



TENNESSEE

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Sanitary Sewer Policy – Services to Areas Outside City of Memphis Limits

The City of Memphis has long recognized the importance of managing wastewater and the fundamental role it has in the preservation of human health and the environment. In fact, the City in 1981 through the Memphis 2000 plan committed to providing a sanitary sewer service throughout the City and annexation reserve areas. In 1997, the Shelby County Growth Plan identified areas of growth for municipalities within Shelby County. The planned orderly expansion of municipal boundaries quickly became the focus of the State of Tennessee, which moved to prohibit unilateral annexation in favor of a more planned approach.

The Memphis 2000 plan established a blueprint for developing municipal service areas, which served to accommodate basic infrastructure requirements associated with municipal development. Over the last several years, Memphis has surpassed or exceeded the scope of the planned municipal service areas and now seeks to modify this approach to growth. The financial burden for extending municipal services is tremendous and the City wishes to ensure that such decisions make economic sense and benefit the City of Memphis. Consequently, the City of Memphis will not pursue additional annexation for the foreseeable future.

The extension of sanitary sewer service to municipal service areas represents a significant financial commitment to a municipality that transcends the initial construction costs. In 2012, the City of Memphis entered into a Consent Decree with the U.S Department of Justice/U.S. Environmental Protection Agency and the State of Tennessee regarding the City of Memphis sanitary sewer system. This, along with needed upgrades and rehabilitation to its two wastewater treatment plants, will result in the expenditure of over \$500 million by 2025.

The ability of Memphis to treat the wastewater from existing customers is important to us. However, we must ensure that sufficient sewer capacity exists to support economic development and industrial growth — as well as the resurgence of urban development within our corporate boundaries.

While the City is authorized to extend sewer services outside its municipal boundaries, the municipality is not required to the extend such services by law. Therefore, the City of Memphis hereby establishes a policy, effective immediately, precluding the extension of sanitary sewer infrastructure outside the City of Memphis corporate boundaries as well as acceptance of additional flow to its sanitary sewer system from residential or commercial/industrial developments outside the existing corporate boundaries of the City of Memphis. The City will continue to abide by existing contractual agreements with entities for wastewater collection and treatment services.