

City of Locust

Wastewater Collection System

Policies as of July 1, 2007

1. Wastewater Flow Allocation

The City Council understands that wastewater flow must be allocated from the capacity available to the City, prior to approval of any sewer extension permits by the NC Dept of Environment and Natural Resources. Flow allocations will be approved in phases for projects, with each maximum phase flow allocation being 10,000 gallons per day (gpd). Projects with flow demands higher than 10,000 gpd will be issued an intent to serve letter for excess flows. Further flow allocations will be approved in 10,000 gpd increments, after satisfactory construction progress has been made for structures being served by at least eighty percent (80%) of the previous allocation. The City of Locust reserves the right to allocate higher flow amounts for economic development projects that provide permanent jobs to the City.

Any developer/property owner wishing to extend the Locust sewer collection system must first accept the conditions for design, construction, and acceptance of sewer lines, and request a letter of intent to serve the proposed project. Upon receipt of an intent to serve letter from the City, the design plans and specification shall be completed in accordance with the standards of the City, and copies provided to the Director of Public Works for review and approval. Upon approval of the design by the City, the applicant shall pay a capacity fee for all flow allocated, prior to receiving a flow allocation and acceptance letter from the City of Locust, along with execution of the necessary permit applications.

1. Capacity Fees

All new construction is subject to a one-time Capacity Fee, due to the City prior to the issuance of a flow acceptance letter by the City for the project. This fee is not due from structures already occupied prior to January 1, 2002. On all wastewater collection lines constructed after March 1, 2001; any non-taxable property, will also be required to pay a Capacity Fee prior to connection to the line. The rate is based on estimated gallons per day used as established by the NC Dept. of Environment and Natural Resources. See attached Capacity Fee Schedule, Appendix A, for current rates.

2. Tap Fees

On a single lot, already served by City of Locust sewer, a tap fee would be due for new construction at a rate established by City Council. The current rate is \$2,500 within the City Limits and \$5,000 for properties outside the City Limits. For subdivisions and similar development, the developer would be responsible for all infrastructure construction and would be subject to a tap fee only where connecting

to existing City of Locust sewer. A \$2,500 tap fee is due at the issuance of a Zoning Compliance Permit from each lot in an approved subdivision where the infrastructure has been installed by the developer. Tap fee must be paid prior to the issuance of a zoning compliance permit for new construction in post sewer construction areas.

3. Infrastructure Cost

Any improvements, connections, upgrades necessary due to the addition of new construction or a change in the use of a property, whether on an individual lot or on subdivided property, shall be completed at the City's direction and billed to the developer. The developer shall deposit an estimated amount of improvement costs with the City, prior to the commencement of improvement construction. Any cost savings will be returned to the developer and any additional cost will be billed with payment expected within 30 days.

4. Availability Fees

All proposed subdivisions within the city limits are subject to a monthly Availability Fee. This fee, which shall not exceed the minimum user rate, is due for each proposed lot once a Zoning Compliance Permit is issued for the lot and the subdivision plan has been approved by the Locust City Council. The current Availability Fee is set at \$30.00 monthly. This fee would be payable by the developer to the City of Locust. After a Certificate of Occupancy is issued, the Availability Fee will be converted to a monthly user fee and billed to the new property owner.

For existing developed properties with habitable structures within 200 feet of an accessible City wastewater collection line, the monthly Availability Fee will be due one month after activation of that line or at the next appropriate billing cycle. All Availability Fees are considered the responsibility of the property owner.

5. Availability Fee Exception Policy

Any property owner who no longer occupies their primary residence for a period of 90 days consecutively, due to an extended illness or resides in a nursing/healthcare facility and whose income is less than 50% of the median household income for the appropriate county as established by the current US Department of Housing and Urban Development rate shall not be required by the City of Locust Utility Department to pay a monthly Availability Fee. To be eligible, the residence must remain unoccupied and an application must be filed with the city indicating income level.

6. User Rates

When a Certificate of Occupancy has been issued or when an existing home is connected onto the Locust wastewater collection system, the user rate schedule

established by City Council will apply and be due from the property owner or occupant. If a water bill involving a leak has been successfully appealed to Stanly County Public Works, the Wastewater User Rate Bill may be adjusted accordingly. A wastewater customer may appeal a billing to the Locust Utility Department. This will be reviewed by the Department Head and a recommendation given to City Council for billing adjustment. Adjustments must be approved by City Council. See attached rate schedule, Appendix B, for the current user rates.

