

# UTILITY ASSESSMENTS - WHAT THEY ARE AND WHY THEY ARE CHARGED



Every property owner benefits when water and/or sewer service is made available in a neighborhood area. In addition to avoiding potential problems from failed septic systems and private wells, municipal utilities can add to property values that directly benefit each individual property owner.

Property owners are “assessed” for a portion of the cost of these utility improvements made in their neighborhood. The City of Fayetteville has assigned responsibility for collecting utility assessments to PWC, which collects the assessments on behalf of the City. After the City Council takes formal action, property owners are responsible for payment of their property’s assessment. PWC will provide you specific assessment information, including the due date, interest rate, as well as available financing options to include interest for a term of no more than ten (10) years.

The City of Fayetteville has a program to provide financial assistance to help low-income families in newly annexed areas with the payment of their assessment. To find out if you are eligible for assistance, please contact the City of Fayetteville Economic and Community Development office at (910) 433-1930 (subject to change).

The following information will provide you with more details, including answers to questions you may have.

If you have additional questions or concerns regarding assessments, please contact PWC’s Assessment Department at (910) 223-4106 or (910) 223-4134.

**Q: *What is an assessment?***

**A:** Assessments are charged by the City of Fayetteville for the cost of utility installations and other improvements impacting the property. Assessments are liens that are attached to the property, NOT to the owners of the property. A lien is the right to take or hold or sell the property of a debtor as security or payment for a debt.

**Q: *Who determines the assessment amount?***

**A:** The Fayetteville City Council sets the assessment and interest rate amount for each project. They approve the preliminary assessment at a public hearing prior to the utility installation. Another public hearing is held to confirm the amount after the installation is complete. The assessment is the responsibility of the property owner and is a lien against the property until fully paid.

**Q: *How will I be notified of the assessment?***

**A:** After utility services are installed, the City Council will hold a public hearing to approve the assessment amount. This typically occurs within a few months of when you are notified that service is available for connection. This public hearing is your opportunity to speak about your property assessment. You will receive notification by mail from PWC announcing the public hearing. After the assessment amount has been approved, you will receive specific assessment information from PWC’s Deputy Tax Collector covering cost and payment options.

**Q: *How long will I have to pay my assessment?***

**A:** Assessments are due in full at the time they are confirmed by the City Council, however, financing options are available and can be arranged for up to ten (10) years.

**Q: *If I choose the financing options, what is the interest rate?***

**A:** Any balance remaining after the assessment due date will be charged interest at a rate set by the City Council (prime rate reported on July 1<sup>st</sup> of the fiscal year the assessment roll is to be confirmed, plus two (2) percent per year not to exceed (8) percent) when the assessment is confirmed.

**Q: *How can I avoid paying interest on the assessment?***

**A:** Any payment received within 51 days from the City’s confirmation date will not be charged interest. Any balance remaining after the 51 days will be charged annual interest rate set by City Council on the principal balance. The no-interest deadline date will be provided in the assessment information mailed by PWC’s Deputy Tax Collector after the assessment is confirmed by the City Council.

**Q: *Can I pay monthly?***

**A:** Yes, you can pay monthly. PWC can establish monthly payment options on your assessment plus interest for up to ten (10) years. This payment cannot be added to your monthly PWC bill. Instead, you will receive a separate assessment statement. More specific information will be provided with your assessment notice mailed from PWC.

**Q: *Can I pay annually?***

**A:** Yes, you can pay annually. If you pay annually, you will receive ten (10) annual bills that indicate the principal and interest up to that date. The annual assessment payments are due on the original assessment due date each year until paid in full.

**Q: How does PWC know I own this property and obtain my mailing address?**

**A:** PWC uses the information obtained by public records and Cumberland County Tax Assessor website to obtain owners' names and mailing addresses. Please contact the Cumberland County Tax Office at (910) 678-7507, as well as PWC, to keep your mailing address updated.

**Q: What happens if I don't pay the assessment?**

**A:** The assessment is the responsibility of the property owner and the assessment is a lien against the property until paid.

**Q: Does the assessment cover connection cost?**

**A:** No, the assessment does not cover connection cost. The assessment covers the installation of the sanitary sewer mains and laterals. The property owner will assume all associated cost for connecting to PWC's system.

**Q: What is the associated cost to connect to PWC's system?**

**A:** The property owner is responsible for the plumber's fee to connect to the water and/or sanitary sewer system. When a property connects to the water and/or sanitary sewer system, a utility capacity charge (UCC) (formerly known as Facility Investment Fee) applies. The UCC helps recover costs associated with PWC's treatment plant and utility infrastructure.

**Q: Do I have to connect?**

**A:** No, you do not have to connect. PWC does not require you to connect, **but you are still required to pay the assessment.** Connection may be required if your septic tank needs repair. The health department will not issue improvement permits if the property is within 300 feet of municipal sewage. Also, some home loan financing requires connection to available sewer before approval.

**Q: If I don't want to connect, do I have to pay the assessment?**

**A:** Yes, you do have to pay the assessment even if you don't want to connect. All property owners in areas where sewer

lines have been installed are responsible for the assessment, whether they connect to the service or not. Please remember, the assessment amount will become a lien on your property until it is paid in full.

**Q: Who do I contact about establishing a PWC sewer account when my services have been connected?**

**A:** You should contact PWC's Customer Programs Department at (910) 223-4600 (select Option #2 annexation connection) to establish a new account or add sewer service to your existing account.

**Q: What else do I have to do to connect?**

**A:** You will need to obtain the services of a licensed plumber to connect the plumbing to the newly installed sewer; or, as the resident homeowner; you may do so after making application for service at PWC and securing a plumbing permit from the City of Fayetteville Inspections Department.



## Who to Call

For assessment questions:  
**Call PWC at (910) 223-4106 or (910) 223-4134**

For Questions about connection of your home or business:

**Call PWC at (910) 223-4600** (select option #2)

For Questions about financial assistance:  
**Call Fayetteville Economic & Community Development at (910) 433-1930**

**To update your tax record mailing address:  
Call the Cumberland County Tax Office at (910) 678-7507**



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# SHARING THE COST OF NEIGHBORHOOD IMPROVEMENTS

## WHAT YOU NEED TO KNOW ABOUT UTILITY ASSESSMENTS

