

REVISED CITY AND COUNTY WATER AND SEWER LINE  
AGREEMENT [05/17/07 version]

THIS REVISED CONSOLIDATED AGREEMENT, made this the \_\_\_\_\_ day of \_\_\_\_\_, 2007 by and between City of Greensboro, a municipal corporation of the State of North Carolina, (hereinafter called "the City"), and Guilford County, North Carolina, a political subdivision of the State of North Carolina, (hereinafter call "the County"),

WITNESSETH:

THAT, WHEREAS, on the 20th day of May, 1968 a Consolidated Water and Sewer Line Agreement was authorized between the City and the County relative to the construction and installation of water and sewer lines within a mutually agreed upon service perimeter area located outside the corporate limits of Greensboro; and,

WHEREAS, there have been seventeen amendments to said Contract and the service area has been amended from time to time; and,

WHEREAS, this water and sewer agreement has well served; and,

WHEREAS, it is deemed desirable to consolidate and update into a Revised Consolidated Water and Sewer Line Agreement; and,

WHEREAS, it is the intent of the City and the County to continue to expand existing water and sewer facilities into certain areas presently lying outside the corporate limits of the City in order to adequately and efficiently provide water and sewer services in the Water and Sewer Service Area, as defined on the attached map, to the end that a healthy, orderly and coordinated system of continued growth and development will be attained in a manner most conducive to the public health and general welfare. Further, said extensions of public utilities are to be provided in a rational manner in order to ensure efficient and effective delivery of services and the County and City will work together in good faith in the best interest of the citizens; and,

WHEREAS, it is deemed to be in the best interest of both the City and the County to enter into a revised contract under which all future water and sewer line extensions and installations shall be authorized pursuant to certain criteria, rules and regulations as established herein; and,

WHEREAS, it is the further intention of the parties hereto that all lines previously installed under the 1968 agreement mentioned above shall be subject to the conditions set forth herein from and after the date that this contract becomes effective; and,

WHEREAS, on the \_\_\_\_ day of \_\_\_\_\_, 2007 the City Council of the City of Greensboro and on the \_\_\_\_ day of \_\_\_\_\_, 2007 the Board of Commissioners of Guilford County respectively authorized this agreement with, by and between the other in accordance with the terms as hereinafter set forth.

NOW, THEREFORE, in consideration of the mutual covenants, terms and conditions contained herein accruing to the benefit of each of the respective parties hereto, the receipt of which is hereby acknowledged, it is hereby agreed as follows:

1. The City and the County do hereby mutually establish a Water and Sewer Service Area (WSSA) outside the existing corporate limits of the City of Greensboro in which the parties hereto shall concentrate their efforts in reasonably providing water and sewer extensions. The Water and Sewer Service Area shall be effective July 1, 2007. The WSSA map is incorporated by reference to this agreement and as amended from time to time by the City Council and the County Commissioners.
2. Water and sewer installations shall not be considered for extensions beyond the WSSA except as follows:
  - A. Public schools.
  - B. An unincorporated area where the County Public Health Director has declared a public health hazard due to contaminated wells or failing septic tanks for an existing subdivision or residential area.
  - C. Property adjacent to the WSSA where such property is capable of gravity sewer service to a gravity sewer line within the WSSA. Such proposed lines must be designed in accordance with general engineering standards and in the best interest of the utility as determined by the City of Greensboro's Water Resources Department.
  - D. Any single-family residential lot or non-residential principal building existing as of December 21, 1999, located in an unincorporated area directly abutting an existing or future water and sewer line may make one connection, not to exceed a pipe size of 1 ½ inches for water and 4 inches for sewer, to the line(s).
  - E. Economic Development projects outside the WSSA that meet the criteria in Paragraph 6 of this agreement. [Any such extensions would be to serve only the proposed project and would not allow additional connections from other existing or proposed users along the intervening route between the water and sewer boundary without the additional connections meeting the terms of this policy and approved by County Commissioners and City Council.]
  - F. Any other property to which the City Council and County Commissioners determine that an extension is appropriate.

