

## Authorities

Hampton Roads Sanitation District Commission

## History

1934 Acts of Assembly, c. 244, as Hampton Roads Sewage Disposal Commission; repealed 1938, c. 334; 1940, c. 407.

1936 Acts of Assembly, c. 353; repealed 1938, c. 334; 1940, c. 407.

1938 Acts of Assembly, c. 334, as Hampton Roads Sanitation Commission; repealed 1940, c. 407.

1940 Acts of Assembly, c. 407; amended 1946, c. 353 (§ 4-b [added]) and 1956, c. 471 (§ 4); repealed 1960, c. 66.

## Current

1960 Acts of Assembly, c. 66.

## Amendments

1962, c. 584 (§ 11)

1964, c. 520 (§ 45)

1974, c. 112 (§ 2)

1976, c. 637 (§ 2)

1977, c. 271 (§ 20 [repealed])

1987, c. 30 (§ 2)

1989, c. 350 (§ 2)

1990, c. 153 (§ 10)

1998, c. [210](#) (§§ 1, 2)

2004, c. [120](#) (§§ 1 through 6, 10, 11, 13, 22, 32, 45, 48, 49)

2008, c. [574](#) (§§ 8, 29, 35, 45)

2012, c. [724](#) (§§ 4, 8, 9, 10, 12, 13, 21)

2017, c. [218](#) (§§ 1, 2)

2021 Special Session I, c. [428](#) (§§ 1, 2, 8, 10, 11, 12, 21, 22, 25, 26, 28, 31, 32, 35, 38)

Editor's note: Chapter 724 of the Acts of Assembly of 2012 cites § 40 among amended sections, but Senate amendments to the introduced bill removed all changes to § 40, which was not dropped from the bill before

enactment.

§ 1. The creation of the Hampton Roads Sanitation District is hereby ratified, validated and confirmed, and said District shall embrace all the territory within the Cities of Chesapeake, Hampton, Newport News, Norfolk, Poquoson, Portsmouth, Suffolk, Virginia Beach, and Williamsburg; the Counties of Accomack, Gloucester, Isle of Wight, James City, King and Queen, King William, Mathews, Middlesex, Northampton and York; and the County of Surry, excluding the Town of Claremont. Territory may be added to the District as hereinafter provided in this act.

For the purpose of this section, the territory of a county included within the District shall include all the territory lying within the boundaries of any town in the county unless otherwise specified.

Said District shall constitute a political subdivision of the Commonwealth established as a governmental instrumentality to provide for the public health and welfare. (1960, c. 66; 1998, c. 210; 2004, c. 120; 2017, c. 218; 2021 Special Session I, c. 428)

Editor's note to § 1: For Portsmouth, see 1948, c. 10; 1987, c. 57.

§ 2. The functions, affairs and property of the Hampton Roads Sanitation District shall be managed and controlled by a commission, known as the "Hampton Roads Sanitation District Commission," consisting of eight members appointed by the Governor. The Commission and the term of each such member shall continue until his successor shall be duly appointed and qualified. The successor of each such member shall be appointed for a term of four years and until his successor shall be duly appointed and qualified, except that any person appointed to fill a vacancy shall serve only for the unexpired term. Any member of the Commission shall be eligible for reappointment without limitation as to the number of terms that may be served. Members of the Commission may be suspended or removed by the Governor at his pleasure.

At the time of their appointment, one of the members of the Commission, and each of his successors, shall be residents of the territory in the District within the City of Norfolk; one of the members, and each of his successors, shall be residents of the territory in the District within the City of Virginia Beach; one of the members, and each of his successors, shall be residents of the territory in the District within the City of Newport News or the City of Williamsburg or James City County; one of the members, and each of his successors, shall be residents of the territory in the District within the City of Hampton or the City of Poquoson or York County; one of the members, and each of his successors, shall be residents of the territory in the District within the City of Chesapeake; one of the members, and each of his successors, shall be residents of the territory in the District within the City of Suffolk or Isle of Wight County or Surry County; one of the members, and each of his successors, shall be residents of the territory in the District within Accomack County or Northampton County or Gloucester County or King William County or Mathews County or Middlesex County or King and Queen County; and one of the members, and each of his successors, shall be residents of the territory in the District within the City of Portsmouth. Any member who shall cease to reside within the territory from which he was appointed shall thereupon be disqualified from holding office as a member of the Commission and the vacancy thus created shall be filled by appointment by the Governor for the balance of the unexpired term. (1960, c. 66; 1974, c. 112; 1976, c. 637; 1987, c. 30; 1989, c. 350; 1998, c. 210; 2004, c. 120; 2017, c. 218; 2021 Special Session I, c. 428)

§ 3. The Commission shall annually elect one of its members as chairman and another as vice chairman. The Commission shall appoint a secretary, who may or may not be a member of the Commission, and a treasurer,

who shall not be a member of the Commission. The compensation of the secretary and of the treasurer shall be fixed by the Commission. The secretary and the treasurer shall serve at the pleasure of the Commission.

The secretary shall keep a record of the proceedings of the Commission and shall be custodian of all books, documents and papers filed with the Commission and of the minute book or journal of the Commission and of its official seal. He shall have authority to cause copies to be made of all minutes and other records and documents of the Commission and to give certificates under the official seal of the Commission to the effect that such copies are true copies, and all persons dealing with the Commission may rely upon such certificates.

