

## **Sewer Allocation Policy and Proposed Line Connection, Line Expansion, Line Extension, Cost Sharing, and Reimbursement Policy for Northeast Davie Sewer District and Davie County Public Utilities**

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### **Purpose:**

The purpose of this policy is to set forth the principles and guidelines for the connection to, expansion of and extension of water and sewer service in both North East Davie Sewer District and in Davie County, North Carolina

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The Northeast Davie Sewer District and the water and sewer system for the County of Davie are two separate and distinct entities but have both agreed to this Policy within their respective geographical areas.

### **Policies:**

#### **Line Connections, Expansions and Extensions**

- A. Individuals, property owners, and developers shall be responsible for all costs needed to extend water and sewer service regardless of whether the property is residential or non-residential and regardless of the distance needed to extend service to a given property or service area.
  
- B. Individuals requesting water and sewer main connections, expansions and/or extensions shall make written application to the Davie County Public Utilities and/or the Northeast Davie Sewer District (*collectively called the County*). The County shall create a connection/expansion/extension agreement with the applicant with any necessary additional provisions to the project. Once this is complete, the applicant shall execute a connection/expansion/extension agreement with the County, furnish all items required for the plan review process including engineering plans, maps, surveys, profiles, calculations, etc. for the proposed water and sewer connection/expansion/extensions as required by the County, obtain and submit to the County all applicable approvals and permits necessary to construct the project, and follow all County codes, ordinances, standards, construction specifications, land use plans, and approved plans applicable to the construction project.
  
- C. All new water and sewer systems serving developments shall tie into the County and/or Northeast Davie Sewer District system if any portion of the development is within 1000 linear feet of any portion of the County and/or Northeast Davie Sewer District systems. All engineering and construction expenses shall be borne by the developer or individual seeking the tap. All other developments are encouraged to connect into the County and/or Northeast Davie Sewer District system under the same arrangement.

- D. All water and sewer line extension engineering and design shall be performed by a North Carolina registered professional engineer and shall be installed by a state licensed utility contractor, in accordance with all state and local regulations.
- E. A hydraulic study shall be required on all water main and sewer connections/expansions/extensions, which have a capacity use of 5000 or more gallons per day, at no cost to the County. The results of the study shall meet minimum flow and pressure as set forth by the County. The study shall include all of the following variables: (1) domestic water usage, (2) fire services, and (3) yard irrigation, (4) scouring velocity, (5) lift station flow capacity. When capacity request from a customer is for less than 5000 gallons per day, a hydraulic study may be requested and required in the discretion of the Public Utilities Director.
- F. The minimum size water line in any case shall be six inches.
- G. In accordance with N.C.G.S.153A-457, as amended from time to time, the County will provide notice to all affected property owners and adjacent property owners prior to any wastewater system construction.
- H. For matters of public health, such as the failing of septic tanks/well or poor water quality, property owners with property that lies within 1,000 yards of existing Davie County water and sewer mains may petition the County to connect to Davie County's water or sewer and/or Northeast Davie Sewer District system. The petition must be submitted to both the Davie County Manager and the Clerk to the Board of Commissioners for consideration by the Board of County Commissioners sitting as either the Board of County Commissioner and/or the Board of the Northeast Davie Sewer District.
1. In accordance with N.C.G.S. 153A-210.3, as amended from time to time, the petition must be signed by: (a) at least a majority of the owners of real property to be assessed and (b) owners who represent at least 66% of the assessed value of all real property to be assessed. Once the petition meets these requirements, the Board of County Commissioners and/or the Board of the Northeast Davie Sewer District will hold a public hearing on the proposed assessment.
  2. Water and/or sewer main connections/expansions/extensions and appurtenant facilities installed by the County will be financed 100% by property owners through special assessments. The cost of the assessment project, as determined by the County, shall be assessed against each of the lots or parcels determined by the County as benefiting from the project. The assessment shall be in accordance with the provisions of North Carolina General Statutes 153A, Article 9, entitled Special Assessments. The County shall endeavor to search for grant funding whenever same is available to assist the property owners with the cost associated with the extensions.
  3. The assessment will be paid annually by residents benefiting from the project for a period of 7 years, with interest on the unpaid amount at the rate of eight (8%) percent per year on any unpaid balances.