The Water and Sewer Service Area being defined as shown and indicated on the attached map which is incorporated herein and made a part of this agreement is to be reviewed at least every three years from the signing of this agreement.

3. All funds received under this agreement from County assessments, County acreage charges and City and County contributions shall be deposited in the existing JWSTF. Monies received in said fund and interest earned shall be held in trust and applied to the payment of the costs of construction of water and sewer installations, including necessary rights-of-way and all other cost incidental to such construction, within the WSSA or as otherwise approved under contract with the City. This fund shall be used for no other purpose than water and sewer projects.
4. Following the close of each fiscal year and no later than December 31, the auditors for the respective jurisdiction will provide an accounting of all financial transactions associated with the Joint Water and Sewer Trust Fund and the related Water and Sewer Construction Fund (WSCF) projects and all financial records related to the computation of the twenty-five percent of the gross revenues for water and sewer service to those connecting to lines constructed pursuant to this contract. Also at the beginning of each fiscal year a five year capital improvement plan for joint water and sewer projects will be submitted to the City Council and the County Commissioners through their respective Managers based upon priorities identified in Paragraph 6 of this agreement.
5. The City and the County each, through their respective governing bodies, shall authorize the extension of water and sewer lines within the WSSA before any commitment for water and sewer lines to other persons shall be made. This shall be accomplished in the manner set forth in Paragraph 6 of this agreement and under the City of Greensboro-Guilford County Policies and Procedures for Water and Sewer Extensions Outside the Corporate Limits, a copy of which is attached hereto as Attachment A, incorporated herein and made a part hereof.
6. The Water and Sewer Service Area is composed of three service availability areas based upon the following: the cost to extend water and sewer service, the proximity to existing service, and the degree that service will protect the Watershed Critical Area. Water and sewer extension projects will be eligible to receive various levels of financial participation from the City and the County depending in which Service Availability Area the project lies, the priority of the project, and the availability of funds. All projects will be designed in accordance with general acceptable engineering standards and in the best interest of the utility as determined by the City of Greensboro's Water Resources Department.

Potential eligibility for City and County participation will be determined as follows:

*Service Availability Area A (Available):* Projects are eligible for assistance from the County for over sizing of lines and pump stations beyond what is required to serve the needs of the project. The County and City may participate up to 100% for required increases to feeder mains sizes and/or outfall sizes.

*Service Availability Area B (Limited Availability):* Projects eligible for assistance from the County for 50% of the cost for over sizing of lines and pump stations beyond what is required to serve the needs of the project. The County and City may participate up to 50% for required increases to feeder main sizes and/or outfall sizes.

*Service Availability Area C (Scarce Availability) or outside the WSSA:* Projects are not eligible for City or County participation unless it is an economic development project as specified in this section of this agreement.

Properties inside the WSSA that lie adjacent to another Service Availability Area and such property is capable of connecting by gravity to a gravity sewer line in that adjacent Service Availability Area may be eligible for participation as if located in that Service Availability Area. This is subject to the condition that the proposed line is designed in accordance with generally acceptable engineering standards and is in the best interest of the utility as determined by the City of Greensboro's Water Resources Department.

The City Council and the County Commissioners will consider the priority of a project in considering the appropriation of funds from the JWSTF. In general projects will be ranked based upon the following priority: eligible economic development projects, over sizing of lines and pump stations, system operational enhancements, existing public schools, public health issues in existing residential subdivisions, and federal HOME projects. Extensions that also provide protection to watershed critical areas will be given stronger consideration. The JWSTF shall also maintain an undesignated reserve of two million dollars for extension for economic development projects at the beginning of each fiscal year.