Four members of the Commission shall constitute a quorum and the affirmative vote of four members shall be necessary for any action taken by the Commission. No vacancy in the membership of the Commission shall impair the right of a quorum to exercise all the rights and perform all the duties of the Commission. (1960, c. 66; 2004, c. 120)

§ 4. Each member of the Commission shall, before entering upon the discharge of his duties, take and subscribe the oath of office required by Article II, § 7, Constitution of Virginia (1971). Each such Commissioner shall be covered by a public official's liability policy in the amount of at least \$1,000,000. The premium of such insurance policies shall be paid by the Commission. (1960, c. 66; 2004, c. 120; 2012, c. 724)

§ 5. The members of the Commission shall receive no salary, but shall be paid their necessary traveling and other expenses incurred in attendance upon meetings of the Commission or while otherwise engaged in the discharge of their duties and the same sum per diem for each day or portion thereof in which they are engaged in the performance of such duties as is paid the members of the Commonwealth Transportation Board. (1960, c. 66; 2004, c. 120)

§ 6. Regular meetings of the Commission shall be held at least once every month at such time and place as the Commission shall from time to time prescribe. Special meetings of the Commission shall be held upon such notice as required by the Virginia Freedom of Information Act. (1960, c. 66; 2004, c. 120)

§ 7. All bonds heretofore issued by the Commission which are now outstanding are hereby ratified, validated and confirmed, and all acts and proceedings heretofore taken in connection with the authorization and issuance of said bonds are hereby ratified, validated and confirmed and said bonds shall constitute valid obligations of the District. (1960, c. 66)

§ 8. As used in this act, the following words and terms shall have the following meanings, unless the context shall indicate another or different meaning or intent:

- (a) The word "District" means the Hampton Roads Sanitation District hereinabove mentioned.
- (b) The word "Commission" means the Hampton Roads Sanitation District Commission hereinabove mentioned, or if said Commission shall be abolished, the board, body, commission or agency succeeding to the principal functions thereof or upon whom the powers given by this act to said Commission shall be conferred by law.
- (c) The word "sewage" means the water-carried wastes created in and carried, or to be carried, away from residences, hotels, schools, hospitals, industrial establishments, commercial establishments or any other private or public building, together with such industrial wastes as may be present.
- (d) The term "industrial wastes" means liquid or other wastes resulting from any processes of industry, manufacture, trade or business or from the development of any natural resource.

(e) The term "sewage disposal system" means and shall include any plant, system, facility or property used or useful or having the present capacity for future use in connection with the collection, treatment, purification, reclamation or disposal of sewage, including industrial wastes, or any integral part thereof, and, without limiting the generality of the foregoing definition, shall embrace treatment plants, pumping stations, storage tanks, intercepting sewers, force mains, gravity mains, laterals, reclaimed water distribution lines, wells, nutrient removal and/or recovery facilities, energy recovery and green energy facilities, and all necessary appurtenances and equipment, and shall include all lands, property, rights, rights-of-way, easements and franchises relating to any such system and deemed necessary or convenient for the operation thereof.

(f) The term "sewer improvements" shall embrace sewer mains, storage tanks and laterals for the reception of sewage from premises connected therewith and carrying such sewage to a sewage disposal system.

(g) The term "sewerage system" shall embrace sewage disposal systems, sewer improvements and all other real and personal property operated by the Commission for the purposes of this act.

(h) The word "cost," as applied to a sewage disposal system or to extensions or additions thereto or to sewer improvements shall include the cost of construction, the cost of all labor, materials, machinery and equipment, the cost of all lands, property, rights, rights-of-way, easements and franchises acquired, financing charges, interest prior to and during construction and, if deemed advisable by the Commission, for one year after completion of construction, cost of plans and specifications, surveys and estimates of cost and of revenues, cost of engineering and legal services, provisions for working capital and a reserve for interest, and all other expenses necessary or incident to determining the feasibility or practicability of such construction, administrative expense and such other expenses as may be necessary or incident to the financing herein authorized.

(i) The word "owner" shall include all individuals, copartnerships, limited liability companies, associations and corporations and also counties, cities, towns and other political subdivisions and all public agencies and instrumentalities.

(j) The word "bonds" or the words "revenue bonds" shall embrace revenue bonds, notes and other obligations of the District issued under the provisions of this act.

(k) The word "pollution" means the condition of water resulting directly or indirectly from any of the following acts:

- (1) contaminating such water;
- (2) rendering such water unclean or impure;
- (3) rendering such water injurious to public health, or unfit for public use;
- (4) rendering such water harmful for cattle, stock or other animals;
- (5) rendering such water deleterious to, or unfit for, fish or shellfish, or fish or shellfish propagation, or aquatic animals, or plant life in such water;
- (6) rendering such water unfit for commercial use; or
- (7) rendering such water harmful to fish or shellfish used for human consumption.

(l) The term "associated water system" means and shall include any plant, system, facility or property used or useful or having the present capacity for future use in connection with the treatment, purification or distribution of potable drinking water serving no more than 1,000 premises connected to a sewage disposal system and all necessary appurtenances and equipment, and shall include all lands, property, rights, rights-of-way, easements and franchises relating to any such system and deemed necessary or convenient for the operation thereof. (1960, c. 66; 2008, c. 574; 2012, c. 724; 2021 Special Session I, c. 428)

§ 9. Revenue bonds issued under the provisions of this act shall not be deemed to constitute a debt of the Commonwealth of Virginia or of any county, city, town or political subdivision thereof, or a pledge of the faith and credit of the Commonwealth or of any county, city, town or political subdivision thereof, but such bonds shall be payable solely from the funds herein provided therefor from revenues. The issuance of revenue bonds under the provisions of this act shall not directly or indirectly or contingently obligate the Commonwealth or any county, city, town or political subdivision thereof to levy or to pledge any form of taxation whatever therefor. The text of such revenue bonds shall contain a statement substantially to the foregoing effect.

All expenses incurred in carrying out the provisions of this act shall be payable solely from funds provided under the provisions of this act and no liability or obligation shall be incurred by the Commission hereunder beyond the extent to which moneys shall have been provided under the provisions of this act. (1960, c. 66; 2012, c. 724)

§ 10. The Commission is hereby authorized and empowered:

- (a) to adopt bylaws and to make rules and regulations for the management of its affairs and the conduct of its business;
- (b) to adopt an official seal and alter the same at pleasure;
- (c) to sue and to be sued;
- (d) to construct, and to improve, extend, enlarge, reconstruct, maintain, equip, repair and operate a sewage disposal system or systems with or without associated water systems, either within or without or partly within and partly without the corporate limits of the District, and to construct sewer improvements within the corporate limits of the District;
- (e) to issue revenue bonds, notes or other obligations of the District for any of its authorized purposes, payable solely from the special funds provided under the authority of this act and pledged for their payment, all as provided in this act;
- (f) to fix and collect rates, fees and other charges for the services and facilities furnished by any such sewage disposal system or sewer improvements or associated water systems, and to fix and collect charges for making connections with any such system or improvements;
- (g) to acquire in the name of the District, either by purchase, lease, grant, or the exercise of the right of eminent domain, such lands, structures, property, rights, rights-of-way, easements, franchises and other interests in or relating to lands, including lands under water and riparian rights, and to acquire such personal property, as it may deem necessary in connection with the construction, improvement, extension, enlargement or operation of any sewage disposal system or sewer improvements or associated water systems, and to hold and dispose of all real and personal property under its control;

