



# KANNAPOLIS

March 24, 2023

Re: The Club at Irish Creek Subdivision Sewer Flow from Landis to Kannapolis

Dear Mr. Conrad,

The Club at Irish Creek Subdivision located off W Fifth Street in Landis, NC was developed from 2005-2008 as a higher-end residential development for Southern Rowan County adjacent to Kannapolis Country Club. During initial development, the City of Kannapolis (Kannapolis) worked with the Town of Landis (Landis) and developer to provide sanitary sewer service to the subdivision. Although the subdivision lies within the Town of Landis, the topography of the site naturally allows the subdivision sanitary sewer to flow into the City of Kannapolis' system.

In 2007, the economic environment began to change, and the country started to experience a period of economic stagnation and recession. The economic downturn stalled the completion of the Irish Creek Subdivision. As progress slowed on the subdivision, the lack of substantial sewer flows limited the need for metering. Kannapolis mutually agreed with Landis to delay the need for a sewer meter until the economic climate improved. As a result, Kannapolis has not accepted any fees or revenues for the Irish Creek Subdivision related to sewer collection, transmission, pumping, and treatment. Now, with an improved economy, nearly half the lots in the Irish Creek Subdivision are either built or under construction. The level of development in the subdivision justifiably necessitates the need to start metering sewer.

Kannapolis is providing the proposed Interlocal Agreement (Agreement) that includes a sufficient time to design, procure and install a sewer meter. The meter will allow for accurately measuring the discharge volumes from the Landis to Kannapolis. The Agreement will only accept sewer from the existing Irish Creek Subdivision and shall be sufficiently allocated for the full buildout of the existing 70 lots. Kannapolis staff is not recommending to City Council that it seek compensation for past sewer flows but there is expectation for payments to begin related to current and future flow upon execution of the attached agreement.

Effective today, and until a formal agreement is established, additional sewer connections and flow cannot be accepted from Landis. In addition to payments to Kannapolis for monthly wastewater transmission, treatment and pumping cost, Landis will be responsible for payment of the WSACC system development fees in accordance with the attached schedule of fees. These fees are based on meter size. Landis will be responsible for providing proof of meter size for each connection. These fees are subject to change at the discretion of the WSACC Board of Directors. Under this arrangement, Kannapolis would provide an allocation permit for each remaining lot to be developed prior to issuance of a zoning clearance permit from Landis or building permit from Rowan County.

In closing, we look forward to working with Landis to correct this outstanding matter and establish a wholesale sanitary sewer sales agreement that is mutually beneficial to both parties.

Sincerely,

*Wilmer Melton, III*

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Assistant City Manager

City of Kannapolis