

SEWER CAPACITY ALLOCATION APPLICATION TOWN OF RICHLANDS

A. Background and Purpose

The Town of Richlands has agreed to lease its water and sewer system to the Onslow Water and Sewer Authority, but has reserved the right to administer the allocation of wastewater treatment capacity. Having invested substantial capital in a wastewater treatment infrastructure designed to support healthy growth and prosperity, the Town desires to insure that any available wastewater treatment capacity is allocated and utilized in a manner that best serves the interests of the citizens of Richlands.

The Sewer Capacity Allocation Policy is designed to utilize a valuable and limited resource to:

1. To encourage the development and availability of essential and desirable community services;
2. To promote the financial health and stability of the town government;
3. To insure the orderly growth and development of the community;
4. To encourage high quality, attractive development, especially in key gateway areas of the town.

B. Application Process

1. General. All applicants are strongly encouraged to carefully review the criteria, conditions, and requirements set forth in the policy and the application requirements before submitting an application.
2. Pre-Application Conference. All applicants are strongly encouraged to schedule a pre-application conference with the Town Manager before submitting an application.
3. Form. All applications must be submitted on this form, together with any necessary attachments thereto. No letters or other communications may be substituted for submission of a proper and complete application.
4. Fees. Sewer allocation applications shall be accompanied by non-refundable application fees. Application fees are not refunded or reduced if the requested capacity is denied or approved at a reduced level. The application fees are as follows: (a) 0-480 gallons per day: \$50; (b) 481-1,000 gallons per day: \$75; (c) over 1,000 gallons: \$100 plus \$25 for each \$1,000 gallons or portion thereof over the first 1,000.
5. Review. Applications will be initially reviewed and evaluated by the Town staff to insure completeness of needed information and to determine the extent to which the application addresses the evaluation criteria.
6. Approval or Denial. After required application information and the initial evaluation are complete, applications shall be considered for approval or denial as follows:
 - a. Town Board Reviews. The Town Board of Aldermen shall review and make decisions on all applications with the following characteristics:
 - (1) Projects which require or may require a daily flow allocation of over 480 gallons;
 - (2) Projects located outside the corporate boundaries of the Town;
 - (3) Projects that are subject to special zoning or development review requirements, such as conditional uses, planned unit developments, or projects located in overlay or conditional zones.
 - b. Management Reviews. The Town Administrator may review and make decisions on applications located within the corporate boundaries of the Town that require a daily flow allocation of 480 gallons or less. In considering such minor applications, the Town Administrator shall keep in view the evaluation criteria set forth in this policy, but such minor allocations may not be required to have evaluation ratings as high as major projects. Denials of minor applications may be appealed, as a new application, to the Board of Aldermen.
7. Re-Application. Applications which are denied may not normally be re-submitted for at least 90 days and should be accompanied by evidence of significant changes in the application that justifies reconsideration.

C. Evaluation Criteria

Requests for the allocation of sewer capacity will be evaluated on the following preference criteria, and each application should *specifically address* the extent to which the proposed projects fulfill these criteria:

1. Location of the project within the Town's corporate boundaries.
2. The project's provision of critical, essential, or highly desirable community services.
3. A high ratio of added property tax base in relation to the estimated cost of town services.

4. Significant generation of other, additional revenues to help support town services.
5. Location of the project on a site that promotes needed infill, compact growth of the town boundaries, and efficient, cost-effective provision of municipal services.
6. Consistency with- and/or advancement of the Town's Land Use Plan and/or other comprehensive plan elements.
7. The provision of desirable, high-quality community amenities.
8. The provision of desirable public facilities, easements, or rights-of-way.
9. Agreement to develop the property in a specific fashion that exhibits high quality site, building, and landscaping design.
10. Preservation of key resources or structures that are part of the unique character of the town.
11. Preservation and/or protection of natural resources, such as water quality or vegetation.
12. Evidence of the project's ability to utilize the requested allocation in an expeditious manner.
13. Mitigation of significant, identified public health or environmental problems.
14. A demonstrated history of high quality development by the owner or developer.
15. A demonstrated history of expeditious project completion by the owner or developer.
16. Willingness to furnish performance bonds or other substantial guarantees of any promises and commitments contained in the application.
17. The availability of- and/or investment in significant infrastructure required to support building, occupancy, and use. (To be considered, any investments must be pursuant to approval of required plans and permits by the Town or other appropriate agency.)

Note: The Town has previously made a number of sewer capacity allocations that have previously expired or that are scheduled to expire after the adoption of the allocation policy. It is the intent of the Town to fairly and reasonably consider renewal of such allocations, if it receives applications for same.

D. Terms and Conditions

All approvals of sewer capacity allocation are subject to the following terms and conditions and any other conditions set forth in the action of approval, and submission of an application constitutes agreement by the applicant to these terms and conditions.