- (h) to employ, in its discretion, consulting engineers, attorneys, accountants, construction and financial experts, managers, and such other officers, employees and agents as may be necessary in its judgment, and to fix their compensation;
- (i) to exercise jurisdiction, control and supervision over any sewage disposal system or systems or sewer improvements or associated water systems operated or maintained by the Commission and to make and enforce such rules and regulations for the maintenance and operation of any such sewage disposal system or systems or sewer improvements or associated water systems as may, in the judgment of the Commission, be necessary or desirable for the efficient operation of any such system or improvements and for accomplishing the purposes of this act;
- (j) to enter on any lands, water or premises located within or without the District to make surveys, borings, soundings or examinations for the purposes of this act;
- (k) to construct and operate trunk, intercepting or outlet sewers, sewer mains, laterals, conduits or pipelines in, along or under any streets, alleys, highways or other public places within or without the District; in so constructing its facilities, it shall see that the public use of such streets, alleys, highways, and other public places is not unnecessarily interrupted or interfered with and that such streets, alleys, highways and other public places are restored to their former usefulness and condition within a reasonable time; to this end the Commission shall cooperate with the Commonwealth Transportation Board and the appropriate officers of the respective counties, cities and towns having an interest in such matters;
- (l) to restrain, enjoin or otherwise prevent any county, city, town or political subdivision and any person or corporation, public or private, from discharging into any waters within the District, any sewage, industrial wastes or other refuse which would contribute or tend to contribute to the pollution of such waters, and to restrain, enjoin or otherwise prevent the violation of any provision of this act or of any resolution, rule or regulation adopted pursuant to the powers granted by this act;
- (m) to use and connect with any sewage disposal system or sewer improvement within the District and, if deemed necessary by the Commission to close off and seal any outlets and outfalls therefrom;
- (n) subject to such provisions and restrictions as may be set forth in the resolution authorizing any revenue bonds or in the trust agreement hereinafter mentioned securing the same, to enter into contracts with the United States of America or any agency or instrumentality thereof, or with any county, city, town or political subdivision or any sanitary district, private corporation, copartnership, association or individual providing for or relating to the treatment and disposal of sewage;
- (o) to receive and accept from the United States of America or any agency or instrumentality thereof grants for or in aid of the planning, construction or financing of any sewage disposal system or sewer improvements or associated water systems, and to receive and accept contributions from any source of either money, property, labor or other things of value, to be held, used and applied only for the purposes for which such grants and contributions may be made;
- (p) to make and enter into all contracts and agreements necessary or incidental to the performance of its duties and the execution of its powers under this act;
- (q) to do and perform any acts and things authorized by this act under, through or by means of its own officers, agents and employees, or by contracts with any persons;



(r) to execute any and all instruments and do and perform any and all acts or things necessary , convenient or desirable for the purposes of the Commission or to carry out the powers expressly given in this act; and

(s) to seek civil penalties or civil charges against owners who have been charged with violation of or found to be in violation of the pretreatment standards incorporated in the permit or other requirements of the District's approved industrial waste control program. The penalties which the District may seek, and the procedures to be followed by the District, shall be the same as those set forth for the State Water Control Board, as set forth in § 62.1-44.32 of the Code of Virginia.

1. For purposes of this subsection, the term "owner" shall include the definition contained in subsection (i) of § 8 and, in addition, any corporate officer designated in the permit issued by the District, if any.

2. With the consent of any owner who has violated a provision of this subsection, or is charged by the District with having violated the provision of this subsection, the District may provide, in an order issued by it against such owner, for the payment of civil charges for such violations in specific sums not to exceed those set forth in § 62.1-44.32 of the Code of Virginia for each violation. Each day of violation shall constitute a separate offense. Such civil charges shall be instead of any appropriate civil or criminal penalty imposed under the provisions of this subsection. (1960, c. 66; 1990, c. 153; 2004, c. 120; 2012, c. 724; 2021 Special Session I, c. 428)

§ 11. (a) The Commission is hereby authorized and empowered to acquire by purchase, lease, grant or conveyance such lands, structures, property, rights, rights-of-way, easements, franchises and other interests in or relating to lands, including lands lying under water and riparian rights, as it may deem necessary or convenient for the construction and operation of any sewage disposal system or sewer improvements or associated water systems, upon such terms and at such prices as may be considered by it to be reasonable and can be agreed upon between it and the owner thereof.

All public agencies and commissions of the Commonwealth with the approval of the Governor and all counties, cities, towns and political subdivisions, notwithstanding any contrary provision of law, are hereby authorized and empowered to lease, lend, grant or convey to the District at the request of the Commission upon such terms and conditions as may be mutually agreed upon, without the necessity for any advertisement, order of court or other action or formality, any real property which may be necessary or convenient to the effectuation of the authorized purposes of the Commission, including public highways and other real property already devoted to public use.

(b) The Commission is also hereby authorized and empowered to acquire by condemnation or eminent domain such lands, structures, property rights, rights-of-way, easements, franchises and other interests in or relating to lands, including lands lying under water and riparian rights, deemed necessary or convenient for the construction and operation of any sewage disposal system or sewer improvements or associated water systems. The powers of condemnation or eminent domain conferred on the Commission by this act shall be exercised by the Commission pursuant to the provisions of Title 25.1, Chapter 1 through 4, inclusive, of the Code of Virginia, 1950, as now enacted or as hereafter amended or reenacted, provided, however, that the Commission may proceed (i) for the procurement of lands, structures, property rights, rights-of-way, easements, franchises and other interests in or relating to lands contiguous to the site of an existing sewage disposal system for construction and operation of an expanded sewage disposal system to meet new regulatory requirements, including nutrient removal technology classified under § 10.1-2131 of the Code of Virginia, 1950, as eligible for partial grant funding from the Virginia Department of Environmental Quality, without regard to the provisions of §§ 15.2-4313 and 25.1-106 of the Code of Virginia, 1950, as enacted or as hereafter amended or reenacted, when such expansion is to be funded in part or in whole by issuance of revenue bonds payable from the revenues of the District provided under this act, and (ii) pursuant to the provisions of Article 1 (§ 33.2-1000 et seq.) of Chapter

10 of Title 33.2 of the Code of Virginia, 1950, as enacted or as hereafter amended or reenacted, for the procurement of rights-of-way for sewer lines and sites for pumping stations.

