Policy and Procedures for the Extension of Sewer Service

Metropolitan Sewerage District of Buncombe County, North Carolina

February 16, 2011
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POLICY

The Metropolitan Sewerage District of Buncombe County (hereinafter “MSD” or “District”) recognizes there will be a need from time to time to extend the sewerage system operated by the District (the “District Sewerage System”) to serve areas annexed by municipalities, to serve new industrial, commercial and residential development and to serve areas not currently served by the District. The District also recognizes that there will be additional connections to the existing District Sewerage System. The purpose of this document is to set forth the policy, rules and procedures for extension of and connection to the District Sewerage System. Terms used herein are defined in Appendix E – Definitions.

I. GENERAL PRINCIPLES

A. Extensions Defined

The District will only consider Gravity Sewer extensions to the existing District Sewerage System. Extension of service consists of:

1. Construction of new public Gravity Sewers and appurtenances. Any extension of sewer service which is proposed to serve more than one property under separate ownership or to serve more than one building under separate ownership must be built to public sewer standards and transferred to and accepted by the District for ownership and maintenance.

2. Pump stations will only be allowed on extensions to the District Sewerage System where, in the opinion of the District, gravity service is not achievable. Pump Stations, if approved, are also subject to payment of a Pump Station Maintenance Fee.

3. Low pressure sewers, vacuum sewers and any other specialized modes of conveyance or alternative systems are not allowed.

4. Construction of new Private Sewer Systems. The District reserves the right to limit or prohibit discharges from Private Sewer Systems. (See Section III)

5. The connection of a Building Sewer to an existing sewer line. (See Section IV)

6. The connection of existing Public or Private Sewer Systems not previously served by the District. (See Section V).
B. Applicant Responsibilities

As a general rule, the District will not extend sewer service or pay the cost of extending sewer service. The Applicant desiring to extend or connect to the District Sewerage System shall be responsible for:

1. The cost of designing, permitting and constructing all components necessary to connect to the District Sewerage System.

2. The costs of improvements to any existing lines pump stations and appurtenances, which, in the opinion of the District, are necessary for adequate transport of the proposed discharge.

3. Conveyance of physical components and easements and rights-of-way to the District.

C. Reimbursements

Reimbursements shall be available only for extensions and/or improvements serving areas within the District Boundary or serving areas within Primary Areas as identified in the District’s Master Plan, including any amendments or revisions thereto. Extensions that include pump stations are not eligible for reimbursements.

The District may reimburse an Applicant for extensions to or improvements to the District Sewerage System only as set forth herein. The District’s obligation to reimburse an Applicant shall be subject to available funding and to the provisions of the District’s Bond Order and to applicable law. The District shall have no obligation to reimburse any Applicant until the extension of, or improvement to, the District Sewerage System has been conveyed to and accepted by the District in accordance with the requirements of the District’s Bond Order.

1. Rehabilitation of Existing Sewer Lines and Pump Stations

If an extension will connect to an existing sewer line which, in the opinion of the District, requires improvement with larger diameter pipe to provide adequate capacity, or will connect to or flow through an existing pumping station which, in the opinion of the District, requires improvement to provide adequate capacity, the District shall require the Applicant to make such improvement and may reimburse the Applicant for all or a part of the improvement costs in accordance with the point system tables in Appendix A.

2. Additional Capacity Reimbursements

a. If a larger size sewer line is required by the District for other users, the District will reimburse the Applicant the differential costs between the minimum size pipe necessary for the development and the larger size required in accordance with Appendix B – Additional Capacity Reimbursement Procedures.

b. All estimates of line size differential costs shall be determined by District Staff.
c. A Reimbursement for Additional Capacity will be considered only where the sewer extension will serve individual properties and customers outside of the Applicant's project and allow for future orderly development of the District Sewerage System to serve other properties and customers in accordance with the District's Master Plan.

d. This Reimbursement is available only to the original Applicant and limited to that portion of the cost of the sewer system components which are in excess of the minimum line size required for the development.

e. If the line is an interceptor line that is 12” or larger, the District will provide the design and right of way acquisition services.

3. Documented Failing Septic Tank Emergencies

These projects will be subject to requirements set forth below and eligible for 10 years of estimated revenues generated by user fees once the extension is complete and accepted by the MSD Board. The following requirements apply:

a. Must be identified as an area that will require public sewer pursuant to Member Agency zoning and MSD Master Plan.
b. Must be a public health hazard.
c. Letter from Local Government and Buncombe County Health Department.
d. Onsite repair is not possible.
e. MSD will prepare preliminary design and project cost estimate for agreement to be entered into by parties involved.
f. MSD will pledge 10 years of estimated revenue generated by user fees from affected residences.
g. City/Local Government/Residents, as applicable, will pay balance of extension.
h. Facility Fee required from residences to be served.
i. MSD will provide design and right of way acquisition services and administer the construction of the extension.

