

**WALNUT ISLAND SANITARY DISTRICT  
RULES AND REGULATIONS**

**PREAMBLE**

Whereas, the North Carolina General Statutes authorize the creation of sanitary districts for the purpose of promoting the public health and welfare by and through NCGS §130A-47 et seq.

And Whereas, the Walnut Island Sanitary District was created by action of the State of North Carolina;

And Whereas, the Walnut Island Sanitary District is empowered to adopt rules for the proper functioning of the district and is further authorized to take actions necessary to enforce the rules, to abate public health nuisances, and to otherwise protect the purpose and goals of the district.

Now therefore by the authority of the board of the Walnut Island Sanitary District the following rules are established for application to the properties and persons within the district.

(References in these regulations to the District or WISD refer to the Walnut Island Sanitary District. All references to the District will be applicable to the agents, employees, and contractors who are associated with the District.)

**PART ONE: OPERATING RULES**

**I. RATE SCHEDULE**

Monthly maintenance fee of \$40.00 per hook-up, up to 2,000 gallons. After 2,000 gallons the following rate schedule will apply.

Consumption/Month (in gallons)*	Residential
0 to 2,000	\$40.00 per month
Up to 5,000	\$ 9.00/ 1,000 gallons
Up to 10,000	\$11.00/ 1,000 gallons
Up to 15,000	\$13.00/ 1,000 gallons
Up to 20,000	\$15.00/ 1,000 gallons
All over 20,000	\$17.00/ 1,000 gallons

\*Consumption over 2,000 gallons is billed retroactive to the first gallon used.

**II. APPLICATION FOR SERVICES, BILLING, DEPOSITS; TAP LOCATION**

A. All properties located within the District are required to connect to the waste disposal system. No property within the district can be occupied for residential use

unless it is connected to the system. This restriction applies to camper trailers, mobile homes, manufactured homes, modular structures and stick-built structures or combinations thereof.

B. Sewer service will be provided only to those properties with a completed and signed application and Sanitary Users Agreement on the forms approved by the district and upon payment of all applicable fees, deposits and charges.

C. The District may reject any application for service if the proposed use i) requires a level of usage which exceeds normal residential use; ii) requires excessive service costs due to the nature of the property; iii) creates a negative impact on an existing customer or iv) for other good and sufficient reason does not meet the standards set by the district for service.

D. It is the policy of the District to refuse or deny service to properties which are delinquent in the payment of any assessment, tax, fee, deposit, charge or other cost which is applicable to such property. The District may reject any application for new service when the applicant or any prior owner or occupant of the property is delinquent in the payment of any such charges and require full payment of all delinquent charges before service is established.

E. A security deposit of \$250 will be required from any applicant for service where i) the account records for the property show a record of delinquent payments in the past 12 months; ii) the credit records of the responsible applicant justify such a deposit in the opinion of the financial officer of the district.

F. It is the policy of the District that no sewer connection tap can be transferred from a property once it is installed. Connection of multiple structures located on the same property to a single tap is permitted only in the discretion of the District. Connection to a single tap from more than one property is not permitted. Once installed, a sewer tap cannot be moved within the boundaries of a property without prior written permission of the District, which approval includes the proposed location site. Relocation of a sewer tap will require the applicant to pay all associated costs and all work must be performed by a contractor approved by the District.

G. The owner of the property must sign the Application and Sewer Users Agreement in all cases. The owner is defined for these rules as the person matching the name in which title is held as shown in the Currituck County public records. All bills and charges applicable to the account will be sent by USPO regular mail to the address provided by the owner. In the event that the owner elects to have bills mailed to someone other than the owner (such as a renter or management company) the District may require a security deposit.

H. In the absence of other written arrangements acceptable to the finance office, the District will use the billing address established for the account for the purpose of providing notice to the owner of all official business matters, including but not limited to

tax notices, assessments and other time sensitive issues.

### III. INITIAL OR MINIMUM CHARGE

A. The initial or minimum charge, as provided in the rate schedule shall be made for each tap installed regardless of location. Each tap requires a separate account number and history. Each account number and history shall cover a separate and individual account.

B. A property which is vacant or otherwise not occupied or used will owe the minimum monthly charge for service as set out in the published rates of the District.