(c) Title to any property acquired by the Commission shall be taken in the name of the District.

(d) The Commonwealth with the approval of the Governor hereby consents to the use of any lands or property owned by the Commonwealth including lands lying under water, which are deemed by the Commission to be necessary for the construction or operation of any sewage disposal system or sewer improvements or associated water systems. (1960, c. 66; 1962, c. 584; 2004, c. 120; 2021 Special Session I, c. 428)

§ 12. The Commission is hereby authorized to provide by resolution for the issuance, at one time or from time to time, of revenue bonds of the District for any one or more of the following purposes:

(a) refunding any bonds heretofore issued by the Commission and any revenue bonds, notes and other obligations issued under the provisions of this act and then outstanding, including the payment of any redemption premium thereon and any interest accrued or to accrue to the date of redemption thereof; provided, however, that no bonds issued after the effective date of this act shall be refunded at a net interest cost exceeding that of such bonds to be refunded unless, prior to the issuance of such refunding bonds, the Commission shall have determined that the issuance of such refunding bonds will be in the best interests of the District,

(b) paying the cost of a sewage disposal system or systems or associated water system,

(c) paying the cost of extensions and additions thereto, and

(d) paying the cost of sewer or water improvements. (1960, c. 66; 2012, c. 724; 2021 Special Session I, c. 428)

§ 13. The principal of and the interest on revenue bonds issued under the provisions of this act shall be payable solely from the funds therein provided for such payment. The bonds of each issue shall be dated, shall mature at such time or times not exceeding 40 years from their date or dates, as may be determined by the Commission, shall bear interest at such time or times and at such rate or rates as may be determined by the Commission, and may be made redeemable before maturity, at the option of the Commission, at such price or prices and under such terms and conditions as may be fixed by the Commission prior to the issuance of the bonds. The Commission shall determine the form and the manner of execution of the bonds, including any interest coupons to be attached thereto, and shall fix the denomination or denominations of the bonds and the place or places of payment of principal and interest, which may be at any bank or trust company within or without the Commonwealth. In case any officer whose signature or a facsimile of whose signature shall appear on any bonds or coupons shall cease to be such officer before the delivery of such bonds, such signature or such facsimile shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and any bond may bear the facsimile signature of, or may be signed by, such person or persons as at the actual time of the execution of such bond shall be the proper officer or officers to sign such bond although at the date of such bond such person or persons may not have been such officer or officers. The bonds may be issued in coupon or in registered form, or both, as the Commission may determine, and provision may be made for the registration of any coupon bonds as to principal alone and also as to both principal and interest, for the reconversion into coupon bonds of any bonds registered as to both principal and interest, and for the interchange of registered and coupon bonds. The Commission may sell such bonds in such manner, either at public or private sale, and for such price, as it may determine to be for the best interests of the District. (1960, c. 66; 2004, c. 120; 2012, c. 724)



§ 14. The proceeds of the bonds shall be disbursed in such manner and under such restrictions, if any, as the Commission may provide in the resolution authorizing the issuance of such bonds or in the trust agreement hereinafter mentioned securing the same. Such resolution or trust agreement may also contain such limitations upon the issuance of additional revenue bonds, and such provisions for accelerating the maturities of the bonds in the event of a default and for amending or supplementing such resolution or trust agreement, as the Commission may deem proper. (1960, c. 66)

§ 15. Prior to the preparation of definitive bonds, the Commission may, under like restrictions, issue interim receipts or temporary bonds, with or without coupons, exchangeable for definitive bonds when such bonds shall have been executed and are available for delivery. The Commission may also provide for the replacement of any bonds which shall become mutilated or shall be destroyed or lost. (1960, c. 66)

§ 16. Except as hereinafter provided in this act, bonds may be issued under the provisions of this act without obtaining the consent or approval of any department, division, commission, board, bureau or agency of the Commonwealth or of any district or other political subdivision of the Commonwealth, and without any other proceedings or the happening of any other conditions or things than those proceedings, conditions or things which are specifically required by this act. (1960, c. 66)

§ 17. It shall not be necessary to secure the approval by a majority vote of the qualified voters of the District voting in an election on the question of the issuance of any of such revenue bonds, and none of the limitations, restrictions or conditions which are contained in any other law on the amount of bonds or the manner of issuing bonds shall be applicable to revenue bonds issued under the provisions of this act. (1960, c. 66)

§ 18. Neither the members of the Commission nor any person executing any bonds or temporary bonds shall be liable personally on the bonds or temporary bonds or be subject to any personal liability or accountability by reason of the issuance thereof. (1960, c. 66)

§ 19. In addition to all other powers granted to the Commission by this act, the Commission is hereby authorized and empowered to provide for the issuance at one time or from time to time of notes or other obligations of the District, payable solely from revenues or other funds of the District, for any of its authorized purposes. All the provisions of this act which relate to bonds or revenue bonds shall apply to such notes or other obligations in so far as such provisions may be appropriate. (1960, c. 66)

§ 20. The issuance of bonds, secured by a trust agreement under the provisions of this act shall be subject to the approval of the State Corporation Commission. If the State Corporation Commission shall not enter an order approving or disapproving the issuance of such bonds within sixty days after the Commission shall have filed the resolution authorizing the issuance of such bonds or the trust agreement hereinafter mentioned securing the same with the State Corporation Commission, the issuance of the bonds shall be deemed to have been approved by the State Corporation Commission for the purpose of this paragraph. If the State Corporation Commission shall enter an order within such sixty day period disapproving the issuance of such bonds, the Commission may at any time thereafter file a new or revised resolution or trust agreement for the purpose of securing the approval of the State Corporation Commission of the new or revised bonds of the District. (1960, c. 66)

§ 21. In the discretion of the Commission the revenue bonds of any issue may be secured by a trust agreement by and between the Commission and a corporate trustee, which may be any trust company or bank having the powers of a trust company within or without the Commonwealth. Any such trust agreement or the resolution providing for the issuance of such bonds may pledge or assign the revenues to be received, but shall not convey or mortgage any sewage disposal system or sewer improvements or associated water systems or any part thereof.