4. New Affordable Housing Projects

These projects will be subject to the requirements set forth below and eligible for the equivalent of 5 years of estimated revenues generated by user fees up to the lesser of $50,000 per project or the cost of the extension for the project. Disbursement of estimated revenues will be made once the extension is complete and accepted by the MSD Board.

a. The development must meet the “Affordable Housing” criteria of the local governing jurisdiction.
b. Cost recovery reimbursement will include construction and engineering costs.
c. The recovery of costs by the District will be achieved solely from user fees and maintenance fees applied by the District over the five (5) year period.
d. The recovery of cost to the District during the five (5) year period will be secured by a letter of credit or security acceptable to the District, from the Applicant, such security to remain in place until the expiration of the cost recovery period. Any shortfall of cost recovery shall be payable to the District by the Applicant directly or through such letter of credit or security at the expiration of the five (5) year period.

e. No extension shall become a part of the District Sewerage System until it is accepted by the District Board in accordance with the provisions of its Bond Order and its policies and procedures for such acceptance.

f. The District reserves the right to solely determine the size, extent, layout and details of any wastewater extension considered under this policy.

g. The eligible extension for certified Affordable Housing projects will be all public sewer lines to be taken over by the District.

h. Applications for Cost Recovery are to be submitted as described in Appendix C.

5. Revenue Sharing for Extension made by Others

These projects will be subject to the requirements set forth below and eligible for 50% of actual user charge revenues for 10 years to be disbursed semi-annually by MSD.

a. Those who seek reimbursement pursuant to District policy shall submit an application for Revenue Sharing as described in Appendix D.

b. This program and all of its offerings are subject to available funding. Any project that is eligible for reimbursement over $50,000 will require approval of the MSD Board of Directors.

c. Reimbursement under this section shall be limited to the lesser of the actual revenues generated from user fees during the designated time period or the cost of the eligible extension. The portion of extension eligible for reimbursement under this program is that portion of the sewer between the existing District sewer line and the property being developed. No portion of the sewer on the property being developed shall be eligible for reimbursement.

d. All estimates of potential revenue shall be determined by MSD staff.

e. Reimbursement shall be subject to completion of construction, acquisition of easements and final inspection and acceptance of the system for ownership by the District.

f. Determination of how available funds will be allocated among reimbursement projects in a given year shall be in the sole and absolute discretion of the District and subject to available funding.

6. Developer to Developer Reimbursement

Any other potential beneficiaries of a system extension funded in whole or in part by the District, where such users were not identified in the original extension project, and such users desire service after the acceptance of the extension by the District, may be required to reimburse the original Petitioner a portion of the cost paid by the original Petitioner to construct the extension. Such reimbursement shall be based on the ratio of the wastewater flows for the potential users to their total combined flow. The reimbursement shall apply to
the common portion of the Petitioner run extension funded entirely by the Petitioner and not paid for by the District. To be eligible, the original extension must be at least 1000 feet. The actual amount of the reimbursement shall be determined in the sole and absolute discretion of the District. This requirement shall remain in effect for ten years after the date of acceptance of the system extension by the District Board.

D. Coordination with other District policies

The extension of the District’s Sewerage System shall:

1. Be in accordance with and subject to the District’s current *Policy and Procedures for the Extension of Sewer Service, Sewer Extension Manual, and Sewer Use Ordinance* and to rates and charges for sewer service then prevailing, provisions of the District’s Bond Order dated April 21, 1999. All of the above documents are available at the office of the Metropolitan Sewerage District or on the District’s website at www.msdbc.org.

2. Be made in a manner to serve users and to allow for future orderly development of the District Sewerage System.

3. Be in accordance with applicable laws and regulations, and policies of the District Board.

E. Ownership

The District shall be responsible for operation, maintenance, repair and replacement, if necessary, of all sewerage facilities transferred to and accepted by the District Board.

II. NEW PUBLIC SEWER LINE EXTENSION REQUIREMENTS

A. Allocations

Prior to the connection of any sewer lines to the District Sewerage System, or to any system or systems that discharge to the District Sewerage System, the Applicant must obtain an allocation for flow and treatment capacity in accordance with the District’s *Sewer Extension Manual*. This requirement does not apply to individual residences.

B. The District will only consider Gravity Sewer extensions to the existing District Sewerage System.

Pump stations will only be allowed on extensions to the District Sewerage System where, in the opinion of the District, gravity service is not achievable. Pump Stations, if approved, are also subject to payment of a Pump Station Maintenance Fee as described in Appendix E.

