



## CITY OF POQUOSON

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500 CITY HALL AVENUE, POQUOSON, VIRGINIA 23662-1996  
(757) 868-3000 FAX (757) 868-3101

Office of the City Manager

October 13, 2009

**TO:** Mayor and Council  
**FROM:** City Manager  
**SUBJECT:** Sewer Pump Station #2

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As the Council is aware in May of 2009 City staff put in place a temporary sewer connection moratorium to prohibit any new connections in the Pump Station #2 service area based upon the findings of City Engineer Jeff Bliemel (see attached memorandum dated May 13, 2009) that Pump Station #2 is not able to handle additional flow as demonstrated by the need to do bypass pumping or pump and haul during moderate rain events. The temporary moratorium remains in place; however, as a matter of practice the City has continued to allow single lot connections. At this time the City also continues to take all actions necessary to comply with the State Water Control Board Consent Order pertaining to sanitary sewer overflows.

As the Council may recall the adopted Capital Improvements Plan contains \$500,000 for the project in for FY2010 with the funding to come from debt proceeds, however, the FY2010 Adopted Budget did not include funding for this project. With no monies appropriated for this project in FY2010, it is my opinion that the temporary moratorium should be extended to prohibit all new connections in the Pump Station #2 service area until such time that the planned upgrade is completed. Preliminary engineering completed by RK&K Engineer indicates that the project cost is consistent with the Adopted Capital Improvements Plan amount of \$500,000 and will take an estimated six months to complete once funding is secured. Please see the attached memorandum from Jeff Bliemel dated September 2, 2009 for additional information regarding both the permanent and temporary solutions available to the City to address the capacity issue at Pump Station #2. At this point I believe the City has three options:

- 1) Issue Public Debt. Under this option the City would issue public debt to complete the project. Discussion with our Financial Advisor indicates that the City has sufficient debt service capacity to take on this debt, however, given the current financial constraints that the City is operating under and the very real prospect that these challenges will continue

into FY2011, I am concerned about the City's ability to identify on-going funding to service the debt.

- 2) Seek Prepayment of Sewer Availability Fees. Under this option the City would work with the owners/developers of approved but not yet built subdivisions in the Pump Station #2 service area to secure prepayment of sewer availability fees which are currently established at \$6,000 per connection and use these funds to cash fund rather than debt finance the project.
- 3) Appropriate Funds in a Future Budget. Under this option the City would consider appropriation of funds for the project as part of a future budget process as funds become available. This is in effect the default option as it is consistent with the Adopted FY2010 Budget.

Staff is requesting that Council formally approve the temporary moratorium prohibiting all new sewer connections in the Pump Station #2 service area until the planned improvements to the pump station have been completed. Staff further requests direction on whether to proceed with either of the three (3) options listed above.

**ALTERNATIVE 1**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING A TEMPORARY MORATORIUM  
ON NEW SEWER CONNECTIONS IN THE  
PUMP STATION 2 SERVICE AREA**

**WHEREAS**, in May 2009 a temporary sewer connection moratorium was put in place to prohibit any new connections in the Pump Station #2 service area based on findings of the City Engineer that Pump Station #2 could not handle additional flow which has been demonstrated by the need to do bypass pumping or pump and haul during moderate rain events; and

**WHEREAS**, even though a temporary moratorium is in place, single lot connections are being allowed; and

**WHEREAS**, the City is continuing to take all actions necessary to comply with the State Water Control Board Consent Order pertaining to sewer overflows; and

**WHEREAS**, although the Capital Improvements Plan contains \$500,000 for improvements/upgrade of Pump Station #2 in 2010 with funding coming from debt proceeds, the adopted budget does not include cash funding, debt proceeds or debt service for this project.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Poquoson, Virginia:

**Section 1:** That the temporary moratorium be extended to prohibit all new connections in the Pump Station #2 service area until all planned improvements to the pump station have been completed.

**Section 2:** That the City Manager is hereby directed to take all actions necessary to initiate the issuance of public debt for the improvements.

**Section 3:** That this resolution shall be in effect on and after its adoption.

**ADOPTED:** \_\_\_\_\_

**TESTE:** \_\_\_\_\_

City Clerk

**ALTERNATIVE 2**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING A TEMPORARY MORATORIUM  
ON NEW SEWER CONNECTIONS IN THE  
PUMP STATION 2 SERVICE AREA**

**WHEREAS**, in May 2009 a temporary sewer connection moratorium was put in place to prohibit any new connections in the Pump Station #2 service area based on findings of the City Engineer that Pump Station #2 could not handle additional flow which has been demonstrated by the need to do bypass pumping or pump and haul during moderate rain events; and

**WHEREAS**, even though a temporary moratorium is in place, single lot connections are being allowed; and

**WHEREAS**, the City is continuing to take all actions necessary to comply with the State Water Control Board Consent Order pertaining to sewer overflows; and

**WHEREAS**, although the Capital Improvements Plan contains \$500,000 for improvements/upgrade of Pump Station #2 in 2010 with funding coming from debt proceeds, the adopted budget does not include cash funding, debt proceeds or debt service for this project.

**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Poquoson, Virginia:

**Section 1:** That the temporary moratorium be extended to prohibit all new connections in the Pump Station #2 service area until all planned improvements to the pump station have been completed.

**Section 2:** That the City Manager is hereby directed to seek prepayment of sewer availability fees of \$6,000 per connection to cash fund rather than debt fund the improvements.

