

NORTH CAROLINA
Environmental Quality

ROY COOPER

Governor

ELIZABETH S. BISER

Secretary

SHADI ESKAF

Director

July 21, 2023

Mr. John Connet, City Manager
City of Hendersonville
160 Sixth Avenue E
Hendersonville, NC 28792

Subject: Engineering Report Funding Approval
City of Hendersonville
Mud Creek Interceptor Replacement
Project No. CS370444-13

Dear Mr. Connet:

The Division of Water Infrastructure (Division) has completed its review of the subject engineering report. Based upon this review, the Division has determined that the referenced project is eligible for funding as follows:

Eligible

Installation of appropriately, 100 LF of 10-inch, 3,280 LF of 24-inch, and 6,400 LF of 36-inch gravity sewer, 550 LF of bore and jack (54-inch casing/36-inch carrier pipe) and 33 manholes; rehabilitation of 2,100 LF of 24-inch gravity sewer and 250 VF of sewer manholes; and abandonment of approximately 3,000 LF of 12-inch, 147 LF of 18-inch, and 4,630 LF of 24-inch gravity sewer.

Non Eligible

Paving of roadways in excess of the excavated area. Spare parts, service contracts, maintenance contracts, and extended warranties.

Based upon detailed review of the bid documents, the Division may determine that portions of the project are not eligible for funding and the total funding amount may be reduced.

Please note the project is beyond the funding milestones set forth in the attached Letter of Intent to Fund attached. Please update the milestones with a Funding Deadline Extension request.

To facilitate the North Carolina Local Government Commission's (LGC) required review of the repayable-loan portion of the subject project, please complete (based on your organization's most recently completed, annual audit) the LGC's forms **LGC-108A** and **LGC-108C** and forward them to the Division, and specifically, directly to the attention of Mark Hubbard, P.E., who can be reached via e-mail at mark.hubbard@ncdenr.gov. Copies of the



North Carolina Department of Environmental Quality | Division of Water Infrastructure
512 N. Salisbury Street | 1633 Mail Service Center | Raleigh, North Carolina 27699-1633
919.707.9160

Mr. John Connet, City Manager

July 21, 2023

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necessary LGC forms are available at the following URL:

<http://deq.nc.gov/about/divisions/water-infrastructure/i-have-funding/construction-reimbursement#lgc-forms>.

In addition, local government units intending to incur debt (i.e., service a repayable loan) as a means of financing capital-improvement projects (including, for example, drinking water, wastewater, and/or stormwater infrastructure-improvement projects), and which will require debt to be issued for an amount of **greater than \$1,000,000** (in accordance with North Carolina General Statute (N.C.G.S.) 120-157.2), must prepare and submit a letter of notification to the North Carolina General Assembly's Joint Legislative Committee on Local Government (**JLC**). You are wholly responsible for preparing and submitting this letter to the necessary parties (see next paragraph), and for providing a copy of it to the Division.

The **JLC Notification Letter**, if required, shall be addressed to the attention of the Committee Chairs and Committee Assistant of the JLC, and to the Fiscal Research Division of the North Carolina General Assembly, and it shall be transmitted to them a minimum of **forty-five (45) days** prior to the anticipated date of your loan's presentation before the LGC (on one of their official monthly agenda). Please note that you must also submit a copy of the JLC Notification Letter to the LGC as well, as it is part of their staff's review of the requested loan.

If you have any questions, please contact Antonio V. Evans, PE by phone at (919) 707-9168 or by email at tony.evans@ncdenr.gov.

Sincerely,



Antonio V. Evans, PE, Supervisor
Wastewater Stormwater Projects Unit

Attachment: Categorical Exclusion
Letter of Intent to Fund

cc: Adam Steurer, PE, City of Hendersonville
Antonio V. Evans, PE, DWI (via email)
Mark Hubbard, PE, DWI (via email)
Susan Kubacki, DWI (via email)
Antonio V. Evans, PE, DWI (via email)
SRF File (EREID/ERAL)

Categorical Exclusion

North Carolina Division of Water Infrastructure

Project Applicant: City of Hendersonville
Date: April 28, 2022
Project Number: CS370444-13
Estimated Project Cost: \$8,799,540
Estimated Funding Amount: \$8,627,000

Project Description: Installation of appropriately 100 LF of 10-inch, 3,280 LF of 24-inch, and 6,400 LF of 36-inch gravity sewer, and 33 manholes; rehabilitation of 2,100 LF of 24-inch gravity sewer and 250 VF of sewer manholes; and abandonment of approximately 3,000 LF of 12-inch, 147 LF of 18-inch, and 4,630 LF of 24-inch gravity sewer. A map of the project is attached.