### IV. DISTRICT RESPONSIBILITY AND LIABILITY

A. The District will run a service line from the distribution/collection line to the property line. The District will not be responsible for the cost of installation of any line within the boundaries of the property.

B. In the event that the District allows the installation of the sewer tap within the boundaries of a property, the owner will provide an easement in form acceptable to the District's attorney which will include language to indemnify the District from liability.

C. No other alternate sewer systems may be used within the District.

D. The District will provide notice of any anticipated interruption of service to a property except in emergency conditions. In cases where notice is provided the District address will use the address provided according to Section II H of these regulations.

### V. CONSUMER'S RESPONSIBILITY

A. Sewer piping installed on the property of a customer must be so arranged that the connections are conveniently located with respect to the District lines or main. At the time of initial connection or installation, all lines must be open for inspection by the District prior to backfilling of dirt. The scope of the inspection will include all parts of the system running from the point the pipe or line leaves the structure to the tap connecting to the distribution system. Connection to the sewer system may be withheld if inspection requirements are not met.

B. All connections to the system will require a clean-out located within two (2) feet of the tap tie end.

C. All piping and apparatus will be installed and maintained by the customer (and at the customer's expense) in a safe and efficient manner and in accordance with the District's regulations and in full compliance with the sanitary regulations of the State Board of Health.

D. The customer will not erect structures or place plants or shrubbery in a manner which limits the access to the sewer tap and associated components. The District will not be responsible for damage to any structure, plant, shrub, turf or other improvement which occurs as a result of regular use, maintenance and repair of the sewer system.

E. In the event of any loss or damage to the property of the District or any accident or injury to persons or property caused by or resulting from the negligence or wrongful act of the customer, or the agents or employees of the customer, the cost of the necessary repairs or replacements shall be paid by the customer to the District, and any liability otherwise resulting will be assumed by the customer.

F. The District will have the option to assess the account of a customer for any cost described in the preceding section in the same manner as other charges. Failure to pay any cost so assessed will have the same consequence as failure to pay other charges.

#### VI. EXTENSIONS TO MAINS AND SERVICES

The District may construct extensions to its sewer lines to points within the service area, but the District shall not make such installations unless the persons requesting the extension advances to the District the entire cost of the installations as provided in the Sewer Main Extension Contract. All funds advanced for such extensions must be received by the District within 90 days from the date of the Offer to Extend. All line extensions shall be evidenced by the contract signed by the District and the persons advancing funds for said extension, but each contract shall be null and void unless approved by the District Board. In no event shall an extension be made unless there is a sufficient capacity at treatment plant.

#### VII. ACCESS TO PREMISES

A. Duly authorized agents of the District shall have access at all reasonable hours to any property connected to the system for the purpose of installing or removing District property, inspecting piping, reading or testing meters or for any other purpose in connection with the District's service and facilities.

B. Each customer will grant or convey, or shall cause to be granted or conveyed, to the District a perpetual easement and right-of-way across any property owned or controlled by the customer wherever said perpetual easement and right-of-way is necessary for the sewer and water facilities and lines so as to be able to furnish service to the property of the customer.

#### VIII. CHANGE OF OCCUPANCY

A. Not less than three days notice must be given in person or in writing to the District's business office to discontinue service or arrange a change in occupancy.

B. The outgoing party shall be responsible for all sewer use up to the time of Departure

or the time specified for departure, whichever period is longest.

IX. METER READING - BILLING - COLLECTING

- A. Bills for sewer shall be figured in accordance with the published rate schedule and shall be based on the amount of county water used by the property for the billing period.
- B. Charges for sewer service commences when the connection is made without regard to use or occupancy.
- C. Monthly payment will be due in accordance with the billing statement issued by the District.
- D. The District is not responsible for delivery of monthly bills except through the United States Postal Service. The customer will be responsible for the payment of the minimum monthly usage charge whether or not the billing statement is received by the customer.

