



Chatham County, NC

Legislation Details (With Text)

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File created:	6/4/2018	In control:	Public Works
On agenda:	6/18/2018	Final action:	
Title:	Public Hearing to receive public comments on the System Development Fee Study for Water Facilities and vote on a request to approve adoption of the study.		
Sponsors:			
Indexes:			
Code sections:			
Attachments:	1. Water System Development Fee Study Chatham County NC_Draft_03.29.18 (002), 2. Chatham County System Dev Fee Presentation for 04.16.pdf, 3. Impact Fee Study Responses_All_180604, 4. system development fee study presentation		

Date	Ver.	Action By	Action	Result
6/18/2018	1	Board of Commissioners	approved	Pass

Public Hearing to receive public comments on the System Development Fee Study for Water Facilities and vote on a request to approve adoption of the study.

Action Requested:
Hold public hearing and vote on adoption of the study

Introduction & Background:

- Prior to the adoption of North Carolina S.L. 2017-138 (House Bill 436), Chatham County was given the authority under a 1987 session law, Chapter 460, to collect impact fees from developers to help defray the costs of constructing capital improvements including those for water and sewer systems.
- With the adoption of S.L. 2017-138, Chatham County, along with all local governments, was given direct authority to charge a development fee for water and sewer systems.

Discussion & Analysis:

Requirements of the Session Law:

- A qualified professional must develop the development fee on a written analysis, using general accepted engineering and planning practices. A qualified professional is defined as “a financial professional or a licensed professional engineer qualified by experience and training or education to employ generally accepted accounting, engineering, and planning methodologies to calculate system development fees for public water and sewer systems.”
- A system development fee adopted by a local governmental unit under any lawful authority other than this Article and in effect on October 1, 2017, shall be conformed to the requirements of this Article not later than July 1, 2018.
- The fee analysis shall cover a planning horizon of not less than 10 years nor more than 20 years.

- A system development fee shall not exceed that calculated based on the system development fee analysis.
- The fee analysis calculates a final system development fee per service unit of new development and includes an equivalency or conversion table for use in determining the fees applicable for various categories of demand.
- Current and Proposed Water System Development Fee:

Meter Size (inches)	Capacity Ratio	Proposed Water Fee	Current Fee	\$ Change	Percent Change
5/8 x 3/4	1.00	\$3,431	\$3,500	(\$69)	-2%
1	1.67	\$5,729	\$7,000	(\$1,271)	-18%
1 1/2	3.33	\$11,425	\$10,000	\$1,425	14%
2	5.33	\$18,287	\$16,000	\$2,287	14%
3	10.00	\$34,310	\$30,000	\$4,310	14%
4	16.67	\$57,194	\$40,000	\$17,194	43%
6	33.33	\$114,355	\$120,000	(\$5,645)	-5%

Source: American Water Works Association, Manual M-6, Water Meters - Selecting, Testing, Installation, and Maintenance; TischlerBise analysis

How does this relate to the Comprehensive Plan: Provide infrastructure for future development.

Budgetary Impact: Proposed changes to the Water System Development Fee structure

Recommendation: Hold the public hearing and adopt the System Development Fee Study