

**DRAFT**

**INTERLOCAL AGREEMENT BETWEEN ORANGE COUNTY AND THE TOWNS OF  
CARRBORO, CHAPEL HILL, AND HILLSBOROUGH REGARDING THE PROVISION OF  
SERVICES RELATED TO AND THE DISPOSITION OF SOLID WASTE IN ORANGE COUNTY**

**THIS AGREEMENT**, made and entered into this \_\_\_\_ day of \_\_\_\_\_, 20\_\_ between Towns of Carrboro, Chapel Hill, and Hillsborough, North Carolina municipal corporations, of Orange County, North Carolina (hereinafter referred to individually as the “Town” and jointly as “Towns”); UNC-Healthcare; University of North Carolina at Chapel Hill (hereinafter referred to as UNC-CH), and Orange County, a political subdivision of the State of North Carolina (hereinafter referred to as the “County”), for the provision of solid waste services and disposition of solid waste within Orange County. (County, Towns UNC-CH and UNC-Healthcare may be referred to collectively as the “Parties”)

**WITNESSETH**

**WHEREAS**, the County, UNC-Healthcare, UNC-CH and Towns are public bodies, politic and corporate, under the laws of the State of North Carolina and are vested with the power and authority by Article 20 of North Carolina General Statutes Chapter 160A to enter into this Interlocal Agreement (hereinafter referred to as the “Agreement”); and

**WHEREAS**, the County operates and/or contracts for the operation of solid waste and/or recyclable materials collections services in the jurisdictions of the County and Towns; and

**WHEREAS**, the County, UNC-Healthcare, UNC-CH and Towns desire to establish procedures, policies, rights, and responsibilities for the collection, transport, and disposition of solid waste, construction and demolition materials, and recyclable materials.

**NOW, THEREFORE**, in consideration of the foregoing and on mutual promises and obligations set forth herein, the receipt and sufficiency of which is hereby acknowledged, the County, UNC-Healthcare, UNC-CH and Towns agree as follows:

**I. TERM AND TERMINATION**

- A. County may terminate this Agreement, without penalty or cost, pursuant to the terms of Paragraph V (E & F) below.
- B. Interlocal Agreement will become effective upon execution by each Town and County and remain in effect until eliminated by agreement of the parties or the majority of the parties withdraw. Parties to the agreement may withdraw with 12 month notice and payment of its per-capita share of any outstanding debt related to the services, facilities and programs listed above and any debt which is incurred while a party to the Interlocal Agreement up to the time of notice to withdraw. The withdrawing party shall be responsible for the full amount of any outstanding costs or debt related to the provision of services or facilities contemplated by this Agreement as such costs or debt apply within its territorial jurisdiction.

**II. CONSTRUCTION AND DEMOLITION (“C&D”) AND MUNICIPAL SOLID WASTE (“MSW”) LANDFILLS**

- A. County shall maintain financial, regulatory and environmental responsibility for operations, closure, and for post-closure maintenance/monitoring, of Orange County's C & D and MSW Landfills.
- B. County shall, pursuant to the terms of its agreement with the University of North Carolina at Chapel Hill, monitor the operation and performance of the University Landfill Gas Recovery System.
- C. Towns and County will, in support of the solid waste enterprise fund, direct C&D waste from projects where local government funding is utilized, including school construction and renovation, to the Orange County C&D Landfill.
- D. Towns and County will, in support of the solid waste enterprise fund, deliver white goods/appliances, vegetative wastes and scrap metal and other materials as agreed on in the future, to County recycling facilities.
- E. Towns and County will establish C&D tipping fees annually as part of the County budget process, and may include some portion of the fee to apply to C&D closure and post-closure costs, and shall become effective on July 1 of a given year. County Manager's fee recommendations will be available to parties to Interlocal Agreement no later than May 1 and Solid Waste Director's fee recommendations will be available to parties to Interlocal Agreement no later than April 1 (County will respond to inquiries earlier if fee recommendations are available)

