



**AUTHORIZE THE TOWN MANAGER TO EXECUTE AN INTERLOCAL AGREEMENT FOR INSTALLATION OF PRIVATE SEWER LATERALS FOR LOW AND MODERATE INCOME HOMEOWNERS**

**STAFF REPORT**

TOWN OF CHAPEL HILL PLANNING  
Ben Hitchings, Director  
Judy Johnson, Operations Manager

**BUSINESS MEETING DATE**

May 1, 2019

**STAFF'S RECOMMENDATION**

That the Council adopt Resolution A, authorizing the Town Manager to sign the attached Interlocal agreement between Orange County, Carrboro, and Chapel Hill.

**STAFF ANALYSIS**

Orange County, Carrboro, and Chapel Hill are working to complete the installation of sewer service to serve the Heritage Lots in the Historic Rogers Road neighborhood.

**BACKGROUND**

The Towns of Chapel Hill and Carrboro through this agreement, to provide reimbursement to Orange County for a portion of the County's expenditures for installing private sewer service lateral connections for low to moderate income homeowners of existing dwelling units on Heritage Lots in the Rogers Road Sewer Project Area (as identified in the attached Interlocal agreement). The lateral connections connect homes to the new sewer system.

Approximately 62 of the Heritage Lots have dwelling units on them, and staff has estimated sixteen households meeting low to moderate income levels will request connection to the newly installed sewer extension within Chapel Hill's planning jurisdiction.

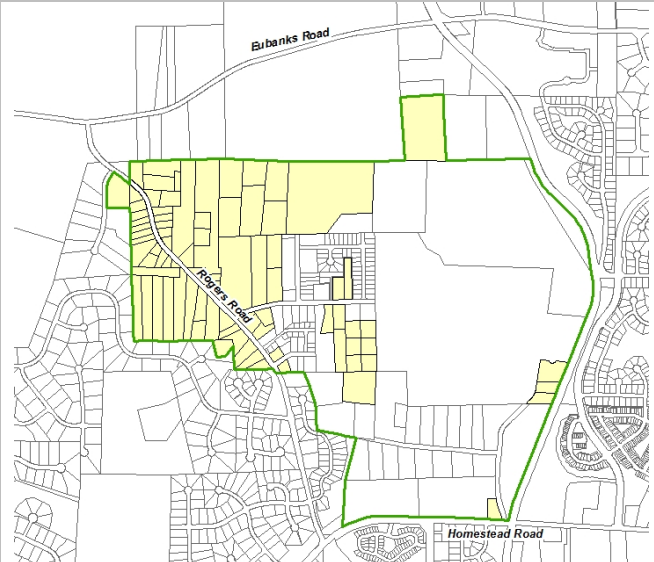
The agreement establishes a three-year funding period for connections. The County will reimburse 100 percent of the connections costs for eligible households during the first two years following sewer certification. During the third year, connections will be covered at 50 percent of the connection costs.

**DECISION POINTS**

- Local government elected officials previously agreed to the 2016 cost-sharing allocation ([adopted at the Chapel Hill Town Council meeting on December 5, 2016](#)<sup>1</sup>) for the Rogers Road Sewer Project with Orange County and the Town of Chapel Hill each contributing 43 percent of the cost and Carrboro contributing 14 percent of the cost.
- This attached Interlocal agreement, for the lateral sewer connections, has a total project estimate cost of \$243,000 of which \$104,490 or 43 percent of the project cost for Chapel Hill, (whichever is less) plus any financing costs, for low to moderate income households within Chapel Hill's planning jurisdiction.
- The attached resolution will authorize the Town Manager to sign the attached Interlocal agreement.
- Should overall participation exceed the estimates, staff will bring an amendment to this agreement for Council's authorization.
- Orange County Commissioners are considering this draft at their [May 2, 2019 meeting](#)<sup>2</sup> and Carrboro Aldermen will consider it at their [May 7, 2019 meeting](#)<sup>3</sup>.

**ATTACHMENTS**

- Resolution
- Interlocal Agreement
- Draft Staff Presentation (to be distributed)



<sup>1</sup> [http://chapelhill.granicus.com/MetaViewer.php?view\\_id=&clip\\_id=2955&meta\\_id=146849](http://chapelhill.granicus.com/MetaViewer.php?view_id=&clip_id=2955&meta_id=146849)

<sup>2</sup> <https://www.co.orange.nc.us/Calendar.aspx?EID=1989>

<sup>3</sup> <https://carrboro.legistar.com/DepartmentDetail.aspx?ID=20277&GUID=2CC72A69-CFDE-4143-92E2-BC02C8A0FC9A&Mode=MainBody>