

ORDINANCE

City of Portland, Tennessee

No. 24 - 26

Second Reading

AN ORDINANCE TO RESCIND IN ITS ENTIRETY ORDINANCE 24-20 AND REPLACE WITH THIS ORDINANCE FOR WATER, SEWER, NATURAL GAS, AND CAPACITY LETTER MAINTENANCE FEES

WHEREAS, the City of Portland deems it necessary to establish a new fee structure for water, sewer and gas; and

WATER & SEWER PLAN REVIEW FEES

Plan Review Fee (Due when plans are submitted for review)

- \$1,200 for water plans (per phase)
- \$1,200 for sewer plans (per phase)

WATER METER BASE FEES

Rate Class	Monthly Meter Base Fee for Fiscal Years (FY)		
	FY 2024	FY 2025	FY 2026*
Residential	\$4	\$5	\$6
Commercial/Industrial	\$17	\$18	\$19
Fire Meters	\$76	\$77	\$78

*After Fiscal Year 2026, Meter Base Fees shall remain at the fee detailed under FY 2026

Water Meter Base Fees shall be used to test, calibrate, maintain, install, and replace all meters within the distribution system. Fees shall be calculated as shown above.

Residential Fee – Shall apply to all residential meters

Commercial/Industrial Fee – Shall apply to all commercial & industrial domestic and irrigation meters.

Fire Meters – Shall apply to all fire meters

WATER FEE STRUCTURE

WATER CONNECTION FEES

Residential**	\$120
Commercial	\$180

Industrial	\$600
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Water Connection Fees apply to all new account setup.

** In cases of natural disaster, including but not limited to tornado, lightning, flood, fire, sink hole, ice storms, and, other serious acts of nature, residential water connection fees may be waived by the Business Office Manager, at the sole discretion of the Business Office Manager.

WATER TAP FEES

TAP SIZE	INSIDE CITY LIMITS	OUTSIDE CITY LIMITS
3/4"	\$1,500	\$2,400
1"	\$2,100	\$3,120
2"	\$4,500	\$6,000
*3"	\$5,200	\$6,840
*4"	\$6,200	\$8,040
*6"	\$9,200	\$11,640
*8"	\$11,200	\$14,040
*10"	\$15,000	\$19,200
*12"	\$18,000	\$24,000

*Contractor must provide all labor, materials, and meter per PDU specs

The Tap Fees only apply to services. The Tap Fee listed above does not apply to main line extensions or replacements for subdivisions. The developer shall be responsible for the cost of all taps for main line extensions and replacements.

WATER IMPROVEMENT FEE

\$1,800 per equivalent residential unit (ERU) on all new development.

Commercial and Industrial Improvement fees shall be calculated based upon their estimated domestic flow divided by the ERU. One ERU = 350 gallons per day per 24-hour day. For each unit of domestic flow or part thereof, shall be multiplied by the Water Improvement Fee.

*Example: Estimated Flow 1,000 gpd/350 gpd = 2.85 units = 3 units * \$1,500 = \$4,500*

Improvement fees are for the city to make capital improvements to the water system to maintain Level of Service for all rate payers. The City will hold these funds for future projects to improve deficiencies within the water system. The Improvement Fee shall be paid by the developer prior to the signing of the Final Plat. If development requires off-site improvements to the water system, the Water Improvement Fee may be waived for work-in-kind.

Multi-Family Unit Development shall follow the Water Improvement Fee schedule below:

Multi-Family Unit Water Improvement Fees

Number of Units	Fee per unit
1-50	\$1,800
51-100	\$1,550
101-150	\$1,300
Greater than 150	\$1,000

PAYING-IN-LIEU OF UPSIZING

When creating or altering a subdivision, Portland Department of Utilities may require the developer to pay-in-lieu of upsizing the water main for the length of water main adjacent to the property if the existing pipe diameter size does not meet the minimum requirements stated below.

