



Agenda Item Summary Sheet

Item No: **I-5**
Meeting Date: **October 2, 2024**

Item Title: Consideration of resolution authorizing application to NC-DEQ Division of Water Infrastructure for Septic Health Project Grant; Consideration of revised Septic Health Initiative Policy

Item Summary:

Recently, staff spoke with the North Carolina DEQ, Division of Water Infrastructure to discuss a pilot program they have initiated related to supporting on-site wastewater infrastructure. The Division of Water Infrastructure has a loan program to allow for the replacement of failing and/or malfunctioning septic systems. This would also include principal forgiveness for loans where the applicant meets certain income criteria. Their loan would be 0% interest whereas the Town's current septic replacement loan is the prime rate minus 2.5%. This places our current interest rate at 5.5%. Staff would like to apply for this grant to enhance the program we already have in place. We discussed soliciting interest from property owners in targeted areas where aging systems and low-lying conditions create additional risk for ground and surface water contamination. However, this would be made available to anyone in the Town who has a malfunctioning or failing system. Coupled with this grant we would also like to increase the timeframe for repayment of septic loans under our program to enhance the affordability of the loan.

At the October 2nd Board of Commissioners meeting, staff requests Board consideration of attached resolution authorizing a grant application to the NC-DEQ Division of Water Infrastructure for the Town's Septic Health Initiative project. This is for authorization for funds to be used in accordance with the Town's Septic Health Initiative policy.

The Septic Health Initiative Policy is also attached for your review and approval. This red-lined version updates the policy by authorizing loans to be repaid via automatic bank draft at least monthly and for up to five (5) years instead of the current three (3) years.

Number of Attachments: 2

Specific Action Requested:

Provided for Board review and consideration of attached resolution and policy.

Submitted By: Administration

Date: September 26, 2024

Finance Officer Comment:

Staff will write the grant upon Board approval.

Signature: Amy Miller

Date: September 26, 2024

Town Attorney Comment:

N/A

Signature: John Leidy

Date: September 26, 2024

Town Manager Comment and/or Recommendation:

I support pursuing this opportunity and agree with the recommended policy change.

Signature: Andy Garman

Date: September 26, 2024