

TAP PRIVILEGE FEE ASSESSMENT POLICY

The tap privilege fee is based upon the single-family unit as equal to one (1) tap.

Water and wastewater tap privilege fees are set by the Town Council.

Administration

This assessment policy will be administered by the Department of Planning and Community Development subject to the conditions as outlined in this policy.

Definitions

Pre-Purchased Tap Privilege – A customer is guaranteed service, once they have paid in full for a Tap Privilege, at the corresponding capacity associated with that Tap Privilege.

Use of a Tap Privilege – A Tap Privilege shall be deemed to have been used once a water meter has been installed for water or lateral connected for sewer. Once used, the customer will be charged based on consumption, but in no instance less than the minimum monthly bill.

Pre-Purchased Tap Privilege

Possession of Pre-Purchased Tap Privilege prior to November 10, 2009

1. Customers in possession of a pre-purchased tap privilege prior to November 10, 2009 will not have a time limit to use the pre-purchased tap privilege.
2. A reimbursement may be requested by the customer as long as the tap privilege has not been used. A 2% administrative fee based on the tap fee paid will be retained to cover a portion of the costs associated with the reimbursement.

Purchased a Tap Privilege after November 10, 2009

1. Customers who purchase a tap privilege after November 10, 2009 shall have 24 months from the date of purchase to use the tap privilege.
2. During the 24-month period, a reimbursement may be requested by the customer as long as the tap privilege has not been used. A 15% administrative fee based on the tap fee paid will be retained to cover the costs associated with the reimbursement.
3. After the 24-month period, the Town shall have the right to withdraw the tap privilege after giving the customer one (1) month notice. A 15% administrative fee based on the tap fee paid will be retained to cover the costs associated with the reimbursement.
4. During the one (1) month notification period, the customer will be allowed to use the tap privilege if they desire.

New Construction

The tap privilege fee will be based upon the water meter size requested or on the projected monthly consumption as compared to the maximum allowable gallons for each meter size, whichever is determined by the Town to be closest to the actual usage subject to the minimum fee being based on meter size. The Town shall have the right to monitor non-residential monthly consumption for a period of five (5) years from the later of installation of meter, issuance of the occupancy permit or issuance of the zoning permit. Monthly consumption will be reviewed after twelve (12) months of operation and then periodically over the five (5) year period. Should the average monthly consumption over any 12-month period exceed the maximum allowable gallons for the particular meter size, the

supplemental tap fee will equal the difference between the fee for the initial meter size and the fee for the larger meter size which corresponds to the customer's actual use. All calculations will be made at the tap privilege fees in effect on the date of the bill. Should a business change ownership during these first five (5) years of operation, the new business owner and/or property owner will be responsible for the final tap fee adjustment which will be due and payable to the Town within sixty (60) days of written notification to the owner. All users will be assessed one tap for each meter set.
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Tap fees are to be paid in full simultaneous with the issuance of all permits necessary to commence construction. If during construction more meters are required than tap fees were paid, the additional fees must be paid before meters will be installed.

Residential Multi-Family Metering

With mass metering such as an apartment building, a 5/8" tap privilege fee will be assessed for each residential unit within the building, except for apartments meeting the qualifications outlined in the section entitled "Downtown Development Area Apartment Incentive Program" below.

Change of Use / Additions / Alterations

For Changes of Use / Additions / Alterations of an existing building, additional tap fees will be required if the meter size increases or if the projected consumption exceeds the maximum allowable gallons for the existing tap credits. Tap fees will be assessed on the difference between the existing service and the new service requested or if additional meters are requested. If additional tap fees are required, they will be due simultaneous with the issuance of a zoning permit. Five (5) years of monitoring will be performed as with new construction, even if an additional tap fee is not initially required.

If the Change of Use is from an apartment use to a non-residential use and the tap fee associated with the apartment units was purchased as part of the Apartment Incentive Program (AIP) below, an additional tap fee will be calculated by reversing any benefit received from the AIP.

Discount for Existing Dwellings

Existing single-family dwellings with permitted well and/or septic systems may purchase taps at 50% of the prevailing rate.

Tap Credits

Tap credits on existing or demolished buildings will be based on the meter size or on prior taps paid and on record with the Town of Culpeper. There will be no tap credit for buildings demolished before 1968. The burden of proof for prior tap credits will be on the applicant.

Downtown Economic Development Incentive Program

No additional tap fees will be assessed for changes of use of existing buildings or structures within the Community Development Block Grant area. This incentive program applies to existing structures only, applies to all commercial and residential uses allowable under the Town's Zoning Ordinance and expires December 31, 2001.

The utility meters (water, wastewater and electric) must be installed and in service by the expiration date. Following the expiration of this program, tap credits may remain with the property provided there is no change of use. When the existing buildings undergo changes of use, the Town shall reassess the number of taps required using the adopted schedule herein.