### **III. MUNICIPAL SOLID WASTE ("MSW") COLLECTION AND TRANSFER**

- A. Towns and County will maintain authority and responsibility, financial and environmental, for MSW collected and transferred within their respective jurisdictions.
- B. Any party to this agreement that considers alternative solid waste facility options shall entertain participation by other parties to this agreement subject to payment of prevailing tipping fees as established by the relevant governing body. Should they participate, fees shall be established annually as part of the regular budget approval process and become effective on July 1 of a given year.
- C. Should the County or a Town (or Towns) plan, site and develop alternative solid waste facility options the Agreement may be amended if necessary to clarify access, etc.
- D. County will maintain, operate, and fund Solid Waste Convenience Centers that accept residentially generated MSW, C&D, bulky waste, recyclable materials, etc. for the use and benefit of all County and Town residents.
- E. Towns and County will, in support of the solid waste enterprise fund and subject to modification, deliver white goods/appliances, mattresses, vegetative wastes, C&D waste, clean wood, cardboard and scrap metal to designated Orange County facilities.

F. County shall provide for the specific recycling and/or, where legally permissible, the reuse of materials such as:

1. White Goods/Appliances;
2. Scrap tires;
3. Scrap metal;
4. Clean wood waste;
5. Vegetative waste;
6. Electronics
7. Mattresses.
8. Household Hazardous Waste
9. Other materials as markets and program funding becomes available

G. County will endeavor to maximize schedule of operation and services available (subject to material markets and budgetary considerations and constraints) at convenience centers consistent with current District/Neighborhood concept or other convenience center concepts as directed by the Board of Commissioners. Current District Center (Walnut Grove Church Road and Eubanks Road Convenience Centers) services provide for the disposal of:

1. Residential municipal waste;
2. Household hazardous waste;
3. Cardboard;
4. Waste oil, filters, and anti-freeze;
5. Yard waste;
6. Scrap tires;
7. Clean wood waste;
8. Scrap metal and white goods;
9. Cooking oil and residential food waste;
10. Recyclable materials (bottles, cans, mixed paper);
11. Rigid plastics;
12. Textiles/shoes;
13. Salvage shed;
14. Electronics;
15. Batteries (wet & dry cell);
16. Plastic bags and film.

#### **IV. RECYCLABLE MATERIALS**

- A. Recycling programs and services that are provided at the time of implementation of this Agreement are anticipated to be continued for the foreseeable future. Periodic expansions, modifications, improvements or adjustments to programs/services may be made by the parties of the Agreement (subject to material markets and budgetary considerations). County will coordinate/collaborate with Towns and UNC-University and UNC-Healthcare regarding changes to programs/services operated within the Towns through an advisory board/committee established for this purpose, or other means as agreed.
- B. Any consideration of eliminating a program, facility or service shall first be discussed by the advisory committee/commission/board/group so that all parties may provide input to the decision.

- C. It is the County's objective to offer equivalent services/programs within the Towns. County may also provide special services to individual Towns that may require special negotiated service fees or other specific compensation that fall outside of this Agreement. The portion of Chapel Hill located within Durham County should receive those services which other parts of the Town of Chapel Hill receive, however, it is solely the responsibility of the Town of Chapel Hill to establish the authority by which County shall provide services in that portion of the Town.
- D. County shall ensure that recycling programs/services provided by the County are of high quality and reliable with regard to the reasonable: Adherence to route schedules; prevention of overflow of drop-off site receptacles; resolution of complaints; safety; making progress toward waste reduction objectives, etc. County will endeavor to coordinate urban curbside recycling collection routing with municipal waste collection routing (as requested) to the extent possible, consistent with collection efficiency, budgetary constraints and available resources (i.e. roll-carts, compacting collection vehicles, etc.) County will endeavor to maintain maximum efficiency in recycling and waste reduction programs consistent with generally accepted industry best management practices.
- E. Towns will coordinate/collaborate with County with regard to specific interests/initiatives that affect performance of County programs and services, such as PAYT, organics diversion, etc.
- F. Current 24-Hour Recycling Drop-off Centers are intended to remain in service, subject to County budgetary considerations, recyclable material drop-off requirements of the parties, site availability, space limitations, material market availability, and Town recyclable material drop-off requirements. The five current drop-off sites include: Cedar Falls Park, Hampton Point, Carrboro Plaza, University Mall, and Meadowmont. No reductions or additions of drop-off sites are contemplated at this time. Reduction/addition in the number of centers within each Town shall be coordinated/reviewed by advisory board/commission/committee/group.
- G. Subject to state and federal law and subject to budgetary considerations and constraints it is expected by the Parties that recycling services offered at the time of the execution of this Agreement shall continue and be subject to appropriate performance measure and analysis.