In general, use of funds from the JWSTF will be limited to extensions inside the WSSA. However, the City Council and the County Commissioners may decide to participate in a water and sewer extension to address an important public need or to an economic development project as defined in the paragraph below anywhere inside or outside the WSSA. If a development meets the requirements of this policy and sufficient funds are available, the City and County may contribute funds from the JWSTF for the construction of the water and sewer utilities to the property line of the development for an economic development project in Service Availability Areas A and B at the suggested percentages shown in Table A. In Service Availability Area C or outside the WSSA the economic development project must meet one of the following thresholds of 200 developable acres or 150 full time, non retail jobs above the Guilford County median wage or 30 million dollar investment to be eligible for 50% cost share in extending water and sewer lines. The City Council and the County Commissioners may decide to contribute none or more or less than the percentage of participation suggested in this section of the agreement based upon the project's ratio of economic development impact to public investment.

An economic development project is a non-residential and non-retail project that includes office, flex office, technology research and development, manufacturing, distribution and assembly or other similar uses. If an economic development project is in the form of a mixed use corporate park, -supportive uses such as, retail, hotel, restaurant and residential development, will be permitted as part of a submitted or amended master plan for a mixed use development. This will only be allowed when supportive uses make up less than half of the total plan and where the corporate park development [office, flex office, technology research and development, manufacturing, distribution and assembly or other similar uses], remains more than half of developed or prepared areas within the project.

**TABLE A: GUIDELINES FOR PARTICIPATION IN COST OF EXTENDING WATER AND SEWER FOR ECONOMIC DEVELOPMENT PROJECTS IN SERVICE AREAS A&B**

			% of Cost
ACRES* **	JOBS***	INVESTMENT**	WSSA
300 or	300or	\$60million	90%
200>300 acres or	150>300 or	\$30>\$60million	65%
100>200 acres or	75>150 or	\$15>\$30 million	40%
50 > 100 acres or	25 > 75 or	\$7>\$15million	15%

\*Developable acres

\*\*Non retail and non residential projects

\*\*\*Full time, non retail, at or above Guilford County median wage jobs

The City Council may decide to open a sewer basin or portion thereof for development by extending sewer lines. All costs associated with opening this basin shall be borne by the City. The City may recoup its financing and construction cost through the initiation of a basin development fee for each basin. The City may open basins where it deems it appropriate. All sewer basin development fees are payable only to the City prior to annexation and to connection to the utility system and are not part of the JWSTF. When the City chooses to open a sewer basin using this methodology, the County would not levy a sewage acreage fee or frontage fee. If water lines are extended into an area where a sewer development fee is levied the extension of those water lines would follow the terms of this agreement. Also under this agreement, the County reserves the right to extend water and/or sewer lines at it's cost to areas approved by the City.

7. As mutually agreed by the City and County prior to each project, the City, or a private contractor shall provide the engineering services, prepare the plans, let the contract, and inspect the work concerning installation as a part of the total construction cost of water and sewer lines.
8. As mutually agreed by the City and County prior to each project the City, County, or a private contractor shall secure any necessary rights-of-way, permits and permission from all persons, firms, corporations and other owners for the construction of said water and sewer utilities infrastructure located within the WSSA, the costs of which shall be included in the total cost for the construction of said water and sewer utilities infrastructure. The County shall convey to the City, at no cost or expense, any necessary rights-of-way over land owned by the County in order to install any portion of said water and sewer utilities infrastructure.
9. Contracts, payments, and contract amendments shall be in accordance with the City of Greensboro-Guilford County Policy and Procedures for Water and Sewer Line Extensions Outside the Corporate Limits. Funds shall be appropriated in the amount of the contract plus contingency per contract based on risk factors such as rock, freeway crossings, pipeline crossings and other unusual circumstances. In no case shall work be approved which will cause the contract amount to be exceeded without prior approval of the proper

authority(s). Contingency funds will not be obligated or funded without written approval of the City and County. Reimbursements shall be made to the contracting authority based on contract expenditures as validated by engineering certifications with a minimum of 10% retainage, which shall be reimbursed upon certification of work completion.