Any such trust agreement or resolution providing for the issuance of such bonds may contain such provisions for protecting and enforcing the rights and remedies of the bondholders as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the Commission in relation to the acquisition of property and the construction, improvement, extension, enlargement, reconstruction, maintenance, equipment, repair, operation and insurance of the properties of the District, and the custody, safeguarding and application of all moneys. Any such trust agreement may provide for or permit the issuance of additional bonds from time to time for the further extension of the sewerage system. If the Commission issues bonds that may be tendered for purchase by the holders thereof, any such trust agreement may provide that, for all purposes of the laws of the Commonwealth, the indebtedness of the District evidenced by such bonds shall not be deemed extinguished upon the purchase thereof by the District unless such bonds are delivered by the District to the trustee under such trust agreement with written instructions to cancel such bonds. It shall be lawful for any bank or trust company incorporated under the laws of the Commonwealth which may act as depositary of the proceeds of bonds or of revenues to furnish such indemnifying bonds or to pledge such securities as may be required by the Commission. Any such trust agreement may set forth the rights and remedies of the bondholders and of the trustee, and may restrict the individual right of action by bondholders. In addition to the foregoing, any such trust agreement or resolution may contain such other provisions as the Commission may deem reasonable and proper for the security of the bondholders. All expenses incurred in carrying out the provisions of any such trust agreement or resolution may be treated as a part of the cost of operation.

No such trust agreement or resolution need be filed or recorded except in the records of the Commission. (1960, c. 66; 2012, c. [724](#); 2021 Special Session I, c. [428](#))

§ 22. The Commission may, in the resolution providing for the issuance of revenue bonds or in the trust agreement securing the same, covenant to fix the rates, fees and other charges for the use of, and for the services and facilities furnished or to be furnished by, the sewage disposal system or systems and the sewer improvements, or associated water systems if any, for which such bonds are to be issued, to be paid by the owner, tenant or occupant of each lot or parcel of land which may be connected with or may use any such sewage disposal system or sewer improvements or associated water systems. The Commission may revise such rates, fees and charges from time to time. Such rates, fees and charges shall be so fixed and revised as to provide funds, with other funds available for such purposes, sufficient at all times (a) to pay the cost of maintaining, repairing and operating such sewage disposal system or systems or associated water system and such sewer improvements, if any, including reserves for such purpose and for renewals and replacements and necessary extensions and additions to the sewerage system or associated water systems, (b) to pay the principal of and the interest on such revenue bonds as the same shall become due and to provide reserves therefor, (c) to pay costs associated with a customer assistance program, and (d) to provide a margin of safety for making such payments. The Commission shall charge and collect the rates, fees and charges so fixed or revised, and, except as hereinafter provided in this act, such rates, fees and charges shall not be subject to supervision or regulation by any department, division, commission, board, bureau or agency of the Commonwealth or of any district or other political subdivision of the Commonwealth.

Such rates, fees and charges shall be just and equitable and may be based or computed either upon the quantity of water used or upon the number and size of sewer connections or upon the number and kind of plumbing fixtures in use in the premises connected with the sewerage system or upon the number or average number of persons residing or working in or otherwise connected with such premises or upon the type or character of such premises or upon any other factor affecting the use of the facilities furnished or upon household income for households at or below 200 percent of the federal poverty level or upon any combination of the foregoing factors or as a constant rate based upon average winter water usage in premises of similar character. Charges for

services to premises, including services to manufacturing and industrial plants, obtaining all or a part of their water supply from sources other than a public water system may be determined by gauging or metering at the expense of the owner, tenant or occupant of such premises or in any other manner as directed and approved by the Commission. Premises not discharging the entire volume of water into the sanitary sewers may be allowed a reduction in the charges provided the customer installs facilities, in a manner satisfactory to the Commission, for measuring the volume either discharged or not discharged into the sanitary sewers in lieu of a constant rate as described herein.

The Commission shall fix and determine the time or times when and the place or places where such rates, fees and charges shall be due and payable and may require that such rates, fees and charges shall be paid in advance for periods of not more than six months. A copy of the schedules of all rates, fees and charges in effect shall at all times be kept on file at the principal office of the Commission, and such schedules shall at all reasonable times be open to public inspection.

In cases where the character of the sewage from any manufacturing or industrial plant, building or premises is such that it imposes an unreasonable burden upon any sewage disposal system, an additional charge may be made therefor, or the Commission may, if it deems it advisable, compel such manufacturing or industrial plant, building or premises to treat such sewage in such manner as shall be specified by the Commission before discharging such sewage, into the sewerage system or prohibit the discharge, directly or indirectly, of such sewage into the sewerage system. (1960, c. 66; 2004, c. 120; 2021 Special Session I, c. 428)

§ 23. Before any revision of the present schedule of rates, fees and charges shall become effective the Commission shall publish a copy thereof for four consecutive weeks in a newspaper of general circulation within the District. If, on or before the last publication, the governing body of any city or county constituting a part of the District or five hundred or more qualified voters residing within the District shall file a petition with the State Corporation Commission complaining of the proposed revision, the State Corporation Commission may by order suspend the placing in effect of such revision for a period not exceeding sixty days from the filing of any such petition during which time it shall investigate whether such revision is just and equitable and in accordance with the provisions of this act. If the State Corporation Commission shall not enter an order suspending, approving or disapproving such revision within sixty days from the filing of any such petition, such revision shall be deemed to be in effect. The Commission or the party or parties filing a petition may appeal to the Supreme Court of Appeals from any such order as may be entered by the State Corporation Commission in the manner provided by law. (1960, c. 66)

§ 24. The owner, tenant, or occupant of each lot or parcel of land within the District which abuts upon a street or other public way containing a sanitary sewer served or which may be served by a sewage disposal system of the District and upon which lot or parcel a building shall have been constructed for residential, commercial or industrial use, shall, if so required by such reasonable rules and regulations as shall be promulgated by the Commission, connect such building with such sanitary sewer, and shall cease to use any other method for the disposal of sewage, sewage waste or other polluting matter. All such connections shall be made in accordance with rules and regulations which shall be adopted from time to time by the Commission, which rules and regulations may provide for a charge for making any such connection in such reasonable amount as the Commission may fix and establish. (1960, c. 66)

