

## **TOWN OF ABERDEEN**

### **WATER AND WASTEWATER SYSTEM EXTENSION AND CONNECTION POLICY**

Adopted by the Aberdeen Board of Commissioners: 8/11/08

Effective Date: 8/11/08

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#### **1.0 PURPOSE.**

The purpose of this policy is to provide an equitable mechanism by which the Town of Aberdeen can plan and extend its municipal water and wastewater systems to serve the needs of the citizens of Aberdeen and those in the Town of Aberdeen utility service area (hereafter the “utility service area”).

#### **2.0 COVERAGE.**

This policy upon adoption by the Board of Commissioners shall be applicable to all areas within the utility service area. All new development connecting to the Town utility system shall have access to public water and sanitary sewer in accordance with the most recent version of this policy.

#### **3.0 GENERAL.**

(A) All utility infrastructure including, facility upgrades and system improvements, new facilities and system extensions shall fully comply with all applicable Town design standards and shall be designed and constructed in accordance with any adopted long-range utility plans or as approved by the Director of Public Works.

(B) Requests for utility extensions and/or connections shall be submitted to the Town. Applications for utility extensions shall be accompanied by engineering design plans sealed by a licensed Professional Engineer. All proposed water and/or sewer extensions or facility upgrades shall be approved by the Town prior to construction.

(C) All utility easements required for system extensions or facility upgrades shall be dedicated to the Town in accordance with the Town’s specification and detail requirements.

(D) When a property that has been supplied by a well or alternate source of water requests a connection to the Town water system, the well shall be completely disconnected from any structure connected to the Town water system. Under no circumstance shall a well be cross connected to the Town water system.

(F) In the event that a sewer extension is installed within twenty-five (25) feet of a private well, the well shall be abandoned in compliance with State regulations and the property owner shall be required to connect to the Town water system regardless of proximity to the nearest water main.

(G) In the event that a resident requests sewer service only and the resident is not required to connect to the Town water system, the resident will be required to install a meter on their well or other source of water for the purpose of sewer billing.

(H) In order to minimize public health and safety risks, such as septic failure, well failure, inadequate water supply for fire protection or substandard water quality from well water, the Board of Commissioners may order utility extensions into unserved areas without request of the property owners in the area.

#### **4.0 FEES.**

##### **4.1 Fee Schedule.**

The schedule of fee rates is available for public viewing at the Town Water Department or Public Works. This fee schedule may be amended from time to time at the discretion of the Town Board of Commissioners.

##### **4.2 Utility Connection Fees.**

(A) Except as provided herein, utility connection fees shall be due for all water and sewer connections to the Town utility system without exception, regardless of who makes the connection.

(B) Utility connection fees shall be required for all individual connections to an existing or proposed utility main. The utility connection fees have been established to reimburse the Town for expenses incurred while Town staff members or persons under contract to the Town make the requested utility connection(s).

(C) Utility connection fees shall be paid to the Town before a work order will be issued. The utility connection fees include setting a meter and providing service to water and sewer mains. For individual requests, all required site restoration work including pavement repair, curb and gutter repair, sidewalk repair and boring shall be included in the utility connection fees.

(D) For Town funded projects constructed by outside contractors, utility connection fees will also be levied. With Town funded projects, discounts of standard connection charges may be allowed. See section 6.5 for further details.

(E) When tapping new mains under construction or active mains under warranty, developers shall be required to make their own utility taps by setting meter boxes and sewer connections, and they are not required to pay the utility connection fees established herein. All other fees, which may include, but are not limited to, fees for pavement repair, curb and gutter repair, sidewalk repair and boring, shall be paid in accordance with the adopted fee schedule of the Town of Aberdeen.

#### **4.2 Availability Fees.**

The Town may collect availability fees from all property owners inside the corporate limits where water and/or sewer service has been made accessible and adjacent to existing developed property, but the property owner has chosen not to connect. Any property with a residential dwelling or operating commercial or institutional establishment shall be liable for the payment of availability charges. The availability fees shall be collected to reimburse the Town for the construction and maintenance costs of water and/or sewer mains adjacent to the property. In cases where the property owner chooses to connect to the existing utility service, the availability charge(s) will cease to be collected upon the owner's payment of all applicable fees for connection(s) to the utility system.

### **5.0 UTILITY SYSTEM EXTENSION AND CONNECTION.**

#### **5.1 Improvements to Existing Property Within the Town Limits.**

Any improvements to existing developed property within the corporate limits requiring either new or expanded well and/or septic capacity shall connect to the Town utility system when the property is adjacent to an existing water and/or sewer main and another owner's private property does not have to be crossed to make the connection. In the event that there are no adjacent water and/or sewer mains available, the property owner may construct a private well and/or septic system as approved by the Moore County Health Department or the N.C. Department of Environment and Natural Resources, Division of Environmental Health.