## V. FINANCIAL

- A. Fees for the purpose of providing multi-family and urban curbside recycling services within the jurisdictions of the Towns shall be established through each Town's budgetary process. Through such process Towns shall establish recycling service fees based on County's recommendation, which recommendation shall be based on County's good faith estimate of the costs of providing recycling services within the Towns' jurisdictions. Each Town shall authorize County to collect and administer fees established for the purpose of providing recycling services within the Towns' jurisdictions. County shall apply the full revenue of said fees solely toward the costs of providing services within the Towns' jurisdiction.

1. The Town of Chapel Hill shall, through its budgetary process, set fees for the costs of services provided pursuant to the terms of this Agreement for those areas of the Town situated in Durham County.
  2. The Town of Chapel Hill shall establish said fees based on County's recommendation, which recommendation shall be based on County's good faith estimate of the costs of providing services contemplated by this Agreement within that area of the Town situated in Durham County.
  3. The County will provide proposed fees to Towns for Urban Curbside and Multi-family recycling services by April 1 (Solid Waste Directors recommendation) and May 1 of each year (County Manager's recommendation if different from Directors), unless multi-year fee rate is established.
  4. The Town of Chapel Hill shall authorize County to collect and administer said fees and County shall apply the full revenue of said fees solely toward the costs of providing services in that area of the Town of Chapel Hill situated in Durham County.
- B. Annually no later than April 1 County shall notify Towns of any proposed tipping fee increases and any proposed fee increases associated with multi-family and urban curbside recycling services provided pursuant to the terms of this Agreement. Subject to the terms and any exceptions in this Paragraph V County shall be solely responsible for establishing said fees. County shall establish said fees through its good faith estimate of the actual costs of providing the services contemplated by this Agreement. Fees imposed pursuant to the terms of this Agreement shall be uniform for each Town and shall be in an amount sufficient to fully cover the direct and indirect costs of providing the services contemplated by this Agreement.
- C. Annually no later than April 1 (Solid Waste Directors recommendation) and May 1 of each year (County Manager's recommendation if different from Directors), County shall notify Towns of the proposed tipping fees and fees associated with services other than recycling provided pursuant to the terms of this Agreement. Subject to the terms and any exceptions provided in this section, County shall be solely responsible for establishing said fees. County shall establish said fees through its good faith estimate of the actual costs of providing the services contemplated by this Agreement. Fees imposed pursuant to the terms of this Agreement shall be uniform for each Town and shall be in an amount sufficient to fully cover the costs of providing the services contemplated by this Agreement.
- D. Subject to the two exceptions set out below, any fee increase of more than five percent (5%) must be approved by the Towns in advance by June 1 of any given year.
1. This Paragraph V(D) shall not apply where County has provided at least twelve (12) months' notice of said fee increase and where such increase greater than five percent (5%) is necessary to maintain the then current level of services.
  2. County's contract with its service provider, a provider of urban curbside service contemplated by this Agreement, contains provisions for annual increases in costs based on annual increases in the national Consumer Price Index ("CPI"). This Paragraph V(D) shall not apply where a greater than five percent (5%) fee increase is necessary based on the CPI increase requirement of County's contract with Waste Industries, or any other service provider where the service contract contains a similar provision, and where County has notified Town prior to the first day of April when

