CITY OF PORTLAND
UTILITY AD HOC COMMITTEE MEETING
Tuesday, April 1, 2025 AT 9:00 AM

1. **Call to Order**
2. **Roll Call**
3. **Approval of Agenda**
4. **Public Hearing**
5. **Discussion**

   A. Impact Fees

   B. Revision of Ordinance 24-42 - Improvement fee and Developer's contribution.

   C. Public Works Inspection fee

Adjournment

ORDINANCE

City of Portland, Tennessee

No. 23 – 60

Second Reading

AN ORDINANCE TO AMEND TITLE 20 OF THE PORTLAND MUNICIPAL CODE, BY REPEALING AND REPLACING CHAPTER 2, IMPACT FEES, TO REVISE THE IMPACT FEE SCHEDULE FOR PARKS, POLICE, AND FIRE

WHEREAS, the City of Portland has authority to assess development impact fees for fire, parks, and police facilities pursuant to Article Il, Section 1 of Chapter 568 of the Private Acts of 1939, as amended by Chapter 123 of the Private Acts of 1970, Chapter 107 of the Private Acts of 1981, and Chapter 31 of the Private Acts of 2003; and

WHEREAS, the protection of the health, safety, and general welfare of the citizens of the City requires that the fire, parks, and police facilities of the City be expanded and improved to meet the demands of new development; and

WHEREAS, the creation of an equitable impact fee system would enable the City to impose a share of the costs of required improvements to the City's fire, parks, and police facilities on those developments that create the need; and

WHEREAS, the City conducted an impact fee study in 2019 that set forth reasonable methodologies and analyses for determining the impacts of various types of development on the City's fire, parks, and police facilities; and

WHEREAS, the parks, police, and fire impact fees described in this ordinance were based on the impact fee study, and do not exceed the capital costs required to serve the development that will pay the fees; and

WHEREAS, there is both a rational nexus and a rough proportionality between the development impacts created by each type of new development covered by this section and the fire, parks, and police impact fees that such development will be required to pay; and

WHEREAS, Ordinance 19-01 established a system by which impact fees paid by impact generating development would be used to expand the City's parks, police and fire facilities, so that the development that pays each fee will receive a corresponding benefit;

NOW, THEREFORE, BE IT ORDAINED, that the governing body of the City of Portland, Tennessee, does hereby:

Section 1. Amend Title 20 of the Portland Municipal Code by repealing Chapter 2, Impact Fees, in its entirety and replacing it with the following revised impact fee schedule for Parks, Police, and Fire.

Section 2. Any commercial, institutional, or industrial site development plan reviewed and approved by the Portland Municipal Planning Commission on or before the date of passage of this ordinance, shall be subject to the impact fees enforced at the time of the Planning Commission approval.

CITY OF PORTLAND CODE
TITLE 20: MISCELLANEOUS
CHAPTER 2: IMPACT FEES

SECTION

20-201. Short Title and Applicability.

(1) Short Title.
This chapter may be known and cited as Portland's "Impact Fee Ordinance," and is referred to herein as "this chapter."

(2) Applicability.
The provisions of this chapter shall apply to all of the territory within the corporate limits of the City of Portland.

20-202. Intent.

(1) The intent of this chapter is to ensure that impact-generating development bears a share of the cost of improvements to the City's fire services, parks, and police protection; to ensure that the share does not exceed the cost of providing such facilities; and to ensure that funds collected from impact-generating development are actually used to construct improvements that serve new development.

(2) It is not the intent of this chapter to collect any money from any impact-generating development in excess of the actual amount necessary to offset demands generated by that development for the type of facilities for which the fee was paid.

20-203. Definitions.

For the purpose of interpreting this chapter, certain words used herein are defined as follows:

(1) "Applicant' means the applicant for a building permit for which an impact fee is due pursuant to the provisions of this chapter.

(2) "Functional population" means a common unit of measure that represents the impact of a development on the City's fire, parks, and police facilities.