#### **5.2 Utility System Extension and Connection Outside the Town Limits.**

(A) All applicants requesting utility connections outside the Town limits are required to submit a petition of annexation and/or annexation agreement along with a utility extension and/or connection request. All voluntary annexation requests accompanied by the corresponding utility extension and/or connection requests shall be submitted to the Town for approval. All requests for utility extensions and connections outside the Town Limits shall be reviewed on a case by case basis by the Town prior to approval.

(B) A utility connection outside the Town limits will not be allowed until the Board of Commissioners has adopted the ordinance of annexation, annexation agreement, or except in cases of emergency. The Board of Commissioners, at its discretion, may incorporate additional requirements as conditions for adoption of the annexation ordinance.

(C) The applicant shall pay all required fees and fulfill the owner/developer obligations outlined in Section 5.3 of this policy for providing all on-site water and/or wastewater facilities, extensions and connections of the proposed water and wastewater facilities to the existing utility system of the Town.

(D) If the applicant is allowed to connect to the utility system before the annexation becomes effective, the applicant shall pay current outside utility rates until the property is incorporated into the Town limits.

### **5.3 Proposed New Development.**

(A) The owner or developer of a parcel or tract of land shall construct, at no expense to the Town, all on-site water and/or wastewater facilities. When consistent with the Town's long range plans, the Director of Public Works may, in his discretion, elect to construct the facilities; however, it is the responsibility of the owner or developer to pay for such installation. Notwithstanding the foregoing, the Town may agree to pay some or all of the cost of construction of proposed facilities. Any such agreement shall be memorialized in a development agreement approved by the owner or developer and the Board of Commissioners and when applicable, the requirements of Section 7.0, below, shall apply.

(B) The developer shall provide all connections and extensions of the water and wastewater facilities from the development, including all properties inside the development, to the existing utility system of the Town in accordance with all applicable Town standards, specifications and long range utility plans. All planned extensions of the Town water and wastewater system shall have engineering design plans prepared and submitted to the Town for review and approval prior to construction. No water and wastewater facilities, extensions or connections shall be constructed without written approval and inspection by the Town and all required approvals by the Moore County Health Department and the N.C. Department of Environment and Natural Resources.

## **6.0 TOWN FUNDED UTILITY EXTENSIONS.**

### **6.1 Existing Developed Property.**

(A) Owners of developed property inside the Town limits with existing structures on their property, including newly annexed residents may petition the Board of Commissioners for the extension of water and/or sewer mains funded by the Town.

(B) Applicants who choose to request water only or sewer only may be required to request both water and sewer at the discretion of the Town. Factors that will be considered for approving Town funded utility extension projects are the size of the area, number of property owners requesting utility connections, proximity to the existing Town system, buyout arrangements with the current service provider, funding limitations and the age of existing facilities.

## **6.2 Eligibility Requirements.**

In addition to meeting the requirements of Section 6.3, below, property will not be considered for Town funded utility extension projects without meeting the following eligibility requirements prior to the submission of a petition:

- (1) The property must be within the Town's corporate limits,
- (2) The property must be developed,
- (3) The property must have a dwelling or other operational structure onsite,
- (4) The property shall be subdivided in accordance with Town Subdivision Regulations,
- (5) The property shall not be undergoing rezoning, and
- (6) Individual properties shall not be undergoing expansion or improvement.

In compelling cases, the Board of Commissioners may waive any or all of these eligibility requirements.

## **6.3 Minimum Area Requirements.**

In addition to meeting the requirements of Section 6.2, above, property will not be considered for Town funded utility extension projects without meeting the following minimum area requirements prior to the submission of a petition:

- (1) The minimum area shall not be less than a street length between intersections and shall consist of at least ten (10) properties requesting utility connections;
- (2) For water extension requests, the area shall extend to the nearest available Town water main. In certain cases, it may not be possible to connect the proposed area to the closest water main because of access limitations. In these cases, the closest available water main along a passable alignment shall be considered;
- (3) For sewer extension requests, the area shall extend to the closest available existing Town sewer main within the same drainage basin as the area under consideration. For sewer construction, the closest available Town sewer main shall be one that is at a lower elevation than the proposed area and for which a passable route exists between the proposed area and the existing sewer main; and
- (4) Additional requirements as recommended by the Public Works Department based on sound engineering practices.

The Town may decide to increase the minimum area requirements based on the overall size and type of area under consideration for proposed utility extensions. In compelling

cases, the Board of Commissioners may waive any or all of these minimum area requirements.

