

State Water Infrastructure Authority
North Carolina Department of Environment and Natural Resources
October 14, 2014
Special Meeting via Conference Call – Meeting Minutes

State Water Infrastructure Authority Members Attending Meeting

- Kim Colson, Chair; Director, Division of Water Infrastructure
- Gwen Baker, President, CDM Federal Programs, CDM-Smith (via conference call)
- Vance Holloman, Deputy Treasurer, Local Government Commission (LGC) (via conference call)
- Maria Hunnicutt, Manager, Broad River Water Authority (via conference call)
- JD Solomon, Vice President, CH2MHill (via conference call)
- Cal Stiles, Cherokee County Commissioner (via conference call)
- Charles Vines, Mitchell County Manager (via conference call)

Division of Water Infrastructure Staff Attending Meeting

- Julie Haigler Cubeta, Supervisor, Community Block Development Grant – Infrastructure Unit
- Francine Durso, Project Manager, Special/Technical Issues Unit
- Jennifer Haynie, Supervisor, Environmental and Special Projects Unit
- Seth Robertson, Supervisor, Wastewater Projects Unit
- Jessica Leggett, Project Manager, Environmental and Special Projects Unit

Department of Justice Staff Attending Meeting

- Mary Lucasse, North Carolina Department of Justice; Special Deputy Attorney General, Environmental Division

Item A. Call to Order

Mr. Colson opened the session and reminded the members of the State Water Infrastructure Authority (SWIA) of General Statute 138A-15 which requires any member who is aware of a known conflict of interest or an appearance of a conflict of interest with respect to matters before the Authority today is required to identify the conflict or appearance of a conflict at the time the conflict becomes apparent. A roll call was taken to determine which Authority members were present via conference call.

Item B. Revised Draft November 1, 2014 Report to Legislative Committees

The Division had provided the Authority with a draft revised Report based on the Authority's comments from the September 18, 2014 Authority meeting. The Division provided the following information regarding the proposed changes to NCGS 159G:

1. The Division was advised that an appendix to the Report should include the text of the proposed changes to NCGS 159G that the Authority recommends to try to ensure that any changes that may be made will reflect the Authority's objectives.
2. The NCGS 159G changes recommended by the Authority should be kept separate from the changes that the Division/Department will recommend. The Authority's recommended changes will be the only changes that will be provided as an appendix to the Report from the Authority.
3. The recommended changes by the Division/Department which are mostly "housekeeping items" will be presented in a separate version that is handled independently by the Department.

4. The Authority has the ability to create and use a Reserve Intended Use Plan (RIUP) for the state reserve program funds; it is not necessary to place this in the statute.
5. The Division simplified and minimized the text changes, suggesting only those changes absolutely necessary to implement the recommendations.
6. The Division suggests changing the Common Criteria contained in 159G-23 to considerations instead of criteria.

The Authority provided these questions and comments with regard to the revised Draft November 1, 2014 Report:

- Q: Do the suggested changes to 159G-23 mean that these items would no longer hold priority according to the statute? A: Yes, these items would be considered by the Division in concert with the Authority, and it is a change from the Division being required to include them as a priority in ranking projects for potential funding.
- Q: How are these terms defined: affordability, regionalization, and merger? A: While EPA has no specific definitions for these terms, the Division recognizes that there may be industry standards for these definitions. As included in the draft, the Authority will be able to define these terms in the RIUP. Regarding affordability, EPA has historically and continues to leave this to the states to define.
- Q: How will the deliverables for the Asset Inventory and Assessment grant, and the Merger/ Regionalization Feasibility grant be defined? A: The Division intends to provide written guidance to define the deliverables and it would be best to include these in the RIUP.
- Regarding the report, include the Authority's recommended actions at the end of the discussion of each issue.

Division staff will revise the draft report based on these comments. A second Special Meeting via Conference Call is scheduled for October 27, 2014 to receive the Authority's comments on the revised draft.

Item C. Concluding Remarks by Authority Members, Chair, and Counsel

Mr. Colson stated that the next in-person Authority meeting would be on Thursday, December 11, 2014. The meeting will be to award funding for all five of the Division's funding programs and will also include time for a planning session to discuss the Authority's work for 2015.

Item D. Adjourn – The meeting was adjourned.