

# City of Greensboro

## Policy

### Water & Sewer Services

“Outside the Corporate Limits”

*April 3, 2012*

*(Amended May 20, 2014)*

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## I. PREFACE

The Greensboro Water Resources Department was created to provide water and sewer services to the citizens of Greensboro so the citizens could enjoy good public health in an urban environment. Water supply and sewage capacity are limited commodities. Water and sewer lines are the arteries that nourish growth in a community. As such, water and sewer services are two of the City of Greensboro's greatest assets. As with any assets they need to be used wisely and in the best interest of the citizens of Greensboro.

Water and sewer services are intended and necessary for urban development. As urban development occurs, municipal services are necessary to maintain quality of life. These services range from public safety to parks and recreation and libraries. In order to provide and extend these services, the City of Greensboro needs to be able to expand its tax base. This process needs to occur in a routine fashion to allow for proper planning and implementation.

Recent changes in annexation laws and a court decision have raised uncertainties about the City's ability to annex and therefore be financially able to provide needed municipal services. Because of these events, it is prudent for the City of Greensboro to reconsider its annexation practices and its policy for extending water and sewer to unincorporated areas. In reviewing these matters, the City should also consider their impact on other City policies such as the Comprehensive Plan.

It is the intent of the City to continue to expand existing water and sewer facilities into certain areas presently lying outside the corporate limits of the City in order to adequately and efficiently provide water and sewer services in the Water and Sewer Service Area (WSSA), as defined on the attached map (Exhibit 1) and established by this policy, to the end that a healthy, orderly and coordinated system of continued growth and development will be attained in a manner most conducive to the public health and general welfare. Further, said extensions of public utilities are to be provided in a rational manner in order to ensure efficient and effective delivery of city services. To accomplish this, the City will recognize Growth Tier I of the Comprehensive Plan where it is able to extend all city services along with water and sewer services in the WSSA. It is the City's primary intent to extend water and sewer services only to those areas that can be immediately annexed, with those exceptions noted in Section I.B.

The following policy and procedures are to be followed in the extension of water and sewer into areas outside the corporate limits of Greensboro into Growth Tier I and the WSSA as delineated on the Water and Sewer Service Area Map maintained by the Water Resources Department and the Planning Department.

- A. By this policy the City does designate a Water and Sewer Service Area (WSSA) outside the existing corporate limits of the City of Greensboro in which it shall concentrate its future annexations and its effort in reasonably permitting and providing water and sewer extensions. The Water and Sewer Service Area shall be effective (April 3, 2012). The WSSA map and Growth Tier 1, as amended from time to time by the City Council, are incorporated by reference into this policy.

- B. All applicants for water and/or sewer service to properties wholly or partly outside the Greensboro corporate limits and which will remain outside the Greensboro corporate limits when extending or connecting to City water and/or sewer, shall sign a Utility and Development Agreement and Petition for Annexation to receive the City's utility services.. Acreage fees (or proof of prior payment) as well as a recording fee shall accompany this signed document. All applicants whose property lies within Growth Tier 1 will be annexed into the City. Water and/or sewer service may be permitted or provided outside Growth Tier I but within the WSSA for properties in the following categories:
1. Economic development projects in accordance with Section II.B;
  2. Extensions determined by City Council to address a significant public necessity;
  3. Properties that can be annexed immediately within Growth Tiers 2 or 3 in accordance with Section III.G; and
  4. Properties adjacent to existing utility lines in accordance with Section III.F.
- C. Water and sewer installations shall not be considered for extensions beyond the WSSA except to promote substantial job generation as per Section III.C of this policy.
- D. Monies needed to carry out the provisions of this policy will be funded from a Water and Sewer Extension Reserve (WSER). This reserve will initially be funded by the City through the appropriation of those funds the City received from the termination of the City and County Water and Sewer Line Agreement. Additional monies will be provided annually in the recommended budget by appropriating \$750,000 from revenues collected from water and sewer users outside the corporate limits. All funds received under this policy from City frontage and City acreage charges shall be deposited into this reserve. Monies received in said reserve and interest earned shall be held in trust and applied to the payment of the costs of design and construction of public water and sewer installations, including necessary right-of-ways and all other costs incidental to such construction, within the WSSA or as otherwise approved under contract with the City.
- E. The City will use these monies in the WSER for water and sewer improvements in the WSSA related to annexations, over sizing, upsizing, utility system improvements, sewer basin development and economic development projects.
- F. The City Council shall authorize the extension of water and sewer lines in accordance with this policy before any commitment for water and sewer lines to other persons or entities shall be made. This shall be accomplished in the manner set forth in Section III.D, E, and F of this policy.