#### **6.4 Petition Requirements.**

(A) Petitions for Town funded water and/or sewer extensions shall sufficiently satisfy the following criteria. Petitions that do not sufficiently meet the following criteria will not be considered:

- (1) The petition must be signed by more than fifty (50%) percent of the owners of property adjacent to the proposed utility extension(s), and those property owners shall own more than fifty (50%) percent of the road frontage along the alignment of the proposed extension(s). The proposed alignment must extend to the existing Town utility system.
- (2) All persons and entities listed on the property deed as record owners of a property must sign the petition. In the case of entities such as corporations or estates, a representative authorized by law may sign the petition on behalf of the entity.
- (3) Property owners who own more than one property adjacent to proposed utility extensions must sign the petition for each of their properties within the project area.

(B) All sufficient petitions shall require language notifying the property owners of the following items:

- (1) A statement of the connection fees in effect at the time of petition signing.
- (2) A statement of all applicable discounts available by participating in the petition for water and/or sewer service.
- (3) A statement that all applicants registering on the petition will be required to pay their connection charges prior to the Town extending utility mains.

(C) All petitions shall be submitted to the Public Works Department to verify sufficiency prior to being considered for approval by the Board of Commissioners. Only verified, sufficient petitions will be considered. After a petition has been deemed sufficient and the property owners have met all established requirements, staff will prepare a recommendation for the Board of Commissioners to order the extension of utilities. The Board shall have the option of ordering the utilities installed, requesting additions or modifications to the service area, rejecting the request, or submitting the request to further deliberation. The Board's decision shall be final and rejected requests will not be reconsidered for two (2) years after the first request was rejected unless initiated by the Town. If the improvements are ordered, Town funding will be allocated to complete the proposed work.

## **6.5 Incentives and Discounts.**

If the petition is approved, the residents that petitioned petitioning for water and sewer service will be eligible for a waiver of fifty percent (50%) of the applicable connection charges. In order to receive the fifty percent (50%) discount, residents must apply to the Town either by petition or by contacting the Public Works Department following petition approval. Requests initiated after construction has begun on the project will not be eligible for the discount.

## **6.6 Implementation of Town Funded Utility Extension Project.**

(A) Upon approval of a petition by the Town Board of Commissioners, the Town will prepare plans to extend utility mains into the area requesting service.

(B) Property owners petitioning for utility extensions will have the option of

- (1) paying their required connection charges in full, prior to the Town advertising the construction contract for the installation of the utility mains; or
- (2) paying their connection charges in three (3) equal installments. The first installment would be due within sixty (60) days after the petition has been approved by the Board of Commissioners. The second installment would be due prior to the Town advertising the construction contract for installation of the proposed water and sewer mains. Advertising for a Contractor to install the proposed water and sewer mains will not begin until the second installment has been received by all of the petitioning property owners. For property owners who connect to the newly extended utility service and initiate a utility account with the Town, the final installment will be due prior to activating their utility service. For property owners who do not wish to connect to utility service, their final installment will be invoiced and billed to them no sooner than (60) sixty days after the utility construction has been completed by the Town. Construction will be deemed complete after final payment has been made to the Contractor.

(C) Property owners who have paid their connection charges in full, prior to construction will be permitted to connect to Town utility service as soon as the newly constructed water and/or sewer mains have been accepted by the Town. They will be required to obtain a plumbing permit from the Planning and Inspections Department prior to installing their private utility service lines. Potential water customers will also be required to apply for a water meter.

(D) The Town reserves the right to withdraw support for utility extension projects in cases where all petition applicants fail to pay the required fees and connection charges in accordance with the schedule of payments outlined herein. In such cases fees paid by applicants will be refunded to them.

## **6.7 Non-Petitioning Property Owners.**

(A) Property owners who did not petition for water and/or wastewater service may request service within ninety (90) days of being contacted by the Town. The Town will contact these property owners after the construction contract for the utility extension project has been advertised. Property owners who request water and/or wastewater service and pay the full connection charge within this ninety (90) day period shall receive the fifty percent (50%) discount set forth in Section 6.5. After the ninety (90) day period expires, any forthcoming requests shall be subject to the non-discounted utility connection fees, which shall be payable prior to the establishment of a utility connection.

(B) Property owners applying for utility service under this Section, shall be solely responsible for obtaining their plumbing permit and installing the private service line from their structure to the public right-of-way.

(C) Property owners that choose not to connect to newly extended water and/or sewer service shall be liable for the payment of availability fees. The availability fees will be billed to the property owner after the service has been made available and the ninety (90) day period specified in this Section has elapsed. The availability fees will be billed monthly until such time as the property owner connects to the utility service.

## **6.8 Alignment and Location of Proposed Utility Mains.**

(A) The Town reserves the right to choose the alignment and location of the requested utility mains. The Town shall not be obligated to replace landscaping, irrigation systems, or any other privately owned obstructions within the existing right-of-way or utility easement at the time of construction, nor will the Town be obligated to compensate property owners for the removal of such obstructions.

