

UTILITY EXTENSION POLICY

I. INTRODUCTION

A. PURPOSE

The Utility Extension Policy is intended to define how extensions of the Town's utility systems will be made. The Policy establishes procedures for installing new utility infrastructure and the financial obligations thereto.

B. OBJECTIVES

The Town's primary objective is to provide reliable and affordable utility service to its existing customers. New customers to the system are therefore expected to share in a majority of the expense for their new services to the extent allowed by N.C.G.S. §160A-31. The specific objectives of this Policy are to:

- 1.) Define how requests for new services shall be submitted to the Town.
- 2.) Define the facilities necessary to provide new services.
- 3.) Define the construction responsibilities for these new facilities.
- 4.) Define the financial responsibilities for these new facilities.
- 5.) Establish funding mechanisms for the private contributions to publicly funded utility extensions.

C. DEFINITIONS

Major Facilities - facilities defined by the Town of Roseboro. Major water facilities generally consist of the treatment works, storage facilities, and pumping facilities. Major wastewater facilities generally consist of the treatment works, and pumping facilities with capacity in excess of seven hundred (700) gallons per minute.

Minor Facilities - facilities to provide local service to customers. Minor water facilities include fire hydrants, water transmission lines, valves, water meters, and water services. Minor sewer facilities include gravity sewer mains, sewage force mains, service laterals, and in some cases small customer lift stations.

Service Connection – lines and appurtenances connecting a new customer to the Town system at the point of sale. The point of sale is generally the right-of-way line.

Tap Fee – a fee paid by all new customers to defray, in part, the cost of the service connection and meter.

II. APPLICATION

A. PETITION

Any interested party may request water and/or sewer service from the Town. If the service is to be provided within the town limits and adequate public water and sewer mains are available to the adjacent property, service will be provided upon payment of the applicable fees.

If the service is to be provided outside the town limits or requires extension of a main, a formal petition for service shall be submitted to the Town Board for consideration.

The Town shall require all petitioners outside the town limits requesting water and/or sewer service to file a petition for annexation to the Town. The Town will generally consider annexation and extension of utilities to the areas within the current ETJ. Failure to file a petition for voluntary annexation or satellite annexation when petitioning for water and/or sewer service outside the town limits shall result in immediate denial of the water and/or sewer application. The Town has the right to deny any petition for annexation if it is not in the best interest of the Town to the extent allowed by N.C.G.S. §160A-31. The Town also has the right and obligation to ensure that all annexation requests comply with the laws of North Carolina before granting any petition.

B. TOWN RESPONSE

Upon receipt of a petition to extend a water and sewer main, the Town Board has the following six options for response:

- 1.) Install the extension at the Town's expense.
- 2.) Approve and allow the petitioner to install the extension at his or her expense.
- 3.) Jointly finance the extension in cooperation with the petitioner and have the petitioner install the extension.
- 4.) Deny the request.

- 5.) Jointly financed and Town installed.
- 6.) If the application is for service outside the Town limits the Town Board may approve the application subject to conditions set forth by the Town as long as those similarly situated are treated similarly.

The criteria under which an option will be chosen is generally defined herein; however, the Town Board may act to any aforementioned option which it feels is in the best interest of the Town.

The Town Board may also extend water and/or sanitary sewer mains on their own volition without receipt of a petition and assess the cost or collect utility fees as described herein from those who connect to the main.

III. CONSTRUCTION & PERMITTING

A. SERVICE CONNECTIONS

New service connections to existing mains will generally be installed by the Town and paid for by the new customer. Where new service connections are to be installed in conjunction with the extension of water and sewer lines, the customer may, at the Town's discretion, install service connections and pay applicable fees.

No new service shall be commissioned until construction and State and Federal required testing are completed, all applicable fees have been paid, and the State has commissioned the facilities for public use.

B. MINOR FACILITIES

Extensions funded entirely by the petitioner will be designed and constructed by the petitioner in accordance with Town standards and applicable State and Federal regulations after review by the Town.

Privately funded extension projects constructed by the petitioner shall be reviewed and approved by the Town prior to the petitioner submitting the plans to any other State review agency. Upon final approval of the plans, the Town will issue written notification to the petitioner who shall then secure all additional approvals and permits and construct the facilities. The petitioner will be responsible to pay for any and all permits. The petitioner shall commence construction within eighteen (18) months of the final approval and complete the installation and make service connections within thirty-six (36) months.

Failure to comply with the approval plan or time schedule will automatically terminate the approval for service.

C. MAJOR FACILITIES

Major facilities shall be funded, designed, and constructed by the Town. In the event where a major facility project benefits one area of new customers, those new customers benefiting from the improvement shall help fund the project by an assessment according to State laws. These facilities shall be constructed in order of priority as determined by the Town Board. Projects will only be undertaken as adequate capital funds are available. Projects to improve existing services will generally be funded by Availability Fees and sales revenue.

Petitioners wishing to expedite a major utility extension project may be asked by the Town Board to prepay System Development Charges, make a contribution to the project cost or both such that accelerating the project does not adversely impact existing customers or the orderly expansion of the utility system.

D. PERMITS AND RESPONSIBILITY OF MAINTENANCE

The petitioner will be responsible for obtaining all required permits prior to any work that is to be done, either by the Town or the petitioner.

The petitioner will perform any and all maintenance for one year on any utility extension project that they install, after the lines have been put into use. Once the year has passed, the Town will assume all maintenance responsibilities within the right-of-way only for extensions of service within the Town limits, after an inspection is performed and the utilities are found to be in good repair. The petitioner will also be required to turn over all maintenance records.

For extensions outside the Town limits the responsibility for maintenance shall be in accordance with the agreement between the Town and the petitioner at the time the extension is approved by the Town Board.

IV. FEES AND CHARGES

A. TAP AND METER SET FEES

Tap fees will be collected from each new customer prior to initiating service. The fees are established by the Town Board and amended from time to time to reflect the cost to the Town for the installation of the taps and meter set.

Where new service connections are installed as part of a new development, the fee reflects the cost of the meter set only.

Payment of the tap and meter set fees shall be made prior to the installation of any meter or commissioning any new service connection to the extent allowed by N.C.G.S. §160A-31.

B. IMPACT FEES

Impact fees are calculated to recover a portion of the capital cost of providing a water and sewer system that has adequate capacity. Impact fees will be collected in conjunction with the tap and meter set fees prior to the initiation of any service. Impact fees will be established by the Town Board and amended from time to time as needed.