

# State Water Infrastructure Authority

Meeting Date: July 18, 2018

## Agenda Item K – Proposed Changes to Funding Program Priority Rating Systems & Affordability Criteria

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### Division of Water Infrastructure Staff Report

#### Background

North Carolina General Statute G.S. 159G-71 contains the powers and the duties of the State Water Infrastructure Authority (the Authority) which include the following:

- To establish priorities for making loans and grants consistent with federal law
- Develop guidelines for making loans and grants
- Make recommendations on ways to maximize the use of current funding resources and ensure that funds are used in a coordinated manner

Synchronized priority points system and affordability criteria were implemented prior to administering the Connect NC Bond funds. In early 2018, the Division undertook an analysis of data resulting from the application that occurred in 2016 and 2017. The goal of the analysis is to examine the effectiveness of the:

- Priority rating systems for both the construction and non-construction funding programs, and
- Affordability criteria for the grant eligibility and grant percentage determination processes.

#### Overview

Division staff presented information regarding analyses of proposed changes the project priority rating systems and affordability criteria. Upon approval by the Authority to take these proposed changes out for public review, the Division opened the public comment period on May 29, 2018. The public comment period closed on June 26, 2018.

#### Comments and Responses

The following items relate to the comments received by the Division and responses from Division staff.

**Comment: Bobby Blowe, P.E. Municipal Engineering Services Company, P.A.** – Scoring for the Asset Inventory and Assessment (AIA) grant program is not clearly defined and is reviewed on a subjective basis rather than an objective basis. The commenter recommended reducing the method to a precise number of points for each line item and that any subjective decisions be made by the Authority on a case-by-case basis. The commenter asked that revisions to the project priority ranking system for the AIA program also be considered as part of the process and that the rating system become as objective and transparent as possible.

**Response:** *The Division proposes no changes to the priority ranking system for the AIA program.*

**Comment: John I. Mayo, private citizen, Town of Butner** – The commenter stated that the South Granville Water and Sewer Authority has drinking water quality issues. The commenter requested that the South Granville Water and Sewer Authority install point-of-use filters that may provide a more effective and cost savings resolution than attempting to upgrade its system.

**Response:** *The comment provided has no specific relationship either to the project priority ranking systems or the affordability criteria, as it is a regulatory issue. Therefore, the Division proposes no changes to either of these items.*

**Comment: Joe Dooley, Upper Coastal Plain Council of Governments** – The commenter recommended changes to the project priority rating systems for drinking water projects that will reduce points to Line Item 2.D (promulgated but not yet effective regulations) and return the points to Line Items 4.A, 4.B, and 4.C to their original state.

**Response:** *The Division proposes no changes to the project priority ranking systems for drinking water projects. The changes proposed by the Division in April 2018 provide system size points for the Clean Water and Drinking Water State Revolving Fund (SRF) programs, which is the source of most of the funding offered by the Division. Therefore, the modifications to the project priority ranking systems for the SRF programs provide better opportunity for smaller systems to receive funding.*

**Comment: Frank Williams, Chairman, Brunswick County Commissioners** – The commenter voiced concerns related to the impact of Per- and Polyfluoroalkyl Substances (PFAS), GEN-X, 1,4-Dioxane, and other emerging contaminants and their impacts of the drinking water supply of Brunswick County. The commenter suggested either adding a 40-point line item under the Drinking Water State Revolving Fund (DWSRF) related to addressing the reduction or elimination of these contaminants or allocating specific funds to be utilized for projects that will address the chemicals mentioned above.

**Response:** *The Division does not recommend any changes at this time due to the uncertainty surrounding the establishment of a health advisory level. Staff will talk with NCDEQ leadership and other NCDEQ divisions about defining a process in order to establish an appropriate basis for a given health threshold. Note that this process could be utilized as other emerging contaminants become issues. Once a process has been established, staff may recommend changes to the prioritization. Note that this type project would currently receive some additional prioritization under Line Item 2.J.*

**Comment: Reed Barton, P.E., CDM Smith** – On behalf of Brunswick County, the commenter voiced concerns related to the impact of Per- and Polyfluoroalkyl Substances (PFAS), GEN-X, 1,4-Dioxane, and other emerging contaminants and their impacts of the drinking water supply of Brunswick County. The commenter suggested either adding a 40-point line item under the Drinking Water State Revolving Fund (DWSRF) related to addressing the reduction or elimination of these contaminants or allocating specific funds to be utilized for projects that will address the chemicals mentioned above.