The above-named applicant will receive funding assistance from the State Revolving Fund. The North Carolina Division of Water Infrastructure (Division) has conducted a review of the project in accordance with the NCGS §159G-38. The Division has determined that this project is below the minor construction activities threshold outlined in the State Environmental Review Procedures (SERP) for the State Revolving Fund programs; therefore, the project is exempt from inter-agency review, and the preparation of additional environmental documents is not required.

This determination shall become effective upon its distribution by the Division and will be available on the Division's website (<https://deq.nc.gov/about/divisions/water-infrastructure/division-water-infrastructure/environmental-documents>). This determination can be revoked at any time adverse information is made available. The documentation to support this decision will be on file with the North Carolina Department of Environmental Quality, Division of Water Infrastructure, and is available for public scrutiny upon request.

Comments concerning this decision may be addressed to Mr. Jon Risgaard, Section Chief, State Revolving Fund Section, Division of Water Infrastructure, 1633 Mail Service Center, Raleigh, North Carolina 27699, or he can be reached by phone at (919) 707-9175.

Sincerely,



Ken Pohlig, PE, Supervisor
Wastewater Projects Unit
Division of Water Infrastructure



NORTH CAROLINA
Environmental Quality

ROY COOPER
Governor

MICHAEL S. REGAN
Secretary

Kim H. Colson
Director

March 1, 2021

Mr. John Connet, City Manager
City of Hendersonville
160 Sixth Avenue E
Hendersonville, NC 28792

Subject: Letter of Intent to Fund
Mud Creek Interceptor
Fall 2020 Application Cycle
Project No.: CS370444-13

Dear Mr. Connet:

The Division of Water Infrastructure has reviewed your application, and the State Water Infrastructure Authority has approved your project as eligible to receive funding. The Clean Water State Revolving Fund (CWSRF) loan amount will be \$8,627,000 at a maximum interest rate of 1.10%. A loan fee of 2% will be invoiced after bids have been received.

Please note that this intent to fund is contingent on approval of the loan through the Local Government Commission and on meeting **all** of the following milestones:

<u>Milestone</u>	<u>Date</u>
Engineering Report Submittal	July 1, 2021
Engineering Report Approval	December 1, 2021
Bid and Design Package Submittal	June 1, 2022
Bid and Design Package Approval	October 3, 2022
Advertise Project, Receive Bids, Submit Bid Information, <u>and Receive Authority To Award</u>	February 1, 2023
Execute Construction Contract(s)	March 1, 2023

The first milestone is the submittal of an Engineering Report by close of business on July 1, 2021. The Engineering Report must be developed using the guidance found on our website (<https://deq.nc.gov/about/divisions/water-infrastructure/i-have-funding/engineering-reportenvironmental-information>). **Failure to meet any milestone may result in the forfeiture of funding for the proposed project.**



Mr. John Connet, City Manager

March 1, 2021

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Upon detailed review of the project during the funding process, it may be determined that portions of your project are not eligible for funding and the total funding amount may be reduced. Additionally, changes in the scope or priority points awarded – based on additional information that becomes apparent during project review – may also result in changes to the total funding amount and loan terms.

Davis-Bacon Requirements and American Iron and Steel Provisions

Projects funded through the State Revolving Fund (SRF) programs (including ASADRA) must comply with Davis-Bacon wage requirements and American Iron and Steel provisions. You can find standard specifications covering these requirements on our website.

Joint Legislative Committee on Local Government Notification Requirements

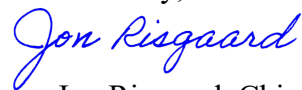
In accordance with G.S. 120-157.2, local government units with projects that require debt to be issued greater than \$1,000,000 **must** submit a letter to Committee Chairs, Committee Assistant, and the Fiscal Research Division of the General Assembly at least 45 days prior to presentation before the Local Government Commission. You are responsible for submitting that letter and providing a copy to the Division.

Brooks Act Compliance

Projects funded through the CWSRF program (including ASADRA) must comply with the federal Brooks Act for the selection of architectural and engineering services. CWSRF projects cannot be exempted from qualification based selection of these services under N.C.G.S. 143-64.32. Any services provided that were not selected in compliance with federal requirements will be ineligible for reimbursement.

If you have questions, please contact me at (919) 807-6458, by email at jon.risgaard@ncdenr.gov, or Antonio V. Evans, PE by phone at (919) 707-9168, by email at tony.evans@ncdenr.gov.

Sincerely,



Jon Risgaard, Chief
State Revolving Fund Section

CC: Adam Steurer, PE, City of Hendersonville, Hendersonville
Mark Hubbard, PE
Project File (**COM_LOIF**)