

## Section I. Sewer Capacity Allocation

### A. Purpose and Intent

1. The Town of Mooresville has invested substantial capital in the infrastructure necessary to support a growing, prosperous, and healthy community. This infrastructure includes supplying wastewater treatment capacity.
2. In order to maintain the ability to provide adequate wastewater treatment capacity, policies and guidelines are needed to provide a consistent and meaningful process in which capacity can be managed.
3. This policy is intended to improve the quality of services offered through the Town of Mooresville's wastewater treatment services, to protect the public health and safety of its citizens, and to improve the quality of life, health, and environment for its citizens. In doing so, this policy is to be interpreted so as to comply with all rules and regulations as promulgated by the North Carolina Department of Environment and Natural Resources (DENR).

### B. Definitions and Terms

Applicant – the person or entity applying for connection to the Town's sewer system.

Authorization to Connect – a letter or other document from the Town allowing connection to the sewer system when no sewer extension permit is required; an Authorization to Connect applies only when a site plan is required by the Town.

Flow Acceptance Letter – A formal letter from the owner of the downstream sewer and/or wastewater treatment facility (the Town of Mooresville) to the property owner or developer of a private system accepting and reserving a quantified amount of wastewater in the downstream system for a particular development.

Memorandum of Understanding – A written document setting out the understanding between the Town and an applicant concerning the allocation of sewer capacity. Such Memorandum of Understanding is to be read in conjunction with the provisions of this policy and is intended, by its purpose, to incorporate the provisions of this policy.

Sewer Extension Permit – A permit issued by the North Carolina Department of Environment and Natural Resources (DENR) for

extension of a sewer system, including gravity sewer extensions, pump stations and force mains.

Utility Extension Request – A formal request to the Town Board of Commissioners from an owner or developer for the ability to connect to the Town’s utility system.

Voluntary Annexation – Annexation into the Town of Mooresville corporate limits as initiated by the property owner.

C. Approval of Utility Extension Requests

1. Approval of Utility Extension Requests or property rezoning by the Town Board of Commissioners is not a promise or guarantee of utilities or reservation of capacity.
2. Sewer capacity cannot be reserved until an applicant has both:
  - (a) a set of construction plans approved by the Town;  
and
  - (b) submitted a Sewer Extension Permit Application to the State as signed or otherwise approved by the Town or obtained an Authorization to Connect from the Town.
3. The Town Board reserves the right to allocate capacity for those projects deemed to be in the best interests of the public, including, but not limited to, facilities affecting public health and safety, educational facilities, and economic development. A percentage of capacity is subject to being reserved for such purpose.
4. Before a project’s infrastructure can be accepted for service by the Town of Mooresville, all financial responsibility and privately held permits for the infrastructure constructed as part of the project must either be in, or placed in, the name of the current property owner as of the date of such acceptance
5. Sewer Extension Permit applications, Authorizations to Connect and Flow Acceptance Letters for projects will be signed only after Construction Plans have been approved by the Town. Capacity in the collection system and wastewater treatment plant will be allocated on a per plat (phase) or site-specific plan basis, subject to capacity availability. Plat submission size and schedule must reflect realistic build-out schedules in order for Town staff to determine whether adequate sewer capacity exists. Sewer capacity will not be allocated “up front” for an entire subdivision, either commercial or residential.

6. Allocated sewer capacity is subject to being unallocated by the Town if:
  - a. A Sewer Extension Permit or Authorization to Connect is not in force within 6 months of issuance of a Flow Acceptance letter; OR
  - b. If installation of sewer pipes has not commenced within 6 months of issuance of a sewer extension permit by the State of North Carolina; OR
  - c. The site specific zoning (concept) plan for the property loses its vesting rights pursuant to the Town of Mooresville's Zoning Ordinance.

A permit holder may request an extension of (b) above if the requirements of another State or Federal permit prohibit the installation of sewer in the above timeframe.

7. In order for a project to be considered for sewer capacity allocation, the developer must enter into a Memorandum of Understanding with the Town. At the end of each calendar year, all developers / owners must submit to the Town the actual number of units that were built that year as well as an updated buildout schedule for the remainder of the project. Failure to do so may result in the denial of any future sewer permits for the project.