X. SUSPENSION OF SERVICE

- A. When services are discontinued and all bills assessed to the account have been paid, the deposit will be refunded.
- B. Upon discontinuance of service for nonpayment of bills, the deposit shall be applied by the District toward settlement of the account. Any balance will be credited to the customer, but if the deposit is not sufficient to cover the bill, the District may proceed to collect the balance by any means authorized by law for the collection of debts.
- C. In addition to any other remedies set forth in these regulations, any service disconnected for nonpayment of bills shall only be restored after the bill is paid in full, redeposit made and a service charge of \$100.00 paid for each tap reconnected.
- D. The District reserves the right to discontinue service without notice for the following additional reasons:
  - 1. To prevent fraud or abuse.
  - 2. Noncompliance with the Sewer User Agreement and Regulations.
  - 3. Emergency repairs.
  - 4. Insufficiency of supply due to circumstances beyond the District's control.
  - 5. Legal Process.
  - 6. Direction of public authorities.
  - 7. Strike, riot, fire, flood, accident, or any unavoidable cause.
- E. The District may, in addition to prosecution by law, permanently refuse service to any user who tampers with a meter or other measuring device.

## XI. COMPLAINTS - ADJUSTMENTS

If the customer believes a bill has been issued in error, the claim must be presented to the District's business office before the bill becomes delinquent. Such claim, if made after the bill has become delinquent, shall not be effective in preventing discontinuance of service as heretofore provided. The customer may pay such bill under protest, and said payment shall not prejudice his claim.

## XII. ABRIDGMENT OR MODIFICATION OF RULES

A. No promises, agreements, or representation of any employee or agent of the District will binding upon the District except as is shall have been agreed upon in writing, signed and accepted by the acknowledged by the Board of District.

B. No modification of rates or any of the Regulation shall be made by any agent of the District.

## XIII: MISCELLEANOUS

A. When filling swimming pools or other large tanks and containers, customers must contact in advance the business office of the District. The customer will be required to provide photographic proof before and after the activity of the water meter readings which includes date stamping and a report of the approximate number of gallons used

B. In the event of water leaks the customer should contact the business office of the District as soon as the leak is discovered.

## **PART TWO: RULES RELATING TO TAPS, ASSESSMENTS, REFUNDS, TRANSFERS, CONNECTIONS.**

(This portion of the rules addresses issues arising from the construction of the new sewer collection system and the conversion from the old system to the new system.)

Sewer Service: The only sewer disposal system permitted in the district is the sanitary district sewer system. All property located within the boundaries of the sanitary district, whether improved or vacant, must connect to the sanitary district sewer system and pay all applicable fees and charges. No septic tanks & drain field systems are permitted within the district. No alternative waste disposal systems are permitted within the district.

Categories of District Properties: All properties located within the boundaries of the district are included in one of two categories.

Category 1: property in the district (whether improved or unimproved) which had a sewer tap and was connected on the old system when the moratorium was imposed, whether or not the tap was actively used at the time of the moratorium. The district will maintain a list of Category 1 properties.

Category 2: any property in the district which was not connected to the old system or is barred by the moratorium from making a connection (i.e., properties not on the Category 1 list).

All property in Category 2 is exempt from the payment of the assessment, the late fee on the assessment and the monthly sewer use charge until sewer service is offered to the property by the district and the moratorium is lifted. When the moratorium is lifted and service is offered, any such property will be required to pay the amount of the voluntary assessment (\$2,500), any unpaid amount of the 2010 tax levy and any other charge which has been imposed by the district at or prior to the time the moratorium is lifted. Category 2 properties must pay the 2010 tax levy prior to February 1, 2011 or be subject to collection remedies.

All property in Category 1 must pay the voluntary assessment, the 2010 tax levy and the monthly user fee for each tap for each month beginning February of 2008. Any property for which payment in full of these amounts has not been made will not be connected to the new sewer system when the construction is completed until full payment is made.

Any property in Category 1 or Category 2 for which the 2010 tax levy has not been paid by the date construction of the new system is completed or by February 1 of 2011, whichever date occurs first, will be subject to all collection remedies available under the NC General Statutes for delinquent taxes.

Camper lots: There are lots on the Category 1 list which are intended for use by recreational vehicles and camper trailers. A separate sewer tap will be installed for such lots. Connection to the district sewer system does not constitute compliance with the requirements of the Currituck County planning and zoning department for the proposed use. Any use of a property which violates the Currituck County planning and zoning ordinances will result in termination of sewer service. Termination of service may not result in abatement of the district's fees and costs.