- I. Any new water and/or sewer system connected to the County system shall be immediately dedicated to the County, at no cost to the County, upon completion of installation and once all required inspections have been performed. The developer shall hold a minimum one-year warranty on the new system(s). Any defects in material, workmanship, and installation discovered within the stated time period will be repaired at the developer's expense. The developer shall provide the following information upon completion of the system(s): (1) all required test results (required before system is activated), (2) two hard copies and an electronic copy in a format that meets the County's specifications of the as built-drawings, (3) cover page on the as built-drawings with an engineer's certification and final approval letter and DWQ, and (4) total cost of installation and length of system, and (5) performance bond for a one year warranty period.
- J. As provided in section E above, any connection to, expansion of and/or extension of the Davie County water or sewer and/or the Northeast Davie Sewer District system must be reviewed to verify the capacity from the connection, expansion or extension can be handled by the existing water and/or sewer system. When a connection, expansion or extension is made to the County and/or Northeast Davie Sewer District water and sewer system that adds capacity of 5,000 gallons per day or less, the application will be reviewed and adjudicated by Davie County Public Utilities staff, after the capacity is verified. If the verified capacity added to the system is above 5,000 gallons per day, Davie County Public Utilities staff will recommend the application for extension or connection to the Board of County Commissioners and/or the Board of the Northeast Davie Sewer District for review and adjudication. All allocation approved shall be secured only after paying the allocation fee prior to issuance of any building permits or such allocation shall automatically revert back to the Northeast Davie Sewer District without any claims being available to same from the customer. If the capacity granted changed property or the use changes from that which was originally requested, the request must come back to either the board or utilities director/manager who approved the original request to be re-approved.
- K. To ensure compliance with flow recommendations of the North Carolina Department of Environment and Natural Resource 2T rules, the County requires all applications for extensions, connections or capacity increases to be "shovel ready" projects which projects must be commenced within 12 months of approval and completed within three years of approval. If the project is not commenced or completed within the above time periods, the County may elect to withdraw the approval. In such event, the County may, at the discretion of the Davie County Board of County Commissioners and/or the Board of the Northeast Davie Sewer District, refund up to a total of fifty (50%) percent of the amounts paid for the allocation by the developer or citizen.
- L. Based on recommendations from the County Manager and/or Public Utilities Director, the Davie County Commissioners and/or the Board of the Northeast Davie Sewer District has the discretion to determine if the County will share in the cost of a line extension project to areas identified in the County's and/or Northeast Davie Sewer District's master

plans by reimbursing a developer for a portion of costs associated with extending utility service.

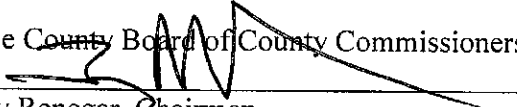
- M. When a developer extends a utility line, the County may require the line be oversized – either a larger sized line or greater length of line so that future service can be provided. If it is necessary or desirable in the opinion of the County, the County reserves the authority to require the installation of an oversized water or sewer main. The developer is responsible for all costs associated with oversizing the extension to the construction specifications required by the County and as identified in the plan review process in Section B of this policy. The County will not reimburse the developer for the resulting difference in cost for the greater length, width, capacity, or quality of infrastructure the County has required.
- N. When a developer extends a water and/or sewer line, the County will not reimburse the developer for any new connections made by other property owners to the water and/or sewer line constructed by the developer.
- O. Developers are responsible for all costs associated with the acquisition of right-of-way (easements). When extensions require the purchase of private property to construct and/or maintain a public utility; the applicant may utilize County services to acquire such for the necessary easements after the applicant can show that his attempts at negotiating a settlement have failed. The applicant shall attempt to acquire the necessary right-of-way through reasonable efforts, up to and including procuring a certified appraisal for the value of the easement and offering said value to the owner.
- P. All easements obtained by the developer will meet the construction specifications of the County.
- Q. All easements obtained by the developer will be conveyed to the County immediately upon completion and dedication of any new water and/or sewer system connected to the County.
- R. Before the approval of any connection/expansion/extensions to the County water and/or sewer system by a customer or potential customer which has a requested allocation of 5000 gallons or more per day, the Commissioners and/or the Board of the Northeast Davie Sewer District, in their discretion, may require an impact assessment study of any or all Davie County infrastructures. The developer shall be responsible for any cost associated with the impact assessment study requested above. In the event the developer has already been required to obtain any or all of the requested impact assessments for Davie Developmental Services, the County will allow the developer to use the same assessments to meet the above requirements.
- S. Notice. As soon as a developer contacts the Water and Sewer Department of the County requesting either sewer allocation and/or sewer connections of 5000 gallons or more per day, or expansions and/or extensions, the Director of Water and Sewer shall notify the County Manager, who shall have the request posted on the County's website, sent to the

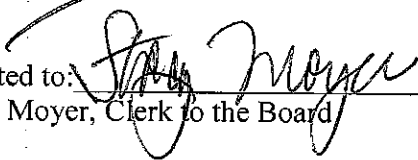
“sunshine list”, and notify the County Commissioners and/or the Board of the Northeast Davie Sewer District in his or her next weekly report.

- T. These two policies, from the date of passage, shall supersede all prior policies for Davie County and/or Northeast Davie Sewer District and shall be applied to all future allocations/connections/expansions/extensions give from this date forward only. These two policies do not and are not intended to void any prior policies of the past and by the passage of same do not void or make any prior policies ineffective as to any actions or sales of allocations, connections, expansions, extensions of the past.
- U. Allocation of sewer capacity shall be based upon a formula wherein seventy (70%) percent of the remaining allocation shall be used for commercial and or industrial use and thirty (30%) percent of the remaining allocation shall be used for residential use. The thirty (30%) percent residential use allocation shall be based upon a formula wherein sixty (60%) percent shall be used for single family dwellings and forty (40%) percent shall be used for multi-family uses.
- V. The Board has the authority, at its discretion, to allow additional allocations if such projects meet or exceed the strategic goals and policies of areas economic development, land use, growth and utility comprehensive planning.

Adopted the 1<sup>ST</sup> day of May, 2017.

Davie County Board of County Commissioners

By:   
Terry Renegar, Chairman

Attested to:   
Stacy Moyer, Clerk to the Board

Northeast Davie Sewer District Board

By:   
Chairman