D. Effect of Allocated Flow Limits

1. When the allocated flow to the Rocky River Wastewater Treatment Plant is equal to or greater than 90% of the permitted discharge capacity of the Plant, the Town shall not sign any Sewer Extension Permits or Authorizations to Connect, nor shall it issue any Flow Acceptance Letters except as follows and subject to the terms of, and the execution of, a Memorandum of Understanding:
  - a. For single commercial sites, capacity will be allocated to projects in the order in which the Construction Plans are approved.
  - b. Applicants for commercial subdivisions may apply for a Sewer Extension Permit or Authorization to Connect for zero flow in order to construct the infrastructure. Each site within the commercial subdivision may be permitted pursuant to subpart C of this policy. Mixed-use developments are considered to be commercial

developments. Mixed-use developments must submit phasing and build-out plans based on the capacity desired to be permitted.

c. In the case of single family residential subdivisions on a case-by-case basis. Town reserves the right to allocate sewer capacity based upon the then-current ability of the Town to provide such sewer services.

2. Capacity will be allocated to projects in the order in which the Construction Plans are approved with priority being given to additional phases of projects currently under construction. If the first project in the queue is larger than the available capacity then the project will have the option to reduce the scope of the project so as not to exceed or use all of the remaining capacity. If the project cannot reduce the needed capacity, then the next project in the queue may get the option to be permitted.

3. When the allocated flow to the Rocky River Wastewater Treatment Plant reaches 100% of the permitted discharge capacity of the plant as defined by North Carolina Administrative Code 15A NCAC 02T .0118, the Town reserves the right not to sign Sewer Extension Permits or issue a Flow Acceptance Letter or an Authorization to Connect for a project.

E. Effect of Actual Flow Limits

1. When the actual flow recorded at the Rocky River Wastewater Treatment Plant is equal to or greater than:

a. 80% of the permitted discharge capacity of the plant, as determined by DENR, prior to a signed construction contract for the plant expansion, the Town will begin rationing zoning approvals for building permits for projects already holding valid sewer extension permits.

b. 90% of the permitted discharge capacity of the plant, as determined by DENR, prior to a signed construction contract for the plant expansion, the Town will stop issuing zoning approvals for building permits.

c. 90% of the permitted discharge capacity of the plant, as determined by DENR, while the plant expansion is

under construction, the Town will authorize zoning approvals for building permits as it is able to and still remain in compliance with the plant's discharge permit.

F. Annexation

1. Any person or entity applying for a sewer permit for a project or property that is not within the Mooresville Town Limits must submit a complete voluntary annexation package as determined by Town in order to request a sewer permit. The Town Board has the authority to defer an annexation and allow a project to continue through the sewer permitting process.
2. An applicant for a sewer permit may not withdraw their annexation petition and still obtain a sewer permit for their project.
3. A withdrawal of an annexation petition on the part of the applicant may result in the revocation of a Sewer Extension Permit.

G. Deposit to be posted

1. Utility allocations granted under this policy shall require the applicant to post a deposit for sewer capacity fees within forty-five (45) days of the date that the State issues a sewer extension permit or the Town issues an Authorization to Connect. Failure to post such deposit will result in revocation of the allocation.
2. The required deposit shall be fifty percent (50%) of the then current system development and availability fees based on the flow in the sewer extension permit or Authorization to Connect and shall be held by the Town. A developer may drawdown against this deposit as any lots are sold and developed. An individual applicant will receive credit for such deposit applied towards payment of all fees for sewer connection. This deposit does not guarantee that the system development and availability fees will not change. Any balance owed in excess of this deposit will be calculated on the then current system development and availability fees applicable at the time services are initiated.

3. If an allocation is unallocated under the provisions of C.6. herein, the Town shall void the allocation and retain the fifty percent (50%) deposit posted for applicable fees.

#### H. Miscellaneous Provisions

1. This policy shall be reviewed no less than one time each year.
2. The capacity will be allocated to projects in the order in which the Construction Plans are approved. In the event that multiple projects are approved at the same time, the date and time of submission of the signature set of construction plans delivered directly to the development services desk in Town Hall shall control.
3. Sewer permits or Authorizations to Connect issued under this policy are not transferable to other projects and any such permits or authorizations that have been transferred will not be honored by the Town.
4. All site-specific plans not requiring a sewer extension permit must obtain an Authorization to Connect after the construction plans are approved by Town.

#### I. Controlling Policy

In the event of a conflict between this policy and any other Town policy or ordinance, this policy shall control.

In the event of a conflict between this policy and any State or Federal policy or regulation having a stricter standard or standards, the stricter State or Federal policy or regulation shall control.