7. Rental Properties

Tap Fees are due from all rental properties (residential or commercial) and are the responsibility of the property owner. Any newly constructed rental property is subject to a Capacity Fee. The Capacity Fee is the responsibility of the property owner and shall be paid prior to the issuance of a zoning compliance permit. All rental properties within the City of Locust are subject to the monthly Availability Fee if the habitable structure is within 200 feet of an accessible active wastewater collection line. This fee shall be due from the property owner. Active account fees may be assigned to the renter. If an active account is to be assigned to the renter, a deposit is required to activate the account. This deposit fee is currently set by the City Council at \$50.00. Vacant rental properties shall have the active account fees stopped only if the City is notified in writing by the property owner when the tenant moves from the property and the City is notified concerning the need for reactivation by the landlord and a deposit fee is paid by the new tenant. If the owner of rental property fails to notify the City in writing of a vacancy or change in renter (lessee), the active account fee will continue and will be automatically assigned to the property owner effective on a date established by records maintained by the Stanly County Utilities Department (or upon notification by the former renter) that show the property as vacant or indicate a new renter (lessee).

8. Apartments/Multifamily

Like subdivisions, a Tap Fee is due only where any connection to the Locust Wastewater Collection line occurs. A Capacity Fee will be due for all newly constructed multifamily properties in Locust based on the number of bedrooms per unit. The Capacity Fee would be due from the property owner/developer/rental agent prior to a zoning compliance permit being issued for that property. Active account (User Fees) would be paid by the renter only if each unit has its own water meter. Otherwise, billing would be based on the main water meter to the building/complex and the payment would be due from the owner/developer/rental agent.

9. Commercial/Industrial Properties

A Tap Fee is due only where any connection to the Locust Wastewater Collection line occurs. A Capacity Fee will be due for all newly constructed commercial / industrial properties in Locust based on the Capacity Fee schedule as set by City Council. The Capacity Fee would be due from the property owner/developer/ rental

agent prior to a zoning compliance permit being issued for that property. User Fees would be paid by each tenant who has a water meter. Otherwise, billing would be based on the main water meter to the building/complex and the payment would be due from the owner/developer/rental agent. All Industrial and Commercial Properties which are served by the Locust Wastewater Collection system must have a metered water supply. If this is from a well, access to the meter must be available to city personnel on a monthly basis.

10. Subdivisions/Developments Outside of City

Any subdivisions/developments outside of the city limits may connect to the City of Locust wastewater collection system if it is determined by the City Engineer to be feasible. The developer shall be responsible for all lines required to connect to the existing City of Locust wastewater collection system. All lines shall meet the approval of the City Engineer and the City Council. Tap Fee and Infrastructure rules in articles 2 and 3 above must be met. Capacity Fees shall be established at a rate 25% higher than within the City. User Fees will be at an "Outside" rate as established by City Council. See Appendix B.

11. Permit Required for Service Connection

Connection for service requires an application for a Sewer Connection Permit. This permit must be approved prior to the connection of the service line to any sewage source. All exterior line work is subject to inspection by the City to insure proper fall, clean-outs, grease/sand traps and vents if required, etc. Seventy-two hour notification (excluding weekends and holidays) is required for inspection. Application must be made by either the property owner or the contracted plumber. Any person making connection to the City of Locust Wastewater Collection System without a permit will be subject to a fine of \$250.

12. Low-Pressure System Policy

Certain areas of the City of Locust may require the use of a low-pressure (grinder pump) system. In areas where the City installs a low-pressure sewer main as the primary service line, grinder pumps shall be installed at each user's location at the expense of the property owner including any needed electrical service improvement. The grinder pumps will remain the property of the property owner and will be maintained by the property owner. The property owner shall be responsible for maintaining a reliable electrical connection for the pump to operate. An agreement to allow the City to access the pump and electrical system is required prior to service being provided. User fees, tap fees and capacity fees are the same as for either vacuum or gravity systems. In situations where vacuum or gravity sewer is provided, but the structure to be served is located in such a way as to prevent the gravity flow of sewer to the valve pit or tap, the property owner shall be responsible for providing and maintaining a grinder pump to provide service.

13. Development Within Another Municipality

If a development occurs within the limits of another municipality, but it is more feasible for service to be provided by the City of Locust wastewater collection system, Tap Fee, Infrastructure, and Capacity Fee rules shall apply as above, except that collection of fees shall be the responsibility of the other municipality through an interlocal agreement. If infrastructure and billing are to be maintained by the City of Locust, then the User Fees shall apply at the 100% higher rate. If infrastructure and billing are to be maintained by the other municipality, then an agreement will be needed between that municipality and the City of Locust regarding the metering and payment for wastewater transport.

14. Water Conservation Incentive Program

See Appendix C

15. Sewer Use Ordinance

A Sewer Use Ordinance has been established by the City Council of the City of Locust to “set forth uniform requirements for direct and indirect contributors into the wastewater collection and treatment system for the City of Locust, NC”, which “enables the City to comply with all applicable State and Federal laws, including the Clean Water Act (33 United States code #1251 et seq.) and the General Pretreatment Regulations (40 CFR, Part 403).”

Please see this ordinance for any specific regulations.

16. Grease Trap Policy and Oil/Water Separator Policy

See Appendix D and E

17. Required Sewer Connection Ordinance

See attached Appendix F

18. Late Fee Charge

Any payment will be subject to a 10% late penalty.