

Race and Equity Pocket Questions

Title and purpose of this initiative: Resolution Amending the Water and Sewer Management, Planning, and Boundary Agreement- Changes to Service Areas in Chapel Hill Jurisdiction. The purpose of this item is for the Town Council to consider adoption of a resolution amending the Water and Sewer Management, Planning, and Boundary Agreement (WASMPBA) requested by the Town of Chapel Hill expand the service boundary in the southern part of Chapel Hill along the US 15-501 corridor to the Chatham County line.

Department: Planning

What are the racial and equity impacts? The WASMPBA amendment will add new areas in Chapel Hill's extraterritorial jurisdiction to the primary service area for OWASA's water and sewer services. Chapel Hill intends to plan for and support through policies and regulations additional development along this transit corridor that will include affordable housing. Local government authority regarding joint agreements related to service delivery allowed the development of this agreement. The purpose of this agreement is:

1. To provide a comprehensive, county-wide system of service areas for future utility development and interest areas for dealing with private water and wastewater system problems in areas without public water and sewer service.
2. To complement growth management objectives, land use plans and annexation plans in existing agreements, such as the Orange County-Chapel Hill-Carrboro Joint Planning Agreement and Joint Planning Area Land Use Plan
3. To resolve in advance and preclude future conflicts about future service areas and annexation areas.
4. To provide for predictable long-range water and sewer capital improvement planning and financing, and
5. To provide for limitations on water and sewer service in certain areas, as defined.

This agreement covers most of the areas in the jurisdictions of Carrboro and Chapel Hill, Hillsborough and Mebane (Orange County portion) that are located within the designated gravity waste watershed service area for treatment plants in Hillsborough and Chapel Hill. For the southern portion of the county, the area is delineated by the gravity service area of the Mason Farm Wastewater Treatment Plant, excluding those areas located within the University Lake drinking water supply watershed. Known qualified census tracts in the vicinity are located within portions of the service area in Carrboro and Chapel Hill. The agreement establishes geographical areas where water and sewer services will and will not be available. Additional research would be needed to evaluate the service boundary delineation and whether it is or has been exclusionary or has caused racially disparate outcomes.

Who is or will experience community burden? With the provision of water and wastewater services in a new area, mandating connection to utilities when needed in relation to changes in



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use, may pose a burden on property owners. Changes from onsite systems to OWASA services adds additional costs for modifying existing homes' plumbing to connect to the utility provider's water and wastewater systems and brings about ongoing monthly expenses proportionate to the services provided and relies on a large system separate from individual decisions and responsibilities. Property owners will determine when they connect to the systems, unless new development standards for certain types of development require this to occur. All system users will be affected by increased costs to add infrastructure to support new or expanded service areas as these costs must be charged uniformly to ratepayers. Expanding the service area could affect access to water and wastewater services for other areas of the system when it approaches the limits of its capacity. Projections currently show available capacity.

Who is or will experience community benefit? Properties connecting to water and wastewater systems no longer have onsite responsibilities for water and wastewater management (e.g. onsite wells and septic systems). Onsite systems may reach the end of their useful lives and connection to municipal systems, like OWASA's removes those limitations for ongoing or expanded use of properties. Failing systems can overflow to surface waters and connecting to municipal systems can reduce the potential for these types of overflows, though any wastewater system can overflow. Additional development utilizing the water and wastewater treatment systems can provide for different uses, additional density of development and allow for more compact development footprints than can occur than development supported by onsite treatment systems.

What are the root causes of inequity? Root causes of inequity related to governmental actions like establishing municipal service boundaries can include overlooking the interests of historically Black communities/communities of color that may have been located on land considered to be of lower value/development potential or desirability and/or land where less desirable land uses – e.g. large industrial, large commercial, or transportation with associated negative environmental impacts – have been allowed to develop. Disparate impacts can also stem from barriers to participation in planning processes and public hearings and decisions, such as access to meeting scheduling and content, lack of BIPOC representation amongst decision makers, and lack of transportation.

What might be the unintended consequences of this action or strategy? Increased development potential normally accrues with the addition of these services and can result in the change of the character of a community and an increased escalation of property value. Changes to the WASMPBA require the action of all parties to the agreement. There is not a requirement for a joint meeting or discussion of the item; nor is there a public hearing on the matter of amending or withdrawing from the agreement. Should the possible amendment under consideration proceed, the location of property might result in higher-than-normal cost of services or escalated property value and exceed the benefit of the additional tax revenue to the rest of the community.



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How is your department planning to mitigate any burdens, inequities, and unintended consequences? Actions planned and/or in use to mitigate any burdens, inequities or unintended consequences include :evaluating actions using racial equity pocket questions and REAL assessments; evaluating the social, economic, and environmental impacts and sharing this information when community decisions are being considered, and engaging with the community, directly and more broadly affected by changes; and, and seeking to ensure that actions do not have racially disparate impacts/outcomes and taking steps to address disparities where they have occurred.