Low pressure sewers, vacuum sewers and any other specialized modes of conveyance or alternative systems are not allowed.

Extensions of **Public Sewer Lines** shall meet the following requirements:
1. Approval by Local Governments & Agencies

Prior to starting construction on any Public Sewer Line extensions, the Applicant for service shall provide to the District certification and/or documentation that the proposed development of the property to be served has been approved by the political subdivision and regulatory agencies having jurisdiction.

2. Review by the District

All extensions shall meet the minimum requirements set by the District's Sewer Extension Manual and the District's Sewer Use Ordinance.

3. Approval by Regulatory Agencies

Prior to approval by the District, the construction drawings and specifications for the extension of sewer service must be submitted by the Applicant to, and reviewed and approved by, regulatory agencies having jurisdiction.

4. Approval by the District

Construction shall not commence until a Non-Discharge Permit has been issued, and a pre-construction conference held with contractor and District inspector on site in accordance with this Policy.

5. Construction

Construction of Public Sewer Line extensions, including connection to the public sewer, shall be performed by a licensed utility contractor under contract to the Applicant, and in full compliance with the District's Sewer Extension Manual. All work is subject to inspection and approval by the District. The Applicant may be required to reconstruct or replace any work to bring it into conformity with the District's Sewer Extension Manual. Construction observation by the District does not imply supervision or acceptance of the work.

6. Rights-of-Way

Public Sewer Lines shall be installed only in dedicated street rights-of-way or rights-of-way secured by easements satisfactory to the District. The Applicant is responsible for providing or securing the necessary rights-of-way required for the extension.

7. Ownership and Control

All Public Sewer Lines constructed in accordance with this policy and connected to the District Sewerage System shall be conveyed to and become the property of the District upon completion and acceptance by the District Board. The Applicant is required to convey the physical components of the sewer system and the required rights-of-way to the District by instruments in
form and content satisfactory to the District.

The District shall have exclusive control of all such Public Sewer Lines and shall be responsible for operation, maintenance, repair and replacement, if necessary.

8. Warranty

The Applicant conveying an extension to the District Sewerage System shall guarantee to hold harmless and indemnify the District from any and all claims for injury to person or property arising out of or resulting in any way from defective material or workmanship, including any claims for consequential damages for a period of twelve (12) months from the date of completion and acceptance of the extension. At the completion of construction and prior to acceptance of any fees for connection of service, the Applicant must supply to the District a completed District form titled “Contractor’s Certificate of Completion and Warranty”.

9. System Expansion

Nothing herein shall preclude the District from extending the Sewerage System.

III. NEW PRIVATE SEWER SYSTEMS

A Private Sewer System is any part of a sewer system which collects wastewater from more than one building, is privately owned, and is not directly controlled by a public authority. Any extension of sewer service which is proposed to serve more than one property under separate ownership or to serve more than one building under separate ownership must be public and transferred to the District for ownership and maintenance. The District reserves the right to limit or prohibit discharges from Private Sewer Systems.

A. Allocations

Prior to the connection of any sewer lines to the District Sewerage System, or to any system or systems that discharge to the District Sewerage System, the Applicant must obtain an allocation for flow and treatment capacity in accordance with the District's Sewer Extension Manual. This requirement does not apply to individual residences.

B. Permitting Requirements

Prior to the commencement of construction of the Private Sewer System, the Applicant shall provide evidence that all required permits have been obtained and that the Private Sewer Systems will be built in accordance with DENR regulations and all applicable law.

Only a licensed utility contractor or District personnel may connect a Private Sewer System to the District Sewerage System.
IV. NEW SERVICE CONNECTIONS

This section does not apply to Private Sewer Systems serving one lot, parcel or property constructed in accordance with the provisions of Section III.

1. Service

Each lot or parcel to be served shall have a Public Sewer Line extended to such lot or parcel so that the Building Sewer serving each lot or parcel may be connected to the Public Sewer Line.

2. Installation

Installation of the Building Sewer from the house to the Sewer Line, including furnishing and setting cleanouts, will be the responsibility of the property owner. The normal location for the first cleanout in the Building Sewer upstream of the Sewer Line will be at the curb, property line or edge of right-of-way. The Service Line (that portion of the Building Sewer within the public right-of-way) shall be constructed in accordance with the District’s Sewer Extension Manual. Taps into Public Sewer Lines in service will be made only by the District’s personnel or personnel authorized by the District.

3. Provisions for Subsequent Connection

To avoid future cutting of street surface where sewer service is not immediately required, a Service Line with cleanout shall be installed to each parcel or lot line.

