

## **WESTERN WAKE PARTNERS**

### **Report to the Policy Advisory Committee (PAC10-01)**

Date: July 14, 2009  
To: Policy Advisory Committee  
From: Technical Advisory Committee  
Prepared By: Leila Goodwin, P.E. – Town of Cary, Water Resources Manager  
Subject: Draft Updated Apex/Site 14 Water and Sewer Extension Policy

#### **Discussion**

On December 4, 2007, the Policy Advisory Committee endorsed inclusion of the Apex/ Site 14 Water and Sewer Extension Policy (developed March 28, 2007) as part of the proposed project at Site 14. The Town of Apex also approved the March 28, 2007 version of the policy, and it was included in the Corps of Engineers' Draft Environmental Impact Statement (DEIS) which is currently being finalized, following the public input process.

In response to questions and comments during development of the DEIS, the Technical Advisory Committee refined some of the details regarding implementation of the policy. Most notable is the clarification of the Partners' commitment to reimburse participating property owners for the installation of on-site service lines needed for hookup of water and sewer services. There is also more detailed discussion of what might be needed for those on-site service lines. The Corps of Engineers requested that the Partners update the policy to include those details. The attached July 14, 2009 version is a proposed draft of the updated policy for consideration by the PAC, and, following approval and/or modification by the PAC, by the Town of Apex.

**Requested Action:** The Technical Advisory Committee recommends that the Policy Advisory Committee 1) endorse the attached draft updated Apex /Site 14 Water and Sewer Extension Policy; 2) request that the Town of Apex consider approval of the updated policy; and 3) authorize any changes to the policy requested by Apex, provided they do not change the intent or cost of the policy.

**TOWN OF APEX**  
**DRAFT SITE 14 WATER AND SEWER EXTENSION POLICY**

**Revised:**

**Replaces: March 28, 2007 Policy**

**1.0 Purpose**

The purpose of the Site 14 Water and Sewer Extension Policy (policy) is to set forth the terms under which water and sewer service will be made available to properties located wholly within census block 534.03-1053 following completion of the proposed water reclamation facility at Site 14. Water and sewer service is being offered to these properties by the Town of Apex under the special conditions of this policy in response to community concerns about the potential for impacts from locating a water reclamation facility on Site 14 (formerly the Seymour property). This policy will be applicable only if the Western Wake Water Reclamation Facility is located on Site 14.

Census block 534.03-1053 is bounded by Old Highway 1 to the north, New Hill – Holleman Road to the east, US Highway 1 to the south, and Shearon Harris Road to the west, and includes the portion of Site 14 to the north of US Highway 1, as well as all parcels adjacent to that portion of the site (see attached map).

The parcel identified as Site 14 is bisected by US Highway 1. Only the larger portion of the parcel on the north side of US Highway 1 will be developed as part of the proposed project. The remaining smaller area of the parcel to the south of US Highway 1, which is located in census block 534.03-1013, will not be developed in conjunction with the proposed project. Parcels on the south side of US Highway 1 are not as likely as those within census block 534.03-1053 to be impacted by the project due to the generally greater distance from the actual facilities, as well as their location on the opposite side of a four lane divided highway.

**2.0 Designated Service Provider**

Census block 534.03-1053 is located in the Long-Range Urban Service Area of the Town of Apex. Accordingly, the Town of Apex will be the water and sewer service provider for that census block, and the provision of water and sewer service will be consistent with the policies and ordinances, as may be amended, of the Town Council of Apex.

**3.0 Eligibility**

All of the following criteria must be met for a property to be eligible for water and sewer services under this policy:

**DRAFT**

Town Of Apex  
Site 14 Water And Sewer Extension Policy  
July 14, 2009  
Page 2 of 9

1. The property must be wholly located within census block 534.03-1053 (see attached map).
2. The property owner must apply for service by January 1, 2012 (“closing date”). Property owners who request water and sewer service after January 1, 2012 may apply for service in accordance with the Town of Apex water and sewer policies and ordinances in effect at that time.
3. The water and sewer service provided under this policy is intended to benefit the property use and structure(s) existing as of July 9, 2009 at each property. Therefore, both of the following conditions must be met for eligibility:
  - a) A property must not have undergone a change in use relative the property use in effect as of July 9, 2009 (e.g. from single family residential to commercial).
  - b) Approval for development or redevelopment requiring submittal of a site plan or subdivision plan must not have been obtained after July 9, 2009.
4. The property owner must agree in writing to the terms of this policy by entering into a contract with the Town of Apex. Contract language consistent with this policy will be developed after a Record of Decision is issued by the U.S. Army Corps of Engineers and if the Partners subsequently seek permits for construction of the water reclamation facility on Site 14.

