

Item Title: Ponderosa Sanitary Sewer Interlocal Agreement (ILA) with City of Raleigh

Specific Action Requested:
That the Board of Commissioners:

- 1. Authorizes the County Manager to execute a multi-year Interlocal Agreement (ILA) with the City of Raleigh to provide sanitary sewer treatment collection and treatment capacity for the Ponderosa subdivision subject to terms and conditions approved by the County Attorney.**
- 2. Adopts the accompanying resolution approving the ILA and authorizing any additional actions necessary to implement the agreement.**

Item Summary:

Purpose: In accordance with North Carolina State Statute, the Board of Commissioners shall approve all County interlocal agreements.

Background: Wake County currently operates a wastewater treatment facility that serves the Ponderosa subdivision. This facility consists of a wastewater lagoon, spray irrigation fields, and septic tank/effluent pumps at 67 residential properties. Wake County GSA has a planned capital project which will replace the existing treatment system with a new sanitary sewer lift station and force main that will tie to the City of Raleigh wastewater collection system. An ILA is required for this proposed connection to allow sewer treatment capacity at the Raleigh wastewater treatment plant.

Strategic Plan: This action supports routine County operations.

Fiscal Impact: The wastewater replacement project currently has \$3.9 million of planned design funding and \$7.6 million of planned future construction funding in the County Buildings Element of the County Capital CIP Fund in the County's FY2026-32 Capital Improvement Program. No additional appropriation is required.

Upon completion of the capital project, Wake County will be billed monthly for the total amount of wastewater delivered to Raleigh sewer collection system, including a monthly operation and maintenance charge and a monthly capital charge. These rates will be dependent upon the City of Raleigh fee schedule at the time of completion and will be subject to change over time. Funding for these expenditures will be included as part of future annual budget processes.

Additional Information:

The Ponderosa Subdivision is a residential development located on Riley Hill Road, north of the Town of Wendell. Construction began in the subdivision in 1972 and a total of 67 lots were developed. In 1984, it was determined that a serious public health problem existed due to malfunctioning septic systems throughout the subdivision. Due to the unavailability of land and restriction on soils, septic repair areas were not an option. Wake County began the process to identify alternative solutions to provide a centralized sewer collection and treatment system. In 1988, the County constructed an on-site lagoon, spray irrigation and individual septic tank and effluent pump (STEP) systems for each lot, using a Federal EPA grant to cover 75% of the design and construction costs. Wake County has been responsible for the maintenance and operation of the facility since construction was completed in 1989.

Wake County GSA has a comprehensive maintenance program and contracts with an operator to service the wastewater lagoon and irrigation fields. However, the facility is approaching the end of its useful life and corrective maintenance is becoming more frequent. As a result, GSA has begun a capital project to replace the existing treatment facility with a modern sanitary sewer system.

The proposed Ponderosa sanitary sewer improvement project includes the construction of a new 25,000 gallon per day (gpd) sanitary sewer lift station and approximately four miles of 4" force main to tie to the existing City of Raleigh sanitary sewer collection system located near East Wake High School. The project will also include the installation of a new gravity sewer throughout the subdivision, and new sewer services for all homes. The project will result in the abandonment of the wastewater lagoon, irrigation fields and all residential STEP systems.

Wake County GSA has selected an engineering design consultant through standard procurement procedures and is currently working to finalize the scope and contract for the design services. The project will come back to the Board for approval of the construction contract. A public information session was held on August 12, 2025, at the Eastern Regional Center to provide a summary of the proposed project and answer questions from the Ponderosa subdivision residents. GSA will continue to keep residents informed during this multi-year project.

Attachments:

1. Draft Interlocal Agreement
2. Board Resolution