

2022 -- H 7092

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STATE OF RHODE ISLAND

IN GENERAL ASSEMBLY

JANUARY SESSION, A.D. 2022

A N A C T

RELATING TO THE CITY OF WARWICK -- SEWER AUTHORITY

Introduced By: Representatives Solomon, and McNamara

Date Introduced: January 12, 2022

Referred To: House Municipal Government & Housing

It is enacted by the General Assembly as follows:

1 SECTION 1. Unless otherwise amended by this act, the terms, conditions, provisions and
2 definitions of Chapter 254 of the Public Laws of 1962, as amended by Chapters 60 and 61 of the
3 Public Laws of 2016, and Chapters 290 and 307 of the Public Laws of 2019 are hereby incorporated
4 by reference and shall remain in full force and effect.

5 SECTION 2. Section 9 of Chapter 254 of the Public Laws of 1962 entitled "An Act to
6 Create a Sewer Authority for the City of Warwick and to Authorize said City to Plan, Construct,
7 Finance, Operate and Maintain Sewage Works", as amended, by Chapters 60 and 61 of the Public
8 Laws of 2016 and Chapters 290 and 307 of the Public Laws of 2019 is hereby further amended to
9 read as follows:

10 Section 9. Apportionment of costs; sewer assessments and charges; enforcement of charges
11 and assessments. -- The authority, with the advice and consent of the mayor, shall prescribe just
12 and equitable sewer assessment rates on account of the construction costs and the cost of principal
13 and interest for any bonds or notes issued for sewage works, to be levied against owners of parcels
14 abutting on that portion of any highway in which a common sewer is laid under this act and also
15 rates of user charges on account of operation and maintenance costs and renewal and replacement
16 funding and the cost of principal and interest for any bonds or notes issued for sewage works, to be
17 levied against owners of parcels that are connected to a common sewer or in accordance with
18 section 17(b).

19 The assessments herein referred shall be paid by every parcel owner whose parcel abuts on

1 that portion of any highway in which a common sewer is laid, under this act, in a manner prescribed
2 by the authority, with the approval of the mayor and the finance director. The annual user charges
3 herein referred shall be paid by every parcel owner whose parcel is connected to a common sewer,
4 or in accordance with section 17(b), in a manner prescribed by the authority, with the approval of
5 the mayor and the finance director.

6 Notwithstanding the foregoing, the authority may defer sewer assessments against parcels
7 that are undeveloped or not developed to the extent permissible by city zoning ordinances;
8 provided, that the parcels remain subject to assessment upon the development or redevelopment of
9 the parcels in accordance with the authority's rules and regulations. The authority may defer sewer
10 assessments against any parcels, if the owner of a parcel has installed a new OWTS within twenty
11 (20) years of sewer service initially becoming operational, provided that the parcel shall remain
12 subject to assessment and shall begin paying the assessment twenty (20) years from the date of the
13 installation of the OWTS or upon connection to the sewer system, whichever occurs first.

14 The sewer assessments shall be determined by a method(s) adopted by the sewer authority
15 that assesses charges for use of the sewers and the sewer systems in an amount that bears a
16 reasonable relation to the cost of construction to the city and authority of the service rendered to
17 the users, which method(s) may include, but is not limited to, the frontage along the highway of
18 each parcel of land abutting on a common sewer, the area of such land within a fixed depth from
19 the highway, or other alternative methods. The sewer authority, with the advice and consent of the
20 mayor, may, from time to time, redetermine the rates fixed for sewer assessments, if construction
21 costs warrant, and may redetermine rates for user charges if costs so warrant.

22 The sewer assessments herein referred to shall be paid by every parcel owner whose parcel
23 is abutting on that portion of any highway in which a common sewer is laid under this act or is
24 connected to the city's sewage works.

25 Sewer assessments levied hereunder shall be paid in as many as thirty (30) annual
26 installments in accordance with the terms of the loan secured for sewer construction. ~~In the case of~~
27 ~~installment payments, at a simple interest at a rate not to exceed a maximum rate of one and twenty-~~
28 ~~five hundredths percent (1.25%) above the average interest rate the authority is charged on the loan~~
29 ~~used to fund the construction of the sewers shall be charged annually on the unpaid balance of the~~
30 ~~total sewer assessment.~~ The city of Warwick may charge the owners of lands using the sewage
31 works monetary interest charges in excess of those interest charges actually paid by the city for the
32 funds it has borrowed for sewage works' purposes, up to a maximum of one-half of one percent
33 (.5%) of the interest charges paid by the city. The excess interest charges shall only be used for
34 administrative purposes. These annual installment payments may be paid on a quarterly basis.