§ 25. In the event that the rates, fees or charges charged by the Commission for the services and facilities of any sewage disposal system or sewer improvements or associated water systems by or in connection with any real estate or other property served shall not be paid as and when due, the owner, tenant or occupant, as the case may be, of such property shall, until such rates, fees and charges shall be paid, cease to dispose of sewage or

industrial wastes originating from or on such property by discharge thereof directly or indirectly into the sewerage system, and if such owner, tenant or occupant shall not cease such disposal within two months thereafter, it shall be the duty of each county, city, town or other public corporation, board or body, private corporation or person supplying water to or selling water for use on, such property, within five days after receipt of notice of such facts from the Commission to cease supplying water to, and selling water for use on, such property. If such county, city, town or other public corporation, board or body, private corporation or person shall not within such time cease supplying water to, and selling water for use on, such property, the Commission may shut off the supply of water to such property and may disconnect such property from such sewage disposal system or sewer improvements or associated water systems, and for such purposes may enter on any lands, waters and premises of such county, city, town or other public corporation, board or body, private corporation or person.

If any rates, fees or charges for the services and facilities furnished by any sewage disposal system or sewer improvements or associated water systems of the District shall not be paid within thirty days after the same shall become due and payable, the Commission may at the expiration of such thirty day period proceed to recover the amount of any such delinquent rates, fees or charges by any action, suit or proceeding permitted by law or in equity. (1960, c. 66; 2021 Special Session I, c. 428)

§ 26. The Commission shall keep and preserve a complete register, or registers, open to public inspection, of all rates, fees and charges which have been charged by the Commission to the owners, tenants or occupants of any real estate for the use and services of any sewage disposal system or sewer improvements or associated water systems and have become due and payable and have not been paid. Such register or registers shall be kept in such place or places as the Commission shall determine. (1960, c. 66; 2021 Special Session I, c. 428)

§ 27. The Commission and any county, city, town or other political subdivision in whole or in part embraced within the District or any privately or publicly owned water company are authorized to enter into a contract or contracts providing for the collection by such county, city, town or political subdivision or privately or publicly owned water company and payment over to the Commission of the rates, fees and charges charged by the Commission against the owners, tenants or occupants of real estate within such county, city, town or political subdivision or served by such privately or publicly owned water company, or providing for the payment to the Commission by such county, city, town or political subdivision or privately or publicly owned water company of a sum or sums of money in lieu of all or part of the rates, fees and other charges which would otherwise be charged by the Commission to the owners, tenants or occupants of real estate within such county, city, town or political subdivision or served by such privately or publicly owned water company. Such county, city, town or political subdivision or privately or publicly owned water company is vested with powers to do everything necessary or proper to carry out and perform every such contract, including the same powers with respect to rates, fees and other charges as are conferred by this act upon the Commission. The Commission is authorized to reduce ratably in accordance with such contract the rates, fees and other charges which would otherwise be charged by the Commission to the owners, tenants or occupants of real estate within such county, city, town or political subdivision or served by such privately or publicly owned water company, but nothing in this section or any such contract shall be construed to prevent the Commission from charging to and collecting from such owners, tenants or occupants of such real estate, in the same manner as provided for such rates, fees and other charges, any deficiency in any payment agreed to be made by such county, city, town or political subdivision or privately or publicly owned water company. (1960, c. 66)

§ 28. All revenues derived by the Commission from the sewage disposal system or systems or sewer improvements or associated water systems financed or refinanced by the bonds of any issue or issues, except such part thereof as may be required to pay the cost of maintaining, repairing and operating such system or



systems or sewer improvements and to provide such reserves therefor as may be provided in the resolution providing for the issuance of such revenue bonds or in the trust agreement securing the same, shall be set aside at such regular intervals as may be provided in such resolution or trust agreement and deposited to the credit of the following special funds:

(a) a sinking fund which is hereby pledged to, and charged with, the payment of the principal of and the interest on such bonds as the same shall become due, and the redemption price or the purchase price of bonds retired by call or purchase as therein provided, including the accumulation of a reserve for such purposes; such pledge shall be valid and binding from the time when the pledge is made, the revenues so pledged and thereafter received by the Commission shall immediately be subject to the lien of such pledge without any physical delivery thereof or further act, and the lien of such pledge shall be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Commission or the District, irrespective of whether such parties have notice thereof; and

(b) a fund for anticipated renewals, replacements, extensions, additions and extraordinary repairs of the sewerage system or associated water systems.

The use and disposition of moneys to the credit of any such sinking fund shall be subject to such regulations as may be provided in the resolution authorizing the issuance of such revenue bonds or in the trust agreement securing the same, and, except as may otherwise be provided in such resolution or trust agreement, such sinking fund shall be a fund for the benefit of such bonds without distinction or priority of one over another. (1960, c. 66; 2021 Special Session I, c. 428)

§ 29. All moneys received pursuant to the provisions of this act, whether as proceeds from the sale of bonds or as revenues, shall be deemed to be trust funds to be held and applied solely as provided in this act, and none of such moneys shall be required to be paid into the State treasury or into the treasury or to any officer of any county, city, town or other political subdivision. The Commission may provide for the payment of the proceeds of the sale of the bonds and the revenues to be received to a trustee, which shall be any trust company or bank having the powers of a trust company within or without the Commonwealth, which shall act as trustee of the funds, and hold and apply the same to the purposes of this act, subject to such regulations as this act and the Commission may provide. All such moneys shall be secured or shall be invested and reinvested, all as may be provided by the Commission.

