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**AS AMENDED ON JUNE 10, 2013**  
**ORDINANCE NO. 2250**

AN ORDINANCE OF THE CITY OF SALISBURY ADJUSTING THE COMPUTATION OF SEWER CHARGES IN ACCORDANCE WITH CHAPTER 13.04.060 OF THE CITY CODE.

WHEREAS, the City established the Computation of sewer charges in Chapter 13.04.060 of the City Code by passage of Ordinance No. 1983 on January 23, 2006 and Ordinance No. 2005 on July 5, 2006; and

WHEREAS, Chapter 13.04.060 requires that for properties paying metered water charges, the sewer charge is to be based on the amount of such metered water consumption; and

WHEREAS, the City acknowledges that there are nondomestic customers who use water in the production of their products, cooling towers, boilers, ice production, or other processes, or that haul their industrial wastewater and do not discharge industrial wastewater into the City sewer system; and

WHEREAS, the City seeks to reduce the sewer charges for nondomestic customers who do not discharge to the sanitary sewer all of the water that they purchase from the City; and

WHEREAS, the Director of Public Works made due diligence efforts to notify as many nondomestic customers as practical that may be potentially impacted by the Wastewater Credit Allowance; and

WHEREAS, the Director of Public Works provided the City Council a recommendation of the proposed Wastewater Credit Allowance at the May 6, 2013 and May 20, 2013 City Council work sessions.

NOW THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF SALISBURY, MARYLAND that Chapter 13.04 be amended by the addition of Section:

**13.04.100 Wastewater Credit Allowance**

A. A nondomestic customer may submit written documentation to the Director of Public Works to establish eligibility for a Wastewater Credit Allowance if the nondomestic customer:

1. Discharges either less than ninety percent (90%) of the metered water consumption into the sewer system or uses over five hundred thousand (500,000) gallons per quarter of metered water consumption that does not enter the sewer system, and
2. Is subject to categorical pretreatment standards; or
3. Discharges an average of at least twenty-five thousand (25,000) gallons per day of process wastewater (excluding sanitary, noncontact cooling and boiler blowdown wastewater) to the sewer system.

B. If eligible, the nondomestic customer shall comply with the following requirements and submit documentation to the Director of Public Works in order to establish the appropriate Wastewater Credit Allowance.

1. The nondomestic customer shall install one of the following at their own expense:

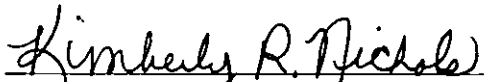
- 51 a. A meter acceptable to the Director of Public Works to measure the volume of  
52 liquid actually discharged into the sewerage system from the nondomestic  
53 customer's premises; or  
54 b. A meter acceptable to the Director of Public Works to measure the volume of  
55 liquid that is disposed of off-site of the nondomestic customer's premises; or  
56 c. A meter acceptable to the Director of Public Works to measure the portion of  
57 water consumed which is diverted from entering the sanitary sewer.  
58 d. In the event that meters in options b or c above are installed, the volume of water  
59 metered shall be deducted from the total volume of water consumed before the  
60 sewer service charge rate is applied.  
61
- 62 2. In lieu of sewer or water meter(s), the nondomestic customer may, with the approval of  
63 the Director of Public Works, submit:  
64 a. Production schedules and runs for industries such as soft drink bottlers,  
65 breweries, and food processing plants where a significant percentage of the water  
66 consumed is incorporated in the actual product. Where approved, in advance by  
67 the Director of Public Works, production schedules and runs can be used in lieu  
68 of meters, and the volume of product will be used to determine the discharge to  
69 the sewer system.  
70 b. Haul manifests from a sewage pumping company are not an acceptable means to  
71 quantify sewer volumes.  
72
- 73 3. Nondomestic customers are responsible for the maintenance and calibration of all  
74 approved meters. Sewer meters are required to be calibrated annually. Auxiliary water  
75 meters are required to be calibrated every two years. Calibration must be provided  
76 through a recognized testing agency and certification of calibration must be provided to  
77 the Department of Public Works upon completion. Tampering with, damaging, or  
78 removing meters without written consent of the Director of Public Works is prohibited.  
79 In the event of a meter malfunction, the customer shall be responsible for the repair, and  
80 shall reimburse the City for any over estimation of the Wastewater Credit Allowance  
81 caused by a malfunction.  
82
- 83 4. The Wastewater Credit Allowance shall not be given until the type and location of meters  
84 have been approved by the Director of Public Works.  
85
- 86 5. An eligible nondomestic customer shall submit ~~their~~ its meter readings, production  
87 schedules and run times quarterly to the Department of Public Works. All data submitted  
88 shall contain a certification under penalty of perjury that the information is true and  
89 accurate to the best of the certifying official's information and belief. The Wastewater  
90 Credit Allowance will be computed quarterly. The credit shall be based on the actual  
91 measurements and shall give full credit at the applicable rate for all water not discharged  
92 into the sanitary sewer system. No credit will be granted without proper and timely  
93 documentation from the nondomestic customer.  
94
- 95 6. The City will periodically perform site visits and audits to verify meter readings.  
96
- 97 7. If a nondomestic customer is found to be submitting intentionally inaccurate data to the  
98 Department of Public Works, the nondomestic customer will be ineligible to receive the  
99 Wastewater Credit Allowance for a period of one (1) year, and the nondomestic  
100 customer, the certifying official, and any other persons with knowledge of the submission  
101 of inaccurate data, shall be subject to civil action and/or criminal prosecution. The

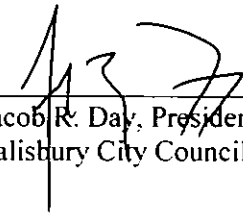
102 nondomestic customer shall, however, be liable to the City for any over calculation of the  
103 Wastewater Credit Allowance, regardless of intent or fault in causing the error.  
104

