## **Agenda Request Overview**

Please consider amending the code of ordinances to provide greater flexibility for homeowners, allowing the Town of Hillsborough ("Town") to assume ownership and maintenance of sewer lines at the right-of-way—particularly in emergency situations requiring urgent repairs.

The goal of this request is to establish an equitable balance between the Town's responsibilities and financial constraints while providing homeowners with better support for essential infrastructure repairs, where their options are currently limited. It is understood that the Town has its own budget and logistical constraints and any amendments should strike a balance that is agreeable to both the homeowner/customer and the Town than the current status quo.

The scope of repair work within the right-of-way, specifically under town roads, is defined by the "Town's Utilities Standards and Specifications". Currently, homeowners who do <u>not</u> currently have a cleanout installed and have their sewer line accepted by the Town, are responsible for covering the maintenance and full repair costs, identifying and vetting utility contractors, and working with the Town and utility contractors to figure out the scope of work. This process is inefficient for securing competitive pricing, ensuring quick turnaround times during emergencies, and managing high expenses that can be detrimental to the homeowner. Some homeowners likely assume—or reasonably expect—that the Town should bear or share some responsibility.

# Request: amending ordinances on Sec. 14-21. - Town's responsibility and liability and Sec. 14-22. - Customer's responsibilities

Consider amending code of ordinances for the Town to assume ownership and maintenance of the sewer line from the main wye connection to the cleanout at the right-of-way for all homes. The change would apply regardless of the condition of the sewer lateral under the road, provided a cleanout is present at the right-of-way or the homeowner agrees to install one through a private contractor or be billed by the Town for its installation (at any time or at the time of a required repair). For example: If repairs to the right of way are needed at the time of acceptance to meet the Town's standards, the Town will be responsible for repairs and bill the homeowner for any repair work specifically related to adding a clean out and for the portion of work on the right of way that is not under the road/asphalt.

The aim is to provide the homeowner with more options in terms of costs and repair. The Town has more options for competitive pricing (including a frame of reference of past project costs), better understanding and control of the scope of work/specifications, and serves as the intermediary between utility contractors and the homeowner.

# **Considering Alternative Options**

The Board of Commissioners could explore alternative avenues for homeowner relief, offering flexibility in finding case-by-case solutions—such as cost-sharing arrangements between the

Town and homeowners or other ways for the Town to support the homeowner in emergency situation repairs, such as a case-by-case approval process. Currently, the Town's ordinances place full ownership and maintenance responsibility on homeowners in certain scenarios, creating potential risks for those who:

- 1. Have a sewer lateral in good condition but lack a cleanout at the right-of-way, unaware that they are responsible for maintaining the right-of-way portion of the sewer line.
- 2. Install a cleanout, only to have the Town determine that the sewer line does not meet specifications for acceptance, leaving them with a significant financial burden to make the required fixes if/when those are needed in the future.

The intent of bringing up the topic of changing existing Town and homeowner responsibilities over the sewer line on the right of way is to provide alternative solutions that could help alleviate challenges in cases of emergency or to avoid them altogether. Ideally, any ordinance(s) change helps provide some additional layer of protection for the homeowner while allowing flexibility for the Town and the homeowner to share the costs.

## **Customer/Requester's Experience Seeking Sewer Repair Estimates**

The requester contacted ten (10) utility contractors. Of the six who responded, two (2) stated they do not work directly with homeowners. The remaining four (4) provided the following estimates (in no particular order):

Total estimate	Estimate portion for work on soil/property (not under the road). Adding a cleanout	Notes	Total estimate without flowable fill and metal plate (approximate)*
Option A - \$24,075	\$4,575	Most accurate estimate. Visited on-site and met with the Town to discuss the scope.	\$20,075
Option B - \$13,494	\$4,800	Did not originally include adding a new tap to the mainline (\$1,500-2,000) or flowable fill/plating.	\$13,494
Option C - \$13,400	\$1,600	Similar scope of work performed for my neighbor in 2022 for \$7,500 (no flowable fill). Did not originally include adding a new tap.	\$9,650
Option D - \$12,176	Data unavailable		\$12,176

<sup>\*</sup>The Town of Hillsborough was able to waive the flowable fill and metal plating spec, which saved on average \$4,000 across two estimates as shown on the table above.

#### Considerations

Based on the requester's personal experience, here are some key points to consider:

- 1. Some utility contractors do not work with homeowners due to the small project size or they only work with private or state and local government entities.
- **2.** The portion of work <u>not</u> under the road at the right of way is more reasonably affordable for homeowners and can be performed by some plumbing companies instead.
- **3.** Some home insurance policies that include utility coverage may not cover repairs "under the road" regardless of Town ordinances detailing homeowner responsibilities over the sewer line, but may cover repairs on "property soil," including the right of way.
- 4. If a cleanout is not present at the right-of-way, repairs at the sewer main may include adding or replacing one to meet the Town's specifications anyways. As a result, homeowners currently responsible for these repairs ultimately end up transferring ownership to the Town once the work is complete. In these cases, the primary party at a disadvantage is the homeowner—who, through possibly no fault of their own, happens to be the first to face an needed repair on a decades-old sewer line and as a result, a high upfront cost.
- 5. Homeowners repairing a sewer line in the right-of-way may also be responsible for additional replacements or repairs on their property. For example, if the sewer pipe material on the homeowner's property is outdated, they may need to replace the entire line from the home to the sewer main. In such cases, the homeowner bears the full cost of two projects: one from the home to the right-of-way and another from the right-of-way cleanout to the sewer main—creating a significant financial burden.

At a minimum, the Town could take responsibility for identifying and negotiating with utility contractors for right-of-way sewer repairs—even in cases where the sewer line has not yet been accepted by the Town. After repairs are complete, the Town could bill the homeowner for all or part of the cost. This approach could:

- Ensure more competitive pricing,
- Reduce errors such as costly change orders,
- Expedite critical infrastructure repairs, particularly in emergencies where delays could lead to greater issues (e.g., freezing temperatures further damaging a blocked sewer line).

This solution could provide homeowners with some financial options while also improving efficiency in addressing urgent sewer repairs.

#### Conclusion

The current ordinance(s) place a significant burden on homeowners with older homes built before present building specifications, creating financial and logistical challenges when repairs are needed. Given that the Town was founded in 1754, homes affected by this issue may not be

uncommon. However, as a small community, amending the ordinance could meaningfully impact homeowners who find themselves in the unfortunate position of needing right-of-way repairs. Changes to the ordinance could close the gap for the homes that have still not had their sewer line accepted by the Town, with eventual repairs phasing all homes into present building specifications.

Thank you for your time and consideration on this topic.