(3) "Impact fee administrator" means the City of Portland employee who shall be primarily responsible for administering the provisions of this chapter, or his or her designee.

(4) "Impact fee study' means the Impact Fee Study prepared for the City of Portland by TischlerBise, dated December 2, 2019, or a subsequent similar report.

(5) "Impact-Generating Development" means any land development or water or wastewater connection designed or intended to permit an increase the number of service units.

(6) "Commercial" is an establishment primarily selling merchandise, eating/drinking places, and entertainment uses. By way of example, *Commercial / Retail* includes shopping centers, supermarkets, pharmacies, restaurants, bars, nightclubs, automobile dealerships, and movie theaters.

(7) "Hotel" is a place of lodging that provides sleeping accommodations and may provide supporting facilities such as restaurants, cocktail lounges, meeting and banquet rooms or convention facilities, limited recreational facilities (pool, fitness room), and/or other retail and service shops.

(8) "Industrial" is an establishment primarily engaged in the production or transportation of goods. By way of example, *Industrial* includes manufacturing plants, printers, material testing, trucking companies, utility substations, power generation facilities, and telecommunications buildings.

(9) "Institutional" is an establishment including public and quasi-public buildings providing educational, social assistance, or religious services. By way of example, *Institutional* includes schools, universities, churches, daycare facilities, government buildings, and prisons.

(10) "Office & Other Service" is an establishment providing management, administrative, professional, or business services, personal and health care services. By way of example, *Office and Other Services* includes banks, business offices, assisted living facilities, nursing homes, hospitals, medical offices, and veterinarian clinics.

(11) "Warehouse" is an establishment that is primarily engaged in the storage,

wholesale, and distribution of manufactured products, supplies, and/or equipment, excluding bulk storage of materials that are flammable or explosive or that present hazards or conditions commonly recognized as offensive. A warehouse less than 70,000 square feet shall be classified as industrial.

(12) "Service units" means common units of measure of the demand placed on the infrastructure and facilities of the City, including fire, parks, and police functional population.

(13) "Square feet' means gross floor area, defined as the total area of all floors of a primary building and all associated accessory buildings, measured from the external surface of the outside walls, but excluding covered walkways, open roofed-over areas, porches and similar spaces, exterior terraces or steps, chimneys, roof overhangs, and similar features. Excluded areas include basements or attic spaces of less than seven feet in height and vehicular parking and maneuvering areas.

20-204. Fee Determination.

(1) Maximum Allowable Fee.

The City of Portland has conducted an impact fee study to determine the needs for the City as it develops over the next ten years. Said study has determined that for the projected development to cover an equitable share of services offered by the Parks, Police, and Fire Departments. The City of Portland will set the maximum allowable fee, that shall not be exceeded without completing and adopting a new impact fee study. The maximum allowable fee rates are as follows:

Maximum Allowable Impact Fee				
Residential Development	**Fees per unit**			
Development Type	**Fire**	**Parks**	**Police**	**Total**
Single Family	$ 1,444	$ 1,194	$ 631	$ 3,269
Multi-Family	$ 864	$ 715	$ 377	$ 1,956
Nonresidential Development	**Fees per 1,000 Square Feet**			
Development Type	**Fire**	**Parks**	**Police**	**Total**
Industrial	$ 657	$ -	$ 192	$ 849
Warehouse	$ 478	$ -	$ 165	$ 643
Commercial	$ 967	$ -	$ 1,218	$ 2,185
Office & Other Services	$ 1,225	$ -	$ 476	$ 1,701
Institutional	$ 384	$ -	$ 630	$ 1,014
Hotel (per room)	$ 241	$ -	$ 409	$ 650

(2) Fee Schedule.