Minimum Water Main Pipe Diameter

Within City Limits: 8" – (Unless documented in the City's Capital Improvement Plan to be larger)

Outside of City Limits: 6" – (Unless documented in the City's Capital Improvement Plan to be larger)

The City may also require payment if the utility has been designed and/or constructed that the new Development will be utilizing.

ROAD BORE FEE

The horizontal directional drilling fee shall be a pass-through fee from the contractor and the petitioner shall be financially responsible for payment of said fee.

The road bore fee shall be required for any road bore installed by method of horizontal directional drilling (HDD) performed by the city's sub-contractor. This fee shall be paid when the tap and connection fees are paid. This fee will only be charged when the city cannot install the service by our own method of pneumatic mole piercing.

SEWER FEE STRUCTURE

SEWER TAP FEES AND CAPACITY FEES

Tap Diameter	Inside Tap Fee	Outside (if applicable)
4-6" minimum	\$750.00	\$1,400
Anything over 6"	\$5,000 plus all installation costs	
SR 109 Interchange Sewer	\$10,000*	

- The above fees are privilege fees only.
- The specified fee does not include plumber's installation or materials cost.
- If a sewer customer is paying a monthly sewer bill at the time the City begins to collect capacity fees. The customer will not have to pay the capacity fee charge but will have to pay the tap fee if not already paid.
- A change of Use will require a review of capacity fees. Based on the intended use, new capacity fees shall be required.
- Multiple Sewer Capacity Units shall be used to calculate the Capacity Fee if multiple Uses are contained within one structure, i.e. A Convenience Store with gas pumps, restaurant, and a car wash.
- *Any future or current use or expansion of the SR 109 Interchange Sewer System Improvements completed in 2019 shall incur tap fees of \$10,000

SEWER CAPACITY UNITS

For each unit of sewage flow or part thereof (one unit =250 gallons per 24-hour day) there is a capacity fee:

<u>Inside City Limits Capacity Fee</u>	<u>Outside City Limits Capacity Fee</u>
\$1,750	\$2,600

Single Family Residence – One (1) Unit
Mobile Home Park – One (1) Unit per dwelling
Hotel/Motel – 130 gpd (gallons per day) per room
General Commercial Services – 130 gpd (gallons per day) per 1,000 S.F. of Floor space
Theaters – 5 gals. Per seat
General Office space – 25 gals. Per person
Restaurant – 40 gals. Per seat
Schools – 16 gals. Per person (Employees and Students)
Retirement Community (per bed) – 250 gpd (gallons per day)
Hospitals (per bed) – 250 gpd (gallons per day)
Assisted Care/Nursing Homes – One Half (½) unit per bed
Church (small) – 3 gals. Per seat (no kitchen)
Church (large) – 5 gals. Per seat (Kitchen)
Industrial (Sanitary Waste Only) * – 25 gals. Per person per day (This will be evaluated after one Year.) *The original fee will be based on the number of employees supplied to the City. Any other classification will be calculated at 250 gpd (gallons per day).
Industrial Processed Water - \$750.00 per 1000 gallons per day
Car wash/truck wash – 2 units per bay
Self-service Laundries – 1 unit per washer
Service stations – 1 unit per pump
Bowling Alley – 1 unit/alley

Multi-Family Unit Development shall follow the Capacity Fee schedule below:

Multi-Family Unit Sewer Capacity Fees (Fee per Unit)

Number of Units	Inside City Limits	Outside City Limits
1-50	\$1,750	\$2,600
51-100	\$1,485	\$2,400
101-150	\$1,315	\$2,200
Greater than 150	\$1,135	\$2,000

SEWER IMPROVEMENT FEE

\$1,200 per unit on all new development

Improvement fees are for the city to make capital improvements to the sewer system to maintain Level of Service for all rate payers. The City will hold these funds for future projects to improve deficiencies within the sewer system. The Improvement fee shall be paid by the developer prior to the signing of the Final Plat. If development requires off-site improvements to the sewer system, the Sewer Improvement Fee may be waived for work-in-kind.