**Response:** *See response to Brunswick County comment above.*

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### **Staff Recommendations**

Staff recommends that the Authority approve:

1. Modifications to the project priority ranking systems for the SRF programs, State Project Reserve Project (SRP) programs, and Community Development Block Grant – Infrastructure (CDBG-I) program as shown in Attachment A.
2. Modifications to the eligibilities for the AIA program as shown in Attachment B.
3. Modifications related to the affordability criteria for the State Project Reserve Project (SRP) programs as shown in Attachment C. If approved, changes will be implemented for the Fall 2018 funding round for the SRP programs.
4. For the CDBG-I program, holding a public hearing for the proposed affordability criteria modifications, because this change to the CDBG-I program necessitates a public hearing. This item will be brought back to the Authority for final approval following the public hearing. If approved, the changes would be implemented in the Fall 2019 funding round.

**Attachment A**  
**Proposed Changes to Project Priority Ranking Systems**  
**for the SRF, SRP, and CDBG-I Programs**

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## Proposed Changes to PRIORITY RATING SYSTEM for Drinking Water Projects

Instructions: For each line item, mark "X" to claim the points for that line item. Be sure that your narrative includes justification for every line item claimed. At the end of each Category, provide the total points claimed for each program in the subtotal row for that category. Then add the subtotals from each category and enter the Project Total in the last line. Note that some categories have a maximum allowed points that may be less than the total of individual line items.

Line Item #	Category 1 – Project Purpose	Claimed Yes/No	SDWR Pts	DWSRF Pts
1.A	Project will eliminate, by merger or dissolution, a failing public water supply system		25	<del>30</del> 25
1.B	Project will resolve failed infrastructure issues		25	25
1.C	Project will rehabilitate or replace infrastructure		12	12
1.C.1	Treatment units, pumps and/or pump stations to be rehabilitated or replaced are greater than 20 years old, <b>OR water/sewer</b> lines, storage tanks, drinking water wells or intake structures to be rehabilitated or replaced are greater than 40 years old		8	8
1.D	Project will expand infrastructure		2	2
1.D.1	Treatment units, pumps and/or pump stations to be rehabilitated or replaced are greater than 20 years old, <b>OR</b> lines, storage tanks, drinking water wells or intake structures to be rehabilitated or replaced are greater than 40 years old		8	8
1.E – 1.H	Reserved for Other Programs			
	<b>Maximum Points for Category 1 – Project Purpose</b>		25	<del>30</del> 25
	<b>Subtotal claimed for Category 1 – Project Purpose</b>			
Line Item #	Category 2 – Project Benefits	Claimed Yes/No	SDWR Pts	DWSRF Pts
2.A – 2.A1.	Reserved for Other Programs			
2.B	Project provides a specific public health benefit to a public water supply system by replacement, repair, or merger; includes replacing dry wells, addressing contamination of a drinking water source by replacing or additional treatment; or resolves managerial, technical & financial issues		20	20
2.C	Reserved for Other Programs			
Line Item #	Category 2 – Project Benefits	Claimed Yes/No	SDWR Pts	DWSRF Pts
2.D	Project addresses promulgated but not yet effective regulations		10	10
2.E	Project directly addresses enforcement documents			

