL	\$56,839,927	\$81,111,343	\$101,444,621	\$80,407,381	\$105,848,105	\$78,372,405	\$76,861,313

Expenditures	FY2021 Actuals	FY2022 Adopted	FY2023 Proposed Budget	FY2024 Projection	FY2025 Projection	FY2026 Projection	FY2027 Projection
Personnel	\$13,781,691	\$15,031,500	\$17,039,984	\$18,035,354	\$19,250,710	\$20,349,286	\$21,459,010
Operating	14,321,915	16,988,324	18,271,818	19,094,050	19,953,282	20,851,180	21,789,483
Capital	692,168	1,780,336	1,645,485	1,719,532	1,796,911	1,877,772	1,962,271
Transfer to General Fund	300,752	336,814	183,105	191,345	199,955	208,953	218,356
Debt Service	7,083,769	7,083,769	7,082,029	7,077,375	8,003,566	8,526,916	8,985,347
Transfer to Capital Projects Fund	-	7,459,900	5,026,100	4,331,550	3,890,961	3,168,307	5,415,393
Capital Projects	17,536,277	32,430,700	52,196,100	29,958,175	52,752,720	23,389,991	17,031,452
TOTAL	\$53,716,572	\$81,111,343	\$101,444,621	\$80,407,381	\$105,848,105	\$78,372,405	\$76,861,313

4

FY 2023 – FY 2027 Utilities CIP

Capital Improvement Plan (CIP)

Increase in Capital Improvement Plan (CIP)

- Project cost increases- steady increase in costs over the past year
- Annual escalators consistent with General Fund

\$175.3Million

- \$75.1M Water
- \$95.3M Wastewater
- \$4.9M Space planning, equipment, & vehicles
- Bonds proposed for large scale projects

3R Focus

1/3 of spending for Economic Development and Growth

- Centreport Parkway Area largest driver
 - Water improvements - \$14.0M
 - Sewer improvements - \$7.7M
- Additional \$23.0M of water and \$12.7M of sewer Projects

2/3 of CIP spending associated with 3R

- 3R (treatment plant upgrades)
 - \$12.3M for the Water Plants
 - \$54.8M Wastewater Treatment Facilities
- 3R (linear pipe, pump stations and other improvements) - \$50.1M

Personnel

FY23

- Utilities Project Manager (Combined 3R and Capital)
- Water Plant Operator
 - OpenGov Link, Position Summary: <https://stories.opengov.com/staffordcountyva/published/CaKIRifeM>

FY24

- Safety Officer (Utilities Only)
- Instrument/Control Technician

FY26

- Asset Management Engineer
- Administrative Specialist

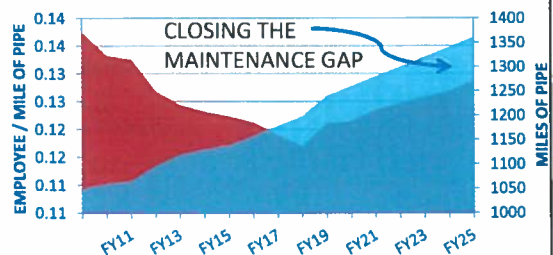
FY27

- Utilities Line Locator
- Instrument/Control Technician

FY25

- SCADA, Network & Tech Specialist
- Utilities Inspector
- Wastewater Plant Operator (2)

Employees / Miles of Pipe



FY 2023 Budget Summary

Revenues

- 2.5% increase to maintain consistency with fiscal policy, helps keep pace with inflation
- Reflects growth in number of accounts
- Bonds required in FY23

Expenses

- Personnel increases
- Regulatory upgrades
- Significant Chemical and Electrical cost increases
- Increased focus on 3-R
- CIP - Neighborhood and transmission main replacement projects
- CIP - 3R Pump Station Rehab
- CIP – Little Falls Run WWTF

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TOTAL	\$53,716,572	\$81,111,343	\$101,444,621	\$80,407,381	\$105,848,105	\$78,372,405	\$76,861,313



FY 2023 Rate Increase

County of Stafford
Utilities Payments
P.O. Box 338
Stafford, VA 22556-0338

1147 9 27 14 14888

1/21/22 BILL
D STAFFORD COUNTY WAY
STAFFORD, VA 22554

Stafford County Utility Bill

ACCOUNT INFORMATION

ACCOUNT: 00000000-00000000
SERVICE ADDRESS: 0 STAFFORD COUNTY WAY
CYCLE ROUTE: 28-07
SERVICE PERIOD: 12/23/2021 to 01/09/2022
DAYS: 34
BILLING DATE: 01/09/2022
PRIOR BILLING DATE: 12/09/2021
BILL TYPE: REGULAR BILL

CURRENT METER INFORMATION

METER	SERVICE TYPE	CURRENT	PREVIOUS	CONSUMPTION	EXIT
02043989	WA	1915	1929	6	

ACCOUNT ACTIVITY

LAST PAYMENT DATE AND AMOUNT: 12/09/2021 \$0.87

BALANCE FORWARD

NEW CHARGES

WATER	38.03
SEWER	57.38
TOTAL NEW CHARGES	\$95.41

ACCOUNT BALANCE

NEW CHARGES \$95.41

CREDIT BALANCE

TOTAL AMOUNT DUE **\$95.41**

MONTHLY USAGE

12 MONTH HISTORY WATER

Y-axis: Gallons per Day (0 to 100)

