

# Wake County Water, Sewer & Road Financial Policy

Growth, Land Use & Environment Committee  
March 12, 2018



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# Principles

- The County should continue its role as a facilitator of water and sewer service and public road infrastructure
- The County should *not* become an owner, operator or otherwise be responsible for the maintenance of a water or sewer system or public roads



# Role of the County

## **The County may choose to participate financially in four areas**

- Economic development in the Wake County portion of Research Triangle Park.
- Non-municipal community and individual wells that have become contaminated or otherwise degraded.
- Failed non-municipal community and individual sewer systems.
- The transfer of roads designed and platted to be public, but have yet to be accepted into the North Carolina Department of Transportation maintained highway system.



# Guidelines for Participation

- Where is the project located?
- Is there a public health and safety issue?
- What are the alternative solutions to resolving the infrastructure problem?
- Can a municipality assist?
- Are there detailed cost estimates to fix the problem?
- Have property owners exhausted other options?
- Does the citizen petition meet the requirements of state law?
- Are there County funds available?



# Status

- Policy was adopted in April 2015
- Banks Pointe submitted petition for road repairs
- Transferred \$1M from RTP infrastructure for Banks Pointe Subdivision – project completed / \$873K
- Staff has talked with approx. two dozen communities about roads since policy was adopted
- Two new petitions for road repairs for Mallard Crossing and Rose Hall totaling \$1,127,000




# Status

- No funding identified for new petitions/projects
- Banks Pointe will start paying assessments back to the County in May 2018 (some through 10 yr. installments with 3.5% interest)
- Other road projects may be on the horizon
- No petitions for water or sewer projects...yet



# Options Going Forward

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1. Stay the course – consider funding for new projects as they come in
  2. Create a revolving fund, with a set limit, for these types of projects



# Policy Changes to Consider

3. Consider changes to the County policy that promotes equitable financing terms and/or incentivizes payback to the County
  - Sliding scale financing terms
    - Use factors such as neighborhood home values or housing cost burden to establish pre-set term for financing (max 10 yr. term per NCGS)
  - Tiered financing charge to expedite payback
    - Apply low interest rate early in the term and graduate to higher rates later in the term (max interest rate 8% per NCGS)



# Direction Needed

1. Is there a desire to pursue changes to the policy?  
If so...
2. When do we address Mallard Crossing and Rose Hall subdivision petitions?



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