G. Included in the Water and Sewer Service Area is Growth Tier I based upon the City's ability to provide all city services in addition to water and sewer services. Water and sewer extension projects in the WSSA will be eligible to receive financial participation as stated in this policy from the City depending upon the priority of the project and the availability of funds. All projects will be designed in accordance with generally acceptable engineering standards and in the best interest of the utility as determined by the City of Greensboro's Water Resources Department.

H. Potential eligibility for City participation will be determined as follows:

*Development Infrastructure Over Sizing Participation* - Projects are eligible for assistance from the City for over sizing of lines and pump stations beyond what is required to serve the needs of the project. The City may participate up to 100% for required increases to pump station capacity, to feeder mains sizes and/or outfall sizes.

*Economic Development Projects* – Projects will be eligible for assistance per Section III.C of this policy.

*Projects outside the WSSA* - In general, use of funds from the WSER will be limited to improvements inside the WSSA. However, the City Council may decide to participate in a water and sewer extension to promote substantial job generation developments as per Section III.B of this policy.

## II. DEFINITIONS

A. Collection or Branch Sewer: A gravity sewer line generally installed within a street right-of-way, which serves the property through which it is laid and usually could serve the property beyond. A frontage fee is directly chargeable to the property contiguous to the line. The minimum diameter for a public sewer main is 8 inches.

B. Economic Development Project: An economic development project is: 1) a non-residential project that includes technology research and development, manufacturing, distribution and assembly, office, retail or other similar uses. (Note: If an economic development project includes residential, it must be in the form of a mixed use development in which the non-residential use is the primary use and the residential portion does not exceed 25% of the existing non-residential use.); or 2) development within the boundary of an area that has been designated as a mixed-use area through a planning process with public participation, adoption of a small area plan; and for which development is subject to regulations, above and beyond that normally required, to ensure an integrated and complementary pattern of development with features related to architectural standards, landscaping, tree conservation, signage, lighting, driveways and pedestrian facilities.

C. Feeder Main: A distribution main intended to convey bulk water from one portion of the system to another. Mains with diameters larger than 16 inches are feeder mains. In most cases connections are not allowed. Where a connection is allowed, a frontage fee applies.

- D. Force Main: A pressurized line which transmits sewage from a pumping station to a receiving point in the collection system. Connections to force mains are not permitted.
- E. Growth Tier I: The area which is a combination of that identified in the Comprehensive Plan as Growth Tier I and those areas that it is determined (on an annual basis) that the City will annex and provide City services to, when water and sewer services are extended.
- F. Interceptor Sewer: An outfall sewer main intended to serve an area ranging in size from several hundred acres to several square miles and typically routed along well defined streamlines. Outfall sewer lines greater than 24 inches in diameter are considered interceptors.
- G. Outfall: A gravity sewer line, installed outside of a street right-of-way in order to serve a particular property as well as to serve property upstream. In limited cases where a connection is allowed, a frontage fee applies.
- H. Service Lateral: The stub or “T” installed on the main sewer line in the street or other right-of-way to the property line. The Service Lateral allows a plumber to connect the utility to the building to be served.
- I. Sewer Lift Station (Pumping Station): A structure containing pumps designed to collect sewer and transfer via pressurized force main to a portion of the collection system that ultimately leads to the water reclamation facility.
- J. Water and Sewer Service Area (WSSA): An area to which the City intends to allow the extension of water and sewer utilities and which it intends to bring into the corporate limits immediately or at some future date. The WSSA includes the corporate limits of the City of Greensboro.
- K. Water Distribution Main: A water line installed in the street right-of-way which serves the adjacent properties. A frontage fee is directly chargeable to the property contiguous to the line. This main has the potential to be extended to serve other properties lying beyond the immediate project area. The minimum diameter for a public water main is 8 inches.