4. Codes

All private Building Sewers shall be installed in accordance with applicable North Carolina or Local Plumbing Codes and Regulations.

V. EXISTING PRIVATE SEWER SYSTEMS

The District recognizes that there are existing substandard Private Sewer Systems within or adjacent to the District Boundary and discharge to the District Sewerage System. These systems have not been accepted for ownership by the District, and are not operated or maintained by the District. Such systems will not be considered for acceptance for ownership by the District unless upgraded to current Public Sewer Standards. Such existing Private Sewer Systems must be improved to current Public Sewer Standards prior to connecting a Public Sewer Line extension to such Private Sewer System.

VI. FEES

All fees and payments due the District shall be made prior to any connection with or discharge into the District Sewerage System.

A. General
Rates, Fees and Charges for improving, extending, connecting to and discharging into the District Sewerage System shall be in accordance with the current Schedule of Rates, Fees and Charges adopted by the District Board, and the District Board reserves the right to adjust such rates, fees and charges. The following fees are those associated with extensions only, and are in addition to sewer service charges and other fees and assessments charged by the District.

B. Application and Approval Required

No person shall make connection with or discharge to the District Sewerage System or any sewer line ultimately discharging to the District Sewerage System without first obtaining written approval from the District.

C. Allocation Fee

1. Purpose

The purpose of this fee is to recover a portion of the costs associated with processing applications, locating and evaluating the capacity and condition of sewers to which the Applicant will connect, and reserving capacity for the Applicant’s project for a period of one year. The allocation fee is non-refundable.

2. Applicability

The Allocation Fee is a non-refundable flat charge and is the same for all proposed extensions. This fee is applicable to each Applicant requesting an allocation and for each allocation requested in accordance with Section II A or Section III A, and is set forth in the current Schedule of Rates, Fees and Charges adopted by the District Board. If a building permit is applied for prior to expiration of the Allocation, then the fee will be credited towards the Facility Fee. Subsequent refunds of Facility Fees due to cancellation of the project will not include refund of the Allocation Fee. Allocations expire one year from date of issuance.

D. Facility Fee

1. Purpose

The purpose of this fee is to recover a portion of the cost associated with providing wastewater system facility capacity.

2. Applicability

Facility fees are based on the demand on the District Sewerage System represented by the relative size of residential units or, in the case of commercial and industrial customers, on the water meter size. This charge must be paid for each connection to a Public or Private Sewer System ultimately discharging to the District Sewerage System, regardless of who may have paid for the installation of the line to which the connection is made. The
facility fee is as set forth in the current Schedule of Rates, Fees and Charges adopted by the District Board.

E. Building Sewer Tap Fee

1. Purpose

The purpose of this fee is to recover a portion of the costs of making the tap into the Sewer Line or lines and providing a connection point for Building Sewers.

2. Applicability

This fee applies to all taps made by the District. Where properties have been provided a Service Line with cleanout at the property line or edge of right-of-way no tap fee will apply. The tap fee shall be as set forth as in the current Schedule of Rates, Fees and Charges adopted by the District Board.

F. Pumping Station Maintenance Fee

1. Purpose

The purpose of this fee is to recover the difference in costs of constructing, operating and maintaining a Pumping Station and force main as opposed to a Gravity Sewer system.

2. Applicability

This fee is a one time lump sum charge representing the present value of the differential costs as determined by the District in accordance with Appendix E.

G. Economic Development Fee Waiver

The District Board of the Metropolitan Sewerage District, believing the addition of new commercial users or the expansion of existing users resulting in the addition of significant numbers of new jobs within the District, will preserve and promote the public health and welfare within the District, hereby adopts the following policy:

Commercial entities meeting the following criteria, as a result of locating in the District or expanding an existing business in the District, shall not be required to pay a facility fee to connect to and discharge into or to continue discharging into the District Sewerage System:

1. The entity must employ or propose to employ more than 200 people or discharge more than one million (1,000,000) gallons of wastewater per month. The expansion of an existing entity must propose to employ more than 200 additional persons or propose to discharge an additional one million gallons (1,000,000) wastewater per month.

2. Projected sewer service fees charges and maintenance fees for the entity or from the expansion of the existing entity from the first five (5) years of operation
must exceed the facility fee the entity would have paid based on the size of the water meter for new location or the expansion.

3. Should the entity employ less than 200 people (or less than 200 additional people in the case of an expansion, or use less than one million gallons (1,000,000) per month (or an additional one million gallons per month in the case of an expansion), the District reserves the right to recover the applicable facility fee.