2.E.1	Project directly addresses an EPA Administrative Order for a local government Applicant located in a Tier 1 county, or addresses an existing or pending SOC, or a DENR Administrative Order, <b>OR</b>		5	5
2.E.2	Project directly resolves a Notice of Violation or Notice of Deficiency		3	3
<b>2.F</b>	Project includes system merger		10	10
<b>2.G</b>	Project addresses documented low pressure		10	10
<b>2.H</b>	Project addresses acute contamination of a water supply source		15	15
<b>2.I</b>	Project addresses contamination of a water supply source other than acute		10	10
<b>2.J</b>	Project improves treated water quality by adding or upgrading a unit process		3	3
<b>2.K</b>	Water loss in system to be rehabilitated or replaced is 30% or greater		3	3
<b>2.L</b>	Project provides a public water system interconnection			
2.L.1	Project creates a new interconnection between systems not previously interconnected <b>OR</b>		10	10
2.L.2	Project creates an additional or larger interconnection between two systems already interconnected which allows one system's public health water needs to be met during an emergency <b>OR</b>		10	10
2.L.3	Project creates any other type of interconnection between systems		5	5
<b>2.M – 2.N</b>	Reserved for Other Programs			
<b>2.O</b>	Project provides redundancy/resiliency for critical treatment and/or transmission/distribution system functions including backup electrical power source		3	3
<b>2.P – 2.S</b>	Reserved for Other Programs			
	<b>Maximum Points for Category 2 – Project Benefits</b>		35	35
	<b>Subtotal claimed for Category 2 – Project Benefits</b>			
<b>Line Item #</b>	<b>Category 3 – System Management</b>	<b>Claimed Yes/No</b>	<b>SDWR Pts</b>	<b>DWSRF Pts</b>
<b>3.A</b>	Applicant has a current Capital Improvement Plan (CIP) that spans at least 10-years and proposed project is included in the plan <b>OR</b>		2	2
<b>3.B</b>	Applicant has implemented an Asset Management Plan as of the date of application		10	10
<b>3.C</b>	System Operating Ratio is greater than or equal to 1.00 based on a current audit, or is less than 1.00 and unit cost is greater than 2.5%		5	5

<b>3.D</b>	Applicant has an approved Source Water Protection Plan and/or a Wellhead Protection Plan		5	5
<b>3.E</b>	Applicant has implemented a water loss reduction program		5	5
<b>3.F</b>	Applicant has implemented a water conservation incentive rate structure		3	3
	<b>Maximum Points for Category 3 – System Management</b>		15	15
	<b>Subtotal claimed for Category 3 – System Management</b>			
<b>Line Item #</b>	<b>Category 4 – Affordability</b>	<b>Claimed Yes/No</b>	<b>SDWR Pts</b>	<b>DWSRF Pts</b>
<b>4.A</b>	Residential Connections			
<b>4.A.1</b>	<del>Less than 20,000 residential connections</del> <b>OR</b>		2	
<b>4.A.1</b>	Less than 10,000 residential connections <b>OR</b>		<del>4</del> 2	2
<b>4.A.2</b>	Less than 5,000 residential connections <b>OR</b>		<del>6</del> 4	4
<b>4.A.3</b>	Less than 1,000 residential connections		<del>10</del> 8	8
<b>4.B</b>	Current Monthly Utility Rates at 5,000 gallons Usage			
<b>4.B.1</b>	<del>Greater than \$26</del> <b>OR</b>		2	2
<b>4.B.1</b>	Greater than \$33 <b>OR</b>		4	4
<b>4.B.2</b>	Greater than \$40 <b>OR</b>		6	6
<b>4.B.3</b>	Greater than \$47		8	8
<b>4.B.4</b>	Greater than \$58		<del>12</del> 10	<del>12</del> 10
<b>4.C</b>	Local Government Unit (LGU) Indicators			
<b>4.C.1</b>	<del>2 out of 5 LGU indicators worse than state benchmark</del> <b>OR</b>		2	2
<b>4.C.1</b>	3 out of 5 LGU indicators worse than state benchmark <b>OR</b>		<del>4</del> 3	<del>4</del> 3
<b>4.C.2</b>	4 out of 5 LGU indicators worse than state benchmark <b>OR</b>		<del>6</del> 5	<del>6</del> 5
<b>4.C.3</b>	5 out of 5 LGU indicators worse than state benchmark		<del>8</del> 7	<del>8</del> 7
<b>4.D</b>	Reserved for the CDBG Program			
<b>4.E</b>	Reserved for the CDBG Program			
	<b>Maximum Points for Category 4 – Affordability</b>		<del>30</del> 25	<del>20</del> 25
	<b>Subtotal claimed for Category 4 – Affordability</b>			
<b>Total of Points for All Categories</b>				