1. Form of Approval. Any approved allocations shall be issued in writing and shall be subject to all of the terms, conditions, and provisions of this policy, as well as any specific conditions related to project that are stipulated by the Town Board of Aldermen. Such conditions may include requirements for expeditious completion of projects or other requirements that, if not fulfilled, will cause the allocation to become null and void.
2. Annexation. All approvals of sewer capacity allocations will be conditioned upon submission of an irrevocable petition for voluntary annexation if the property is not already within the Town limits. (Annexation petitions are available from the Town Clerk.
3. Nature of Allocations. Approved allocations of sewer capacity are conditional distributions based on estimated or expected plant capacity, but are not unconditional guarantees or rights to service capacity. All allocations made by the Town are contingent on the actual availability of capacity at the time of property improvement and connection. All rights to sewer capacity subject to distribution by the Town shall remain at all times the property of the Town, and no person shall acquire any interest in property as a result of a sewer capacity allocation. The Town may, in some circumstances, elect to approve allocations that are explicitly contingent upon the availability of future capacity, the expiration, lapse, or release of existing allocations, and/or the occurrence of other events.
4. Order of Service. If limited actual capacity is available at the time of proposed connection, the approval of actual connections, among those owners or projects with approved allotments, shall be on a first come, first served basis.
5. Expeditious Completion. In order to insure that other potentially worthwhile projects are not unreasonably prevented from obtaining allocations of this scarce resource, allocations will be made with the expectation that capacity will be utilized in a timely manner. All approved allocations require vigorous and expeditious prosecution of the proposed project. Allocations may not be "banked" for use beyond the duration of the allocation.
6. Partial or Limited Allocations. In considering applications for multi-unit projects or developments, sewer allocations may be limited to- and made for a portion of the total amount requested, in order (a) to

encourage expeditious utilization of allocated capacity; (b) to encourage demonstration of project completion ability, and (c) to protect available capacity against over-allocation and non-utilization.

7. Scheduled Availability. Sewer allocations may also be made on a scheduled basis, in which the availability of capacity – especially in projects with multiple units or phases – is scheduled for specific dates or periods of time. Allocations that are not accompanied by scheduling shall be for a specific period of time (see “Duration” below) beginning at the date of approval.

8. Other Permits and Approvals. Approval of a sewer capacity allocation does not confer or imply any other approvals required by the Town, County, State, or other agencies (such as the Health Department or North Carolina Department of Environment and Natural Resources). The Town of Richlands shall bear no cost, liability, or responsibility if other needed approvals for a project are denied or withheld.

9. Vested Rights. The approval of a sewer capacity allocation is, as indicated herein, conditional and does not imply or create a vested right. All applications for sewer capacity allocations shall be based on this understanding and condition, and all applicants shall agree that no claim of a vested right, guarantee, or property interest may be made based on any allocation of sewer capacity.

10. Agreements. Any specific promises or commitments made by the applicant and considered in the evaluation process shall be set forth, if an allocation is approved, in specific agreements between the Town and applicant.

11. Transferability. Applications are evaluated based on information and commitments provided by a specific applicant with regard to a specific property and project. Approved allocations of sewer capacity may not be transferred by the applicant to any other person, owner, entity, organization, corporation, property, project, or location. Allocations are valid only for the named applicant and project. If the recipient of an approved allocation desires to request transfer of an approved allocation to any other person or entity, an updated application must be presented for evaluation and consideration by the same reviewer (Town Board or Town Administrator) that conducted the original review. In a residential subdivision, sale of individual lots to an individual builder or owner for the purpose of construction of homes is not – up to a maximum of five lots – considered a “transfer”, but any associated capacity allocation remains subject to the duration and conditions of the original allocation.

12. Changes in Use, Design, or Location. Allocations are limited to the project use, design, and location described in an approved allocation. Proposed changes in use, design, or location require submission of and evaluation of a new application.

13. Duration and Expiration. All approved allocations shall be for a period of 12 months from the date of approval, unless availability is scheduled for a specific date or period of time in the future.) After the standard allocation duration or other time period specified in the approval, the allocation will expire (unless extended) and the allocation will be subject to re-allocation.

14. Extensions. Updated applications are required to consider any extensions of allocations, and requests for extensions will be based on updated conditions at the time of the request. All requests for extensions shall be based on substantial justification of the need for the extension and a substantial explanation of the applicant’s failure to complete the project in an expeditious manner. The reviewer (Town Board or Town Administrator) may, if such extensions are approved, make approvals conditional on terms or conditions different from those in the original approval. Extensions, if approved, shall normally be for a period of six months only.

In consideration of any requested extensions, it is the intent of the Town to give priority to projects or portions of projects for which infrastructure installations are complete at the time of allocation expiration. Portions of planned projects for which infrastructure is not complete will be fully subject to the terms, conditions, and criteria of this policy and may, if re-approved, be subject to (a) scheduling of any re-approved allocations and/or (b) re-approval as contingent allocations.

15. Capacity Accounting. Calculation of availability of sewage treatment capacity is, by its nature, an inexact science, due to the dynamic nature of wastewater flow and treatment, weather, seasonal use, the regulatory environment, and other factors. The Town will make its best efforts to track the amount of capacity that may be available for allocation, but any calculations or reports shall not be construed as a policy statement, commitment, or guarantee of the amount of capacity available for allocation.