VII. EXTENSIONS TO PUBLIC OR PRIVATE SEWAGE COLLECTION SYSTEMS OUTSIDE THE DISTRICT

A. Standards to Apply Outside District

The District acknowledges that it presently treats wastewater from sewer systems outside the boundaries of the District. Some of these sewer systems are operated by private entities or individuals, and some are operated by political subdivisions outside the boundaries of the District. The District intends that these Procedures will apply to Extensions to sewer systems outside the District except as these Procedures may be qualified by a preexisting written agreement between the District and the operator of the sewer system. The District reserves the right to limit or prohibit discharges from sewer systems that lie outside the District Boundary.

B. Contract Required

Any proposed extension to Public or Private Sewer Systems that lie outside the District boundaries, and whose wastewater will be treated by the District, must first enter into a Sewage Disposal Agreement with the District unless the extension is covered by an existing written Agreement between the District and a political subdivision or a written agreement between the District and the owner of a private system. The District reserves the right to limit or prohibit discharges from sewer systems that lie outside the District Boundary.

VIII. ADMINISTRATION AND ENFORCEMENT

The General Manager is hereby authorized and delegated the responsibility to
administer the Policy and Procedures set forth herein.

IX. APPEALS

A decision of the General Manager, or his designee, made under these Procedures adopted pursuant to this policy, may be appealed to the District Board. The appeal must be in writing and must be served upon the General Manager within thirty (30) days of the date of the decision. The appeal should state clearly and specifically the reasons for the appeal and the relief sought. Failure to state clearly and specifically the reasons for the appeal and the relief sought may result in dismissal of the appeal.

The Planning Committee of the District Board will meet to consider the appeal. The Planning Committee, in considering the appeal, may listen to testimony and consider written evidence presented by the appellant, or the Planning Committee may make a determination without testimony. The Planning Committee may also consider oral testimony and documentary evidence from the General Manager and the District staff. If the Planning Committee consider testimony, both the appellant and the General Manager or his designee shall be given an opportunity to present testimony and to cross examine the witnesses, however, the rules of evidence generally prevailing in the General Courts of Justice for the State of North Carolina, will not apply to such a hearing.

The Planning Committee will make a recommendation to the District Board regarding the appeal within 30 days of the date the appeal is served on the General Manager.

The District Board will consider the recommendation at its next regularly scheduled meeting and will vote on the recommendation. The decision of the District Board shall be by majority vote and shall be final. A copy of the decision of the District Board shall be furnished to the appellant and to the General Manager.

X. AMENDMENTS

The District Board reserves the right to revise or amend this Policy and Procedures at any time.

XI. AUTHORIZATION

This Policy, together with Procedures set forth herein, is hereby adopted by the District Board of the Metropolitan Sewerage District of Buncombe County, North Carolina.

Reviewed by General Counsel: [Signature] 3/22/11

Approved by the District Board: [Signature] March 16, 2011

Chairman of the Board
Metropolitan Sewerage District of Buncombe County, NC
APPENDIX A
Sewer Rehabilitation Cost Participation Application Procedure

Anyone desiring to participate in the District’s Sewer Rehabilitation Cost Participation Reimbursement Program shall make a written request to the General Manager. The request is to be submitted at the same time plans are initially submitted for the proposed sewer rehabilitation. Requests submitted after issuance of a Permit to Construct the sewer extension will not be considered. The amount of the reimbursement will be determined at the sole and absolute discretion of the District.

The request shall include at a minimum the following information:

1. Applicant’s contact information
   a) Applicant’s name and organization
   b) Mailing address
   c) E-mail
   d) Telephone number

2. Project information
   a) Project name
   b) Project location
   c) Estimated average daily flow in gallons per day from project

3. Sewer Extension information for on-site and off-site each
   a) Pipe size
   b) Linear feet of sewer
   c) Location of connection (manhole number) to existing sewer
   d) Distance to project site from connection point

4. Sewer rehabilitation information
   a) Limits of required rehabilitation of existing system (manhole numbers)
   b) Existing pipe size
   c) Proposed pipe size
   d) Linear feet of sewer to be rehabilitated
   e) Detailed construction cost estimate by estimated unit price and estimated quantities for rehabilitation
   f) Estimated current wastewater flow

5. Schedule for construction of the sewer rehabilitation and each of on-site and off-site sewer extension

6. For pumping station rehabilitation, provide a list of the required components and a detailed cost estimate.
APPENDIX A
Rehabilitation of Existing Sewer Lines

Project Name: ____________________________________________________________

Applicant: ______________________________________________________________

Based on the TOTAL POINTS EARNED, MSD’s participation in the construction costs is calculated in accordance with the following table:

<table>
<thead>
<tr>
<th>TOTAL POINTS EARNED</th>
<th>MSD PARTICIPATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-25 Points</td>
<td>0%</td>
</tr>
<tr>
<td>25-50 Points</td>
<td>25%</td>
</tr>
<tr>
<td>51-75 Points</td>
<td>50%</td>
</tr>
<tr>
<td>76-84 Points</td>
<td>75%</td>
</tr>
<tr>
<td>85-100 Points</td>
<td>100%</td>
</tr>
</tbody>
</table>

* No points are available for replacing pipe with new pipe of same size
** No points are available for replacing pipe with new pipe of same size unless required due to I/I.