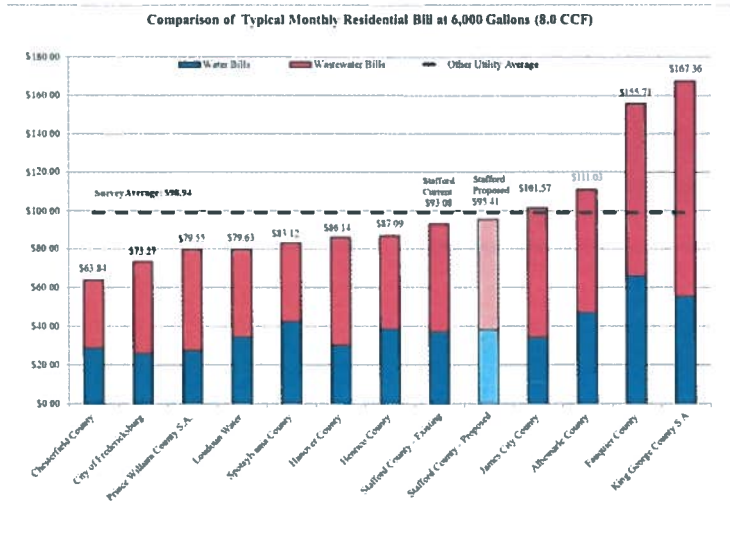
X-axis: Months (JAN to DEC)

Month is representative of billing date.

Customer's Bill

- Residential consumption is approximately 5-6,000 gallons per month for a family of 4-5
- Single Family Home with 6,000 gallon consumption (4-5 people) will see a monthly increase of \$2.33

Peer Localities



- Stafford County is within the peer locality average
 - Includes rate increase
- Not all utilities are the same
 - Scope of services varies
 - Timing of rate increases varies
- Stafford County continues to remain dedicated to high-quality water and sewer service

Overview

FY2023 Utilities Fund Budget

- 2.5% Rate Increase
 - Maintains fiscal policy minimum
 - Partial adjustment for inflation
- **Address critical 3-R needs**
- Increase utility dependability
- Achieve industry standards
- Ensure fiscal responsibility
- Ensure regulatory compliance
- Accommodate system growth and spur economic development





QUESTIONS

STAFFORD
Virginia



**PUBLIC HEARING
STAFFORD COUNTY BOARD OF SUPERVISORS**

The Stafford County Utilities Commission will hold a public hearing on Tuesday, March 29, 2022, beginning at 7:00 p.m. or as soon thereafter as the matter may be heard, in the Board Chambers of the George L. Gordon, Jr. Government Center, 1300 Courthouse Road, Stafford, Virginia 22554 on the item listed below:

1. Proposed Ordinance O22-11 would amend and readopt fees for providing public water and sewer services, as authorized by Virginia Code §§ 15.2-2111, 15.2-2119, 15.2-2119.4 and 15.2-2122 as provided in the table below:

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The public hearing may be continued or adjourned. Copies of related materials are available in the Department of Utilities, Customer Service, 1300 Courthouse Road, 2nd Floor, Stafford, Virginia and may be examined Monday through Friday between the hours of 8:00 A.M. and 4:30 P.M. All interested individuals are invited to attend and present oral or written comments. Persons in need of special accommodations in order to preview the information or to participate in the public hearing should contact the County Administrator's Office at 540-658-4541 so that reasonable accommodations may be provided. Additional information, materials, and guidance are available on the County's website: www.staffordcountyva.gov.

BY ORDER OF THE STAFFORD COUNTY BOARD OF SUPERVISORS

PROPOSED

BOARD OF SUPERVISORS
COUNTY OF STAFFORD
STAFFORD, VIRGINIA

ORDINANCE

At a regular meeting of the Stafford County Board of Supervisors (the Board) held in the Board Chambers, George L. Gordon, Jr., Government Center, Stafford, Virginia, on the 19th day of April, 2022:

MEMBERS:

Crystal L. Vanuch, Chairman
R. Pamela Yeung, Vice Chairman
Tinesha O. Allen
Meg Bohmke
Thomas C. Coen
Darrell E. English
Monica L. Gary

VOTE:

On motion of , seconded by , which carried by a vote of , the following was adopted:

AN ORDINANCE TO AMEND AND REORDIAN THE USER FEE
SCHEDULE FOR PROVIDING WATER AND SEWER CHARGES
GENERALLY

WHEREAS, the Board is authorized to set reasonable fees and charges for providing public water and sewer service; and

WHEREAS, such authority may be found in Virginia Code §§ 15.2-2111, 15.2-2119, 15.2-2122, 15.2-2143; and

WHEREAS, the Board desires to set the fees for these services commensurate with other services provided by the County; and

WHEREAS, Stafford County Code, Chapter 25, authorizes the establishment of public water and sewer fees; and

WHEREAS, the Board provided notice and conducted a public hearing in accordance with Virginia Code §§ 15.2-107 and 15.2-1427; and

WHEREAS, the Board carefully considered the recommendations of the Utilities Commission, staff, and the public testimony at the public hearing, if any;

NOW, THEREFORE, BE IT ORDAINED by the Stafford County Board of Supervisors on this the 19th day of April, 2022, that the fees for providing public water and sewer services be and they are hereby amended and reordained as follows:

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