- such a CPI increase greater than five percent (5%) is expected for the next fiscal year.
- E. In the event a Town or Towns fail to approve a multi-family or urban curbside recycling fee increase of greater than five percent (5%) for any service where such increase is necessary to fully pay for the provision of any service contemplated by the terms of this Agreement or where such increase is necessary for County to meet its contractual obligations with any contractor engaged in providing any of the services contemplated by this Agreement County may, at its option, terminate this Agreement as it applies to any Town that fails to approve said fee increase.
1. Any termination pursuant to this Paragraph V(D) shall be without cost or penalty to County.
  2. In the event County terminates this Agreement pursuant to the terms of this Paragraph V(D) the Town or Towns with which the Agreement is terminated shall be responsible for the full amount of any outstanding costs, contractual obligations or debt related to the provision of services contemplated by this Agreement as such costs or debt apply within its territorial jurisdiction.
  3. Any termination pursuant to this Paragraph V(D) shall be effective at the end of the fiscal year in which a Town or Towns fail to approve the aforementioned fee increase and after written notice by the County to the Town(s).
- F. In the event a Town or Towns fail to approve a fee increase of greater than ten percent (10%) for any service where such increase is necessary to fully pay for the provision of any service contemplated by the terms of this Agreement or where such increase is necessary for County to meet its contractual obligations with any contractor engaged in providing any of the services contemplated by this Agreement County may, at its option, terminate this Agreement as it applies to any Town that fails to approve said fee increase.
- G. "If the County determines that it is or may be advisable to create and impose any additional type of Governmental Fee (beyond the existing Urban Curbside and Multi-family Fee), then the County will give at least 60 days' notice of the proposed Governmental Fee to the other parties. A Governmental Fee may then be imposed only if the creation and imposition of such Governmental Fee is subsequently approved by the County and at least one other of the largest two (by population) local government Parties. A new Governmental Fee will take effect at the end of the notice period or, if later, the date of the last Governing Body approval necessary for it to take effect."
- H. "The County may increase any individual Governmental Fee (except the existing Urban Curbside or Multi-family Fee) from time to time in its discretion with at least 60 days' notice of the increase to all Parties. The County may not, however, increase any individual Governmental Fee during or at the beginning of any Fiscal Year to a fee that exceeds the fee in effect at the end of the preceding Fiscal Year by more than 10%, without the prior consent of all the other Parties. The Parties intend and agree that the County shall endeavor to adjust any and all Governmental Fees only annually, with changes becoming effective only at the beginning of a Fiscal Year."

**VI. INDEMNIFICATION**

To the extent authorized by North Carolina law County, Towns, UNC-CH and UNC-Healthcare each agree to indemnify and hold harmless one another, their agents, officials, and employees, from and against all claims, actions, demands, costs, damages, losses and/or expenses of any kind whatsoever, in whole or in part, resulting from any acts of County, each Town, UNC-CH or UNC-Healthcare, their agents, officials, employees, guests or invitees caused by or directly related to the performance of this Agreement, including but not limited to court costs and attorney's fees incurred by the County, Towns, UNC-CH and UNC-Healthcare in connection with the defense of said matters.

**VII. NOTICE**

Any notice required by or pursuant to this Agreement, or any amendment or renewal, shall be in writing and delivered by United States Mail to the following:

**To Carrboro:**

Town of Carrboro  
Town Manager  
301 West Main Street  
Carrboro, NC 27510

**To Orange County:**

Orange County  
County Manager  
200 S. Cameron Street  
Hillsborough, NC 27278

**To UNC-Chapel Hill:****To Hillsborough:**

Town of Hillsborough  
Town Manager  
101 East Orange Street  
Hillsborough, NC 27278

**To Chapel Hill:**

Town of Chapel Hill  
Town Manager  
405 Martin Luther King, Jr. Blvd.  
Chapel Hill, NC 27514

**To UNC-Healthcare:****VIII. ENTIRE AGREEMENT**

This Agreement constitutes the entire agreement of the Parties hereto and is effective the date first above recorded.

[SIGNATURE PAGE TO FOLLOW]

In witness whereof, the Parties, by and through their authorized agents, have hereunder set their hands and seal as of the day and year first above written.