### **III. WATER AND SEWER EXTENSIONS AND CONNECTIONS**

Water and sewer are critical to orderly development and provide sustainable density and commercial/industrial opportunities. These extensions can be contracted for and funded for providing service to annexed areas, for purposes of serving public facilities, for economic development projects, for the purposes of upgrading City water and sewer systems, and for addressing public necessity.

- A. When an application for a connection is submitted to the Greensboro Water Resources Department, the property owner will be required to pay all the following fees or provide proof of prior payment to the City in full, based on the current rates at the time application is made, before a connection can be made:
  1. Water and/or Sewer Frontage, Acreage, Lateral and Capacity Use Fees
  2. Water Meter Fee
  3. Recording Fee

- B. Any citizen, company, corporation, government entity, etc. may request permission to extend, at its own expense, services to its property, facility, development, etc. within the identified WSSA as per this policy.
1. The applicant shall first contact the Planning Department to determine whether or not this policy requires annexation in conjunction with obtaining water and/or sewer service. Planning will contact the Water Resources Department to determine the proximity of existing services to the applicant's existing or proposed facility site.
  2. The Water Resources Department shall assist the applicant's private engineer in determining the feasibility of such an extension by preparation of a feasibility study.
  3. The privately financed extension may require upgrades to the City's existing water and sewer system by way of upgrading of existing receiving sewers, lift stations, upgrading waterlines, installation of off-site improvements to create loops in the distribution system, etc. for which the developer is responsible for bearing the full costs.
  4. The City shall confirm the applicant's particular requirements in regard to proposed system component capacities.
  5. If the determination is that the applicant's proposed extension does not lend itself to be a public system at the outset, then, with City approval, the owner may install the system to City specifications and pay City acreage fees as per standard policy. At the option of the City, the system will become the property of the City upon completion or at a later time. Front footage fees would be satisfied by cost of construction.
  6. If the determination is that the applicant's proposed extension would lend itself to be a part of the public system if oversized beyond the owner's needs, then, with City approval, the owner shall install the oversized system to City specifications and requirements. Upon completion, the City shall reimburse to the owner the proportionate cost of the over sizing in accordance with this policy. Also upon completion and City acceptance, the system shall become the property of the City. City acreage fees shall be paid by the owner as per standard policy. Front footage fees would be satisfied by the owner's share of the construction cost.
    - a) *Minimum pipe diameter for both water and sewer lines shall be eight inches (8") unless otherwise specifically approved by the City. If the requirement by Water Resources is that the water or sewer lines must be sized larger than eight inches (8") to provide service to the area and not just the applicant's development (which could require larger for its exclusive need), then the City may participate in the costs associated with the over sized line(s) (the difference between the minimum needed to serve the development and the City required diameter) contingent upon availability of funds and City Council approval. Participation levels shall be based on contractual agreement in accordance with this policy.*

- b) *If the requirement by Water Resources dictates the installation of water feeder mains (>16") or sewer interceptors (>24"), then the City may participate in the costs associated with these major lines, contingent upon availability of funds and City Council approval. Participation levels shall be as defined in a contractual agreement in accordance with this policy.*
7. It shall be the developer's responsibility to request, through the City, over sizing participation for line size installation requirements in excess of the size requirements needed for the particular development. Over sizing reimbursement is intended to compensate the developer for increases in line sizes and not extra length of water and/or sewer mains required for looping or proper sewer alignments. Determination of over sizing participation amounts shall be as follows:
- a) *The developer shall submit to the City three engineer-certified estimates of the proposed utility extensions priced two ways. The first estimate shall be priced to reflect the cost of installing the oversized utilities and the second estimate shall reflect the cost of installing the utility extensions sized according to the development's needs only, subject to the minimum size criteria established by Water Resources.*
- b) *The City will review the estimates and offer a reimbursement amount based on the over sizing cost premium as per this policy.*
- c) *Sanitary sewer pump station reimbursement shall be on a percentage participation basis based on the size of station built compared to the size of station necessary to serve the development itself. This difference in cost will be reimbursed by the City as determined by the development's percentage of peak design flow of the basin that flows to the station. For example, a station built to provide 1000 gallons per minute peak capacity but only 500 gallons per minute peak of which is for the specific development would have a base reimbursement participation of 50%.*
- d) *The ability to participate in reimbursement is dependent upon available funding and City Council approval.*
- e) *The lack of available funding will, in no way, reduce the developer's obligation to install the required lines sizes and alignments, which shall be a condition of service availability.*
- f) *Specific public bidding and procurement procedures (in accordance with N.C.G.S. 143-129 for formal bidding and N.C.G.S. 143-13 for informal bidding) are associated with the use of public funds and must be coordinated with the City.*
8. Upon the determinations referred to above the Water Resources Department shall present the matter to the City Council for its consideration.