1 Sewer assessments shall be levied at a uniform rate based upon the final cost of
2 constructing all sewers, sewer service connections, and other sewage works belonging to the city.
3 Sewer assessment revenues shall be used for the payment of the principal and interest costs for any
4 bonds or notes issued for sewage works.

5 User charges shall be levied upon every parcel owner or institution whose parcel is
6 connected to the city's sewage system. The charge shall be computed as annual rates based upon
7 water consumption or other factors deemed equitable by the sewer authority. The user charge shall
8 be set at a level sufficient to support operation and maintenance costs of the sewer system and the
9 wastewater treatment plant, the renewal and replacement fund, and the principal and interest for
10 any bonds or notes issued for sewage works. The revenues to be raised by user charges will be
11 reduced by revenues generated by sewer assessments.

12 The authority shall annually certify to the finance director and to the mayor all the charges
13 and sewer assessments made by it under the authority of this act. Each charge or assessment made
14 by the authority pursuant to this act shall be a lien upon the parcels, lands, buildings, and
15 improvements upon which it is made in the same way and manner as taxes assessed on real estate,
16 but the liens shall not expire until the charge or assessment, with all interest, costs, and penalties
17 thereon, is paid in full, and, if the charge or assessment is not paid as required, it shall be collected
18 in the same manner that taxes assessed on real estate are by law collected. The finance director,
19 after receiving a list of charges or assessments under this act, shall forthwith, at the expense of the
20 authority, send to each person assessed or charged notice of the amount of the assessment or charge.
21 The notice shall substantially identify the person assessed, state the amount of the assessment or
22 charge, and refer to the remedy available under section 19 of this act. The notice shall be mailed
23 postpaid and directed to the last known address of the person assessed. If there are persons whose
24 addresses are unknown, a similar notice covering the assessments against the persons shall be
25 published in a newspaper of general circulation in the city and the published notice may be a single
26 collective notice for all the persons. No irregularity in the notice required by this section shall
27 excuse the nonpayment of the assessment or charge or affect its validity or any proceedings for the
28 collection thereof as long as there is substantial compliance with the provision hereof. No
29 deficiency in the notice to the person assessed shall excuse the nonpayment by others of the
30 assessment or charges assessed against them or affect the validity thereof or any proceedings for
31 the collection thereof. The finance director shall without further warrant collect the charges and
32 assessments in the same manner as the regular taxes of the city may be payable. Interest at the rate
33 per annum fixed for nonpayment of city taxes shall be charged and collected upon all overdue
34 charges and assessments from the date they become payable until paid; provided, however, that the

1 total overdue charge for non-payment of installment of sewer assessments shall be applied to past
2 due installments and not the total assessment; and provided, further, that there shall be no penalty
3 on installment assessments deferred by reason of income subject to rules and regulations that the
4 Warwick city council may prescribe by ordinance.

5 The authority with the advice and consent of the mayor may at any time modify in whole
6 or in part any charge or assessment to the extent the authority determines the charge or assessment
7 to have been improperly imposed.

8 SECTION 3. This act shall take effect upon passage and the sewer authority shall adopt
9 rules and regulations within one year thereafter to implement the provisions of this act.

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EXPLANATION
BY THE LEGISLATIVE COUNCIL
OF
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RELATING TO THE CITY OF WARWICK -- SEWER AUTHORITY

1 This act would amend the authority of the Warwick Sewer Authority to charge excess
2 interest at a rate not to exceed a current maximum rate up to one and twenty-five hundredths percent
3 (1.25%) by reducing the maximum rate to one-half of one percent (.5%) with the amount collected
4 only for use for administrative purposes.

5 This act would take effect upon passage and require the Warwick Sewer Authority to adopt
6 rules and regulations within one year thereafter to implement the provisions of this act.

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