The City of Portland realizes that the maximum allowable fee would overburden development if fully implemented as called for in the initial Study. The City has decided to adopt the enforceable fee on a percentage basis. The City shall adopt impact fees at 50% of the maximum allowable fee. This percentage basis may be changed by two readings of an ordinance to set the new fee. The impact fee schedule shall revised and set as follows:

Any person who applies for a building permit or a water or wastewater connection for an impact-generating development, except those exempted or preparing an independent fee calculation study, shall pay a fire, parks, and police impact fee in accordance with the following fee schedule prior to the issuance of a building permit. If any credit is due pursuant to section 20-209, the amount of such credit shall be deducted from the amount of the fee to be paid.

Percentage Based Adoption				50%
Residential Development	**Fees per unit**			
Development Type	**Fire**	**Parks**	**Police**	**Total**
Single Family	$ 722	$ 597	$ 316	$ 1,635
Multi-Family	$ 432	$ 358	$ 189	$ 979
Nonresidential Development	**Fees per 1,000 Square Feet**			
Development Type	**Fire**	**Parks**	**Police**	**Total**
Industrial	$ 329	$ -	$ 96	$ 425
Warehouse	$ 239	$ -	$ 83	$ 322
Commercial	$ 484	$ -	$ 609	$ 1,093
Office & Other Services	$ 613	$ -	$ 238	$ 851
Institutional	$ 192	$ -	$ 315	$ 507
Hotel (per room)	$ 121	$ -	$ 205	$ 326

(3) Uses Not Listed.

If the type of impact-generating development for which a building permit is requested is not specified on the above schedule, the impact fee administrator shall determine the fee based on the fee applicable to the most nearly comparable type of land use on the fee schedule. If the impact fee administrator determines the impact fee administratively and the applicant does not agree with the determination, the applicant may prepare an independent fee calculation study.

(4) Fee Assessed on Primary Use.

In many instances, a particular structure may include auxiliary uses associated with the primary land use. The impact fees are assessed based on the primary land use.

(5) Net Impact of Redevelopment.
If the type of impact-generating development for which a building permit is requested is for a change of land use type or for the expansion, redevelopment, or modification of an existing development, the fee shall be based on the net increase in the fee for the new land use type as compared to the previous land use type.

(6) Net Impact of Expansions.
An impact fee shall be collected on commercial, institutional, industrial, or multi-family structures that expand in building square footage or add additional dwelling units after the passage of this ordinance. The impact fee imposed shall be based on the expansion not the entire structure. For example, a 100,000 square feet industrial building adds 25,000 square feet the impact fee shall be based on the industrial fee for 25,000 square feet or a 4-unit multi-family building adds 2 units, the fee shall be paid for 2-units.

(7) No Refund for Change of Use.
In the event that the proposed change of land use type, redevelopment, or modification results in a net decrease in the fee for the new use or development as compared to the previous use or development, there shall be no refund of impact fees previously paid.

20-205. Exemptions.
The following shall be exempt from the terms of this chapter. An exemption must be claimed at the time of application for a building permit.

(1) Residential Alterations.
Alterations of an existing dwelling unit where no additional dwelling units are created.

(2) Residential Replacement.
Replacement of a destroyed, partially destroyed or moved residential building or structure with a new building or structure of the same use, and with the same number of dwelling units.

(3) Nonresidential Replacement.
Replacement of destroyed, partially destroyed, or moved nonresidential building or structure with a new building or structure of the same gross floor area and use.

(4) Pre-ordinance Permit Applications.
Any development for which a completed application for a building permit was submitted prior to the effective date of this chapter, provided that the construction proceeds according to the provisions of the permit and the permit does not expire prior to the completion of the construction.

(5) No Waivers: Payment of Fees by City.

Impact fees shall not be waived. In order to promote the economic development of the City or the public health, safety, and general welfare of its residents, the City Council may agree to pay some, or all of the impact fees imposed on a proposed development or redevelopment from other funds of the City that are not restricted to other uses. Any such decision to pay impact fees on behalf of an applicant shall be at the discretion of the City Council and shall be made pursuant to goals and objectives articulated by the City Council.

20-206. Independent Fee Calculation.

