



Board Meeting Agenda Abstract

Tuesday, May 19, 2026

Location:

Agenda Item

Wastewater System Development Fee Analysis Report - (Wagner) - Item 7.A

Item Explanation

The purpose of this agenda item is to hold a public hearing and consider adoption of the Water and Wastewater System Development Fee Analysis prepared by Stantec to reflect the recommended Water and Wastewater System Development Fees.

Staff Comments

Stantec recently performed a Water and Wastewater System Development Study on behalf of the Town pursuant to NCGS Â§ 162A, Article 8. This statute specifies that a written analysis must be performed to calculate System Development Fees (SDFs) based on specified criteria. To meet the requirements of the General Statute, the Town employed Stantec, a professional engineering and financial consulting firm, to complete an SDF analysis.

Stantec's March 30, 2026, analysis calculated a maximum residential unit fee of \$4,974 for a 3/4-inch water line and \$5,063 for a 3/4-inch wastewater line. This calculation recommends a \$45 increase to the water SDF bringing the total water SDF 3/4-inch water line to \$4,974, from its current rate of \$4,929, and a \$218 increase to the sewer SDF bringing the total sewer SDF 3/4-inch ERU to \$5,063, from its current rate of \$4,845. Stantec also recommends an increase to the Town's non-residential SDF 1", 1.5", 2", 3", 4", 6", and 8" water and sewer lines.

Before considering adopting the professional analysis, House Bill 436 requires that a local governmental unit post the SDF analysis on its webpage for public review and comment for a minimum of 45 days. The analysis was posted on the Town's website on March 31, 2026, and no comments were received through the 45-day posting period ending on May 15, 2026. After the period for posting expires, a public hearing is required before adopting the SDF analysis with any modifications or revisions. This public hearing is scheduled for May 19, 2026, after which the Town Board may consider any potential modifications based on comments provided during the public hearing or adopt the analysis as presented.

Management and staff recommend that the Town Board adopt the System Development Fee Analysis as presented and recommended. If the System Development Fee Analysis is adopted, the new water and wastewater SDFs will be adopted as part of the recommended FY 2027 Budget Fee Schedule during the June 1, 2026, Town Board meeting.

Fiscal Note

Yes

Stantec's Water and Wastewater System Development Fee (SDF) Analysis recommends a \$45 water system development fee increase to the 3/4-inch (1 ERU) and a \$218 increase to the 3/4-inch (1 ERU) sewer line system development fee for residential dwelling units. This increase brings the current residential sewer SDF from \$4,845 to \$5,063 per dwelling unit, and the current residential water SDF from \$4,929 to \$4,974 per dwelling unit.

The non-residential water and sewer system development fees have also been recommended for an increase. The water and wastewater SDF increase supports the expansion of water and wastewater utilities and infrastructure. SDFs are used to establish supplemental funding sources for future capital projects and debt service. Implementing SDFs helps mitigate existing customers' need to pay for system expansions through increased user rates.

Recommendation

PUBLIC HEARING

MOTION TO: Adopt the Water and Wastewater System Development Fee Analysis as presented and recommended.

ATTACHMENTS

[Water and Wastewater System Development Fee-Study 5.19.26.pdf](#)