9. Water extensions having the capability to be further extended beyond the applicant's property must be constructed along the entire street frontage of the property. Sewer extensions shall be extended to the uppermost portion of the property, following the natural terrain of the property, in order to allow upstream properties to access the installed sewers. These extensions to the terminus of the property are required as a condition of service.

C. Requests for City Participation in the Costs of Extensions for Economic Development

1. An applicant may request that the City participate in the costs to extend services to its property, facility, development, etc. that is being developed as an economic development project.
2. Depending on the availability of funds, economic development projects located within or outside the Water and Sewer Service Area boundary may be eligible for participation towards costs relating to the construction of water and sewer infrastructure. The City Council may decide to extend water and sewer utilities and participate in the construction cost if it is determined that a project is of significant economic benefit. Participation will be in accordance with a contractual agreement between the City and the developer that covers the explicit details of the portion of the project that receives public funds. These economic development funds could be in addition to or in lieu of over sizing water and sewer funds.
3. The applicant should first contact the Assistant City Manager for Economic Development to determine the proximity of existing services to the subject property and/or development.
4. The City shall confirm the applicant's particular requirements in regard to water and sewer. If the development meets established economic development guidelines and criteria, the City may financially participate with WSER funds in the construction of the water and sewer utilities to the property line of the development. Other applicable laws, including N.C. G.S. 158-7.1, shall be followed.
5. The City Council may decide to participate in water and sewer extensions to address an economic development project as defined in the paragraph below anywhere inside or outside the WSSA. If a development meets established economic development policy and sufficient funds are available, the City may contribute funds for the construction of the water and sewer utilities to the property line of the development for an economic development project. The City Council may decide to contribute based upon the project's ratio of economic development impact to public investment.

6. The City Council may also consider extending water and sewer utilities for economic development projects in another jurisdiction if sufficient economic impact can be documented to benefit the City of Greensboro and Guilford County. This would required an agreement between the City of Greensboro and the jurisdiction that specifies responsibility for construction cost, water and sewer rates, revenue sharing or payment in lieu of taxes with the City of Greensboro and other relevant details. All such extension will be designed in accordance with generally acceptable engineering standards and in the best interest of the utility as determined by the City of Greensboro Water Resource Department.

D. Annexation Petitions

1. In order to receive the benefits of this policy, properties must sign a Utility and Development Agreement and Petition for Annexation. All new development projects will be required to meet the ordinances, regulations and policies of the City for development. Properties owned by the Piedmont Triad Airport Authority (PTAA) or by Federal or State government and lying within the Airport Exemption Area are eligible for water and sewer service without having to sign such a document.
2. Developments located on property outside the Piedmont Triad Airport Exemption Area will be required to sign a Utility and Development Agreement and Petition for Annexation in order to secure City water and sewer service regardless of ownership by Piedmont Triad Airport Authority (PTAA) or previous annexation, de-annexation history. A Utility and Development Agreement and Petition for Annexation will not be required of developments located on a given property within the Airport Exemption Area and owned by PTAA; however, it will be required of developments located within the Airport Exemption Area and not owned by PTAA.