The impact fee may be computed by the use of an independent fee calculation study at the election of the applicant, or upon the request of the impact fee administrator, for any proposed land development activity interpreted as not one of those types listed on the fee schedule or as one that is not comparable to any land use on the fee schedule, and for any proposed land development activity for which the impact fee administrator concludes the nature, timing or location of the proposed development makes it likely to generate impacts costing substantially more to mitigate than the amount of the fee that would be generated by the use of the fee schedule.

(1) Cost of Study: Fee.

The preparation of the independent fee calculation study shall be the sole responsibility and cost of the applicant. Any person who requests to perform an independent fee calculation study shall pay an application fee for administrative costs associated with the review and decision on such study.

(2) Content of Study.

The independent fee calculation study shall be based on the same formulas, level of service standards and unit costs for facilities used in the impact fee study and shall document the methodologies and assumptions used. The scope of the study shall be approved in advance by the impact fee administrator.

20-207. Use of Fees.

(1) Segregation of Funds.

An impact fee fund that is distinct from the general fund of the City is hereby created, and the impact fees received will be deposited in the following interest-bearing accounts of the impact fee fund.

(a) Fire Impact Fee Account. The fire impact fee account shall contain only those fire impact fees collected pursuant to this chapter plus any interest which may accrue from time to time on such amounts.

(b) Park Impact Fee Account. The park impact fee account shall contain only those park impact fees collected pursuant to this chapter plus any interest which may accrue from time to time on such amounts.

(c) Police Impact Fee Account. The police impact fee account shall contain only those police impact fees collected pursuant to this chapter plus any interest which may accrue from time to time on such amounts.

(2) FIFO Accounting.
Monies in each impact fee account shall be considered to be spent in the order collected, on a first-in/first-out basis.

(3) Eligible Expenditures.
The monies in each impact fee account shall be used only for the following:
(a) To acquire or construct system improvements of the type reflected in the title of the account;
(b) To pay debt service on any portion of any current or future general obligation bond or revenue bond used to finance facilities or capital equipment of the type reflected in the title of the account, provided that the facilities financed by that portion of the debt have not been included in the calculation of the existing level of service on which the impact fees were based in the most recent impact fee study;
(c) As described in section 20-208, Refunds; or
(d) As described in section 20-209, Credits.

(4) Ineligible Expenditures.
The monies in each impact fee account shall not be used for the following:
(a) Rehabilitation, reconstruction, replacement, or maintenance of existing facilities and capital equipment except to the extent that the projects increase the capacity to serve new development; or
(b) Ongoing operational costs.

20-208. Refunds.

(1) Any monies in the impact fee fund that have not been spent within seven (7) years after the date on which such fee was paid shall be returned to the current owners with earned interest from the date of payment.

(2) Notice of the right to a refund, including the amount of the refund and the procedure for applying for and receiving the refund, shall be sent, or served in writing to the present owners of the property within thirty (30) days of the date the refund becomes due. The sending by regular mail of the notices to all present owners of record shall be sufficient to satisfy the requirement of notice.

(3) The refund shall be made on a pro rata basis and shall be paid in full within ninety (90) days of the date certain upon which the refund becomes due.

(4) If an applicant has paid an impact fee required by this chapter and the building permit later expires without the possibility of further extension, and the development activity for which the impact fee was imposed did not occur and no impact has resulted, then the applicant who paid such fee shall be entitled to a refund of the fee paid, without interest. To be eligible to receive such refund, the applicant who paid such fee shall be required to submit an application for such refund within thirty (30) days after the expiration of the permit or extension for which the fee was paid.

(5) At the time of payment of any impact fee under this chapter, the impact fee administrator shall provide the applicant paying such fee with written notice of those circumstances under which refunds of such fees will be made. Failure to deliver such written notice shall not invalidate any collection of any impact fee under this chapter.

(6) The City shall be entitled to retain two percent (2%) of the amount of any refund to cover the administrative costs of processing refunds.

20-209. Credits.