Multiple connections on a single lot: Each property will have a single sewer tap. A single tap connection to a multi-family structure is not permitted. Connections to multiple structures or sewer sources which drain into a single sewer tap are not permitted except as noted herein. Sharing a sewer tap among multiple structures on a single property is not permitted except as provided in the WISD Sewer Regulations.

Connections to accessory structures: A sewer connection to an accessory structure on a property (such as a garage, guest house, or work shop) will be made only if the occupancy or use of the accessory structure with active sewer service is permitted by the Currituck County planning and zoning ordinances.

Temporary connections: a sewer connection to a recreational vehicle or camper trailer on a lot which has a different primary connection to the sewer system is permitted on a limited basis as follows. a) The method of connection must meet all rules imposed by the

district. b) The connection point on the sewer side of the temporary use must be capped when not in use by a secured covering so the pipe is not open. c) Each use will be limited to 14 days within any 60 day time period.

Separation/division of lots: The owner of multiple lots which are capable of division into separate parcels can divide or subdivide to create a new sewer parcel and obtain additional taps for the new property on the following terms: a) the subdivision must meet Currituck County planning and zoning regulations for each parcel. b) Only one of the resulting parcels will be treated as a Category 1 property. All other parcels will be treated as Category 2 properties. c) No service to the Category 2 properties will be provided until the moratorium has been lifted in the district. d) No service will be provided to the Category 2 properties until the district has made the determination that service capacity is available for the new property.

Combination of properties to avoid tax levy: The tax levy applies to each property which existed on July 31, 2010 as a separate sewer parcel in accordance with these rules. If the property received a tax levy notice the property is considered a separate tax parcel for the purpose of these rules. The designation of a property with a separate Currituck County PIN identification on January 1 of 2010 will identify each property as a separate tax parcel for the purpose of these rules unless the district has combined such properties for designation as a single tap. If a property owner elects to combine two or more separate sewer parcels subsequent to July 31, 2010, the tax levy will nevertheless remain due and payable for each separate parcel.

Transfer of sewer tap following combination of properties; Transfer of sewer taps: A property owner will be permitted to combine contiguous properties which had previously been treated as separate sewer parcels and eliminate the extra sewer tap or taps. In the event that the district determines that the combination results in extra capacity within the terms of the moratorium, the district can (but is not required to) permit the allocation of the extra tap to a Category 1 property in accordance with this paragraph. a) In the event that the voluntary assessment was paid for the extra tap, the property which receives the allocation will reimburse the owner of the property which relinquishes the extra tap in the amount of the voluntary assessment which was paid. b) In the event that the voluntary assessment was not paid for the extra tap, the full amount of the voluntary assessment together with applicable late fees must be paid to the district. c) The owners of both properties involved in the transfer must certify under oath that no additional compensation has been or will be exchanged as part of the transfer. d) The 2010 tax levy must be paid for both properties. e) User fees due from January of 2008 must be current on all taps.

Transfer of a sewer tap between Category 1 and Category 2 properties: A sewer tap can be transferred between a Category 1 and Category 2 property if both property owners enter a written agreement with the district which acknowledges compliance with the terms of the district rules. No compensation will be paid to the transferring property owner in excess of the amount of the voluntary assessment which was paid. All applicable fees, taxes and charges must be paid in full for both properties at the time of

the transfer. There must be no net change to the number of properties in either category as a result of the transfer. The district must determine prior to the transfer that service can be provided following the transfer. Any newly created Category 2 property will be subject to all of the requirements of the regulations.

Refunds of overpayments of assessments: The voluntary assessment was \$2,500. The 2010 tax levy was \$2,000 and if paid by 8-31-10, the discounted amount was \$1,500. Some people paid more than \$2,500 for a single property in anticipation of a second assessment. Payments made for assessments prior to January 1, 2009 are presumed to be intended for payment to the assessment program and all assessments apply to the property designated at the time of the payment. The excess amount of an assessment paid on these conditions will apply to pay the discounted tax levy of \$1,500 for that property. Following application of excess assessment payments to the 2010 tax levy, any remaining excess amount will be refunded to the person who owns the property for which the assessment was paid. There will be no refund on any property which has not paid the full amount of the voluntary assessment, the 2010 tax levy and any applicable late fees for that property. There will be no refund on properties which are delinquent in payment of any fees or charges applicable to that property.