**Section 3:** That this resolution shall be in effect on and after its adoption.

**ADOPTED:** \_\_\_\_\_

**TESTE:** \_\_\_\_\_

City Clerk

**ALTERNATIVE 3**

**RESOLUTION NO. \_\_\_\_\_**

**RESOLUTION APPROVING A TEMPORARY MORATORIUM  
ON NEW SEWER CONNECTIONS IN THE  
PUMP STATION 2 SERVICE AREA**

**WHEREAS**, in May 2009 a temporary sewer connection moratorium was put in place to prohibit any new connections in the Pump Station #2 service area based on findings of the City Engineer that Pump Station #2 could not handle additional flow which has been demonstrated by the need to do bypass pumping or pump and haul during moderate rain events; and

**WHEREAS**, even though a temporary moratorium is in place, single lot connections are being allowed; and

**WHEREAS**, the City is continuing to take all actions necessary to comply with the State Water Control Board Consent Order pertaining to sewer overflows; and

**WHEREAS**, although the Capital Improvements Plan contains \$500,000 for improvements/upgrade of Pump Station #2 in 2010 with funding coming from debt proceeds, the adopted budget does not include cash funding, debt proceeds or debt service for this project.

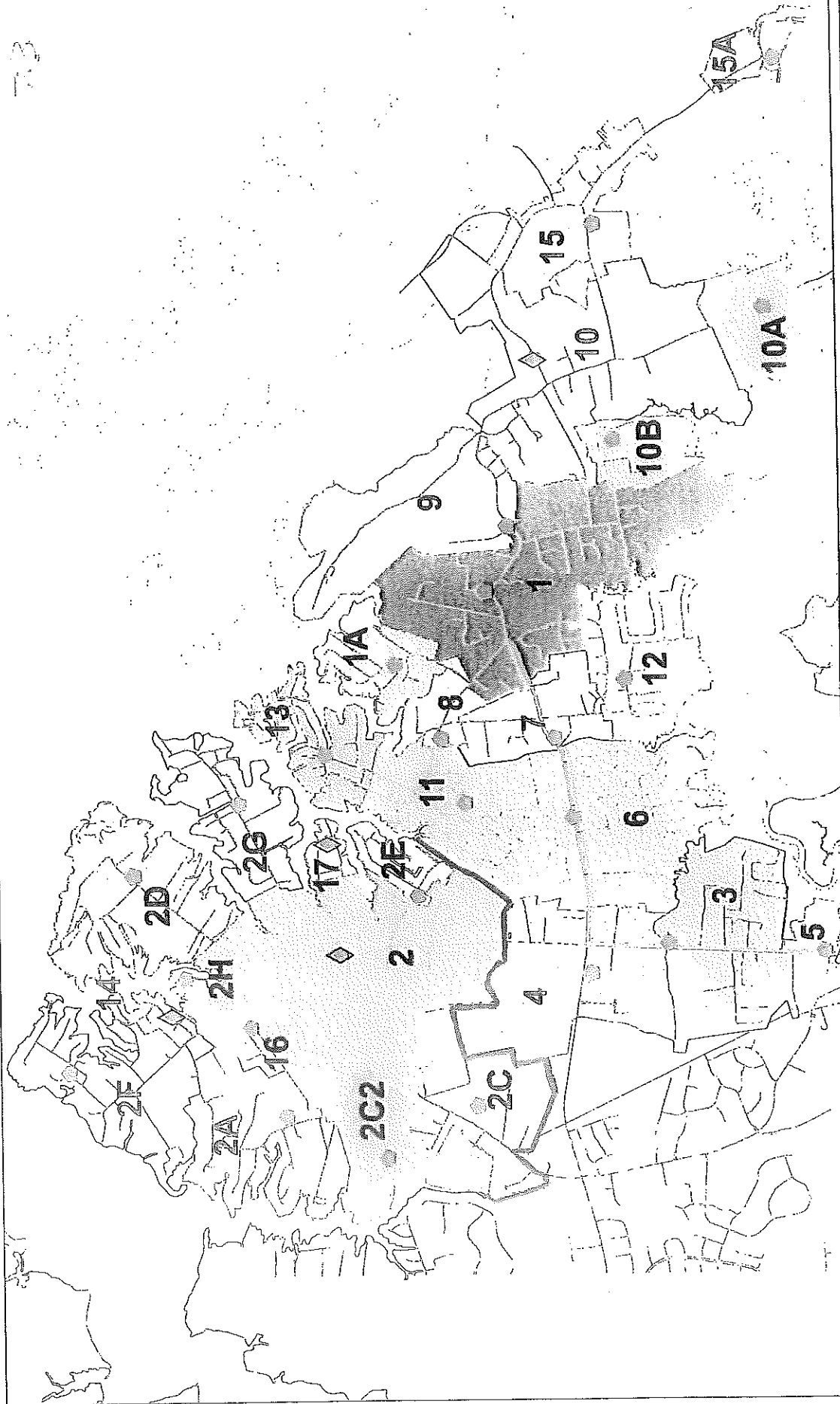
**NOW, THEREFORE, BE IT RESOLVED** by the Council of the City of Poquoson, Virginia:

**Section 1:** That the temporary moratorium be extended to prohibit all new connections in the Pump Station #2 service area until all planned improvements to the pump station have been completed.

**Section 2:** That this resolution shall be in effect on and after its adoption.

**ADOPTED:** \_\_\_\_\_

**TESTE:** \_\_\_\_\_  
City Clerk



### City of Poquoson Sewer Pump Stations

- Legend**
- Sewer Pump Station
  - HRSD Force Main
  - Road Centerline