Credit against the fire, parks, and police impact fees shall be provided for contributions toward the cost of fire, parks, and police facilities, respectively.

(1) Effective Upon Acceptance.

Approved credits shall generally become effective when the improvements have been completed and have been accepted by the City Council under the provisions of a prior agreement.

(2) Land Valuation.

Credit for dedication of land for fire, parks, or police facilities shall be based on the value of the land to be dedicated. The value of any land required to be dedicated during the subdivision process shall be based upon the "fair market value" of the land at the time of filing the final plat. The value of any land required to be dedicated as part of a rezoning or other approval shall be based on the value of the land at the time of the application for the approval. The value shall be determined by a certified appraiser who is selected and paid for by the applicant, and who uses generally accepted appraisal techniques. If the City disagrees with the appraised value, the City may engage another appraiser at the City's expense, and the value shall be an amount equal to the average of the two appraisals. If either party rejects the average of the two appraisals, a third appraisal shall be obtained, with the cost of such third appraisal being borne by the party rejecting the average. The third appraiser shall be selected by the first two appraisers, and the third appraisal shall be binding on both parties. Approved credits for dedicated land shall become effective when the land has been conveyed to the City and has been accepted by the City.

(3) Construction Costs.

In order to receive credit for fire, parks, and police improvements, the developer shall submit complete engineering drawings, specifications, and construction cost estimates to the impact fee administrator. The impact fee administrator shall determine the amount of credit due based on the information submitted, or where such information is inaccurate or unreliable, then on alternative engineering or construction costs acceptable to the impact fee administrator.

(4) Developers Agreement.

To qualify for an impact fee credit, the developer must enter into an agreement with the City as approved by the City Council. The developer agreement shall specify the amount of the credit, how the credit will be allocated within the development, and whether and how the developer will be reimbursed for any excess credit beyond the impact fees that would otherwise be due from the development.

(5) Allocation of Credits Within a Development.

Unless otherwise specified in a developer agreement, in the event that the impact-generating development for which credits have been issued is sold to different owners, the credits usable by each new owner shall be calculated in terms of a percentage of the impact fees that would otherwise be due from the entire development. If the total amount of development is not known, the maximum potential development under existing development regulations shall be assumed. This percentage reduction will be applied to all impact fees assessed within the development until the total amount of the credits is exhausted or the development is completed, whichever occurs first.

(6) Credits Run with the Land.

Unless otherwise specified in a developer agreement, the right to claim credits shall run with the land and may be claimed only by owners of property within the development for which the land was dedicated or the improvement was made. Credits issued for a particular development shall not be transferable to another development.

(7) Expiration of Credits.

Credits provided pursuant to this chapter shall be valid from the effective date of such credits until ten (10) years after such date or until the last date of construction within the development or project for which the credits were issued, whichever occurs first.

(8) Pre-Ordinance Credits.

Applicants may also obtain credits for improvements completed prior to the effective date of this chapter and may use such credits to reduce the impact fees due after the effective date of this chapter within the same impact-generating development for which the credits were issued. Application for such credits must be made, on forms provided by the City, within one (1) year after the effective date of this chapter. In the event that the impact-generating development for which the credits are claimed is partially completed, the amount of the credits shall be reduced by the amount of the impact fees that would have been charged for the completed portion of the development had this chapter been in effect. In the event that the entire impact-generating development project has been completed, no credits shall be issued.

(9) Must be Claimed.

The use of credits must be claimed at the time of application for a building permit. Any right to credit not so claimed shall be deemed to be waived.

20-210. Miscellaneous Provisions.

(1) Developer Exactions.

Nothing in this chapter shall restrict the City from requiring the construction of reasonable improvements required to serve the development project, whether or not such improvements are of a type for which credits are available under section 20-209, Credits.

(2) Record-Keeping.