A. Rehabilitation Needs

<table>
<thead>
<tr>
<th>Points Earned</th>
<th>Project Scheduled for CIP Funding</th>
<th>percent of I/I Rehab vs. Upgrade Costs</th>
<th>Age of Pipe Segment in years</th>
<th>Size of Existing Pipe Segment *</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No 6-10 Yrs 3-5 Yrs 1-2 Yrs</td>
<td>0-10% 11-25% 26-50% Over 50%</td>
<td>0-10 Yrs 11-25 Yrs 26-50 Yrs Over 50 Yrs</td>
<td>Over 10&quot; 8-10&quot; 6&quot; 4&quot;</td>
</tr>
<tr>
<td>Point Value</td>
<td>0 10 15 20</td>
<td>0 10 15 20</td>
<td>0 3 7 10</td>
<td>0 3 7 10</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

B. Pipe Capacity

<table>
<thead>
<tr>
<th>Points Earned</th>
<th>Existing Users Percent including I/I **</th>
<th>New Development Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>11-35% 36-55% 66-95% Over 95%</td>
<td>Over 75% 36-75% 11-35% 0-10%</td>
</tr>
<tr>
<td>Point Value</td>
<td>5 10 15 25</td>
<td>0 3 7 10</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

C. Location of Development

<table>
<thead>
<tr>
<th>Points Earned</th>
<th>Distance from Existing Sewer in feet</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0-500’ 501-1,000’ 1,001-2,500’ Over 2,500</td>
</tr>
<tr>
<td>Point Value</td>
<td>0 2 4 5</td>
</tr>
</tbody>
</table>

Total Points Earned

Where Applicant’s on-site activities (landscaping, building over existing sewers, etc.) require pipe relocation, MSD’s percentage of participation shall be limited to the estimated costs for upgrading existing pipe in existing location.

** MSD participation is dependent upon availability of funds.**

Evaluated by: __________________________ Date: __________________________
## APPENDIX A

### Rehabilitation of Existing Pumping Station

**Project Name:**

**Applicant:**

---

### A. Rehabilitation Needs

<table>
<thead>
<tr>
<th>Points Earned</th>
<th>Project Scheduled for CIP Funding</th>
<th>Percent of I/I Rehab vs. Upgrade Costs</th>
<th>Age of Pumping Station in years</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>No</td>
<td>0-10%</td>
<td>0-7 Yrs</td>
</tr>
<tr>
<td></td>
<td>6-10 Yrs</td>
<td>11-25%</td>
<td>8-14 Yrs</td>
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<td>3-5 Yrs</td>
<td>26-50%</td>
<td>15-20 Yrs</td>
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<td></td>
<td>1-2 Yrs</td>
<td>Over 50%</td>
<td>Over 20 Yrs</td>
</tr>
<tr>
<td></td>
<td>Point Value</td>
<td>0</td>
<td>0</td>
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<td>10</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td></td>
<td>15</td>
<td>14</td>
</tr>
<tr>
<td></td>
<td></td>
<td>20</td>
<td>20</td>
</tr>
</tbody>
</table>

### B. Capacity

<table>
<thead>
<tr>
<th>Points Earned</th>
<th>Percent Current vs. Proposed Capacity</th>
<th>New Development Percent *</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0-20%</td>
<td>Over 75%</td>
</tr>
<tr>
<td></td>
<td>21-50%</td>
<td>36-75%</td>
</tr>
<tr>
<td></td>
<td>51-80%</td>
<td>11-35%</td>
</tr>
<tr>
<td></td>
<td>Over 80%</td>
<td>0-10%</td>
</tr>
<tr>
<td></td>
<td>Point Value</td>
<td>5</td>
</tr>
<tr>
<td></td>
<td></td>
<td>13</td>
</tr>
<tr>
<td></td>
<td></td>
<td>22</td>
</tr>
<tr>
<td></td>
<td></td>
<td>35</td>
</tr>
</tbody>
</table>

### C. Location of Development

<table>
<thead>
<tr>
<th>Points Earned</th>
<th>Distance from Existing Sewer Line in feet</th>
<th>Point Value</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>0-500’</td>
<td>0</td>
</tr>
<tr>
<td></td>
<td>501-1,000’</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>1,001-2,500’</td>
<td>4</td>
</tr>
<tr>
<td></td>
<td>Over 2,500’</td>
<td>5</td>
</tr>
</tbody>
</table>