Properties that do not meet all of the above criteria and which are within the Town of Apex Urban Service Area would still be eligible to obtain water and sewer service from the Town of Apex in accordance with the requirements otherwise in effect for the provision of such service.

Property owners, who take advantage of this policy by entering into a contract with the Town of Apex, and their properties, will be referred to in the remainder of this document as “participating property owners” and “participating properties”, respectively.

## **4.0 Description of Water and Sewer Facilities**

The section describes in general the facilities that will be required for provision of water and sewer service to properties under this policy.

### **4.1 Service Offerings**

Property owners may request both water and sewer service, or water service only. This policy does not allow for provision of sewer service without water service. Participating

**DRAFT**

Town Of Apex  
Site 14 Water And Sewer Extension Policy  
July 14, 2009  
Page 3 of 9

property owners who initially request water service only may modify their request to include sewer service according to the terms of this policy until January 1, 2012. After January 1, 2012, participating property owners that requested water service only may apply for sewer service in accordance with the normal Town of Apex water and sewer policies and ordinances in effect at that time.

**4.2 Water Distribution System and Wastewater Collection System**

The water distribution and wastewater collection systems consist of the facilities that will be located in the public right-of-way (or on easements) and owned by, operated, and maintained by the Town of Apex. It is expected that the water distribution system will consist of a pipeline that will loop through census block 534.03-1053 starting and terminating at New Hill-Holleman Road. For each participating property, water service will include a tap to the water distribution system, a meter vault and remote-read automatic meter, and piping to the property line. The wastewater collection system will consist of a gravity sewer system that will discharge to a new wastewater pumping station owned and operated by the Town of Apex. Sewer service will include a tap to the wastewater collection system, clean-out access, and piping to the property line.

**4.3 On-Site Service Lines**

On-site service lines consist of the facilities needed on a participating property to connect water and sewer service from the property line to buildings. Participating property owners will be reimbursed for the installation of on-site service lines as discussed in Section 7 below. Reimbursement will be limited to facilities required to provide water service to buildings that, as of July 9, 2009, are connected to a well (for water service) or to a septic tank (for sewer service).

All work on private property is the property owner's responsibility. The participating property owner will be responsible for choosing and paying a licensed contractor to install water and sewer service piping and connections to the building(s) and the piping installed to the edge of right-of-way/property boundary in accordance with plumbing codes. This work must also include disconnecting the building(s) from any existing wells and septic tanks. At the property owner's request, the Town of Apex will, at its cost, decommission such existing septic tanks and wells after they have been disconnected.

Plumbing permits will be required by Wake County for the connection of private building plumbing to the municipal water and sewer system, and Town of Apex requirements must be met for the permits to be issued. The proposed water and sewer service lines that will connect building plumbing to the municipal water and sewer system must meet or exceed

**DRAFT**

Town Of Apex  
Site 14 Water And Sewer Extension Policy  
July 14, 2009  
Page 4 of 9

the requirements outlined in the North Carolina Plumbing Code. The Town of Apex will not require upgrading of buildings to meet current building codes under this policy.

The following paragraphs describe the three Town of Apex Code requirements applicable for connecting to the municipal water and sewer service that will have to be met that the Partners are aware of at this time.

