



# Chatham County, NC

## Legislation Text

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**File #:** 20-3438, **Version:** 1

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Vote on a request to approve the Interlocal Agreement establishing terms and conditions for financial assistance to the Town of Siler City's Wastewater Treatment Plant Improvement Project and authorizing the County Manager to execute the same

Action Requested: Vote on a request to approve the Interlocal Agreement establishing terms and conditions for financial assistance to the Town of Siler City's Wastewater Treatment Plant Improvement Project and authorizing the County Manager to execute the same

Introduction & Background: The adopted FY 2018 Chatham County Operating Budget allocated \$750,000 to the Town of Siler City as financial assistance to a multimillion dollar improvement project to the Siler City Wastewater Treatment Plant. This allocation of funding has since remained intact. As the Town anticipates near-term movement on this project, Siler City has worked with the County to define the process by which these funds will be issued to the Town and further defined expectations related to the release of the same. The purpose of this Interlocal Agreement is to set forth the terms and conditions between Siler City and Chatham for funding assistance in the amount of \$750,000 from Chatham to Siler City, for the cost of the project, from preliminary engineering through completion of the project. Both physical and process modifications are incorporated into the Siler City Wastewater Treatment Plant Improvement Project, which is comprised of two distinct phases. Phase 1, or "Nutrient Reduction," makes various capital improvements to the Plant for the removal of nutrients from the treated wastewater stream prior to its discharge point to the receiving waters of the Plant's treated effluent product. Phase 2, or "Capacity Expansion and Nutrient Reduction," makes capital improvements to the Plant that will increase the daily treatment capacity of the Plant by at least two million gallons per day and further reduce the nutrient loading from the effluent discharge of the Plant to the receiving waters of Plant's discharge. Siler City has received a \$2,000,000 grant from the Golden LEAF Foundation and a \$3,000,000 grant from the North Carolina Department of Commerce for the construction of the Project. The proposed agreement allocates half of the total County contribution to Phase 1 and the other half of the County contribution to Phase 2 of the project. The County's legal counsel has provided its review of the proposed agreement, and the Town of Siler City approved the agreement at its regular meeting of the Town Board of Commissioners on March 2, 2020.

Discussion & Analysis: The proposed agreement operationalizes action already taken by the Chatham County Board of Commissioners beginning with the adoption of the FY 2018 Operating Budget. The proposed agreement specifies performance and reporting standards to enable tracking and accountability of these funds.

How does this relate to the Comprehensive Plan: The allocation of funds to support improvements to the Siler City Wastewater Treatment Plant implicates both environmental and economic objectives articulated in the Comprehensive Plan. Among these include:

- Promoting compact growth in and near existing towns (Objective 3)
  - Reduces impacts to natural resources

- Lessens infrastructure burden and long-term cost of providing services
- Reinforces towns as residential and commercial centers of the County
- The ability to increase diversity of Siler City's residential, commercial, and industrial tax base is improved with expanded capacity of its wastewater treatment plant facility (Objective 4)
- The improvements to the Siler City wastewater facility is largely focused on the reduction of nutrient loading to an impaired water body. This project will assist with the conservation of natural resources and will help maintain and restore the quality of ground and surface waters (Objective 5)

Budgetary Impact: No additional budgetary impact is anticipated with the approval of this agreement.

Recommendation: Approve the Interlocal Agreement establishing terms and conditions for financial assistance to the Town of Siler City's Wastewater Treatment Plant Improvement Project and authorizing the County Manager to execute the same