

LINCOLN COUNTY PUBLIC WORKS DEPARTMENT UTILITY EXTENSION POLICY

Section 200. General Principles of Utility Extension

- a. This Policy shall apply to utility line extensions for the Lincoln County Water System and the East Lincoln County Water and Sewer District.
- b. No utility line may be connected to the County's system unless such line or main (i) is properly designed and constructed to service the properties intended to be served directly by such line or main and (ii) is of a size and design sufficient to accommodate any necessary expansion of the system to serve other properties.
- c. The County shall own and control any and all lines and related facilities connected to and serviced by its system, except for those lines, or facilities of other public bodies connected to and serviced by the County's system under contracts approved by the Commissioners.
- d. To comply with County obligations imposed by North Carolina statutes, or in cases of emergency where it is found to be in the public interest or necessary to protect the public health, the County may authorize extensions of utility lines in specific areas.
- e. All extensions must be constructed in accordance with County engineering criteria, standards and specifications, and in conformity with any existing policies and plans which are adopted by the County.

Section 201. Definitions

Unless otherwise specifically provided, or unless otherwise clearly required by the context, the words and phrases defined in this section shall have the meaning indicated when used in this Policy.

1. **Extension** - Any utility line lengthening required to connect additional customers to the existing utility system.
2. **Availability fee** - An established charge for connection to the County utility system. This charge may be adjusted in accordance with County policy and rate system.
3. **County's Service Area** - Any areas inside the boundary of Lincoln County serviced by the County's water system or the East Lincoln County Water and Sewer District, and any future extensions thereof; except any areas covered by a municipal system, except areas serviced by lines of other public bodies connected to and serviced by the County's system shall not be included in the County's service area, and except any areas served by privately owned utilities that have been approved by the County.

Section 202. Extension Policies within County's Service Area

- a. The County may provide the following basic facilities within the County's service area utilizing revenue bond, grant funds, current enterprise revenues, user charges, special assessments, availability fees, and other available funds:
 1. Outfall sewers;
 2. Sewage pumping stations designed and intended to serve more than one property;
 3. Sanitary sewer force mains;
 4. Sewage treatment plants;
 5. Water distribution mains;
 6. Water booster pump stations;
 7. Water storage tanks; and
 8. Water treatment plants.
- b. The County will schedule the construction of the basic facilities described in subsection 202(a) each year on the basis of need and subject to budgetary limits. If an applicant for service desires to have unscheduled and expanded facilities constructed by the County, he shall file an application with the Department of Public Works, in accordance with Sections 203 and 204 of this Policy.
- c. Utility extensions from the basic facilities described in subsection 202(a) to individual customer services may be made by or through the County for the following reasons:
 1. The need to protect health, public safety and welfare.
 2. Upon request of property owners of existing development.
 3. Upon application of developers of new development including business activities, industrial development, residential development, and similar ventures.
- d. Except as provided in Sections 203 and 204, all applicants for connection to the County's utility system shall pay availability fees in effect at the time the application is made.

Section 203. Extensions for Need and Existing Development

- a. All extensions from the basic facilities described in Section 202(a) to individual customer services for need or existing developments will be made by the County's Public Works Department, or by County approved licensed contractors. These extensions will be financed by the connection fees, monthly user charges, and any applicable special district taxes.
- b. Extensions of service within the County for existing developed areas shall be made as follows:
 1. Property owners requesting water and/or sewer service shall petition the County to provide services. The petition for extension of service shall be provided to the Public Works Department and shall designate the names, addresses, and signatures of property owners requesting service in conformance with the provision of this Policy.
 2. Whenever it is determined by the Board of Commissioners based on evidence presented that an area is without service and that the protection of the public health requires that extensions be made into such area, the Board of Commissioners, may authorize the extension of such lines.
 3. The Board of Commissioners may adopt other such rules and regulations as are necessary to carry out the requirements of this Policy.
- c. Extension of utility service outside the boundary limits of Lincoln County and/or the East Lincoln Water and Sewer District shall be considered by special exception only.
- d. Extension request petitions outlined in subsection 203 (b) (1) shall be reviewed by the Public Works Department. The Department shall prepare a feasibility study for the project, which includes cost estimates for extension of utility lines to serve the properties requesting service and a payback analysis. The payback analysis shall include project construction costs, connection fee revenue, monthly use revenue, any special district taxes, sewer disposal costs, and/or water supply costs. The feasibility of a project shall be determined by the Board of Commissioners, based on the results of the payback analysis and/or the construction costs of the necessary improvements. A feasible project shall have a payback period less than 10 years, or revenues generated from tap fees that total at least 50 percent of the cost of construction. Petitioners shall have the option to pay additional funds to the County in order for the project to be able to meet the payback period of 10 years. Such additional funds will be designated for the specific project in question and shall be applied toward the overall cost of construction when calculating the payback period.
- e. Projects may be disapproved if funds are not available to construct the necessary improvements.

Section 204. Extensions for New Development.

