



AUTHORIZE THE TOWN MANAGER TO EXECUTE AN AMENDED INTERLOCAL AGREEMENT FOR INSTALLATION OF PRIVATE SEWER LATERALS FOR LOW AND MODERATE INCOME HOMEOWNERS IN THE ROGERS ROAD COMMUNITY

STAFF REPORT

TOWN OF CHAPEL HILL PLANNING
Judy Johnson, Interim Director

MEETING DATE

January 22, 2020

STAFF'S RECOMMENDATION

That the Council adopt Resolution A, authorizing the Town Manager to sign the attached amended Interlocal Agreement between Orange County, Carrboro, and Chapel Hill amending Orange County's bid process for identifying contractors to perform sewer lateral connections. The amended agreement also adjusts the number of Heritage lots (from 81 to 84 and lots with dwelling units (from 62 to 65) and reduces the Town's contribution from \$104,900 to \$94,600.

BACKGROUND

In 2014, the Towns of Chapel Hill and Carrboro, and Orange County began work to install a sewer system in the Rogers Road community. The partners agreed to use the cost-sharing allocation ([adopted at the Chapel Hill Town Council meeting on December 5, 2016¹](#)) for the project with Orange County and the Town of Chapel Hill each contributing 43% of the cost and Carrboro contributing 14% of the cost.

In 2019, the partners entered into an Interlocal Agreement to provide lateral connections to qualifying lower income households. The map included in the attached amended Interlocal Agreement identifies the Heritage Lots eligible for financial assistance. Lots shown in yellow have existing dwelling units and are eligible for connections if income qualified.

The agreement establishes a three-year funding period for connections. The three jurisdictions will reimburse 100% of the connections costs for eligible households during the first two years following sewer certification. During the third year, connections will be covered at 50% of the connection costs.

DISCUSSION

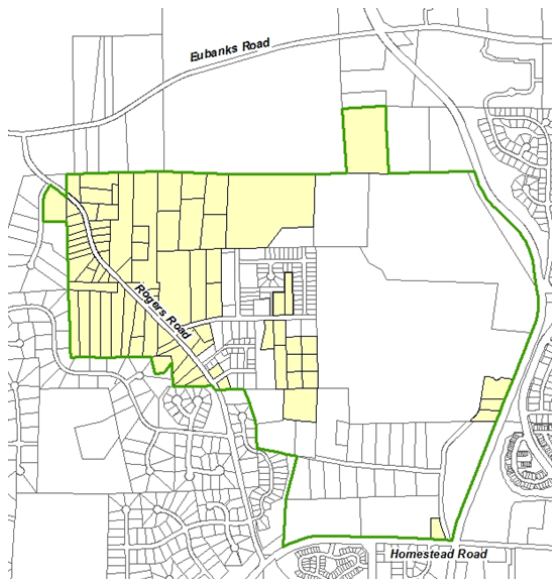
- Orange County released a Request for Qualifications for contractors to perform the connections, and they received no bids. In response, Orange County staff proposes revisions to the bid process requesting proposals from licensed local plumbers with no minimum number of responses. This process may be quicker, with the proposed amendment allowing the County to issue a Request for Proposals, instead of a Request for Qualifications.
- This attached amended Interlocal agreement, for the lateral sewer connections, reduces the total project cost from \$243,000 to \$220,000. This change would reduce the Town's contribution to \$94,600, or 43% of the actual cost, (whichever is less) plus any financing costs, to provide connection assistance to low to moderate income households within Chapel Hill's planning jurisdiction.
- The attached resolution authorizes the Town Manager to sign the attached amended Interlocal agreement.

NEXT STEPS

- Should more than residents than projected wish to connect to the system, staff would present an amendment to this Agreement to the Council for consideration.

ATTACHMENTS

1. Draft Staff Presentation (to be distributed)
2. Resolution
3. Draft Amended Local Agreement



¹ http://chapelhill.granicus.com/MetaViewer.php?view_id=&clip_id=2955&meta_id=146849