The impact fee administrator shall maintain accurate records of the impact fees paid, including the name of the person paying such fees, the project for which the fees were paid, the date of payment of each fee, the amounts received in payment for each fee, and any other matters that the City deems appropriate or necessary to the accurate accounting of such fees. Records shall be available for review by the public during normal business hours and with reasonable advance notice.

(3) Programming of Funds.

The City's capital improvements program shall assign monies from each impact fee fund to specific projects and related expenses for eligible improvements of the type for which the fees in that fund were paid. Any monies, including any accrued interest, not assigned to specific projects within such capital improvements program and not expended pursuant to section 20-208, Refunds, or section 20-209, Credits, shall be retained in the same impact fee fund until the next fiscal year.

(4) Correction of Errors.

If an impact fee has been calculated and paid based on a mistake or misrepresentation, it shall be recalculated. Any amounts overpaid by an applicant shall be refunded by the impact fee administrator to the applicant within thirty (30) days after the acceptance of the recalculated amount, with interest from the date of such overpayment. Any amounts underpaid by the applicant shall be paid to the impact fee administrator within thirty (30) days after the acceptance of the recalculated amount, with interest from the date of such underpayment. In the case of an underpayment to the impact fee administrator, the City shall not issue any additional permits or approvals for the project for which the impact fee was previously underpaid until such underpayment is corrected, and if amounts owed to the City are not paid within such thirty (30)-day period, the City may also rescind any permits issued in reliance on the previous payment of such impact fee.

(5) Periodic Updates.

The impact fee schedules, and the administrative procedures established by this chapter shall be reviewed at least once every three (3) years.

20-211. Appeals.

Any determination made by the impact fee administrator charged with the administration of any part of this chapter may be appealed to the City Council within thirty (30) days from the date of the decision to be appealed.

20-212. Violation.
Furnishing false information on any matter relating to the administration of this chapter, including without limitation the furnishing of false information regarding the expected size, use, or impacts from a proposed development, shall be a violation of this chapter.

20-213. Severability.
If a provision of this chapter or its application to any person or circumstance is held invalid, the invalidity does not affect other provisions or applications of the division that can be given effect without the invalid provision or application, and to this end the provisions of this chapter are severable.

Section 4. The Capital Improvement Plan and Impact Fee Report, labeled as Exhibit A, shall be adopted as a part of this Ordinance. The Report shall be referenced for questions related to the collection, and enforcement of the impact fee, including, but not limited to defining the types of development.

Section 5. That all ordinances in conflict herewith are repealed to the extent of said conflict. That this Ordinance, upon passage of final reading, shall take effect on January 1, 2024, the public welfare requiring it.

Mike Callis

Mayor Mike Callis

Rachel Slusser

Attest: Rachel Slusser, City Recorder

Passed First Reading: November 6, 2023

Passed Second Reading: December 4, 2023

ORDINANCE

City of Portland, Tennessee

No. 24 - 42

Second Reading

AN ORDINANCE TO RESCIND IN ITS ENTIRETY ORDINANCE 24-26 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

Review Fees will only be charged one time per project. If the project is within the Portland City Limits, the review fees will be charged with preliminary plat. If the project is outside of the Portland City Limits, it will be charged with the review of the plat.

Plan Review Fee
(Due when plans are submitted for review. Must be paid prior to Portland Department of Utilities (PDU) approval.)

- $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

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.

** In the event of a customer's death, service will need to be set up in a new name within 30 days to avoid disconnection and final billing. Residential water connection fees may be waived on active accounts with two or more of the following: death certificate, two proofs of residency showing name and service address and/or Will/ Trust documents. A Letter of Testamentary will be required to change the name to an Estate.

WATER TAP FEES

TAP SIZE	INSIDE CITY LIMITS	OUTSIDE CITY LIMITS
¾"	$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. The above fees are privilege fees only and will be charged on a per unit basis and are due at the time of setting up service.

WATER IMPROVEMENT FEE

$1,800 per equivalent residential unit (ERU) on all new development. See" Water Equivalent Residential Units (ERUs)" for ERU calculations.

