

**SUBJECT: Sanitary Sewer Connection Fees**

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**PURPOSE:** To standardize the application and maintenance of sanitary sewer connection fees.

**BACKGROUND:** New Castle County (the “County”) Code permits the County to charge a party wishing to connect to the County sanitary sewer system applicable sewer connection fees. Connection fees include a Capital Recovery Fee, a Lateral Fee, and a Sewer Inspection Fee (“SIF”). Fees for services provided during the connection process should not be borne by existing customers, but by those requesting a new connection to be made to the sanitary sewer system.

**DEFINITIONS:**

Capital Recovery Fees (“CRFs”) are charges imposed by a publicly owned utility (the County’s sanitary sewer system) upon a new party connecting to the sanitary sewer system. CRFs fairly distribute the burden of providing capacity from the utility and its existing customers to new customers as a result of new land development.

Lateral Fees (“LFs”) are charges imposed to recover County costs in assisting new customers in connecting to the sanitary sewer system. Costs include administrative time, inspections of existing sewer infrastructure in the form of Closed-Caption Television (“CCTV”) inspections, or other field inspections.

Sewer Inspection Fees (“SIFs”) are charges imposed to recover County costs to inspect and accept construction for the purpose of new land development. This fee is listed in Chapter 40, Appendix 2, Paragraph E of the County Code.

GPD stands for “Gallons per Day”, a common measurement of sanitary sewer flow.

New Land Development refers to any new connection to the sanitary sewer system, which may include a single residence or building, or multiple residences or buildings unless such connection is part of a multi-residence County septic elimination project to be designed and constructed by the County, in which case a special “Septic Elimination Project Fee” may apply (see 38 N.C.C.C. § 02.011.)

**POLICY/PROCEDURES:**

**Capital Recovery Fees**

1. The County hired a consultant to review its existing CRFs and to make recommendations concerning the method of calculation and appropriateness of the current CRFs. The consultant’s final report (attached as Exhibit A) determined that the County may charge up to \$15.07 per GPD in the County’s Northern Sewer Service Area (“NSSA”) and \$53.57 per GPD in the County’s Southern Sewer Service Area (“SSSA”), as those areas are determined by the County.

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2. As of July 1, 2023, the County has determined appropriate CRF charges to be \$12.00 GPD in the NSSA and \$45.00 GPD in the SSSA.
  - a. The County Department of Public Works (“Public Works”) maintains a map that reflects the CRFs and service areas. The map is available on the Public Works website.
3. The amount of sanitary sewer flow used to calculate the CRF is established by Public Works in ENG SOP 1.13.
4. CRFs are applied to all new land development connecting to sanitary sewer in accordance with the Land Development Improvement Agreement (“LDIA”) or sewer agreement executed with the party making the connection.
  - a. Any property with a record of a previous connection to the sanitary sewer system shall only be charged a CRF on sewer capacity greater than the original amount of sewer capacity reserved. If a property is being subdivided, CRFs will be imposed based on the proposed amount of sanitary sewer flow.
5. Payment of CRFs shall be made as described in the LDIA or sewer agreement.
6. Public Works shall, in coordination with the County Department of Finance, initiate an update of the current CRF charges in June of 2026, then every five (5) years thereafter. CRF charges may also be updated following major capital expenses or as otherwise deemed appropriate.

**Lateral Fees**

1. LFs are applied to all land development connecting to the County’s sanitary sewer system in accordance with the LDIA or sewer agreement executed with the party making the connection.
2. LFs are charged on a basis of \$101 per physical connection that is proposed on the new land development plan.
3. Payment of LFs shall be made as described in the LDIA or sewer agreement.
4. Public Works shall review LFs during the review of CRFs to ensure fees collected for providing this service to new customers are reasonably equal to the costs incurred.

**Sewer Inspection Fees**

1. SIFs are applied to all land development connecting to the County’s sanitary sewer system in accordance with the LDIA or sewer agreement executed with the party making the connection.

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2. SIFs are charged based on \$2.50 per linear foot of sanitary sewer pipe proposed on the land development plan.
3. Payment of SIFs shall be made prior to the execution of the LDIA or sewer agreement.
4. Public Works shall review SIFs during the review of CRFs to ensure fees collected for providing this service to new customers are reasonably equal to the costs incurred.

**LEGAL AUTHORITY:** The authority to impose CRFs are granted in Title 9, Section 1341(4) of the Delaware Code, 9 *Del. C.* §1341(4), Chapter 2, Section 2.05.301 of the New Castle County Code (“County Code”), 2 N.C.C.C. § 05.301, and Chapter 38, Sections 38.02.012 and 38.02.014 of the County Code, 38 N.C.C.C. §§ 02.012 and 02.014.

**APPROVED BY:**



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PUBLIC WORKS GENERAL MANAGER

07/11/23

\_\_\_\_\_  
DATE

**ATTACHMENTS:** Capital Recovery Charge Studies for the North and South Service Areas, dated March 14, 2023

**SUPERCEDES SOP/POLICY 15: Sewer Connection Policy (last revised: 11/1/13)**