

State Water Infrastructure Authority
Meeting Date: September 16, 2021
Agenda Item G - VUR-MRF Study Grant Approvals and Regional Partnership Updates

Division of Water Infrastructure Staff Report

Background

General Statute 159G-34.5 establishes the types of grants that may be made from the Viable Utility Reserve (VUR). These include asset assessment (AIA) and rate study grants, merger/regionalization feasibility (MRF) grants, project grants, and emergency operating grants for operating deficits. Additionally, General Statute 159G-35(c) requires that the State Water Infrastructure Authority (Authority) and the Local Government Commission (LGC) develop evaluation criteria for grants from the VUR.

At its April 2021 meeting, the Authority approved accepting study grant applications from the highest priority local government units (LGUs), which are those identified as distressed due to fiscal affairs being under the control of the LGC (meets Identification Criterion 1); distressed and non-distressed LGUs working with these highest priority LGUs are also considered Category 1, based on Authority actions during their April and July meetings.

During the Authority's July meeting, Division of Water Infrastructure (Division) staff provided an update on three regional partnerships of Category 1 LGUs. The three regional partnerships are for Cleveland County (Kingstown is under LGC control), Martin County (Robersonville is under LGC control), and Wayne County (Eureka and Pikeville are under LGC control). Also, during this meeting, the Authority approved AIA grants for most LGUs participating in these partnerships. Action on MRF grant applications submitted by the LGUs within the three partnerships was deferred pending the identification of a lead recipient of the MRF grant award, and the submittal of a single MRF application for each of the three regional partnerships.

Study Grant Applications Received - Category 1

Local government units which are identified as distressed due to fiscal affairs being under the control of the LGC (meets Identification Criterion 1) and any LGU working with these highest priority LGUs are considered Category 1. A summary of the AIA study grant applications that have been approved by the Authority and LGC is provided in Table 1.

Table 1. AIA Study Grant Applications Approved by Authority and LGC			
LGU	DW AIA	WW AIA	Partnership
Fallston	\$150,000	\$150,000	Cleveland County
Lawndale	\$150,000	\$150,000	Cleveland County

Table 1. AIA Study Grant Applications Approved by Authority and LGC			
LGU	DW AIA	WW AIA	Partnership
Polkville		\$150,000	Cleveland County
*Kingstown		\$100,000	Cleveland County
Everetts	\$150,000		Martin County
Hamilton	\$150,000		Martin County
Jamesville	\$150,000	\$150,000	Martin County
Martin County	\$150,000		Martin County
Parmele	\$150,000		Martin County
Robersonville	\$50,000		Martin County
Williamston	\$150,000		Martin County
Eureka		\$150,000	Wayne County
Fremont	\$150,000	\$150,000	Wayne County
Goldsboro	\$150,000	\$150,000	Wayne County
Pikeville	\$150,000	\$150,000	Wayne County
Wayne County		\$150,000	Wayne County

*Being conducted by HDR under contract to NCDEQ

The status of MRF lead recipients and grant applications is provided in Table 2.

Table 2. Status of MRF Grant Applications		
Partnership	Proposed Lead Recipient	MRF Grant Request
Cleveland County	Cleveland County Water	N/A
Martin County	Martin County Regional Water and Sewer Authority (MCRWSA)	N/A
Wayne County	City of Goldsboro	\$100,000

Staff Recommendations

Division staff recommend that the Authority approve the following:

- Cleveland County Partnership
 - Identification of Cleveland County Water as the lead MRF applicant/grant recipient.
- Martin County Partnership

- Identification of Martin County Regional Water and Sewer Authority (MCRWASA) as the lead MRF applicant/grant recipient.
- Wayne County Partnership
 - Identification of the City of Goldsboro as the lead MRF applicant/grant recipient.
 - Approval of MRF application in the amount of \$100,000.