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: *Restaurant with 100 seats*
*Estimated Flow: 100 seats * 40 gal per seat = 4,000 gpd*
*4,000 gpd/350 gpd = 11.42 units = 12 units * $1,800 = $21,600*

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.

Water Equivalent Residential Units (ERUs) are calculated by below:

Self-Storage – Calculated as general commercial services but only for the area with a water demand. If the facility is sprinkled, it will be for the full footprint of the facility.

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 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 or new development, 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. The payment shall be calculated using the City's Pay-In-Lieu of Calculator

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)

DEVELOPER'S CONTRIBUTION
The City may also require payment if the utility has been designed and/or constructed that the new Development will be utilizing. This will be calculated as shown below:

Residential & Commercial
    $750 per ERU
Industrial
    $1,000 per 5,000 SF of building footprint

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.

HYDRANT FLOW TEST FEE
The Hydrant Flow Test Fee shall be $125 per request.

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 and will be charged on a per unit basis.
- They are due at the time of setting up service.
- 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

Inside Portland City Limits Capacity Fee	Outside Portland City Limits Capacity Fee (Inside Mitchellville and Orlinda Only)
$1,750	$2,600

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

Self-Storage – Calculated as general commercial services but only for the area with a sewer demand.

ERUs are calculated by below:

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 equivalent residential unit (ERU) on all new development. See "Sewer Equivalent Residential Units (ERUs)" for ERU calculations.

Example: *Restaurant with 100 seats*
*Estimated Flow: 100 seats * 40 gal per seat = 4,000 gpd*
*4,000 gpd/250 gpd = 16 units = 16 units * $1,200 = $19,200*

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 or new development, 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. The payment shall be calculated using the City's Pay-In-Lieu of Calculator.

Minimum Gravity Sewer Main Pipe Diameter: 8"

DEVELOPER'S CONTRIBUTION

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

<u>Residential & Commercial</u>
$1,000 per ERU
<u>Industrial</u>
$750 per 5,000 SF of building footprint

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.

PRETREATMENT

The City is required by the EPA and TDEC to maintain a Pretreatment Program. The TDEC approved Portland Sewer Use Ordinance governs and set all requirements of the Pretreatment Program.

INDUSTRIAL PRETREATMENT PERMITS

Section 18-206A of the Sewer Use Ordinance gives the City the authority to charge a fee for all permitted users.

Industrial Pretreatment Permit shall have an annual fee of **$7,500**

The annual fee will be billed at the beginning of every year and the permittee shall remit payment within thirty (30) days of the date of the invoice or the City may disconnect sewer service. Industrial Pretreatment Permit Fee shall become effective January 1, 2025.

FATS, OILS, AND GREASE (FOG) PROGRAM

Section 18-206A of the Sewer Use Ordinance gives the City the authority to charge a fee for the inspection and monitoring of the Grease Management Plan.

FOG Inspection Fee shall be **$400** annually per device. An establishment having multiple devices shall be charged per Grease Trap/Interceptor.

The annual fee will be billed at the beginning of every year and the permittee shall remit payment within thirty (30) days of the date of the invoice or the City may disconnect sewer service. Grease Trap/Interceptor Fee shall become effective January 1, 2025.

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.

** In the event of a customer's death, service will need to be set up in a new name within 30 days to avoid disconnection and final billing. Residential gas connection fees may be waived on active accounts with two or more of the following: death certificate, two proofs of residency showing name and service address and/or Will/ Trust documents. A Letter of Testamentary will be required to change the name to an Estate.

GAS TAP FEES

TAP SIZE	TAP FEES
¾"	$400
1"	$475
2"	$550

INDUSTRIAL AND COMMERICAL 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

When creating or altering a subdivision, Portland Department of Utilities may require the developer to pay-in-lieu of upsizing 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.

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 FEE 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

Rachel Slusser

Attest: Rachel Slusser, City Recorder

Passed First Reading: June 17, 2024

Passed Second Reading: July 15, 2024