(B) In isolated cases, sewer connections requested by property owners may not be feasible, as determined by the Public Works Director, due to the unique topography of the area. In these cases, the property owners shall be responsible for installing private pumps stations or other alternate methods as necessary to connect to an adjacent sewer main extended by the Town. Should the property owner decide not to install a private pump station or alternate connection to the sewer system, the property owner shall be solely responsible for maintenance and repair of the existing septic or waste disposal system serving the property.

## **6.9 Maximum Depth of Sewer Mains.**

The Town shall not be obligated to provide gravity sewer service to any structure at an elevation lower than eight (8) feet below the crown of the street directly adjacent to the structure. In these circumstances, property owners wishing to connect to the wastewater system shall be responsible for private pump station construction or other alternate methods as required to serve their property. In most cases, the Town will not install sewer mains deeper than eight (8) feet, unless the property owner(s) agrees to



compensate the Town for the added expense of installing the proposed main deeper than eight (8) feet. The Town Public Works Department shall be solely responsible for quantifying the additional expense required for sewer installations deeper than eight (8) feet.

**7.0 UTILITY SYSTEM INFRASTRUCTURE REIMBURSEMENTS FOR PROPOSED NEW DEVELOPMENT.**

(A) In instances where Town funding is available for the types of system extensions and facility upgrades that are beyond the scope of infrastructure required for a specific development project, the developer may enter into a development agreement or other reimbursement agreement (collectively referred to herein as “reimbursement agreements”) with the Town. The Public Works Director and, when appropriate, the Planning Director shall make recommendations to the Board of Commissioners regarding all reimbursement agreements, and the Board of Commissioners shall approve or deny all such agreements. Approval of facilities under these agreements shall be contingent upon receipt of all Town and State approvals and the availability of sufficient water supply and/or wastewater treatment capacity.

(B) Reimbursement agreement shall comply with the following requirements:

- (1) The developer shall be responsible for the full cost of installing water and/or wastewater facilities within their own properties and for the connection of their system to the Town’s existing utility system. The Town may share in the cost of constructing oversized facilities when larger sizes are required to serve other tracts outside of the tract being developed.
- (2) Town reimbursement of developer funded facilities will be made for the difference in cost between facilities required for the development and oversized facilities required by the Town. The methodology of sizing facilities shall be as specified by the Town’s long range plans and as approved by the Public Works Director. In no instance shall the Town of Aberdeen reimburse for water or wastewater lines eight inches (8”) or less in diameter.
- (3) Costs eligible for reimbursement shall include all off-site water and/or wastewater facilities and on-site facilities of a regional nature. Only construction costs shall be eligible for reimbursement.
- (4) All reimbursement contracts shall be two party agreements between the Town of Aberdeen and a developer or coalition of developers and shall be approved by the Board of Commissioners prior to construction of the water and/or wastewater facilities.

- (5) The term of any reimbursement contract shall run from the execution of the contract by all parties for ten (10) years or until the Town's obligation for reimbursement has been met, whichever occurs first.
- (6) The developer shall prepay all fees to the Town, prior to award of any construction contract utilizing a reimbursement agreement..
- (7) By entrance into a reimbursement agreement, the Town makes no guarantee as to the availability of water supply and/or wastewater treatment capacity beyond that which would be available to any other developing properties.
- (8) It may be feasible in certain cases to utilize developer-funded, reimbursement agreements in addition to assessments to fully fund utility extensions. In these cases, the Town shall be responsible for the design, construction, easement acquisition and all approvals for the utility extension project and the following conditions shall apply:
  - (a) The developer shall remit to the Town in one lump sum the difference between the total project cost derived from actual bid amounts plus a fifteen percent (15%) contingency.;
  - (b) In lieu of satisfying subsection (a), the developer may provide surety in the form of a surety bond, an irrevocable letter of credit, or other surety acceptable to the Board of Commissioners. The type of performance guarantee used shall be at the election of the developer. The surety shall be for the cost derived from actual bids plus a fifteen percent (15%) contingency;
  - (c) Following completion of construction, the final project costs shall be calculated, as well as any applicable assessment fees, to determine the reimbursable amount; and
  - (d) Following acceptance of the project(s) by the Town, the cash or surety shall be released by the Town of Aberdeen.

(C) Developer Funded Construction With No Reimbursement.

In those instances where funding is not available under any other provisions of this policy statement or when the Board of Commissioners elects to not enter into a reimbursement agreement, the developer shall fund the full cost of installing all water and/or wastewater facilities and utility system extensions with no reimbursement. All facilities installed under this method shall fully comply with Town design standards and all long range water and/or wastewater system design plans. No waivers shall be granted without the written consent of the Director of Public Works.