

Schedule 10.1

SGWASA ALLOCATION POLICY AMENDMENT

2. Requests to Clerk: No request for water and/or sewer allocations in the SGWASA Service Area shall be approved unless they are joint requests made by the person or entity desiring the water and/or sewer allocation (the "Requesting Party") and the jurisdiction in whose Utility Service Area the particular project is located (the "Governing Body"). All requests shall be made in writing as set out herein below to the Clerk to the SGWASA Board (the "Clerk"), signed by the Requesting Party and the Governing Body. Said requests shall be processed on a "first-come, first-serve" basis. All requests must be presented to the Clerk and shall be stamped by the Clerk upon receipt with the date and time of receipt.

"Utility Service Area" is defined as the geographical boundaries as set out on the official map designated "Utility Service Area Town of Butner & City of Creedmoor" dated November 15, 2013 which is incorporated herein by reference and within which each member jurisdiction (city, town or county) shall exercise the exclusive authority set out in this Allocation Policy including specifically the right and power to request service, connection, extension and allocation pursuant to this paragraph. No other member shall be entitled to this authority in the Utility Service Area for such member.

17. Modification. This allocation policy may be reviewed and modified at any time by the SGWASA Board except as prohibited by contract.

Schedule 10.2

Water + Sewer

PROPOSED ALLOCATION SCENARIO

DEFINITIONS:

Agency: Any one of the public entities that make up SGWASA = Town of Butner, City of Creedmoor, Granville County, or the Town of Stem

Buffer: A volume of water/wastewater that each agency has/can use at its discretion to recruit growth

Buffer size recommended: 100,000 gallons per day of water and wastewater for each agency
100,000 gallons per day will equal 378 – 3 bedroom homes, or
46 Food Lion Grocery Stores, or
69 Burger King Fast Food Restaurants

Trigger Point: This is the point where the allocation to an individual development is no longer part of the agency's buffer and becomes part of SGWASA's "wet allocation". This point may vary based on the type of development, but it must be agreed to and followed by all agencies.

In Example:

An agency recruits a fast food restaurant and sets aside 20,000 gallons per day for of their buffer allocation. Once that restaurant has its meter dropped in, that flow volume becomes part of SGWASA's Flow.

If an Agency recruits a 100 home subdivision – No one will want to wait until all homes have their meters in place to be able to use that buffer volume again, so a different Trigger Point will need to be decided upon. It could be once all permits are in place for construction to start. ?

IN THE SITUATION OF HOUSING DEVELOPMENTS, AND COMMERCIAL/INDUSTRIAL PARK DEVELOPMENTS, A TIME LIMIT SIMILAR TO WHAT SGWASA IS USING NOW IS HIGHLY RECOMMENDED.

Process:

Each agency will have 100,000 gallons per day of water and sewer allocation (buffer) to use to recruit growth into its area. SGWASA holds the rest of the available unused allocation.

When an agency recruits a business/development and it progresses to the "Trigger Point", the volume that had been set aside for that business/development is reset in the Agency's Buffer and that volume is transferred to the SGWASA accepted flow and SGWASA's Held flow is reduced by that amount.

In Example:

An agency gets the same restaurant to the Trigger Point - SGWASA reduces its "held" allocation by 20,000 gallons per day and the Agency resets its buffer allocation back to 100,000 gallons per day.

This process continues until the SGWASA Held Allocation gets to a predetermined level . Then either additional capacity is found or everyone has to slow or stop growth until capacity is found.

(It is recommended that about 1.2 Million Gallons per day be the first pool. 400,000 gallons per day to the agencies and SGWASA Holding 800,000 gallons per day. This will leave the 1.1 million gallons per day (80% rule set aside) as an additional buffer so that when that volume is needed, it will act as a notice that additional capacity will be needed soon.)

BENEFITS OF THIS SCENARIO:

- Each agency has its own buffer so it can serve/recruit development as it desires.
- With the resetting of the buffer natural growth will take place. The Agency will be able to keep accepting new development that comes.
- With SGWASA holding the bulk of the remaining allocation and the member agencies having an equal buffer, no Readiness To Serve fee will be charged for that buffer volume to any agency.
- With SGWASA holding the bulk of the remaining allocation, if an Agency would be approached by a "MEGA SITE" that would need more than 100,000; the Agency would come before the SGWASA Board and request approval , independent of its Buffer Allocation. This Held Allocation would be available for the area EDC to recruit things that would benefit everyone.

Threshold Allocation Calculation
Schedule 10.4

* SGWASA Capacity Based on 22,420 #'s of Nitrogen Per Year

Current SGWASA Permitted Flow 5.5 Million Gallons Per Day

	A	B	C	D *	E *	F **	G **
"Example"			"Estimated"	"A"	"A" Remain	"B"	"B" Remain
TN	Permitted Flow	Current Flow	Excess Capacity	80%	Capacity @ 80%	90%	Capacity @ 90%
mg/l	mg/d	mg/d	mg/d	mg/d	mg/d	mg/d	mg/d
2.0	3.680	2.0	C=A-B 1.680	D=A*80% 2.944	E=D-B 0.944	F=D*90% 2.650	G=F-B 0.650
2.5	2.950	2.0	0.950	2.360	0.360	2.655	0.655
2.7	2.730	2.0	0.730	2.184	0.184	2.457	0.457
3.0	2.460	2.0	0.460	1.968	-0.032	2.214	0.214

D&E: 12 month running average of TN exceeds 80% (17,936 #'s) SGWASA to follow State guidelines for 80% plant flow
F&G: 12 month running average of TN exceeds 90% (20,178 #'s) SGWASA to follow State guidelines for 90% plant flow