10. At such time as the water and sewer utilities infrastructure located within the WSSA are accepted by the City from the contractor, all rights, title and interest in such lines installed hereunder shall immediately vest in the City and it shall be the responsibility of the City to perpetually maintain, replace and repair all such water and sewer lines.
11. All specifications for materials and installation of all of the water and sewer lines above mentioned shall be in accordance with the current City of Greensboro Water Line And Sewer Line Construction Standard Specifications.
12. The County shall finance, from the Joint Water and Sewer Trust Fund, water and sewer utilities infrastructure installed in or outside the WSSA providing the project meets the criteria set out herein and in accordance with the City of Greensboro-Guilford County Policy and Procedures for Water and Sewer Extensions Outside the Corporate Limits. In the event that the County does not have sufficient funds available from this fund to finance a particular request for a service extension, or when a requested extension fails to meet the specific standards established by the County for its participation, any person, firm or corporation may advance the necessary funds to the County to finance the project under a separate agreement with the County.
13. Assessments shall be as follows:
  - A. The County shall maintain its established assessment procedure in the manner prescribed by law in Article 9, Special Assessments, General Statute 153A and as set out in the City of Greensboro-Guilford County Policy and Procedures for Water and Sewer Extensions Outside the Corporate Limits, shall assess and make collection for all water and sewer lines installed under the County's "assessed" program of \$ 15.00 per linear foot of frontage abutting said water improvements and/or \$ 15.00 per linear foot of frontage abutting said sewer improvements and costs associated with the installation of water and sewer laterals abutting said sewer improvements left at all properties with habitable existing structures. These linear foot fees shall increase by 5% each fiscal year with an effective date of July 1 of each fiscal year. These fees shall be reviewed every three years and increased as deemed feasible by the Board of Commissioners. The County agrees to keep these fees comparable to those charged by the City. Assessment rates for petitioned/health recommended projects shall be locked in at rates effective at the initiation of the project as set out in the Memorandum to Sponsor/Petitioner. The County may, in its discretion, hold any assessments in abeyance, without interest, for a period not to exceed five years; provided, however, that if the owner of abutting property desires to tap onto the water or sewer line within the period when the assessments are held in abeyance, the property owner will, prior to getting service, pay as a lump sum the total assessments, acreage charges and connection fees on the entire tract involved.
  - B. For those water and sewer projects constructed under the County's "non-assessed" program in accordance with the City of Greensboro- Guilford County Policy and

Procedures for Water and Sewer Extensions Outside the Corporate Limits, a property owner requesting a connection to an existing water and/or sewer line will be assessed \$ 15.00 per linear foot of frontage abutting said water improvements and/or \$ 15.00 per linear foot of frontage abutting said sewer improvements. These fees are due in full at the time of application for connection. These linear foot fees shall increase by 5% each fiscal year with an effective date of July 1 of each fiscal year. These fees shall be reviewed every three years and increased as deemed feasible by the Board of Commissioners. The County agrees to keep these fees comparable to those charged by the City.

14. In addition to the assessments as levied by the County under Paragraph 13, Sections A and B hereof, any person, firm or corporation desiring to have his property connected to the line shall pay the following fees to the City and/or County in accordance with the City of Greensboro-Guilford County Policy and Procedures for Water and Sewer Extensions Outside Corporate Limits:
  - A. A charge of \$500.00 per acre for water for the gross acreage to be served; a charge of \$500.00 per acre for sewer for the gross acreage to be served; said fees to be paid to the JWSTF. These acreage fees shall be increased by 5% each fiscal year with an effective date of July 1 of each fiscal year. These fees shall be reviewed every three years and increased as deemed feasible by the County Commissioners.
  - B. The standard connection fees as established by City ordinance at the time the connection is made for the particular size of water or sewer service made. This fee shall be retained by the City, no part of which shall inure to the benefit of the County.
  - C. Normal service rates to be charged as established by the City Council of the City of Greensboro.
  