**Total Points Earned**

Based on the **TOTAL POINTS EARNED** MSD’s participation in the construction costs is calculated in accordance with the following table:

<table>
<thead>
<tr>
<th>TOTAL POINTS EARNED</th>
<th>MSD PARTICIPATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-25 Points</td>
<td>0%</td>
</tr>
<tr>
<td>25-50 Points</td>
<td>25%</td>
</tr>
<tr>
<td>51-75 Points</td>
<td>50%</td>
</tr>
<tr>
<td>76-84 Points</td>
<td>75%</td>
</tr>
<tr>
<td>85-100 Points</td>
<td>100%</td>
</tr>
</tbody>
</table>

MSD participation is dependent upon availability of funds.

**Evaluated by:** ___________________________ **Date:** ___________________________
APPENDIX B
Additional Capacity Reimbursement Application Procedure

Anyone desiring to participate in the District's Additional Capacity Reimbursement Program shall make a written request to the General Manager. The request is to be submitted at the same time plans are initially submitted for the proposed sewer extension. Requests submitted after issuance of a Permit to construct the sewer extension will not be considered.

Additional Capacity Reimbursement will be determined at the sole and absolute discretion of the District.

Reimbursement for construction cost will be determined by the differential of the required larger size system components and the minimum size system. Right of way within the development is not eligible for reimbursement. Reimbursement for off-site right of way costs will be determined by the lesser of: 1) the actual cost of the additional right of way; or 2) one-half of the assessed county tax value per square foot of additional right of way area.

The request shall include at a minimum the following information:

1. Applicant’s contact information
   a) Applicant’s name and organization
   b) Mailing address
   c) E-mail
   d) Telephone number

2. Project information
   a) Project name
   b) Project location

3. Sewer Extension information for on-site and off-site each
   a) Pipe size
      I. Minimum Size for development
      II. Larger size required by District
   b) Linear feet of sewer for each pipe size

4. Schedule for construction of each on-site and off-site sewer extension.

5. Construction cost estimate (unit price) for each on-site and off-site sewer extension for minimum size system components and larger size system components.

6. Estimate of off-site right of way cost for minimum size system and larger size system.
APPENDIX C
New Affordable Housing Cost Recovery Application Procedure

Anyone desiring to participate in the District’s New Affordable Housing Cost Recovery Reimbursement Program shall make a written request to the General Manager. The request is to be submitted at the same time plans are initially submitted for the proposed sewer extension. Requests submitted after issuance of a Permit to construct the sewer extension will not be considered.

The request shall include at a minimum the following information:

1. Applicant’s contact information
   a) Applicant’s name and organization
   b) Mailing address
   c) E-mail
   d) Telephone number

2. Project information
   a) Project name
   b) Project location
      1. PIN’s and address of proposed connections

3. Sewer Extension information for on-site and off-site each
   a) Pipe size
   b) Linear feet of sewer

4. Schedule for construction of each on-site and off-site sewer extension.

5. Construction cost estimate (unit price) for each on-site and off-site sewer extension

6. Schedule of connections to sewer for each year 1 through year 5 for on-site and off-site each
   a) Number of residential units
   b) Number and size of water meters
   c) Water source

7. Letter confirming Affordable Housing
Anyone desiring to participate in the District’s Revenue Sharing reimbursement Program shall make a written request to the General Manager. The request is to be submitted at the same time plans are initially submitted for the proposed sewer extension. Requests submitted after issuance of a Permit to construct the sewer extension will not be considered.

The request shall include at a minimum the following information:

1. Applicant’s contact information
   a) Applicant’s name and organization
   b) Mailing address
   c) E-mail
   d) Telephone number

2. Project information
   a) Project name
   b) Project location
      I. PIN’s and address of proposed connections

3. Sewer extension information for on-site and off-site each
   a) Pipe size
   b) Linear feet of sewer

4. Schedule for construction of each on-site and off-site sewer extension.

5. Construction cost estimate (unit price) for each on-site and off-site sewer extension

6. Schedule of connections to sewer for each year 1 through year 10 for on-site and off-site each
   a) Number of residential units
      I. Number and size(s) of water meter(s)
   b) Number of non-residential units and estimated average daily wastewater flow from each.
      I. Number and size(s) of water meter(s)
APPENDIX E
PUMP STATION MAINTENANCE FEE

A Pump Station Maintenance Fee will be required for all pump stations. The fee shall be calculated by District staff and be the sum total of the following costs:

1. The current replacement cost of the pumps electric panel and generator;
2. The “present worth” of the utility (e.g. electric power, SCADA, telephone) and operation and maintenance costs for 20 years.

