



102 Town Hall Drive | Leland, NC 28451 | (910) 371-0148

FOR IMMEDIATE RELEASE: Sept. 25, 2019

Leland Undertakes Due Diligence to Prevent Disenfranchising Residents

Efforts underway to protect voting rights in Brunswick Forest, Windsor Park and other areas

Press Contact:

David Hollis
Town Manager
(910) 371-1249
dhollis@townofleland.com

LELAND, NC – The Town of Leland is currently performing due diligence in regard to a potential litigation settlement agreement and interlocal agreement with Brunswick Regional Water and Sewer (H2GO) Sanitary District and the Town of Belville.

The potential agreements include Belville returning H2GO's water and sewer assets (infrastructure and cash reserves) based on a court order, and the conveyance of the Town of Leland's water and sewer assets to H2GO. The goal is to create a more regional partnership between the towns and H2GO.

As part of the due diligence process, Town of Leland staff reviewed the areas where the Town provides water and sewer service and noted that some service areas are not currently within the H2GO Sanitary District boundary. If the areas are not included in the Sanitary District boundary and the Town's water and sewer assets are conveyed to H2GO, then those residents would not be allowed to vote in elections for the H2GO Board commissioners who will set their water and sewer rates.

Town staff, working with attorneys, researched laws related to this issue. Unfortunately, the addition of water and sewer service areas into the Sanitary District boundary is not automatic with the conveyance of assets from the Town.

The laws – specifically *N.C. General Statute 130A-69 through 70.1* – provide a few different mechanisms and thresholds for annexation of areas into the Sanitary District, paraphrased as follows:

- If **100% of resident freeholders (property owners)** of an area petition for annexation, the Sanitary District can take action to annex the area at its discretion without any other required process of elections or hearings.
- If **51% of resident freeholders (property owners)** of an area petition for annexation, the Sanitary District must follow a procedure that notifies county commissioners and includes a public hearing and joint meeting with the N.C. Department of Health and Human Services before any action can be taken by the Sanitary District to annex the area.
- If **15% of resident freeholders (property owners)** of an area petition for annexation, the Sanitary District must follow a procedure that notifies county commissioners and includes a public hearing and joint meeting with the N.C. Department of Health and Human Services. Then,



102 Town Hall Drive | Leland, NC 28451 | (910) 371-0148

the matter can be placed on a ballot for a vote of the residents of the area for annexation, with a majority vote required to approve the annexation.

- For satellite annexation areas of the Town not currently in the Sanitary District boundary, the Town Council can request they be annexed into the Sanitary District and the Sanitary District can annex the areas by resolution.

In anticipation of the potential approval of the settlement and interlocal agreements, Town staff is helping facilitate a petition of the residents for certain areas of the Town currently not in the Sanitary District (H2GO) boundary. Such areas are limited to Brunswick Forest, Windsor Park, Summerlin Trace and several other individual parcels and undeveloped areas.

The primary objective is to prevent disenfranchising any of the residents of the Town of Leland if the Town Council approves the agreements and conveys its assets. The goal is to include the petitions, with whatever number of signatures have been obtained at the time, along with the agreements prior to their consideration by the H2GO Board. The petitions may not have reached the various thresholds at that time, and therefore, the petition process can continue with the hope that H2GO will join us in facilitating the process, so that its potential future water and sewer customers are also voting constituents in the Sanitary District boundaries.

Town of Leland staff recognize that not everyone will understand or agree with these efforts, but the Town stands behind the importance of protecting the voting rights of all its citizens and remains committed to taking the necessary steps to help ensure residents are not disenfranchised.

The Town of Leland has set a special meeting for 6 p.m. on Wednesday, Oct. 2, in Council Chambers at Leland Town Hall, 102 Town Hall Drive, to consider approval of the interlocal agreement, settlement agreement and other agreements associated with this matter.

###