



HarrisburgNC
The right side of opportunity

Town of Harrisburg

Wastewater Allocation and Commitment Policy

1. **Term**

- a. This policy shall control the preliminary allocation of sewer to projects requiring permits based upon 15A NCAC Subchapter 2T rules and the Water and Sewer Authority of Cabarrus County (“WSACC”) Sewer Allocation and Commitment Policy (“Policy”). This Policy may be amended by the Harrisburg Town Council at any time.

2. **Policy Applicability.**

- a. All development within the Town of Harrisburg (“Town”) which requires development approval in accordance with the Unified Development Ordinance (UDO) and any successor ordinance(s) will be required to make a request for a Wastewater Treatment Capacity Allocation Permit ("Allocation Permit"). Any existing development approval - with or without an Allocation Permit - that is modified or expanded in any way shall be considered a new allocation and will require a new Allocation Permit. More specifically, any increase in sewer collection/treatment impacts, including discharge limits and volume allocation will require a new Allocation Permit.

In general, parcels of land with an existing wastewater service connection at the time of the adoption of this policy is considered to have an existing wastewater treatment capacity allocation based on current land and/or building use. A parcel of land with no wastewater service connection at the time of the adoption of this Policy is considered to not have an existing wastewater treatment capacity allocation.

Approval of a new or modified Allocation Permit will be at the sole and absolute discretion of the Town and shall be in accordance with this Policy. An allocation committee comprised of the Town Manager, Deputy Town Manager, and one staff member from each of the following Town Departments - Engineering, Public Works, and Planning, shall make allocation determinations under this Policy and hereafter referred to as “Allocation Committee”.

- b. Notwithstanding the provisions of Section 3, the following types of developments are exempt from the requirements of this Policy:

1. A single- or two-family home on one existing, recorded lot at the time of the adoption of this Policy.
2. New or expanded accessory building on a lot, where a primary structure already exists.
3. New additions or interior renovations to existing residential or commercial buildings.
4. Property serviced by a septic system which will not be connected to the Town's wastewater system.

3. **General Policy.**

The Town seeks to grant wastewater allocations in a way that supports its economic growth, economic diversity, strengthening of the tax base, creation of jobs, and promotion of high-quality development, while maximizing existing infrastructure and service delivery capacity. To provide a foundation for this policy, the Harrisburg Town Council hereby adopts the following broad development priorities and determines that they are in the best interests of the Town, its citizens and stakeholders.

This Policy provides that all development projects seeking an Allocation Permit fall into one of three (3) categories as described below. The priorities are rank ordered (first being most important).

- a. Priority 1: Economic Development and Strategic Reserve. This priority consists of a strategic reserve of wastewater treatment capacity to support future projects or development sites that support the general policy statement at the beginning of this Section IV, the Town economic development process, or municipal or civic facilities. These projects fall into a wide range of the development process from conceptual to preliminary plat or preliminary site plan submittal. In some cases no specific project will have been identified and only a high-level development carrying capacity estimate (density and design) for a particular site will be used. This estimate will be prepared by the Town. Further, a reserve amount for a general land development category (and not a specific site) may be set aside. The decision to set aside capacity for these projects, future sites and development categories will be at the sole discretion of the Town. Generally, these projects, project sites or development categories are expected to have significant positive community impacts. These strategic reserve projects, sites and development categories are intended to align with the following strategic priorities:
 1. **Recent Town investments.** These are projects or project sites served by water, sewer, storm water, street, buildings or other such public investments currently secured by current Town debt obligations.
 2. **Town Center Development.** These are projects or project sites: 1) located in the

Harrisburg Town Center; and 2) identified by the Town as high quality that meets a Town need.