The Town of Apex cross connection control ordinance and policy requires the installation of **backflow preventers** for all new service installations supplied by water from the Cary/Apex municipal water supply. Since residential water users are considered a low hazard to the municipal water system in comparison to commercial and industrial users, backflow preventers may be installed in the meter setter located in the municipal meter box assembly as an alternate to the typical above ground installations. For typical residential applications, the backflow preventer will be self-contained inside the meter setter provided by the Town. No additional backflow preventers will be necessary for typical residential water users unless the property owner fails to adequately separate the home plumbing from the well water supply under the crawl space. The use of separate, aboveground backflow preventers shall be required for all cases where property owners request secondary water services exclusively for irrigation or other non-residential uses. Spigot vacuum breakers are not currently required by the ordinance.

As a secondary result of utilizing a water service installation with a backflow preventer, the water service line will likely experience additional pressure associated with the thermal expansion and contraction of water inside the service lines. Because the thermal expansion of the water inside the service lines cannot be relieved by backflowing or backsiphoning into the municipal water system, an additional mechanism must be installed with building plumbing to provide a release for the pressure accumulated within the service lines and to protect the water service lines from undue expansion and contraction. As a means to prevent this occurrence, a **pressure relief mechanism** such as an expansion tank will need to be installed in building plumbing systems.

The pressure relief mechanism will not provide pressure reduction, which is a separate issue. In order to protect fixtures and interior plumbing, a **pressure reducing valve** within the water supply line entering buildings will need to be installed. Most pressure reducing valves are set to maintain pressure in the range of 60-65 pounds per square inch (psi). Please note that in all cases where the building pressure exceeds 80 psi (which will be the case for participating properties), pressure reducing valves are required by the North Carolina Plumbing Code.

**DRAFT**

Town Of Apex  
Site 14 Water And Sewer Extension Policy  
July 14, 2009  
Page 5 of 9

## **5.0 Annexation**

Under current Town of Apex policies and ordinances, prior to receiving water and sewer service a property must be annexed into the municipal corporate limits of the Town of Apex. Under the policy defined herein, the Town of Apex will not require annexation as a condition for providing water and sewer service to participating properties.

Future annexation of properties in and near census block 534.03-1053 could improve the ability to provide, and efficiency of municipal services, including but not limited to fire and police services. Accordingly, the Town reserves the right to initiate annexation proceedings for participating properties, but agrees not do so any earlier than January 1, 2025 (except in the event of a "changed condition" at the participating property as defined below). Each participating property owner will agree not to object to annexation of a participating property initiated by the Town of Apex after January 1, 2025, or at an earlier date in the event a changed condition at a participating property has first occurred.

The Town of Apex's commitment to defer annexation of a participating property until at least January 1, 2025 will remain in effect unless that participating property undergoes a changed condition after service is provided. A "changed condition" is defined as a change in use-at the participating property (e.g. from single family residential to commercial), or receipt of an approval for development or redevelopment that required submittal of a site plan or subdivision plan. A participating property owner will agree not to object to the annexation of his or her participating property by the Town of Apex prior to January 1, 2025 if such annexation is initiated by the Town after a changed condition has occurred at that property.

Any property owner may request annexation by the Town of Apex at any time, according to the policies and procedures in place at that time.

## **6.0 Easement Acquisition**

The construction and maintenance of the new water distribution and wastewater collection systems to serve participating properties will require the acquisition of easements from certain participating property owners. Participating property owners and the Town of Apex will agree cooperate in good faith concerning the location of any easement to be acquired at a participating property. To the greatest extent practicable, all easements shall be located in a manner so as to minimize impacts to existing structures and to not unreasonably impact the participating property owner's current and future uses of the property.

The Town of Apex will pay fair compensation to property owners for such easements. Payment of fair or "just" compensation is required by the Fifth Amendment to the U.S. Constitution (and by the North Carolina Constitution) when private property is taken for

**DRAFT**

Town Of Apex  
Site 14 Water And Sewer Extension Policy  
July 14, 2009  
Page 6 of 9

public use. Generally, the fair market value of the property interest being acquired is used as the measure of just compensation, with the reasoning that this is the amount that a willing seller would accept in a voluntary sales transaction and therefore it should also be payable in an involuntary transaction.