\_\_\_\_\_  
Mayor, Town of Chapel Hill

\_\_\_\_\_  
Chair, Orange County

ATTEST:

ATTEST:

\_\_\_\_\_  
Town Clerk

\_\_\_\_\_  
Clerk to the Board

\_\_\_\_\_  
Mayor, Town of Carrboro

\_\_\_\_\_  
Mayor, Town of Hillsborough

ATTEST:

ATTEST

\_\_\_\_\_  
Town Clerk

\_\_\_\_\_  
Town Clerk

\_\_\_\_\_  
, UNC-CH

\_\_\_\_\_  
, UNC-Healthcare

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act:

\_\_\_\_\_  
Carrboro Finance Director

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act:

\_\_\_\_\_  
Chapel Hill Finance Director

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act:

\_\_\_\_\_  
Hillsborough Finance Director

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act:

---

Orange County Finance Director

---

UNC-CH

---

UNC-Healthcare

DRAFT

### Appendix I – Services at Time of Interlocal Agreement Adoption

As of the date first above recorded current recycling services provided to Towns by County include:

1. Weekly residential curbside collection (single stream);
2. Multi-family collection (single stream);
3. Food Waste collection from commercial establishments;
4. Bar/Restaurant and other small commercial location collection (single stream);
5. Downtown cardboard Collection – Chapel Hill only – fee based;
6. Pedestrian bins ( locations) – Chapel Hill only – fee based;
7. Park&Ride lot collection ( currently 3 locations in Chapel Hill and and 2 in Carrboro);
8. Municipal park collection;
9. Government building collection for all local governments, OWASA and public (except UNC-CH) schools;
10. Public housing - (multi-family style service or single family, as appropriate to housing type);
11. Public schools collection -- fee based, contractual service.

Current recycling services provided to the towns (incorporated municipalities) by the County include:

Weekly residential curbside collection (single stream) – co-mingled collection currently provided by contract to the County with 95 gallon roll carts; materials include clean-dry paper, metal cans, glass bottles and jars, plastic bottles/tubs/cups, drink and milk cartons, cardboard, aerosol cans, aluminum foil/trays

Multi-family collection (single stream) – co-mingled collection available to all multi-family facilities throughout the County at necessary collection frequency; materials include clean-dry paper, metal cans, glass bottles and jars, plastic bottles/tubs/cups, drink and milk cartons, cardboard, aerosol cans, aluminum foil/trays

Food Waste collection – available to all restaurant, food preparation, supermarket, etc. (pre and post-consumer) who meet a County established minimum monthly quantity generated threshold and can adhere to quality requirements and accessibility

Bar/Restaurant and other commercial location collection (single stream) – objective of providing services to all establishments in the County according to pending comprehensive recycling plan and available funding

Downtown Cardboard Collection (Chapel Hill only) – fee based on negotiated rate directly with Chapel Hill and may be available to other Towns upon request

Downtown Pedestrian Bins – fee based on negotiated rate directly with Chapel Hill and may be available to other Towns for a fee upon request; subject to coordination of receptacle used with County and level of contamination of materials

Park & Ride Lot Collection ( currently 3 locations in Chapel Hill and 2 in Carrboro) - fee based on negotiated rate directly with Chapel Hill and Carrboro and may be available to Hillsborough upon request; subject to coordination of receptacle used with County and level of contamination of materials

Municipal Park Collection - fee based on negotiated rate directly with Chapel Hill and may be available to other Towns upon request; subject to coordination of receptacle used with County and level of contamination of materials

Government building collection for all local governments and OWASA – recycling service available to all local government buildings and OWASA; other government buildings at County discretion and available resources

Public Housing - (multi-family style service or single family, as appropriate to housing type) – public housing will be service in the same manner as other residences, whether multi-family or single family type service; County to provide periodic communication as needed with Department of Public Housing regarding outreach and education of residents, management and other changes to public housing services

Public Schools collection -- fee based, contracted service negotiated directly with the individual school system

Hours of Operation – County will establish hours of operation for County services/facilities; County will consult with Towns when changes in hours of operation are being considered, except in extenuating and temporary situations such as storm events; County will attempt to notify municipalities by 7am the morning of any event that impacts regular facility hours of operation

Recycling (unstaffed) Drop-off Centers – recycling drop-off centers within the Towns will be serviced by County on an as needed basis; materials include clean-dry paper, metal cans, glass bottles and jars, plastic bottles/tubs/cups, drink and milk cartons, cardboard, aerosol cans, aluminum foil/trays