Future developments that utilize existing pump stations (where a Pump Station Maintenance Fee has been paid to the District) will require an engineering evaluation to determine the nature and extent of the upgrading that will be required of the existing facilities. Those developments that occur within 10 years of the original construction will be required to pay the increased cost of the “Pump Station Maintenance Fee”, whereas those that occur beyond ten years will be required to pay the full “Pump Station Maintenance Fee” as specified herein.
APPENDIX F
DEFINITIONS

Applicant: The person or entity desiring to extend or connect to the District sewerage system.

Building: Any structure or part of a structure built for the separate shelter or enclosure of persons, animals, chattels, or property of any kind and which has enclosing walls for at least 50 percent of its perimeter. Each unit separated from other units by a four hour fire wall shall be considered as a separate building. For the purposes of this policy a manufactured home is not considered a building. A manufactured home is defined as a unit, transportable in one or more sections, built on a permanent chassis and designed to be used with or without a permanent foundation when connected to utilities and does not meet the standards established by the North Carolina Residential Building Code.

Building Drain: That part of the lowest piping of a drainage system which receives waste from inside the building and conveys it to the building sewer which begins 5 feet outside the building wall.

Building Sewer: That part of the horizontal piping of a sewer drainage system which receives the discharge from a single building sewer drain and conveys it directly to a public sewer, private sewer, or on-site sewage disposal system. Pipelines or conduits, pumping stations and appliances appurtenant thereto will not be considered to be building sewers if they traverse adjoining property under separate ownership or travel along any highway right of way.

District Board: The District Board of the Metropolitan Sewerage District of Buncombe County, North Carolina.

District Sewerage System: The system of sewage collection, treatment and disposal owned and operated by the District.

Gravity Sewer: A Sewer Line which uses the naturally occurring force of gravity to cause the flow of sewage from a point of higher elevation to a point of lower elevation.

Non-Discharge Permit: A permit issued by the Metropolitan Sewerage District of Buncombe County, North Carolina under its approved local sewer system program or the N.C. Department of Environment and Natural Resources to allow the installation and operation of a sewer extension.
Private Sewer System: Any part of a sewer system which collects wastewater from more than one building, is privately owned, and is not directly controlled by a public authority. A Private Sewer System is one that is not owned or maintained by the District. This includes by way of example, but is not limited to, mobile home parks and multi-unit rental properties.

Project: A planned undertaking consisting of any construction, change or alteration to improved or unimproved land or buildings for any residential, commercial, industrial, institutional, utility or other uses by or for humans.

Public Sewer: A sewer located in a dedicated public street, roadway, or dedicated public right of way or easement which is owned and operated by any metropolitan sewerage district, municipality, county, water or sewer district, or any other political subdivision of the state authorized to construct or operate a system.

Public Sewer Standards: The technical standards, design criteria and easement requirements for Public Sewer Extensions as published in the Sewer Extension Manual.

Pumping Station: A pumping station (also called lift station) is the sewer appurtenance which pumps wastewater from a sewer line of lower elevation to a sewer line of higher elevation.

Schedule of Rates, Fees and Charges: The current Schedule of Rates, Fees and Charges as adopted by the District Board of the Metropolitan Sewerage District of Buncombe County, North Carolina.

Service Connection: The physical connection to a Public or Private Sewer Line which allows the discharge of wastewater into the District Sewerage System.

Service Line: The service line is that portion of the building sewer located within the District’s right-of-way and the portion lying under and within the right-of-way of a public road.

Sewer Extension Manual: The design guidelines, technical specifications, standard details, and easement requirements as published and promulgated by the Metropolitan Sewerage District of Buncombe County, North Carolina.

Sewer Line: A pipe or conduit for carrying wastewater (sewage).

Sewer Service Policy: The current Sewer Service Policy of the Metropolitan Sewerage District of Buncombe County, North Carolina.
Sewer System: Pipelines or conduits, pumping stations, specialized mode of conveyance and appliances appurtenant thereto, used for conducting wastes to a point of ultimate disposal.

Sewer Tap: The connection of a building sewer or service line to a sewer line.

REFERENCES

A. North Carolina General Statutes, Chapter 162A, Article 5.
B. Metropolitan Sewerage District Schedule of Rates, Fees and Charges
C. Metropolitan Sewerage District Sewer Extension Manual
D. Metropolitan Sewerage District Sewer Use Ordinance
E. Metropolitan Sewerage District Sewer Service Policy
F. Metropolitan Sewerage District Reimbursement Policy (TBD)
G. Administrative Code: NCAC T15A: 02H.0200