



# City of Greensboro

Melvin Municipal  
Office Building  
300 W. Washington Street  
Greensboro, NC 27401

## Agenda Report

File Number: 2025-423

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### Agenda Item# H.3.

**Agenda Date:** 6/3/2025. **Department:** Water Resources

**Meeting Type:** Council Meeting **Category:** General Business Agenda

**Title:** 2025-423 Resolution Approving an Interlocal Agreement with the Town of Sedalia for Water and Sewer

**Council Priority: Place an 'x' in the box.**

- |  |   |
|--|---|
| <input type="checkbox"/> Safest City                     | <input type="checkbox"/> Most Skilled Workforce                             |
| <input type="checkbox"/> Easiest Place to Do Business    | <input type="checkbox"/> Most Connected City                                |
| <input type="checkbox"/> Youth Sports Capital            | <input type="checkbox"/> Hub of Recreation and Entertainment                |
| <input type="checkbox"/> Abundance of Attainable Housing | <input checked="" type="checkbox"/> Other/Admin <u>Economic Development</u> |

**Council District:** N/A

**Public Hearing:** No

**Advertising Date/By:** N/A

**Contact 1 and Phone:** Mike Borchers, Ext. 2494

**Contact 2 and Phone:** Virginia Spillman, Ext.3260

### PURPOSE:

The Water Resources Department requests city council approval to negotiate and execute an Interlocal Agreement (ILA) between the City of Greensboro and the Town of Sedalia to support the extension of water and sewer service within the Town for public necessity and regional economic development. City Council approval is required to execute an Interlocal Agreement with the Town of Sedalia.

### BACKGROUND:

With the adoption of the revised City of Greensboro Utility Extension Policy for Areas Outside the City Limits by City Council on April 16, 2024, Water Resources Department is seeking Council approval to negotiate and execute an Interlocal Agreement (ILA) with the Town of Sedalia for the extension of water and sewer service within the town's jurisdictional limits.

One of the themes presented in the utility extension policy is the city's position to be a major regional partner for mutually beneficial economic development in the Piedmont-Triad region, through the provision of water and sewer services. The City of Greensboro currently provides water and sewer service within Sedalia's town limits with two examples being the Palmer Memorial Institute and Sedalia Elementary School.

*Vision Statement: "A Community with Endless Economic Opportunities and Exceptional Quality of Life."*

In support of the Town's proposed Town Center revitalization project, Sedalia applied for and received a \$50K North Carolina Department of Environmental Quality (NCDEQ) grant to pay for a merger / regionalization (MRF) study that was administered and completed by the Piedmont Triad Regional Council (PTRC). Greensboro sent a letter of support to Sedalia in support of the Town's merger / regionalization study grant application. In the fall of 2024 the MRF study was complete by PTRC and shared with Sedalia and Greensboro.

An agreement between the two jurisdictions provides a beneficial partnership that supports regional growth and development with the revitalization of the Town Center, support for future public necessity requests tied to the Town's aging and problematic well and septic infrastructure and an opportunity for Greensboro to service future growth tier sites.

To ensure the ILA reflects City Council direction and guidance as well as being mutually beneficial for both parties, key considerations will be incorporated into the ILA. While every ILA is unique, the ILA template previously developed for the Town of Pleasant Garden will be used as the basis for the utility service agreement.

Specific ILA considerations include benefits to the city, equitable treatment to all communities, documenting roles and responsibilities, limiting direct upfront cost to the city, including minimum billing, maintenance, and easement acquisition / access considerations, supporting regional growth and development, stipulating service area and capacity allocation, type of utility connections, future extensions, and utility ownership.

With the adoption of this resolution, the City Manager will be authorized to commence contract negotiations with the Town of Sedalia and execute an ILA with the Town that incorporates the considerations contained within the resolution.

**BUDGET IMPACT:**

No budget impacts are anticipated with the design, construction, and commissioning of the utility extension project. The State of North Carolina has earmarked funds to fully complete the Phase I utility extension project within the Town of Sedalia.

**ACCOUNT NUMBER:**

N/A

**RECOMMENDATION / ACTION REQUESTED:**

Water Resources recommends and requests City Council authorize the City Manager to negotiate an ILA between the City of Greensboro and the Town of Sedalia for the provision of water and sewer service within the town's jurisdictional limits. The City Manager is authorized to execute on behalf of the City of Greensboro an Interlocal Agreement with the Town of Sedalia reflective of the considerations listed in the council resolution and pursuant to the requirements of Article 20 of Chapter 160A of the North Carolina General Statutes.