The process the Town will use to determine just compensation is consistent with the Federal Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, as amended, commonly referred to as the Uniform Act. Under the Uniform Act, an easement owner has three basic rights: Just Compensation, Appraisal and Review Appraisal, and the right to accompany Appraiser. The Town will make an offer of just compensation based on an appraisal: a written statement independently and impartially prepared by a qualified appraiser setting forth an opinion of defined value of an adequately described property as of a specific date, supported by the presentation and analysis of relevant market information. An owner can make a counter offer or provide additional facts that were not considered in the valuation, an adjustment will be considered, and a revised offer may be presented. All offers must be based on facts.

## **7.0 Costs**

The Apex Town Council has the sole responsibility and authority to establish and set rates, fees, charges and penalties necessary for the operation, maintenance, management, administration, upgrade, rehabilitation, improvement and expansion of its water and sewer utility system.

The acreage fees and capacity fees that property owners typically are required to pay prior to connecting to the Town's water and sewer system may be considered "free" or "deferred" under this policy depending on what a property owner chooses to do with his or her property, as discussed in section 7.1 below. A property owner's costs for the plumbing work required to install the service line(s) on his or her property and make the connection(s) at the property line will be reimbursed up to specified amounts as indicated in section 7.3 below. The monthly water and, if applicable, sewer bill will be based on in-Town water and sewer rates as indicated in section 7.4 below. Otherwise, the Town of Apex and the other Partners are providing the planning, design, land acquisition, permitting, construction and operation of the water and sewer system without charge to the property owners.

### **7.1 Acreage and Capacity Fees**

Under current Town of Apex policies and ordinances, property owners are required to pay acreage fees and capacity fees prior to connecting to the water and sewer system. The cost

**DRAFT**

Town Of Apex  
Site 14 Water And Sewer Extension Policy  
July 14, 2009  
Page 7 of 9

of acreage fees and capacity fees vary based on the type of development (residential, commercial, industrial, etc.) being connected to the water and sewer system.

Under this policy, payment of the acreage fees and capacity fees applicable to a participating property will be deferred until a changed condition as defined above in section 5.0 occurs for that property. Acreage fees and capacity fees in effect at the time the changed condition occurs shall become due and payable to the Town of Apex by the property owner of record at that time, in accordance with Town policy.

**7.2 Water Distribution and Wastewater Collection System Costs**

The Town of Apex through an agreement with the Western Wake Partners will pay all costs for the design, permitting, land acquisition, construction, engineering, and inspection services required to install the water distribution system and wastewater collection system.

**7.3 On-site Service Line Costs**

While the cost of extending service from the property line to the house/building is the property owner's responsibility, the Town of Apex will reimburse each participating property owner up to \$1,500 for work required to establish the water connection, plus, if applicable, up to \$1,500 for work required to establish the sewer connection. The specific amount will be reviewed and agreed to on a case by case basis. Once the participating property owner has retained a contractor for the installation and obtained a proposal for the work, this information shall be submitted to the Town for review. A meeting will be held with Town staff, the property owner, and the contractor to review the scope of work required for the service connections. Reasonable scope of work and reasonable costs to be reimbursed will be agreed to by the owner and the Town based on other similar work histories. Costs associated with replacing existing deteriorated pipe are the responsibility of the property owner as its replacement is not a result of the water and sewer service being offered.

**7.4 Monthly Water and Sewer Bills**

Under current Town of Apex policies and ordinances, water and sewer customers are required to pay a monthly water and sewer bill based on monthly water meter readings. As a condition of becoming a customer of the Town of Apex, participating property owners agree to pay a monthly water and sewer bill proportional to the level of service received as determined by monthly water meter readings. The Town of Apex will charge participating properties based on in-Town water and sewer rates. These rates are subject to change; as of July 1, 2009 a residential water customer who uses 5,000 gallons in a month would have a water bill of \$22.14 for that month. If that customer also receives sewer service, the sewer

**DRAFT**

Town Of Apex

Site 14 Water And Sewer Extension Policy

July 14, 2009

Page 8 of 9

bill would be \$31.47, resulting in a total bill for water and sewer services of \$53.61 for that month.

## **8.0 Schedule**

Water and sewer service will be available to participating properties approximately 6 months after the Western Wake Water Reclamation Facility is operational.

