

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 538  
PROPOSED COMMITTEE SUBSTITUTE H538-PCS40407-MH-2

Short Title: Clarify Water and Sewer Authority Powers.

(Public)

Sponsors:

Referred to:

April 6, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO AMEND AND CLARIFY THE POWERS OF WATER AND SEWER  
3 AUTHORITIES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 162A-6(a)(14c) reads as rewritten:

6 "(14c) To adopt ordinances concerning any of the following:

- 7 a. ~~to regulate~~ The regulation and control of the discharge of sewage or  
8 stormwater into any sewerage system owned or operated by the  
9 authority, ~~to adopt ordinances concerning stormwater authority.~~  
10 b. The regulation and control of a water system owned or operated by  
11 the authority.  
12 c. Stormwater management programs designed to protect water quality  
13 by controlling the level of pollutants in and the quantity and flow of  
14 stormwater, ~~and to adopt ordinances to regulate stormwater.~~  
15 d. The regulation and control of structural and natural stormwater and  
16 drainage systems of all types.

17 Prior to the adoption of any such ordinance or any amendment to any such  
18 ordinance, the authority shall first pass a declaration of intent to adopt such  
19 ordinance or amendment. The declaration of intent shall describe the  
20 ordinance which it is proposed that the authority adopt. The declaration of  
21 intent shall be submitted to each governing body for review and comment.  
22 The authority shall consider any comment or suggestions offered by any  
23 governing body with respect to the proposed ordinance or amendment.  
24 Thereafter, the authority shall be authorized to adopt such ordinance or  
25 amendment to it at any time after 60 days following the submission of the  
26 declaration of intent to each governing body."

27 **SECTION 2.** G.S. 162A-6(a) is amended by adding two new subdivisions to read:

28 "(17) To enter into reimbursement agreements with private developers and  
29 property owners for the design and construction of infrastructure that is  
30 included on the authority's capital improvement plan and serves the  
31 developer or property owner. An authority shall enact ordinances setting  
32 forth procedures and terms under which such agreements may be approved.  
33 An authority may provide for such reimbursements to be paid from any  
34 lawful source. Reimbursement agreements authorized by this paragraph shall  
35 not be subject to Article 8 of Chapter 143 of the General Statutes, except as  
36 provided by this subsection. A developer or property owner who is party to a



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1 reimbursement agreement authorized under this paragraph shall solicit bids  
2 in accordance with Article 8 of Chapter 143 of the General Statutes when  
3 awarding contracts for work that would have required competitive bidding if  
4 the contract had been awarded by the authority. For the purpose of this  
5 subdivision, infrastructure includes, without limitation, water mains, sanitary  
6 sewer lines, lift stations, water pump stations, stormwater lines, and other  
7 associated facilities.

8 (18) To offer and pay rewards in an amount not exceeding five thousand dollars  
9 (\$5,000) for information leading to the arrest and conviction of any person  
10 who willfully defaces, damages or destroys, or commits acts of vandalism or  
11 larceny of any authority property. The amount necessary to pay said rewards  
12 shall be an item in the current expense budget of the authority."

13 **SECTION 3.** This act is effective when it becomes law.