15. The established Joint Water and Sewer Trust Fund shall consist of the following revenues to which both parties are hereby obligated to remit:
  - A. All assessments levied and collected by the County as provided in Paragraph 13, Sections A and B including any "non-assessed frontage assessments collected by the City on behalf of the County for lines installed under this agreement and further those "assessed" or "non-assessed" frontage assessments collected by the City on behalf of the County but which, due to annexation, are subject to collection by the City.
  - B. All acreage fees collected under the provisions of Paragraph 14 Section A and Paragraph 17 of this agreement.
  - C. Twenty-five percent of the gross revenues collected by the City for water and sewer service to all persons, firms and corporations connecting to water and/or sewer lines constructed pursuant to this contract. Deposit by the City shall continue for each account until the property is annexed into the City. These funds shall be deposited on a quarterly basis. The County shall deposit this 25% into the JWSTF.
  - D. The City may deposit additional funds above the 25% gross revenues deposited into the JWSTF as specified in Paragraph 15 Section C. The County agrees to match all

deposits over and above the 25% gross revenues up to two million dollars every two years. The City shall notify the County of its intent to deposit additional funds by October 31 prior to the first fiscal year of a two year period.

16.

- A. The provision of all water and/or sewer outside the corporate limits of the City shall be in accordance with the following:
- i. Development Review - The City agrees that the Guilford County Development Ordinance shall govern with respect to zoning, as provided by law, unless the property lies within the City's extraterritorial jurisdiction or annexation will occur with rezoning. Some applicants may file a development request (including a rezoning, special use permit, subdivision or site plan) for an area that will not be annexed by the City immediately, but which is seeking to connect to City water and/or sewer. All such requests shall begin by providing notice to Guilford County at the start of development review. However, the County agrees, that prior to a property owner filing a development review request with the County, the City shall review such proposal and identify conditions that need to be attached to or included in the proposal to insure conformity with the City's adopted land use plans and development regulations. These conditions are to be agreed to by the property owner as part of a voluntary request to connect to the City's water and sewer system. [For example, if a rezoning were required, the City would specify certain conditions that need to be attached to a conditional rezoning request to the County, utilizing CU-PUD or other appropriate zone.] Following a certification that City standards would be met in a development proposal, such plans shall then be submitted for review and approval by the County, following all required standards and procedures.
  - ii. It is understood by and between the County and the City that each user of water and/or sewer service outside the corporate limits will be required to sign a Utility, Annexation and Development Agreement, as described in subparagraph B below. Failure of the applicant to agree to meet the specified requirements on both development plans and construction of projects, could result in the City denying water and sewer service to that development.
  - iii. The City's adopted General Future Land Use Map does not specify land use for all properties in the WSSA, therefore it will be necessary for the City to adopt an Interim Land Use Map for these parcels prior to the effective date of this agreement and remain in place until the City and the County can amend their respective comprehensive plans and associated land use maps as specified in paragraph iv below. In the review of a rezoning request within the WSSA the County will acknowledge the uses shown in the City's Interim land use Map, and evaluate the merits of such rezoning request in pursuant to adopted goals, objectives and policies of the County's comprehensive plan.
  - iv. Comprehensive Plans -The City and County will show a good faith effort to develop and adopt in the near future similar General Future Land Use Map



(GFLUM) provisions for their respective adopted Comprehensive Plans for the area outside the City limits but inside the Water and Sewer Service Area. In some cases, proposed land uses in a particular proposed development is similar to, but not the same as the City's GFLUM, which may be due in part to the different existing character of the area in County jurisdiction surrounding the request. In order to evaluate such cases, the City will approve guidelines to allow for minor administrative modifications of such GFLUM for a subject area, if alternate land uses can be demonstrated to produce equal or better performance and to support the goals and purposes of the Comprehensive Plan and this Agreement as determined by the City. Any major amendments to the Plan would need to be processed through the respective governing bodies.