With respect to contracts concerning interest rates, currency, cash flow and other basis, the District may enter into any contract that the Commission determines to be necessary or appropriate to place any obligation or investment of the District, as represented by bonds or the investment of their proceeds, in whole or in part, on the interest rate, cash flow or other basis desired by the Commission. Such contracts may include, without limitation, contracts commonly known as interest rate swap agreements, rate locks, forward purchase agreements and futures or contracts providing for payments based on levels of, or changes in, interest rates. Such contracts or arrangements may be entered into by the District in connection with, or incidental to, entering into or maintaining any (i) agreement that secures bonds or (ii) investment, or contract providing for investment, otherwise authorized by law. These contracts and arrangements may contain such payment, security, default, remedy, and other terms and conditions as determined by the Commission, after giving due consideration to the creditworthiness of the counterparty or other obligated party, including any rating by any nationally recognized rating agency. (1960, c. 66; 2008, c. 574)

§ 30. Any holder of bonds issued under the provisions of this act or of any of the coupons appertaining thereto, and the trustee under any trust agreement, except to the extent the rights herein given may be restricted by such



trust agreement or by the resolution providing for the issuance of such bonds, may either at law or in equity, by suit, action, injunction, mandamus or other proceedings, protect and enforce any and all rights under the laws of the Commonwealth or granted by this act or under such trust agreement or such resolution and may enforce and compel the performance of all duties required by this act or by such trust agreement or resolution to be performed by the Commission or by any officer, agent or employee thereof, including the fixing, charging and collecting of rates, fees and charges for the services and facilities furnished by any sewage disposal system or systems and any sewer improvements or associated water systems.

Such resolution or trust agreement may also provide for the appointment of a receiver in the event of a default, who may enter upon and take possession of any facilities or property operated by the Commission, any of the revenues from the operation of which are pledged for the security of such bonds, and operate and maintain the same and fix, charge, collect and receive all rates, fees and other charges and other revenues thereafter arising from such operation in the same manner as the Commission itself might do, and shall deposit all moneys collected in a separate account and apply the same in accordance with the duties and contracts of the Commission in such manner as the court appointing such receiver shall direct. (1960, c. 66)

§ 31. The exercise of the powers granted by this act shall be in all respects for the benefits of the inhabitants of the Commonwealth and for the promotion of their safety, health, welfare, convenience and prosperity, and as the operation and maintenance of the sewage system or associated water systems by the Commission will constitute the performance of essential governmental functions, the Commission shall not be required to pay any taxes or assessments upon the sewerage system or associated water systems or any property acquired or used by the Commission under the provisions of this act or upon the income therefrom and the revenue bonds issued under the provisions of this act, their transfer and the income therefrom, including any profit made on the sale thereof, shall at all times be free and exempt from taxation by the Commonwealth and by any county, city, town or other political subdivision thereof. (1960, c. 66; 2021 Special Session I, c. 428)

§ 32. The Commission shall have no power to mortgage, pledge, encumber or otherwise dispose of any part of the sewerage system or associated water systems of the District, except such part or parts thereof as may be no longer necessary or useful for the purposes of the Commission; however, the Commission may enter into lease purchase and installment purchase agreements for equipment and fixtures and grant security interests therein. The provisions of this section shall be deemed to constitute a contract with the holders of bonds of the District. The sewerage system or associated water systems, if any, of the District shall be exempt from any and all liability which may be incurred by, or imposed upon, the Commission or any county, city, town or political subdivision. (1960, c. 66; 2004, c. 120; 2021 Special Session I, c. 428)

§ 33. Any bonds issued pursuant to the authority of this act are hereby made securities in which all public officers and public bodies of the Commonwealth and all political subdivisions thereto, all insurance companies, trust companies, banking associations, investment companies, executors, administrators, trustees and other fiduciaries, savings banks and savings institutions, including savings and loan associations, in the Commonwealth, may properly and legally invest funds, including capital in their control or belonging to them. Such bonds are hereby made securities which may properly and legally be deposited with and received by any Commonwealth or municipal officer or any agency or political subdivision of the Commonwealth for any purpose for which the deposit of bonds or obligations is now or may hereafter be authorized by law. (1960, c. 66)

§ 34. The Commission shall keep and preserve complete and accurate accounts and records of all moneys received and disbursed by it and of all of its business and operations and of all property and funds owned or managed by it or under its control, and shall prepare and transmit to the Governor and to the governing body of each county, city and town which is in whole or in part embraced within the District, annually and at such other

times as the Governor shall require, complete and accurate reports as to the state and content of such accounts and records, together with such information with respect thereto as the Governor may require. (1960, c. 66)

§ 35. Any substantial change in the method used by the Commission for treating, reclaiming and/or disposing of sewage and industrial wastes so as to prevent the pollution of any waters within the District, shall, before being finally adopted or used by the Commission, be approved by the Virginia Department of Environmental Quality as effective and satisfactory for the purpose intended. (1960, c. 66; 2008, c. 574; 2021 Special Session I, c. 428)

§ 36. Each county, city, town or other political subdivisions in whole or in part embraced within the District and each privately or publicly owned water company shall, at the request of the Commission, make available to the Commission or the officers, agents or employees thereof, any or all maps, plans, specifications, records, books, accounts or other data or things deemed necessary by the Commission in the exercise of its powers and duties under this act. (1960, c. 66)

§ 37. Any county or city which shall have previously withdrawn from the District shall, if requested by the Commission, provide by its sewerage system for the treatment and disposal of sewage and industrial wastes arising in or discharged from the District and shall agree with the Commission to treat and dispose of such sewage and industrial wastes so delivered at the cost of such treatment and disposal; provided, however, the Commission shall pay to such county or city the cost of installing any additional sewerage facilities necessitated thereby within such county or city. If the parties do not agree upon such cost, such cost shall be determined upon petition to the State Corporation Commission which is hereby authorized and directed to make such determination. (1960, c. 66)

§ 38. Each county, city, town or other political subdivision shall promptly pay to the Commission all rates, fees and charges which the Commission may charge to it as owner, tenant or occupant of real estate. The Commission and any county, city, town or political subdivision in whole or in part outside of the District are authorized to enter into contracts providing for or relating to the treatment and, reclamation and/or disposal of sewage or industrial wastes originating in such county, city, town or political subdivision, by means of any sewage disposal system or such other facilities as the Commission may determine to provide for such purpose, and such county, city, town or political subdivision is authorized to do everything necessary or proper to carry out and perform every such contract. (1960, c. 66; 2021 Special Session I, c. 428)

§ 39. The powers conferred by this act on counties, cities, towns and political subdivisions are in addition and supplemental to the powers conferred by any other law and may be exercised by resolution of the governing bodies thereof without regard to the terms, conditions, requirements, restrictions or other provisions contained in any other law, general or special, or in any charter, except that where rates, fees and charges are fixed by a city or town, that power shall be exercised by ordinance. (1960, c. 66)