- a. Any person desiring to install a utility line to new developments within the County's service area, that is to be connected to and served by the system of the County shall make application thereof to the Public Works Department and shall furnish such information or exhibits as follows:
 1. Provide a location map indicating properties to be served, and the total number of lots/customers to be served.
 2. Submit six (6) copies of engineering plans, profiles, and specifications of such utility lines to the Public Works Department for approval. All plans shall bear the seal of a Registered Professional Engineer in the State of North Carolina.
- b. No utility line may be installed and connected to the County system except as authorized by the Board of Commissioners. The applicant shall be subject to the following provisions:
 1. Installation of all utility lines within the development, including any required valves, hydrants, taps, manholes, sewer lift stations, force mains or collector sewer lines necessary in connection therewith, shall be the responsibility of the applicant. All lines shall be installed by a contractor licensed by the State of North Carolina to make such installations. Such installations shall be done in accordance with engineering plans, profiles, and specifications approved by the Public Works Department, a copy of the same shall be endorsed as to such approval for the applicant's use. The applicant shall be responsible, at his own expense, for the preparation and submission of any required plans, profiles, and specifications, necessary to obtain approval for line extensions from the North Carolina Department of Environment and Natural Resources, and for any other engineering fees in connection with the installation of such utilities.
 2. The installation of the utilities shall be subject to observation by the County during construction. No connection to the County system shall be made until the utilities have been tested to the satisfaction of the County and the written approval and acceptance of such installation given by the Public Works Department. After such approval and acceptance, the County shall thereafter repair and maintain the same, except the applicant shall be responsible for defects in workmanship or materials or any noncompliance with the plans and specifications that appear within one year after such acceptance.

3. The applicant shall, at his expense (including attorney fees and recording expenses), obtain for or provide to the County such perpetual rights-of-way or deeds as shall be specified by the County for the construction, maintenance, and operation of such utilities, including any encroachment agreements that may be required from the North Carolina Department of Transportation or a railroad or other public utility.
4. Upon completion of the utilities and the connection thereof to the County's system, all improvements shall thereupon and thereafter be the entire and sole property of the County and under the sole and exclusive control of the County. Utility lines shall be transferred to the County/District by deed prior to final plat approval. Transfer deeds shall reference "as-built" drawings by a Registered Professional Engineer in the State of North Carolina.
5. Neither the applicants nor any other person shall be entitled to any service laterals from any line installed by the applicant except upon permission of the County and the payment of any connection charges required by the ordinances or regulations of the County.
6. If a utility line, shall be required by the County in excess of the size required for that development, the County will agree to reimburse the applicant the difference in the cost of installation for any such line. Such difference in cost shall be determined by the Public Works Department and stated in an extension contract. However, the County will not agree to refund any such difference if the installed line size is necessary to serve the property of the applicant. Any such cost differences which the County agrees to refund shall be due and payable without interest to the applicant within 60 days after the date on which the utilities to be installed under the contract have been completed and accepted and approved by the County.
7. The applicant shall agree to indemnify and save harmless the County from any and all loss, cost, damages, expense and liability (including attorney's fees) caused by accident or occurrence causing bodily injury or property damage arising from the installation of such utilities by the applicant or the contractor of the applicant. The applicant or the contractor of the applicant shall maintain worker's compensation coverage as well as general liability insurance with policy limits of not less than \$1,000,000 per occurrence for bodily injury and \$250,000 for property damage. The applicant will furnish certificates of such insurance to the County with the provisions that the County will be given thirty days written notice of any intent to terminate such insurance by either the applicant or the insuring company.

8. In the event the applicant violates any of the terms of this Policy, the County shall have the right to declare all or any of the rights of the applicant under the contract forfeited, and to remove and disconnect any connections that might have been made to the County's system.
- c. Applicants requesting utility lines to be extended to the developed property, at the expense of the County, shall indicate so in a letter accompanying application submitted to the Public Works Department. All utility extensions to new developments funded by the County shall be made by the Public Works Department, or by a County approved, licensed contractor. The Public Works Department shall prepare a construction cost estimate of any necessary extensions from the existing system to the proposed development. The Board of Commissioners shall determine if the project is feasible based on the revenue generated by availability fees versus the cost to extend service to the property. A project shall be feasible if a minimum of 50 percent of the construction costs are provided by availability fees paid by the developer, at the time of platting. Projects may be disapproved if funds are not available to construct the necessary extensions. When extensions to new developments are made as provided in this subsection, required advance payment of availability fees for each service connection shall be paid prior to final plat approval.
 - d. Without limiting the right of the Board of Commissioners to disapprove for any reason whatsoever the execution of any written contract between an applicant and the County prepared in accordance with this Policy, the Board will not approve any contract for the installation of any utility line to be connected to and served by its system if in its judgment (i) the projected volume of water that would be used by any properties to be serviced thereby would unduly tax the available distribution, collection or treatment capacity of the County, or (ii) it would not be financially feasible for the County to commit itself to such cost.
 - e. Before submitting a formal application under subsection 204 (a) an applicant may request from the County an informal advisory opinion on its willingness to allow such service line extension. Such request shall be filed with the Public Works Department, together with such documentation as the Department deems necessary, and the County Manager may thereafter bring such request before the Board of County Commissioners pursuant to normal agenda procedures. Any advisory opinion given by the Board or Staff shall not bind the County to approve an application submitted thereafter or execute any contract prepared this Section.

Lincoln County Public Works Water Line Extension Petition

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1. Only One Name/Signature for each Household.
2. This petition does not guarantee water line installation, but is used only to determine eligibility.
3. Use additional copy of sheet as necessary.
4. Financial commitment will be required.