

RESOLUTION APPROVING THE NEGOTIATION AND EXECUTION OF AN INTERLOCAL AGREEMENT (ILA) WITH THE TOWN OF SEDALIA

WHEREAS, the City of Greensboro has a long history of being a major regional partner for mutually beneficial economic development in the Piedmont-Triad region, through the provision of water and sewer service;

WHEREAS, the City of Greensboro revised the City of Greensboro Utility Extension Policy for Areas Outside the City Limits on April 16, 2024, in part to address the extension of utility services into other jurisdictional limits;

WHEREAS, the Town of Sedalia requests support for a Town Center revitalization project and the ability to address the Town's aging and problematic well and septic infrastructure. Both needs can be met with the extension of utility service within the jurisdictional limits of the Town of Sedalia;

WHEREAS an Interlocal Agreement between the two jurisdictions provides a beneficial partnership that continues to support regional growth and development;

WHEREAS, to ensure an Interlocal Agreement is reflective of City Council direction and guidance as well as being mutually beneficial for both parties, the following considerations shall be incorporated into the ILA:

- The utility system, and the easements indicating the location of all system components, will be owned and operated by the City
- The Town of Sedalia will be required to accept a negotiated minimum billing arrangement as a percentage of the infrastructure improvement depreciated value over a seventy-five year life expectancy
- The duration of the agreement shall not exceed sixty years
- Connections to the water and sewer system are allowed in support of the Town's desire for mixed use development and public necessity
- The Town of Sedalia will be required to assume full financial responsibility for the design, construction, and commissioning of the utility system that is extended within the Town's jurisdiction
- The city will oversee and take operational oversight for completing the design, construction, commissioning, and operation of the utility system
- The city reserves the right to conduct a cost of service analysis to ensure ongoing Operation & Maintenance costs to serve the Town of Sedalia are fully recovered
- A separate Memorandum of Understanding (MOU) will be drafted and executed that details financial responsibilities of Sedalia and the City
- The Town of Sedalia will fully support and grant the city access to the water/sewer infrastructure for operational and maintenance purposes
- The Town will pay the prevailing outside rate for water and sewer utility service
- The costs to meet specific economic development or other site development end user's needs, after the initial utility extension project is complete, will be the responsibility of Sedalia

- The City will commit up to two hundred thousand gallons per day for wastewater service within the incorporated area of Sedalia at the time the agreement is signed
- Sedalia will not assign or resell their volume allocation without the City's consent
- Sedalia will assist the city with acquiring easements in support of all extension phases to adequately operate and maintain the system and allow the City to serve future growth tiers
- The Town is willing to negotiate and work collaboratively with the City concerning its intent to process potential future annexation petitions within the Town's planning area, as shown on the adopted land use plan
- The Town will actively lobby for additional State funding to construct future utility extension phases in support of economic development for the Town and City

WHEREAS, with the adoption of this resolution, the City Manager is authorized to commence contract negotiations with the Town of Sedalia and execute an ILA with the Town that incorporates the aforementioned considerations; and

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GREENSBORO:

That, pursuant to Article 20 of Chapter 160A of the North Carolina General Statutes, the City Manager is authorized to negotiate and execute on behalf of the City of Greensboro, an Interlocal Agreement with the Town of Sedalia for the extension of water and sewer utility service within the Town's jurisdictional limits. The ILA shall reflect and incorporate the considerations listed within this resolution.