§ 40. No county, city, town or other political subdivision or person or corporation, public or private, shall discharge, or suffer to be discharged, directly or indirectly into any waters within the District any sewage, industrial wastes or other refuse which may or will cause or contribute to pollution of any such waters. No county, city, town or other political subdivision or person or corporation, public or private, shall discharge, or suffer to be discharged, directly or indirectly, into any sewage disposal system or any other facilities of or provided by the Commission, any matter or thing which is or may be injurious or deleterious to such sewage disposal system or other facilities. No county, city, town or other political subdivision or person or corporation, public or private, shall plan, construct or place in service any new sewer improvement in the District which will or may thereafter be served by the Commission's sewerage system and which will or may thereafter, in the opinion of the Commission, cause overloading of the sewerage system or the entrance into the sewerage system

of excessive ground or surface water or other matter or thing which is injurious or deleterious to the sewerage system. In order to carry out the provisions of this paragraph every county, city, town or other political subdivision or person or corporation, public or private, if requested by the Commission to do so, shall furnish to the Commission plans and specifications for such sewer improvements and shall provide access for Commission inspection of all new sewer construction work as it proceeds and of all construction records and materials used. In addition to other powers granted the Commission, it shall have the right to refuse service to any new sewer extension or improvement constructed or operated in violation of this paragraph. (1960, c. 66)

§ 41. Any county, city, town or other political subdivision or person or corporation, public or private, may be restrained, enjoined or otherwise prevented from violating or continuing the violation of any provision of this act by injunction, mandamus or any other appropriate remedy at law or in equity, by any court of competent jurisdiction, upon action, bill, suit or other proceeding instituted by the Commission or by any attorney for the Commonwealth. (1960, c. 66)

§ 42. No violation of any provision of this act shall be deemed to occur by reason of the discharge of sewage from any boat or vessel while afloat or on a marine railway or in dry dock. (1960, c. 66)

§ 43. Any person violating any provision of this act shall be guilty of a misdemeanor and upon conviction shall be punished accordingly. (1960, c. 66)

§ 44. No member, officer, agent or employee of the Commission shall contract with the Commission or be interested, either directly or indirectly, in any contract with the Commission, or in the sale of any property, either real or personal, to the Commission. This section shall not prevent any member, officer, agent or employee of the Commission from granting to the Commission, for a nominal consideration, any right of way, easement or lease. (1960, c. 66)

§ 45. All construction contracts, except in cases of emergency, that the Commission may let for construction or materials in connection with such construction shall be let after public advertising and in accordance with the provisions of the Virginia Public Procurement Act (§ [2.2-4300](#) et seq. of the Code of Virginia), the Virginia Public-Private Education Facilities and Infrastructure Act of 2002 (§ [56-575.1](#) et seq. of the Code of Virginia), as well as all subsequent amendments and additions to Virginia public procurement law. The Commission is authorized, in its discretion, to do any and all such work by force account. (1960, c. 66; 1964, c. 520; 2004, c. [120](#); 2008, c. [574](#))

§ 46. No pecuniary liability of any kind shall be imposed upon any county, city, town or other political subdivision constituting any part of the District because of any act, agreement, contract, tort, malfeasance, misfeasance, or nonfeasance, by or on the part of the Commission or any member of the Commission, or any of its officers, agents and employees, except as otherwise provided in this act with reference to contracts and agreements between the Commission and any county city town or other political subdivision. (1960, c. 66)

§ 47. The Commission is authorized to appoint all agents and employees of the Commission, dismiss them, fix their salaries or remuneration, assign their positions and titles, define their respective powers and duties, and require them or any of them to give bond payable to the District in such penalty as shall be fixed by the Commission conditioned upon the faithful discharge of their duties. (1960, c. 66)

§ 48. The circuit court of the county or the corporation or circuit court of the city in which any territory proposed to be added to the District is located, upon receipt of a petition of the Commission or a petition of the governing body of the territory proposed to be added to the District or a petition signed by not less than 25 percent of the qualified voters residing within the limits of the territory proposed to be added to the District, or a petition

signed by the owners of not less than 25 percent by area of the real property within the territory proposed to be added to the District, shall enter an order fixing the date and hour and place for a public hearing on the question of the addition of territory to the District, which order shall set forth a copy of the petition, excluding signatures, and shall describe the territory proposed to be added to the District.

A copy of such order shall be published once a week for three consecutive weeks in a newspaper of general circulation within the territory proposed to be added to the District to be designated by such court and posted in such public places within such territory as shall be designated by such court. The first of such publications and such posting shall occur not less than 30 days prior to the date fixed for such hearing.

At the time and place stated in such order, or to which an adjournment may be taken by the court, the court shall receive and hear any objections of interested persons to the addition of such territory to the District or to any defect in the petition and the court may then or thereafter grant such petition with such modifications, if any, as it may deem advisable and which do not enlarge the territory proposed to be added to the District. All such objections shall be made in writing, in person or by attorney, and filed with the court at or before the time or adjourned time of such hearing. Any such objections not so made shall be considered as waived.

If upon such hearing the court shall be of the opinion that any area proposed to be added to the District will not be benefited by the District, then said area shall not be included in the District. The order altering the boundaries of and enlarging the District shall prescribe the territory to be added to the District and fix the boundaries thereof.

From an order enlarging the District under the provisions of this section an appeal shall lie to the Supreme Court of Virginia in the manner provided by law. (1960, c. 66; 2004, c. 120)

§ 49. Nothing in this act shall be construed to affect, impair, repeal or supersede in any way the powers of the State Water Control Board under the provisions of Chapter 3.1, Title 62.1, Code of Virginia, 1950, as amended. (1960, c. 66; 2004, c. 120)

§ 50. This act, being necessary for the welfare of the Commonwealth and its inhabitants, shall be liberally construed to effect the purposes thereof. (1960, c. 66)

§ 51. If any one or more sections, clauses, sentences or parts of this act shall be adjudged invalid, such judgment shall not affect, impair or invalidate the remaining provisions thereof, but shall be confined in its operation to the specific provisions held invalid, and the inapplicability or invalidity of any section, clause, sentence or part of this act in one or more instances or circumstances shall not be taken to affect or prejudice in any way its applicability or validity in any other instance. (1960, c. 66)