E. Properties to be Served but not to be Annexed Immediately

For properties outside Growth Tier I, including Economic Development Projects, which cannot be annexed immediately, the provision of all water and/or sewer to such properties shall be in accordance with the following:

1. Development Review - The Guilford County Development Ordinance shall govern with respect to zoning, as provided by law. It is understood that each user of water and/or sewer service outside the corporate limits will be required to sign a Utility and Development Agreement and Petition for Annexation. Failure of the applicant to agree to meet the specified requirements on both development plans and construction of projects could result in the City denying water and sewer service to that development.
2. Developers will submit plans to City of Greensboro Development Services Division departments to receive approval in the areas designated in Section III.E.3 below.
3. It is understood that each property owner connecting to water and /or sewer lines outside the corporate limits of Greensboro will be required to execute a Utility and Development Agreement and Petition for Annexation. In this agreement the applicant for water and/or sewer agrees to be annexed at the City's discretion and not to request to be annexed by another municipal corporation and to develop under the provisions of Greensboro's comprehensive plan and land development ordinances and regulations.

4. Along with the petition for voluntary annexation, the petitioner shall be required to submit to the City Planning Department water and sewer acreage fees on the full acreage being requested for voluntary annexation. These fees are a pre-requisite of voluntary annexation. The City shall deposit these fees in the WSER.

F. Existing Properties Adjacent to Existing Lines but not Annexable

In addition to other provisions of this policy, properties existing as of January 1, 2011 that are adjacent to existing utility lines but presently not annexable will be allowed to connect to lines under either of the following conditions:

1. Property within the WSSA that is adjacent to existing utility line and does not require a water service connection greater than 1 inch or a sewer lateral greater than 4 inches.
2. Property within the WSSA receiving utility service prior to January 1, 2011 and needs to relocate, add or enlarge a connection under the zoning in place as of January 1, 2011.
3. Residential property where the County Public Health Director has declared a public health hazard, due to contaminated wells or failing septic tanks, that is adjacent to existing utility line and does not require a water service connection greater than 1 inch or a sewer lateral greater than 4 inches.

G. Properties that can be immediately annexed

All applicants for water and/or sewer service to properties wholly or partly outside the Greensboro corporate limits and which can be annexed by the City of Greensboro, shall sign and submit a voluntary annexation petition and be annexed prior to receiving the City's utility services. Acreage fees (or proof of prior payment) shall accompany this signed document.

#### **IV. RULES FOR DETERMINING LINEAR FOOTAGE**

- A. In general, the frontage abutting on the installed water and sewer lines will be the basis for linear footage charges. These charges are equal to the current assessment rates for City extensions in effect at the time of connection.
- B. A front footage charge will be applied which would equal the assessment charge had the line been installed under an assessment procedure.
- C. An owner on a cul-de-sac turnaround will be charged for the ARC distance along the turnaround right-of-way line.
- D. An owner will be charged for the full length of frontage even though the sewer or water line abuts only part of the distance alongside his property provided the owner can be served by the water or sewer line.
- E. Outfall lines or main trunk lines running cross-country on undeveloped property and not abutting a street will be charged an abutting linear footage charge when service is provided (based on road frontage).
- F. In cases where a line runs along a street which abuts the City corporate limits, the property lying within the City corporate limits shall be assessed at the regular rates under normal City procedure. The acreage charge is not applicable to property already inside the City.
- G. A through lot abutting front and rear streets in which service is provided, but not on a corner, shall pay the full front footage charge on both streets. In instances where such a lot is utilized as single-family residential, the footage charge on the line not being utilized may be held in abeyance.
- H. A property owner has to pay the footage charge for each side of a line when the street, road or highway bisects his property.
- I. Corner Lot Exemption - A corner lot is any lot abutting two streets at their intersection. Front footage fees will be reduced by up to the following:
  - 1. Residential - up to 150 feet on the side street.
  - 2. Business - up to 100 feet on the side street.
  - 3. Industrial - up to 100 feet on the side street.
- J. If services are desired for a single family residence, on a tract with five (5) acres or more and a frontage over 150 feet, a linear frontage footage charge shall apply for 150 feet. The remainder of linear frontage shall be held in abeyance until the owner makes application for a second connection or subdivides, at which time the remaining linear frontage charge becomes due in full.
- K. Front footage charge fees shall not be levied on County Community Development projects pursuant to regulations promulgated by the United States Department of Housing and Urban Development.

- L. If the frontage abutting the installed water and sewer lines is inside the city limits, there is no frontage charge. If the abutting frontage is outside the city limits, the charge applies.