Downtown Development Area Apartment Incentive Program (AIP)

Between July 1, 2018 and June 30, 2026, a property owner or developer may request tap fees for apartment housing built within the Downtown Development Area as shown on the map incorporated into this policy. Such fees shall be based on the calculated mass meter size within the Downtown Development Area shown in the Water & Wastewater Tap Privilege Assessment Fees table in this policy, as long as the development meets the following criteria:

1. The apartment complex owner shall be the water and wastewater customer of the Town and a single mass meter will be required. Any sub-metering and fee collection associated with the sub-metering is the sole responsibility of the apartment complex owner.
2. The AIP does not apply when converting a single-family resident to a multi-family resident.
3. All newly constructed structures must be Earth Craft Certified, LEED Certified or its equivalent. Converted space does not require certification but does require the use of low-use water fixtures.
4. The apartment complex owner will be responsible for the cost of all off-site water and wastewater system improvements that may be required to provide service at the sole determination of the Town.
5. For new construction, all of which is for multifamily use, Maximum Allowable Gallons (MAG) will be calculated based on 10,000 gallons per month per apartment dwelling unit.
6. For an existing non-residential customer desiring to convert space to apartment use or construct apartments as an addition to existing structures, the existing non-residential MAG will be calculated based on the highest annual average usage during the previous 5-year period and the residential MAG will be calculated based on 10,000 gallons per month per dwelling unit. The Town reserves the right to require the owner to install a sub-meter to verify non-residential usage remains below the allotted non-residential usage.
7. For a proposed new mixed-use construction, the non-residential MAG will be calculated as described under the New Construction section of this policy, above. The Town retains the right to require the owner to install a sub-meter to verify non-residential usage if the projected monthly usage is uncertain, based on the sole discretion of the Town. The residential (apartment only) MAG will be calculated based on 10,000 gallons per month per dwelling unit.
8. Tap credits for existing or demolished buildings may only be applied when calculating MAG under the AIP if existing Town records clearly document that the tap privilege exists.
9. If the Town has issued tap credits for existing or demolished buildings without Town documentation, such tap credits may not be used in connection with the AIP.
10. The tap fees as calculated under this section must be paid in full on or before June 30, 2026, and all occupancy certificates for affected apartments must be issued on or before June 30, 2027, or the Town will reassess the tap fees without reference to this section.

Tap Privilege Reduction for Age Restricted Residential Housing

Developers of age restricted residential housing may purchase age restricted tap privileges at 50% of the prevailing tap privilege rate and the corresponding maximum allowable gallons shall be reduced by 50%. To qualify for an age restricted tap privilege, a deed restriction must be in place limiting the age of residents in full compliance with federal and state law governing age restricted housing. Additionally, to qualify for an age restricted tap privilege reduction for a water tap privilege, every deed for single family housing (detached dwelling or a building containing not more than 2 dwelling units) shall contain a covenant for the benefit of the Town under which fixed lawn sprinkler systems are prohibited. The current owner of any property subject to an age restricted tap privilege shall pay the Town a supplemental tap privilege payment of 50% of the prevailing rate of a corresponding tap privilege (1) if the age restricted residential housing is no longer in full compliance with federal and state law governing age restricted housing, (2) prior to the deed restriction being removed, (3) upon installation of a fixed lawn sprinkler system, or (4) if at any time the average monthly consumption over any 12 month period exceeds the maximum allowable gallons for the particular meter size. Once the supplemental tap privilege payment is made, the tap privilege shall no longer be considered an age restricted tap privilege.

The tap privilege reduction for age restricted residential housing may not be combined with the Downtown Development Area Apartment Incentive Program.

Tap Privilege Reduction for Certain Accessory Dwelling Units

Property owners who wish to construct an accessory dwelling unit (ADU) on their property may connect the ADU to the Town's water and sewer systems at a rate of half of the adopted tap privilege fee for a 5/8" meter if they submit an application showing that the ADU has been permitted in accordance with Town Code. Unless extended, this policy will expire December 31, 2024.

Miscellaneous

A time and material charge for installation of water service and sewer service to the property will be paid by the owner.

A second meter for a single user may be installed next to the existing water meter for water use only. An additional water tap fee will not be charged, however, a charge for all time and materials; to include the meter and meter box, will be made.

WATER & WASTEWATER TAP PRIVILEGE ASSESSMENT FEES			
	MAXIMUM ALLOWABLE	IN-TOWN FEE & COUNTY WATER & SEWER SERVICE AREA FEE	
METER SIZE	GALLONS	WATER	SEWER
FIVE-EIGHTS (5/8")	10,000	6,500	10,000
ONE INCH (1")	25,000	9,900	12,500
ONE & ONE HALF (1½")	75,000	15,000	20,250
TWO INCH (2")	150,000	30,000	40,500
THREE INCH (3")	225,000	45,000	60,750
FOUR INCH (4")	300,000	60,000	81,000
ABOVE FOUR INCH	-	\$2000 per 10,000 Maximum Allowable Gallons	\$2700 per 10,000 Maximum Allowable Gallons

* Previous tap assessment policy fees were based on categories, usage and square footage.

I, _____, the undersigned, have read and understand the TapPrivilege Fee Assessment Policy.

I understand that water consumption for my business or age restricted housing will be monitored for five (5) years (or indefinitely for age restricted housing); and that payment of additional tap fees may be necessary per the above referenced policy.

Signature of Business Owner or Authorized Agent

Date

Business Owner or Authorized Agent: _____

Address of New business: _____

Business Mailing Address: _____

City/State/Zip: _____

Business Phone: _____

Cc: Planning Dept. & Applicant

Revisions:

12/13/88, 2/14/95, 1/14/97, 10/14/97, 1/11/2000 (Rescinded 2/2000), 1/15/02, 1/14/03 (Effective 2/15/03), 5/11/04, 7/11/06, 8/9/06, 11/10/09, 7/1/11, 7/1/12, 7/12/14, 5/12/15, 5/9/17, 6/12/2018, 3/10/21, 11/9/21