Multi-Family Unit Development shall follow the Sewer Improvement Fee schedule below:

Multi-Family Unit Sewer Improvement Fees

Number of Units	Fee per unit
1-50	\$1,200
51-100	\$1,020
101-150	\$900
Greater than 150	\$750

PAYING-IN-LIEU OF UPSIZING

When creating or altering a subdivision, Portland Department of Utilities may require the developer to pay-in-lieu of upsizing the sewer main for the length of sewer main adjacent to the property if the existing pipe diameter size does not meet the minimum requirements stated below.

Minimum Gravity Sewer Main Pipe Diameter: 8"

The City may also require payment if the utility has been designed and/or constructed that the new Development will be utilizing.

ROAD BORE FEE

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NATURAL GAS FEE STRUCTURE

GAS CONNECTION FEES

Residential**	\$100
Commercial	\$150
Industrial	\$500

Gas Connection Fees apply to all new account setup.

** In cases of natural disaster, including but not limited to tornado, lightning, flood, fire, sink hole, ice storms, and, other serious acts of nature, residential gas connection fees may be waived by the Business Office Manager, at the sole discretion of the Business Office Manager.

GAS TAP FEES

TAP SIZE	TAP FEES
3/4"	\$400
1"	\$475
2"	\$550

INDUSTRIAL AND COMMERCIAL GAS METER UPSIZE FEE --- Customer shall pay all cost associated with upsizing of new meter to meet BTU demand load.

PAYING-IN-LIEU OF UPSIZING

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CAPACITY LETTER MAINTENANCE FEES

Each capacity letter (water, sewer, and gas) will have an administrative fee and a per unit fee that will be required to be paid by the petitioner annually for renewal of Capacity/Availability Letters.

INITIAL CAPACITY LETTER FEES

Initial Capacity Fees shall be collected with the initial approval of a Capacity Letter:

RESIDENTIAL FEE STRUCTURE

- Individual Residential Service Availability Application Administrative Fee: \$100
- Residential Subdivision Availability of Service Request Form Administrative Fee: \$500

COMMERCIAL FEE STRUCTURE

- Commercial Availability of Service Request Form Administrative Fee: \$1,000

INDUSTRIAL FEE STRUCTURE

- Industrial Availability of Service Request Form Administrative Fee: \$2,000

CAPACITY LETTER RENEWAL FEES (ANNUALLY)

Capacity Renewal Fees will apply to all Capacity Letter Renewals:

RESIDENTIAL SEE STRUCTURE

- Individual Residential Service Availability Application Administrative Fee: \$100
- Residential Subdivision Availability of Service Request Form
Administrative Fee: \$500 + option A, B, or C
 - A. Up to 100 units: \$50 per unit
 - B. 101 to 300 units: \$40 per unit
 - C. 301 or more units: \$30 per unit

COMMERCIAL FEE STRUCTURE

- Commercial Availability of Service Request Form
Administrative Fee: \$1,000 + \$500 per unit

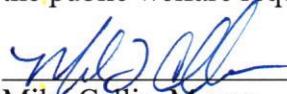
INDUSTRIAL FEE STRUCTURE

- Industrial Availability of Service Request Form
Administrative Fee: \$2,000 + \$1,000 per unit

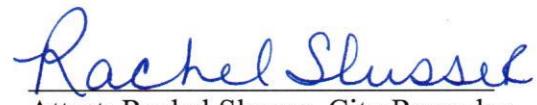
WHEREAS, after careful consideration the City Council recommends the new fee structure for water, sewer, natural gas fees, and Capacity Letter Maintenance Fees as listed above; and

NOW, THEREFORE BE IT ORDAINED by the Mayor and Board of Aldermen of the City of Portland to approve this ordinance for Water, Sewer, and Natural Gas Fee Structure; and

BE IT FURTHER ORDAINED that this Ordinance shall become effective upon its passage, the public welfare requiring it.



Mike Callis, Mayor



Attest: Rachel Slusser, City Recorder

Passed First Reading: April 15, 2024

Passed Second Reading: May 6, 2024