

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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HOUSE BILL 758

Short Title: MSD Expansion and Governance. (Public)

Sponsors: Representative McGrady.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Environment, if favorable, State and Local Government, if favorable, Rules, Calendar, and Operations of the House

April 16, 2019

1 A BILL TO BE ENTITLED
2 AN ACT TO EXPAND THE MEMBERSHIP OF CERTAIN METROPOLITAN SEWERAGE
3 DISTRICTS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Article 5 of Chapter 162A of the General Statutes is amended by
6 adding a new section to read:

7 "**§ 162A-68.5. Alternate procedure for inclusion of additional political subdivision.**

8 (a) Notwithstanding G.S. 162A-67 and G.S. 162A-68, any time subsequent to the
9 creation of a district, the district shall be expanded in accordance with this section to include the
10 territory of the requesting county if the governing board of the county submits a resolution
11 requesting inclusion in the district and the county meets all of the following criteria:

12 (1) The county is contracting with the district for bulk service.

13 (2) The district has installed a sewage disposal system, sewerage system, sewers,
14 or any portion thereof, in that county.

15 (3) The district serves customers in that county as of the date of the resolution.

16 (b) Upon receipt of a resolution described in subsection (a) of this section, the district
17 board shall send to the Environmental Management Commission and the requesting county all
18 of the following:

19 (1) A map or maps of the district showing each of the following:

20 a. The present and proposed new boundaries of the district.

21 b. The existing sewage disposal system, sewerage system, and sewers.

22 c. Any proposed extension of the sewage disposal system, sewerage
23 system, sewer, including any sewer interceptors and outfalls.

24 (2) A description of any proposed extension of sewerage services to the
25 requesting county, which shall address all of the following:

26 a. Extension of sewerage service to the requesting county on
27 substantially the same basis and in the same manner as such services
28 are provided within the rest of the district prior to inclusion of the new
29 territory.

30 b. A proposed time schedule for extension of sewerage service to the
31 requesting county.

32 c. The estimated cost of extension of sewerage service to the requesting
33 county; the method by which the district board proposes to finance the
34 extension; the outstanding existing indebtedness of the district, if any;



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1 and the valuation of assessable property within the district and within
2 the requesting county.

3 (c) The Environmental Management Commission shall review the documents submitted
4 under subsection (b) of this section and shall, in conjunction with the requesting county, set a
5 time and place within the requesting county for a public hearing. The chair of the governing body
6 of the requesting county shall give prior notice of such hearing by posting a notice at the
7 courthouse door of the requesting county at least 30 days prior to the hearing and also by
8 publication at least once a week for four successive weeks in a newspaper or newspapers having
9 general circulation in the district and in the requesting county, the first publication to be at least
10 30 days prior to such public hearing.

11 (d) If, after the public hearing, the Environmental Management Commission shall adopt
12 a resolution expanding and defining the boundaries of the district to include the requesting county
13 in the district if the Environmental Management Commission determines that the inclusion of the
14 requesting county will not harm the public health and welfare. Such resolution shall state an
15 effective date of the inclusion of the requesting county in the district.

16 (e) Any action or proceeding in any court to set aside a resolution of the Environmental
17 Management Commission, or to obtain any other relief upon the ground that such resolution or
18 any proceeding or action taken with respect to the inclusion of the requesting county within the
19 district is invalid, must be commenced within 30 days after the effective date of the resolution
20 adopted by the Environmental Management Commission. After the expiration of such period of
21 limitation, no right of action or defense founded upon the invalidity of the resolution or the
22 inclusion of the requesting county in the district shall be asserted, nor shall the validity of the
23 resolution or the inclusion of the requesting county be open to question in any court upon any
24 ground whatever, except in an action or proceeding commenced within such period.

25 (f) Any requesting county included within an existing district by resolution of the
26 Environmental Management Commission shall be subject to all debts of the district.

27 (g) Upon inclusion in the district, the district board shall be expanded by two members,
28 who shall be qualified registered voters residing in the requesting county and appointed by the
29 governing body of the requesting county. The terms of office of the members appointed under
30 this subsection may be varied for a period not to exceed six months from the terms provided for
31 in G.S. 162A-67 so that the appointment of successors to such members may more nearly
32 coincide with the appointment of successors to members of the existing district board. All
33 successor members shall be appointed for the terms provided for in G.S. 162A-67.

34 (h) The district board shall be expanded by up to one additional member, who shall be a
35 qualified registered voter residing in the requesting county and appointed by the governing body
36 of the requesting county, if any of the following occur after the expansion of the district as
37 provided in this section:

38 (1) A cumulative increase in the number of customers in the requesting county of
39 fifteen percent (15%) or more from the number of customers in the requesting
40 county on the effective date of the resolution adopted by the Environmental
41 Management Commission as provided in this section.

42 (2) A single calendar year increase in the amount of untreated sewage in the
43 requesting county of ten percent (10%) or more from the amount of untreated
44 sewage on the effective date of the resolution adopted by the Environmental
45 Management Commission as provided in this section.

46 (i) G.S. 162A-67(a)(4) and G.S. 162A-68 shall not apply to any expansion under this
47 section."

48 **SECTION 2.** This act is effective when it becomes law.