Abandonment of sewer taps: A sewer tap can be abandoned if the property to which the tap is allocated is combined with an adjacent property and the resulting parcels are in compliance with the WISD rules. The owners of all properties involved must sign a written agreement which recognizes the likelihood that the abandonment cannot be reversed. In the event that the voluntary assessment of \$2,500 was paid for the abandoned property the payment will not be refunded. Transfer of the voluntary assessment to a different Category 2 property in the district will be permitted on the condition that the payments of the full amount of the assessment and 2010 tax levy are paid at the time of the transfer for the Category 2 property and the property begins payment of the monthly user fee. Any delinquent late fees and user fees for the abandoned lot must be paid in full at the time of the transfer.

Disconnection of service: Any property which is delinquent in the payment of the monthly user fee by more than 90 days is subject to disconnection from sewer service. Notice will be mailed by regular USPS delivery to the property owner at the address designated in the User Agreement and the last known billing address. The notice will be mailed 10 days before the date the disconnection is scheduled. Notice will also be posted on the property 10 days prior to the date the disconnection is scheduled. Disconnection of service does not abate any of the required payments, late fees or charges applicable to the property. The action of the district in delaying a disconnection decision will not act to prevent subsequent decisions to proceed with a disconnection. Reconnection following a disconnection action by the district will require payment of all delinquent amounts which are due from the property, payment of the costs of disconnection and any penalty which is established by the district.

### **PART THREE: RULES FOR MEETINGS.**

Meetings; Agenda: Meetings will be scheduled and conducted in accordance with Article 33C, Chapter 143 of the North Carolina General Statutes. The standing agenda will be

- Call to order
- Attorney reports on pending matters
- Action on attorney reports
- Board member reports
- Action on board member reports
- Public comment

Time and Place: The board will hold regular meetings each month on the first Saturday of the month beginning at 9:00 AM. The meetings will be held in the community building of the Walnut Island Property Owners Association located in Grandy, North Carolina. The board may from time to time schedule other meetings and designate other locations. In that event, notice of the meeting will be posted and advertised as required by statute.

Presiding officer: The attorney for the WISD will conduct the meetings of the board. In the absence of the attorney, the Chairperson selected by the WISD in accordance with the rules of operation will conduct the meetings. The attorney or the Chairperson will be the presiding officer for the meeting as designated in NCGS 143-318.17.

Minutes: The board will keep minutes of the meetings of the board. Copies of the minutes will be provided to the board members when possible within 10 days of any meeting. Minutes will be maintained in the permanent records of the board. At each meeting of the board, any board member can present corrections of the minutes of a prior meeting for consideration by the board. Otherwise, approval of the minutes of prior meetings will not be required.

Public Comment: At meeting where public comment is permitted, there will be an opportunity for public comment at the conclusion of the meeting and during the meeting at such other times as permitted by the person conducting the meeting. The presiding officer conducting the meeting will set time limits and other criteria for public comment.

Chairperson: There will be chairman, chairwoman or chairperson who serves at the pleasure of the board. The role of the Chairperson will be to enter into contracts, instruments, and documents, and take such other actions as may be approved by the full board which are not assigned to a specific board member by the board. The Chairperson will be selected annually by majority vote of the board. The annual selection will occur at the first regularly scheduled meeting in February of each year. The Chairperson so designated will continue to serve in that capacity until the next annual meeting date for selection of the chairperson or until replaced by action of a majority of the board.

Board member actions: No board member will take action on behalf of the district except upon approval of the full board at a meeting of the board. The board may designate a board member with the authority to act on behalf of the board on a particular matter and that person may or may not be the chairperson.

Committees: The board may create, designate and dissolve committees to serve as advisory bodies. Committees will consist of such persons and in such number as the board may designate. Membership or service on a Committee will be open to the public and will not be limited to property owners and voters in the district. The board may appoint individual board members to serve as the chair-person of committees or designate committees without board participation. While the board consists of three members, only one board member will serve on a committee. The purpose of committees will be the following:

- To allow interested persons to participate in WISD matters
- To provide a method of receiving public input on matters presented to the board
- To assist the board in making decisions

Committee Meetings: All committee meetings will be open to the public and conducted in accordance with Article 33C, Chapter 143 of the North Carolina General Statutes.

Complied November 8, 2010