16. Actions Adversely Affecting Capacity. Any allocation approvals are subject to potential actions of legislative bodies or regulatory agencies that may affect the actual availability of capacity. Wastewater

treatment capacity may also be adversely affected by operational practices, severe storms, other acts or God, and acts of intentional or unintentional damage to facilities. The Town assumes no responsibility for actions or events beyond its control that have an adverse effect on actual treatment capacity.

17. Cancellation. Failure to comply with the specific terms and conditions of any allocation, failure to provide accurate and truthful information, and/or failure to comply with the Town's sewer capacity allocation policy shall render an allocation null and void.

18. Fee Payments and Refunds. The Town *may* – if consistent with the terms of its agreements with the Onslow Water and Sewer Authority and any approvals required by that agency – elect (but is not required) to consider partial refunds of impact and/or tap fees if a project receives a sewer capacity allocation and pays sewer impact and/or tap fees, but is then unsuccessful in obtaining any other permits required by the Town, County, State, or Federal governments.

E. Request for Wastewater Treatment Capacity

The undersigned applicant applies for a wastewater treatment allocation from the Town of Richlands and agrees to all terms, requirements, and conditions set forth in this application and in any approvals granted by the Town. The undersigned applicant(s) affirm that all information and representations submitted in relation to the application evaluation criteria are accurate, truthful, and complete to the best of the applicant's knowledge.

- 1. Name of Applicant _____
- 2. Address _____ Telephone _____
- 3. E-Mail Address _____
- 4. Name of Project _____
- 5. Description of Project _____

- 6. Location of Property _____
- 7. Property Address _____ Property Acreage _____
- 8. Zoning _____ Tax Map/Parcel _____
- 9. Owner of Property _____
- 10. Owner Address _____
- 11. Owner Telephone _____ E-Mail _____
- 12. Description of Project _____
- 13. Anticipated Project Timetable _____
- 14. Amount of Wastewater Treatment Capacity Being Requested _____ (gpd)
- 15. Applicant Signature _____
- 16. Property Owner Signature _____
- 17. Evaluation Criteria: Attach pages in which you list each of the evaluation criteria and the extent to which your application fulfills or supports these criteria. The accompanying pages may be used as a guide.

Submit application to: Town Administrator, PO Box 245, Richlands, NC 28574

TOWN OFFICE USE

- 1. Date Application Received _____ Recipient _____
- 2. Application Fees Submitted with Application \$ _____

EVALUATION CRITERIA - WASTEWATER CAPACITY APPLICATION
TOWN OF RICHLANDS, NORTH CAROLINA
(attach additional pages if needed)

1. **Location in Town.** Is the project located within the Town's corporate boundaries? _____
If not, have you submitted an application for annexation? _____

2. **Fulfillment of Critical Community Needs.** Will the project provide a critical, essential, or highly desirable community services? What is the evidence of this need?

3. **Property Tax Base Benefit vs. Service Cost.** What is the current ad valorem tax valuation of the property? _____ What is the estimated value of the proposed improvements to the property from this project? _____

4. **Other Municipal Revenues.** What types of other municipal revenues will be generated by the project?

5. **Compact Growth.** Does the located of the project promote infill, compact growth of the town boundaries and efficient, cost-effective provision of municipal services? (Where is the project located in relation to existing town boundaries and services?)

6. **Comprehensive Plan Compliance.** Is the project consistent with the Town's Land Use Plan and/or other comprehensive plan elements? In what manner does it advance comprehensive plan elements?

7. **Desirable Amenities.** What desirable, high-quality community amenities would be provided by the project?

8. **Public Facilities.** What desirable public facilities, easements, or rights-of-way, if any, will be provided?

9. **Site Design.** What specific measures are being taken to develop the property in a fashion that exhibits high quality site, building, and landscaping design? (Submission of plans and sketches is encouraged.)

10. **Preservation.** What key resources or structures that are part of the unique character of the town will be preserved as a part of project (if any)?

11. **Resource Conservation.** In what manner (if any) and to what extent will the project contribute to the preservation and/or protection of natural resources, such as water quality or vegetation?

12. **Expeditious Use.** What evidence can you offer of the applicant's and project's ability to utilize the requested allocation in an expeditious manner?

13. **Mitigation.** In what manner, if any, will the project contribute to the mitigation of significant, identified public health or environmental problems?

14. **Quality History.** What evidence can you provide that the owner and/or developer have a demonstrated history of high quality development? (Describe previous developments as examples.)

15. **Completion History.** What evidence can you provide that the owner and/or developer have a demonstrated history of expeditious project completion?

16. **Guarantees.** What guarantees (performance bonds, letters of credit, or other forms of guarantee), if any, are you willing to furnish to insure fulfillment any promises and commitments contained in the application?

17. **Infrastructure Availability.** Describe the availability of- and/or your planned investment in significant infrastructure required to support building, occupancy, and use involved in the project. (To be considered, any investments must be pursuant to approval of required plans and permits by the Town or other appropriate agency.)