**V. RULES FOR APPLYING ACREAGE CHARGES**

*(NOTE: Ordinance 17-071 eliminated acreage fees effective July 1, 2017)*

- A. In general, the charge will be applied to the entire contiguous acreage one person or firm owns either directly or indirectly. The acreage charge is not applicable to property already within the city limits.
- B. Generally, the same acreage as the County is taxing will be used as the acreage to determine acreage charges, unless a survey of the entire property showing a lesser acreage is presented to the City Water Resources Department.
- C. If service is desired for a single family residence on a tract of five (5) acres or more, an acreage charge for one (1) acre will apply for service to that dwelling unit. The balance of the property will be exempt from the acreage charges until service is desired for that property. Exclusions for acreage charges cannot be made for portions of land to be dedicated or sold for future street or highway right-of-way.
- D. Portions of property which are not suitable for building sites, such as a pond, creek or lake, will be included in the acreage for which a charge will be made.
- E. All land lying within a publicly dedicated street right-of-way is exempt from acreage charges.
- F. If, due to severe topographical factors, all or a portion of a tract developed or to be developed for residential use cannot be served by gravity sewer lines, the Water Resources Director can exempt said portion. The Water Resources Department shall calculate the area contained within said portion. This section does not apply to required open space areas, recreation areas, parking areas, flood plains, etc.
- G. Where service is desired for public Parks and Recreation property, an acreage charge will be levied. The acreage charge shall be computed based on a minimum of one (1) acre charge for each building being served.
- H. Acreage fees shall not be levied on County Community Development projects pursuant to regulations promulgated by the United States Department of Housing and Urban Development.

## **VI. WELL AND SEPTIC IMPACT PROCEDURES**

- A. Installation of sewer lines within 25 feet of existing wells, sewer lines other than ductile iron within 100 feet of existing wells or sewer manholes within 100 feet of existing wells will require the wells to be abandoned.
- B. All existing wells, along with the 25 foot and 100 foot impact zones, must be identified on construction plans for both public and private extensions.
- C. The Engineer shall make every attempt to avoid impacting existing wells and septic fields in the design of the extension. Unless they are being abandoned, septic field impacts must be analyzed on a case specific basis.
- D. If an impact is unavoidable, the entity making the extension shall be responsible for all costs associated with the well/septic abandonment in accordance with City water and sewer construction specifications and Guilford County Health Department requirements as well as providing for a new well/septic or connection to the public system. Costs include, but may not be limited to capacity use fees, frontage fees, acreage fees, permit fees, plumber fees, meter fees, and well abandonment fees.
- E. Prior to private plan approval, proof must be submitted to Water Resources that arrangements have been made with owners of affected wells/septic systems for their abandonment as well as Guilford County Health Department approval. If well/septic conflicts are discovered after approval, the abandonment must be resolved prior to project acceptance.

## **VII. POLICY GUIDELINES**

- A. Negotiations and discussions involving water and sewer services will be conducted with appropriate City staff.
- B. When service for an area is desired, organization and contact of other interested property owners will be by the property owners desiring service.
- C. Estimates of cost for water and/or sewer service for an individual parcel of property should be given only after carefully consulting the "Rules for Applying Acreage Charges" and "Rules for Determining Linear Footage" above. Any changes of the routing of the line, however slight, could change the linear footage charges. The final footage charges are determined after completion of installation.
- D. Water and sewer service projects are only authorized by the City Council.
- E. The property owner is entirely responsible for the installation of water and sewer service lines that connect to the water/sewer laterals at the property line and extend across his property to connect to the structure(s) being served.

- F. If the developer installs interior sewer collection lines and/or water distribution mains throughout a subdivision, the installation is made in lieu of frontage assessments or frontage charges.
- G. In cases where a property owner requests lateral service from an existing outfall, collector or distribution main and that requires installation of manholes and/or the possible crossing of property owned by other parties:
1. The owner is responsible for the installation of this lateral (as in item E, above) including negotiating and paying for rights-of-way across the other party's (parties') property(s). This legal right-of-way must be recorded prior to lateral installation.
  2. The owner installing the line will be responsible for paying the frontage and acreage fees for his property. If the line is deemed a main line with manholes and can serve more than one property, then the installation of the line is made in lieu of payment of frontage charges.
  3. When and if the owner(s) of the crossed property desires service from this lateral, he will be required to pay acreage and frontage charges.

