



Chatham County, NC

Legislation Text

File #: 21-3688, **Version:** 1

Vote on a request to adopt a Resolution to approve the amendments to the Interlocal Agreement between Chatham County and the Town of Siler City for the Siler City Wastewater Treatment Plant Capital Improvement contribution of \$750,000 and authorizing the County Manager to execute the same.

Action Requested: Vote on a request to adopt a Resolution to approve the amendments to the Interlocal Agreement between Chatham County and the Town of Siler City for the Siler City Wastewater Treatment Plant Capital Improvement contribution of \$750,000 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. The existing Interlocal Agreement was approved by the Board of Commissioners in March of 2020 and sets forth the terms and conditions between Siler City and Chatham for this funding assistance. Since the approval of this Agreement, the Town has retained bond council who has reviewed the Agreement and finds that several amendments are warranted. The Town of Siler City has requested the County consider the approval of these amendments. Accompanying this agenda abstract are two versions of the revised agreement, including a “clean” version and a “redline” version showing the proposed changes to the agreement language.

Discussion & Analysis: The revised Agreement consists of several proposed amendments. With exception to one proposed change, all other recommended amendments have no substantive implication to the intent or operation of the original Agreement. The proposed amendment that does have a material effect to the original Agreement is found in the last statement in the “Project Cost” paragraph. Specifically, this language states, “Notwithstanding the foregoing, Siler City may, with detailed justification for doing so, request Chatham County to provide more than 50% of its commitment in Phase 1 in which case the Chatham County Board of Commissioners in its sole discretion may agree to do so”. Unlike the original agreement, this provision provides a method for Siler City to request a portion greater than 50% of the County’s commitment to be shifted to Phase 1 of the project without having to seek an amendment to this agreement. Staff and the County Attorney have reviewed the requested amendments and are comfortable with offering a favorable recommendation to approve these changes to the Board of Commissioners.

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: Motion adopt a Resolution to approve the amendments to the Interlocal Agreement between Chatham County and the Town of Siler City for the Siler City Wastewater Treatment Plant Capital Improvement contribution of \$750,000 and authorizing the County Manager to execute the same.