3. **Economic Development.** These projects or project sites include commercial, office and industrial development (and similar uses) which create significant tax base, create jobs and require limited public resources.
 4. **Improved Town services or infrastructure.** These are projects that, if developed, will result in significant improvements to existing Town services or infrastructure through private financial participation. Examples may be partnerships on water or sewer extensions that improve fire protection or water pressures or dedication of land for a public park. The improvements must be substantial in nature including a significant private commitment of funding or other public asset development.
- b. Priority 2: Previously Approved Projects. Due to existing substantial financial and operational commitments of private sector development entities based on good faith preliminary plat (residential) or preliminary site plan (commercial) approvals by the Town at the time this Policy is adopted, these projects will be considered for allocation of necessary sewer treatment capacity to support the project commencement and completion. Projects with preliminary plat or preliminary site plan approval must adhere to the application procedures of this policy. If, at any time there exists greater sewer treatment demand than there is available sewer treatment capacity, the Allocation Committee shall determine how the available capacity is allocated. These projects may also be subject to a phasing plan as directed by the Town. This is a "point in time" priority that will no longer be applicable after this Policy is adopted.
 - c. Priority 3: Waiting List Projects. These are projects that are not included in Section IV, subsections A or B above. The projects in this priority category become part of a waiting list and they are delineated as such on forms developed by Town staff. Initially, upon adoption of this Policy these are all projects that have an approved preliminary plat or preliminary site plan but have not been awarded an Allocation Permit by the Allocation Committee. Should additional wastewater capacity become available from WSACC or from projects not proceeding expeditiously in accordance with this Policy, then projects on the waiting list will become eligible for requesting an Allocation Permit. Prior to considering approval of an Allocation Permit for a project on the waiting list, the Town Engineering Department shall review the project plan and re-affirm and/or update the prioritization scoring results based on any changes that may have been made to the project. This potential for assigning additional allocation will only occur once every six (6) months after receiving updated capacity reports from WSACC (expected by the end of January and July of each year) except in extraordinary circumstances as approved by the Town Manager. Projects that have secured preliminary plat or preliminary site plan approval at the time of the adoption of this policy shall be given first consideration for additional allocation over other projects.

4. Procedure.

- a. Amount of sewer which may be allocated
 1. The amount of sewer available for allocation and attributable to any designated calendar year shall be the amount given by WSACC to the Town, as determined through the interlocal agreement and Town Council.
 2. The Town shall reserve at least 30 percent (30%) its available sewer allocation for Economic Development projects and as a Strategic Reserve. As Economic Development flow is allocated, non-residential flow will be used to re-balance the Economic Development reserve, if available.
 3. The Town shall allot from the remaining amount 40% to residential, 60% to non-residential .
 4. Mixed use projects may be allocated using allocations from the non-residential and residential allocations, if available and approved by Allocation Committee.

- b. The owner or developer of any project requiring an Allocation Permit from the Town shall submit a written application via a form provided by Town staff, for an allocation reservation. The application shall include detailed information on the amount of capacity necessary to serve the project, the nature of the project, project schedule and phasing in relation to demand of utility capacity, and other supporting information demonstrating how the project serves the needs and interests of the Town. In the case of industrial flows, additional information may be required and may be subject to other ordinances or policies of the Town and WSACC.

- c. Projects exempt from submitting a written application for wastewater treatment capacity allocation, still require Allocation Permit issued by the Town prior to construction commencing.

- d. In accordance with the Allocation Agreement, every six (6) months the updated wastewater treatment capacity available to the Town from WSACC will be reconciled with a list of projects that have applied for but have not yet received an Allocation Permit. At this time the Town will consider allocating some or all of its then available wastewater treatment capacity to strategic reserve projects and waiting list projects. There is no guarantee of any project receiving an Allocation Permit.

The assignment of any additional sewer treatment capacity allocation will only occur once every three (3) months except in extraordinary circumstances as approved by the Town Manager.

- e. Due to weather-related factors, the regulatory environment, and the dynamic nature of wastewater flow and treatment, accounting of available capacity is, by its very nature, inexact and subject to change. The Town will continually track allocation reservations granted and the amount of capacity available. Such reports do not constitute a policy statement, commitment or guarantee on the amount of capacity available for allocation.

- f. Allocation Permits issued by the Town will reserve the approved wastewater treatment

plant capacity and permit the completion by the applicant of construction drawings. The Allocation Permit issued by the Town will be followed by the corresponding final allocation approval by WSACC following the final approval of construction drawings by the Town.

- g. Allocation Permits are not transferrable except upon written consent of the Town.
- h. Preliminary Allocation approvals
 1. Allocation Committee will be the body to approve preliminary allocation requests.
 2. Projects with construction plans in review as of April 1, 2022 with activity in the past year will be presented first for approval. If approved, these projects will have 120 days to achieve final plan approval and flow acceptance. Projects thereafter (excluding Economic Development) will be presented quarterly to the Allocation Committee. The Town will approve Economic Development projects separately.
 3. The Allocation Committee will be presented with current allocation available, and the impact of the projects presented on remaining capacity. Projects will be assigned prioritization points based upon the point system attached.
 4. Residential approvals may be phased to allow a maximum of 50 units per year. The 50 units is within a project and not cumulative Town-wide.
 5. If approved by the committee, a Preliminary Sewer Allocation Permit shall be issued with the acceptance of Construction Documents for review by the Town. The Preliminary Permit will expire after six months. In the event where construction document approvals are not secured by the applicant within six months, a new Preliminary Sewer Allocation Permit will be required. A project must have a valid Preliminary Sewer Allocation Permit prior to receiving a final sewer allocation, which shall occur at the time of utility permitting. The final sewer allocation shall not be more than the preliminary sewer allocation approved
 6. Commencement of installation of water and/or sewer infrastructure shall begin within 120 days of final permit approval, or approval shall be revoked.. In cases where no utility extensions are necessary, construction permits must be obtained and building foundations constructed within 120 days of construction drawing approval or final allocation will be revoked.
 7. Any extension of preliminary or final sewer allocation timelines must be approved by the Town Manager.
- i. Project Prioritization Scoring
 1. Projects will be scored using the table below.