- v. Context Modifications – The City may also administratively modify their respective development standards for certain developments in the subject area, if it is demonstrated that alternate standards both fit the existing context and anticipated needs of the subject and surrounding properties and produce equal or better performance in meeting the goals and purposes of the Comprehensive Plan and this Agreement. In addition, the City may require supplemental private maintenance agreements on development infrastructure within such projects in unincorporated areas.
- vi. Approval of Procedures for Agreement – The City and County would show a good faith effort to implement in a timely fashion any needed amendments to ordinances, policies or plans to carry out the above mentioned procedures following adoption of this Agreement.

- B. It is understood by and between the County and the City that each property owner connecting to water and sewer lines outside the corporate limits of Greensboro will be required to execute a Utility, Annexation and Development Agreement with the exception of those named subdivisions that are part of the Southeast Sewer Project and as named in the August 1989 Resolution. In this agreement the applicant for water and sewer agrees to be annexed at the City's discretion and will not request to be annexed by another municipal corporation and to develop under the provisions of Greensboro's comprehensive plan and land development ordinances and regulations.

17.

- A. Upon City initiated **involuntary** annexation per NC State Statute of any property, all applicable and uncollected acreage fees shall be eliminated from properties abutting a water and/or sewer line. Along with any petition for voluntary annexation, the petitioner shall be required to submit to City Planning, water and sewer acreage fees on the full acreage being requested for **voluntary** annexation. These fees are a pre-requisite of voluntary annexation. The City shall forward these fees to the County to be deposited into the JWSTF.
- B. For those areas annexed that have water and sewer lines installed under the County's "Private Extension" program or the County's "Assessed" or "Non-assessed" program with County funding, the City shall collect frontage fees at the

City's then current rate from all persons wishing a connection to the line for a period of five years from the date of annexation and shall forward these fees to Guilford County to be deposited into the JWSTF. Thereafter, the property annexed under said ordinances set out above shall receive the same status regarding charges and rates as any other property located inside the corporate limits of the City of Greensboro. The City shall provide the County a map of the properties annexed and the County shall provide the City, after an area is annexed, a list and map of those projects within the area being annexed for which the County has participated in financially

18. This agreement revises and supersedes the Consolidated Water and Sewer Line Agreement between the County and City dated May 20, 1968 and as amended.
19. This agreement does not create any right to water and sewer utility service in any property or any person, partnership, corporation, or other entity; nor does it void prior agreements to provide water and sewer to specific developments.
20. This contract may be terminated by mutual consent of both parties or by either party upon six months' notice given to the other governing body. In the event that this contract is terminated as above mentioned, the disposition of any funds remaining in the Joint Water and Sewer Trust Fund shall be divided equally. All such funds will be used for the purposes of constructing water and sewer lines within the WSSA or may be used to retire debt for previous water and sewer extension in the WSSA

**Executions are on the following page. The balance of this page has been intentionally left blank**

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their proper designated officials and their respective seals to be hereunto affixed on the day and year first above written and this instrument is executed in duplicate.

ATTEST:

CITY OF GREENSBORO

\_\_\_\_\_  
CITY CLERK

BY \_\_\_\_\_  
MAYOR

APPROVED AS TO FORM AND LEGAL SUFFICIENCY.

THIS INSTRUMENT HAS BEEN PREAUDITED IN THE MANNER REQUIRED BY THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT.

\_\_\_\_\_  
CITY ATTORNEY

\_\_\_\_\_  
CITY FINANCE DIRECTOR

ATTEST:

GUILFORD COUNTY

\_\_\_\_\_  
CLERK TO BOARD

BY \_\_\_\_\_  
CHAIRMAN, BOARD OF COUNTY COMMISSIONERS

THIS INSTRUMENT HAS BEEN PREAUDITED IN THE MANNER REQUIRED BY THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT. APPROVED AS TO LEGAL SUFFICIENCY

\_\_\_\_\_  
COUNTY FINANCE DIRECTOR

\_\_\_\_\_  
COUNTY ATTORNEY

APPROVED AS TO CONTENT BY:

\_\_\_\_\_  
DEPARTMENT REPRESENTATIVE