105 BE IT FURTHER ORDAINED that this ordinance shall take effect on July 1, 2013. At that time,  
106 nondomestic customers may submit documentation to establish eligibility. The allowance will  
107 not apply to water used prior to July 1, 2013.  
108

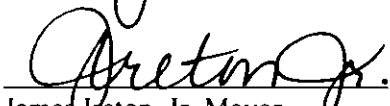
109 THIS ORDINANCE was introduced and read at a meeting of the Council of the City of Salisbury  
110 held on the 28<sup>th</sup> day of May, 2013, and thereafter, a statement of the substance of the Ordinance  
111 having been published as required by law, was finally passed by the Council on the 10<sup>th</sup> day of  
112 June, 2013.  
113

114  
115 ATTEST

116  
117   
118 \_\_\_\_\_  
119 Kimberly R. Nichols, City Clerk  
120

  
\_\_\_\_\_  
Jacob R. Day, President  
Salisbury City Council

121  
122 Approved by me this 17<sup>th</sup>  
123  
124 day of June, 2013  
125

126   
127 \_\_\_\_\_  
128 James Lreton, Jr. Mayor

# City of Salisbury



MARYLAND

Salisbury



125 NORTH DIVISION STREET  
SALISBURY, MARYLAND 21801  
Tel: 410-548-3170  
Fax: 410-548-3107

TERESA GARDNER, P.E.  
DIRECTOR OF PUBLIC WORKS

JAMES IRETON, JR.  
MAYOR

JOHN R. PICK  
CITY ADMINISTRATOR

LORÉ L. CHAMBERS  
ASSISTANT CITY ADMINISTRATOR

To: John Pick, City Administrator  
From: Teresa Gardner, Director of Public Works *lg*  
Date: May 21, 2013  
Re: Wastewater Credit Allowance

Representatives from Pepsi Bottling Ventures have recently met with the City to discuss receiving a credit on their sewer bill since their water use significantly exceeds their sewer discharge. Pepsi uses water in their production process that goes into their product and therefore does not go into the City's sewer system. The City Code (Section 13.04.060) states that for properties paying metered water charges, for all consumption, the sewer charge shall be based on the amount of such metered water consumption. Therefore, at this time, the Code does not allow for a credit for high water users with less sewer discharge.

To estimate Pepsi's sewer discharge volume, their water use was evaluated. Pepsi has three water meters entering the facility which each serve various functions. The meters and their uses are: Meter #1 on East Carroll Street serves the warehouse and bathrooms; Meter #2 on East Carroll Street serves the office, bathrooms, lunchroom & manufacturing; and Meter #3 on East Locust Street serves manufacturing and recycle of product. The sewer discharges include the industrial discharge, which is regulated by a pre-treatment agreement, and a domestic discharge for the lunchroom and bathrooms. The domestic discharge is not metered, and the domestic uses are not separated by one dedicated water meter.

Pepsi's typical quarterly water use is 8,100,000 gallons, or 88,767 gallons per day (gpd). Pepsi's typical quarterly bill for sewer service is \$35,000. Pepsi treats and discharges an average of 21,400 gpd of industrial wastewater effluent. Not including Pepsi's domestic discharge, only approximately 24% of the water used by Pepsi enters the City's sewer system. Therefore, Pepsi is paying approximately \$26,600 per quarter (\$106,400 per year) for sewage that is not being discharged into the sewer system. (Note: These values are slight overestimates since the domestic discharge is not accounted for.)

### Wastewater Credit Allowances

Public Works staff researched Wastewater Credit Allowances in other municipalities. Typically, municipalities and counties that have Wastewater Credit Allowances place the burden of accurate metering onto the customer, with oversight from the municipality. Baltimore County allows customers who use water in the production of their products, cooling towers, irrigation, boilers, chillers, or other uses to receive a wastewater credit. For boilers, chillers and irrigation, a metered, dedicated process water line is required. For food and beverage processing plants, the production schedules and runs are allowed to be used to determine the volume of product and water discharged in lieu of a meter.

Durham County, North Carolina requires that the customer submit metered proof that more than ten percent of the total annual volume of water consumed is not returned to the county sewer system. Other municipalities, such as Topeka, Kansas, are more vague with the requirement and state that the credit can be given if the amount of water consumed and the amount of wastewater generated are "significantly different."

Public Works staff has identified possible industrial customers in the City of Salisbury that could benefit from a wastewater credit when water use is considered. The purpose of the Wastewater Credit Allowance is to provide financial relief to large, nondomestic water users that discharge significantly less sewage into the City's system. It is not intended to adjust normal residential sewer bills for water losses such as watering landscaping. Therefore, the terms of the Wastewater Credit Allowance should be clearly and narrowly defined.

### Recommendation and City Impact

Attached is a revised Ordinance for consideration to provide for a Wastewater Credit Allowance. The draft ordinance has been reviewed by the City's Attorney's office. We recommend defining specific parameters for eligibility and documentation. Each nondomestic customer that is eligible for the allowance would be responsible for accurately metering to calculate the credit.

Public Works staff estimated the impact of this allowance for this credit based on eight nondomestic users that would be eligible for the allowance. The credit estimates are based on industrial wastewater discharge records and are not based on actual metering of the domestic sewer that discharges to the City's sewer system. Therefore, this is potentially an overestimate on the reduction to the sewer bills. The estimated reduction in sewer bills from eligible nondomestic customers totals approximately \$162,000 annually (or \$40,500 per quarter). For FY14, the estimated reduction in sewer bills based on three quarters of credits for those users most likely to apply for the credit is \$117,000.

Unless you or the Mayor have further questions, please forward a copy of this memo to the City Council.