The project score is simply a guide for Town to evaluate the projects based on the given criteria. Project scores do not guarantee acceptance or rejection and projects are also not specifically competing against each other. Project scores are one evaluation technique for Town Staff. Final allocation authority is the sole decision of the Town.
 2. Projects deemed Economic Development projects will not be scored and will be evaluated by Town Council and potentially awarded an allocation through existing Economic Development processes.

RESIDENTIAL PRIORITIZATION EVALUATION

- Located within an adopted small area plan or growth nodes +2
- Vertical mixed use +2
- Redevelopment Site +1
- Horizontal mixed use +1
- Town Center Development +1
- Construction of an existing Town C.I.P. +1
- Low Density Storm Water Qualified +2
- Median lot sizes greater than ¾ acre +2
- Significant non-required Park and Rec. elements +1
- Contiguous Annexation -1
- Non-Contiguous Annexation -2

NON-RESIDENTIAL PRIORITIZATION EVALUATION

- Office +1
- Located within an adopted small area plan or growth nodes +1
- Part of an approved mixed-use plan or PUD +1
- Contiguous Annexation (Non- economic development) -1
- Non-Contiguous Annexation (Non- economic development) -2
- Industrial use +1
- Construction of an existing Town C.I.P. +1
- Town Center Development +3
- Caldwell Road Extension Area +2

j. Additional Factors which Town may consider.

1. Whether in Town's opinion, the application is for a land use which is consistent with the Town's adopted policies concerning growth and development, and
2. Such other factors as may be identified by the Allocation Committee in its deliberations, which either suggest that a particular application promotes or undermines the public health or safety, or the general welfare of the Town.

5. General Conditions

- a. This Policy shall replace any previous practices or policies on wastewater treatment capacity allocations adopted by the Town.
- b. Due to the limited wastewater treatment capacity, it is the intention of this Policy to prohibit "capacity banking" where valuable wastewater treatment capacity is allocated but not used by a development project within a reasonable timeframe. More specifically all

allocation execution timeframes in accordance with section 4(a) shall apply to the priority categories described in Section 3(a-c) above unless otherwise approved by the Town Manager

- c. For large, multi-phase projects, an approved phasing plan will include specific timing of construction drawing submittals that will generally adhere to the principles of this policy; however, the first phase must comply with the timeframes of subsection 4(a). Notwithstanding the above, if contractual obligations between a developer and the Town provide a different schedule for securing these approvals the contractual obligations shall become the requirement.
- d. An Allocation Permit will expire if a project has not progressed in accordance with the timeframes described in Sections 4(a) above and any approved extensions. Projects with an expired Allocation Permit will be required to submit a new application. These projects will be placed on the waiting list described in Section 3(c).
- e. The final decisions on project phasing will be at the sole discretion of the Town Manager or designee due to the phased nature of sewer treatment capacity increases and the intent to provide a fair and equitable allocation of capacity to as many development projects as possible.
- f. If a project is unsuccessful in obtaining any required federal, State, or local government permit or approval the allocation shall be retracted. The Town shall bear no liability for any costs incurred by the applicant, or any further responsibility in the matter.
- g. Granting of a wastewater treatment capacity allocation does not imply or confer approval of any other applications or reviews as may be required by Town Ordinance or policy and does not imply or create any vested right.
- h. This policy shall be reviewed annually and, when appropriate, modified by Town Council.

6. **Appeals Process**

Any issue relating to a decision assigned to any project may be appealed to the Town Manager. A final decision shall be rendered by the Manager within ten (10) business days. Such decision may be appealed to the Town Council who shall hear the appeal at the next regularly scheduled council meeting and render a final decision within 45 days. Notice for any appeal shall be delivered to the Town Clerk for scheduling within five (5) business days following notice of the final decision by written notice or e-mail from the Town Manager.