



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date:	April 14, 2025
Department:	Utilities/Community Services
Agenda Section:	Discussion
Public hearing:	No
Date of public hearing:	N/A

PRESENTER/INFORMATION CONTACT

Marie Strandwitz, Utilities Director
Matt Efird, Assistant Town Manager

ITEM TO BE CONSIDERED

Subject: Resident request – consideration of changes to Code of Ordinances and Utilities Standards regarding customer responsibilities for sewer laterals within public rights of way

Attachments:

1. Request from Forrest St. resident
2. Example outreach on lateral responsibility from Raleigh Water

Summary/Background:

A resident on Forrest Street in town has experienced a sewer service (lateral) failure beneath the street. Town staff from Utilities and Community Services worked with the resident during the month of March to discuss requirements related to the repair and connection to the sewer main. The town also provided flexibility on some street-related requirements to make it less expensive for the customer. The current long-standing policy in this situation, as expressed in several town code sections and the Utilities Standards and Specifications, requires installation of a sewer cleanout at the right of way and evaluation of/replacement of the sewer lateral to the main to be performed by the property owner before the town will accept and maintain the portion in the public right-of-way.

Sewer (or even water) service failures due to poor installation or material degradation occur infrequently compared to blockages from improper use. A homeowner who is not performing any redevelopment may typically expect to replace its properly maintained water or sewer service once in a 30 – 100-year time frame if at all, during home ownership. Many of the sewers in the historic district and older neighborhoods were installed by developers or textile mill owners and the town assumed ownership of them. As such, they are very old, sometimes predating our wastewater treatment plant, and they do not meet typical standards such as having a clean-out at the right-of-way. Newer construction or redevelopment requires a cleanout for which the town would maintain within the right-of-way.

Financial impacts:

Depending on direction from the board on amending the policy there could be additional maintenance and operating costs and resource draws for the town.

Staff recommendation and comments:

We do not have an accurate count of sewer services without existing cleanouts, and it would be a big effort to deduce this given the few matters like this that arise compared to our customer base. We believe these areas are restricted to the older areas of town as current standards have for some time required the cleanout during construction. We

also are not convinced that the town negotiating with utility contractors on behalf of a single owner will bring about a more competitive cost or is something our resources can handle under normal circumstances.

Nonetheless, there are benefits to moving forward with a code/policy edit to accept at least maintenance responsibility within the right-of-way as the customer suggests and without cost recovery. This includes:

- Saving the customer from securing a licensed utility contractor.
- Having the work performed promptly.
- Avoiding pre-coordination between the town and utility contractor.
- Removing the need for customer/contractor to obtain an encroachment agreement or street cut permit.
- Ensuring town and NCDOT standards in roadways are maintained.
- Not having to track costs to bill the customer or work with the customer to collect payment afterward or deposit up front.

Staff would like to return to the board in the June time frame with further suggestions to address the resident request, with some additional considerations. As we craft code changes for further discussion should the board signal it is amenable, staff goals are to consider:

- Ownership vs. maintenance. Many utilities take no ownership of a sewer lateral, but almost all the larger utilities, having ample staff and budget unlike the town, will assist the customer in right-of-way repairs, with or without a cleanout present at the right-of-way, and without cost recovery. Many utilities will install the cleanout at the right-of-way during such repairs for future use. Current code says customer should install a cleanout.
- Cost recovery for addressing matters caused by misuse vs. failure of lateral due to age or faulty installation. Current Sewer Use Ordinance allows enforcement of failures due to rags or grease contributions. Root intrusion is a huge issue in sewer mains and laterals. Is this a maintenance matter a homeowner should budget for service or something beyond control? Should the town utilize enforcement authority in these cases either in place of cost recovery, charge for cost recovery in repair, or both for misuse situations?
- Equity for all customers. This can be viewed from both sides. Some customers with newer premises have cleanouts and the town maintains this section already. Some customers without cleanouts would get the same benefit, but the town would potentially assume expensive repairs that the entire customer base funds. Overall, sewer laterals benefit a single owner. Many utilities would rather not deal with them at all, but customers and the plumbing industry have grown to expect this service. The current code allows for the transition of ownership and maintenance upon certain circumstances like bringing it up to current standard. It also allows us to assist in emergencies and provides latitude to adjust specifications for owner relief. The proposal would be to assume ownership no matter condition or presence of a cleanout within the right-of-way.
- Redevelopment/new construction vs. failure of an existing lateral in current use. A redeveloped lot (addition of square footage, increased bathrooms/sewer flow) with an older, non-compliant lateral should have lateral evaluation and renewal if needed. This is growth related and not maintenance matters of an existing resident. Staff recommends that the current policy remain in effect for these situations.
- Staff needs time to evaluate the potential impacts of this policy change, particularly to staff capacity and enterprise fund financial condition if no cost recovery for any circumstance is desired.
- How to better perform outreach for ownership responsibilities. We have addressed this on a subdivision basis when infrastructure is accepted (Harmony at Waterstone for example), but not necessarily or clearly overall to all customers. There is some information on our website under blockages. The Raleigh Water outreach flyer would be a good model for further outreach.

Action requested:

Review the petition from the resident, receive staff feedback then provide direction and additional information requested for moving forward for a return in June, if changes are desired.