- Towns will cooperate with County to site or maintain current locations as necessary
- materials currently available at these centers at the time of the execution of this agreement will be maintained and any consideration to reduce the current available materials will first be discussed by the advisory committee/commission/board
- materials may be added at County discretion
- County will, with the relevant Town cooperation, maintain the sites with regard to screening, signage, litter collection and illegal dumping (includes any existing agreement for site maintenance)

## Appendix II - MISCELLANEOUS

- A. Holiday service. County shall be responsible for providing service and facility holiday schedule to parties and to make a good faith effort to coordinate service schedules to the extent practicable.
- B. Storm debris management. County shall manage construction debris created by or from severe storms at its Construction & Demolition Landfill. County shall provide debris management sites for delivery of severe storm event vegetative debris. Emergency storm debris collection and monitoring are the responsibility of each jurisdiction unless otherwise noted in a separate MOU.
- C. Ordinance enforcement. Towns will allow enforcement of County regulated recyclable material ordinance (RRMO) within Town municipal limits. Each Town may assist in the enforcement of County's Regulated Recyclable Materials Ordinance within each Town's jurisdiction using their staff in coordination with County staff.. Towns shall monitor waste collected by Town staff for banned materials in order to prevent the delivery of banned materials for disposal. County shall provide solid waste plan advice, review, and approvals in concert with development applications to various jurisdictions. County may assist towns' enforcement staff in enforcement of landfill bans on privately collected waste containers.
- D. Education and Outreach. County shall be responsible for the preparation, distribution, expense, and coordination of education and outreach services related to waste management, recycling, and reduction services and programs under its administration, including advertising of holiday schedules. A multi-media approach will be utilized.
- E. Solid waste management, planning, and reporting. County, in cooperation with Towns, is responsible for the development and timely submission of required annual reporting and solid waste management planning to the North Carolina Department of Environment and Natural Resources. Towns and County shall cooperate with requests for information, data, and records, in a reasonable and timely manner. Consideration shall be given by County to investigation of increased diversion of organic wastes, especially commercially generated food wastes, and the expansion of non-residential recycling programs and services. County, in cooperation with Towns, may develop recycling performance and tracking measures for various programs of interest. Collected data will be maintained in a secure manner, consistent with public records law of North Carolina.
- Consideration will be given by County to investigation of increased diversion of commercial/non-residential wastes, including review of program financing
  - County, in cooperation/coordination with the Towns, will develop recycling performance measures and tracking data for various programs of interest
    - Consistent with the reasonably available or obtainable data given the integrated nature of most recycling programs; annual reporting examples include:
      - Number of households and multifamily units served by curbside program/by Town
      - Number of businesses serviced with onsite collection service/by jurisdiction

- Participation rates for curbside program by jurisdiction
- comparison with prior year
- To be provided upon request, annually or otherwise reasonably accessible
- To maintain data in a secure manner, consistent with public records law of North Carolina

F. Future Landfill/Transfer Station. In the interest of joint long-term planning County, Towns, UNC-CH and UNC-Healthcare shall cooperate and jointly participate in the siting and location of any future solid waste options that are sited within the boundaries of Orange County.

G. Advisory Board. County, Towns, UNC-CH and UNC-Healthcare shall cooperate and jointly participate in the creation of a solid waste management advisory board. The document containing the bylaws and/or operating procedures of such advisory board shall be attached to this Agreement as Exhibit 1.

- Representing each Town, County and potentially the University
- State composition, terms, rules of procedure and membership
- State mission/charge
  - Advise the County's governing board on matters related to solid waste and recycling services, programs and policies of the waste management system governed by this Interlocal Agreement.
    - To recommend programs, policies, expansions amendments and reductions of services and other matters related to the operation of the system
    - To provide a forum for development of a comprehensive county-wide solid waste plan
    - To provide advice to the County Manager and Board of Commissioners with regard to development of the proposed annual solid waste budget
    - To respond to inquiries or requests for opinion from the County's governing body, or such other matters as any Town governing Board or the County Manager may request
    - To initiate research, analysis or review on existing services, programs or policies
    - To provide a public forum for the discussion of issues related to system programs/policies

*Note: Elected officials may wish to initiate a separate process to determine nature and composition of advisory committee/commission or board, or Orange County Waste Partners Group.*