## Proposed Changes to PRIORITY RATING SYSTEM for Wastewater Projects

Instructions: For each line item, mark "X" to claim the points for that line item. Be sure that your narrative includes justification for every line item claimed. At the end of each Category, provide the total points claimed for each program in the subtotal row for that category. Then add the subtotals from each category and enter the Project Total in the last line. Note that some categories have a maximum allowed points that may be less than the total of individual line items.

Line Item #	Category 1 – Project Purpose	Claimed Yes/No	SWWR Pts	CWSRF Pts
<b>1.A</b>	Reserved for Other Programs			
<b>1.B</b>	Project will resolve failed infrastructure issues		15	15
<b>1.C</b>	Project will rehabilitate or replace infrastructure		15	15
1.C.1	Treatment units, pumps and/or pump stations to be rehabilitated or replaced are greater than 20 years old, <b>OR water/sewer</b> lines, storage tanks, drinking water wells or intake structures to be rehabilitated or replaced are greater than 40 years old		10	10
<b>1.D</b>	Project will expand infrastructure		2	2
1.D.1	Treatment units, pumps and/or pump stations to be rehabilitated or replaced are greater than 20 years old, <b>OR</b> lines, storage tanks, drinking water wells or intake structures to be rehabilitated or replaced are greater than 40 years old		10	10
<b>1.E – 1.E.2</b>	Reserved for Other Programs			
<b>1.F</b>	Project will provide stream/wetland/buffer restoration			<del>20</del> 15
1.F.1	Restoration project that includes restoration of a first order stream and includes stormwater infiltration BMPs			5
1.F.2	Restoration project that includes restoration and / or protection of riparian buffers to at least 30 feet on both sides of the stream			5
Line Item #	Category 1 – Project Purpose (Continued)	Claimed Yes/No	SWWR Pts	CWSRF Pts
<b>1.G</b>	Project will provide stormwater BMPs to treat existing sources of pollution			<del>20</del> 15

1.G.1	Project that includes BMPs or BMPs in series that achieve at least 35% nutrient reduction (both TN and TP) and 85% TSS reduction			10
1.H	Project will provide reclaimed water/usage or rainwater harvesting/usage			15
<b>Maximum Points for Category 1 – Project Purpose</b>			<del>30</del> 25	<del>30</del> 25
<b>Subtotal claimed for Category 1 – Project Purpose</b>				
Line Item #	Category 2 – Project Benefits	Claimed Yes/No	SWWR Pts	CWSRF Pts
2.A – 2.B	Reserved for Other Programs			
2.C	Project provides a specific environmental benefit by replacement, repair, or merger; includes replacing failing septic tanks		15	15
2.D	Project addresses promulgated but not yet effective regulations		10	10
2.E	Project directly addresses enforcement documents			
2.E.1	Project directly addresses an EPA Administrative Order for a local government Applicant located in a Tier 1 county, or addresses an existing or pending SOC, or a DEQ Administrative Order, <b>OR</b>		5	5
2.E.2	Project directly resolves a Notice of Violation or Notice of Deficiency		3	3
2.F	Project includes system merger		10	10
2.G – 2.I	Reserved for Other Programs			
2.J	Project improves treated water quality by adding or upgrading a unit process		3	3
2.K – 2.O	Reserved for Other Programs			
2.P	Project <u>directly benefits</u> subwatersheds that are impaired as noted on the most recent version of the Integrated Report		20	20
2.Q	Project <u>directly benefits</u> waters classified as HQW, ORW, Tr, SA, WS-I, WS-II, WS-III* or WS-IV* (* these classifications must be covered by an approved Source Water Protection Plan to qualify)		10	10



<b>2.R</b>	Project will result in elimination of an NPDES discharge		3	3
<b>2.S</b>	Primary purpose of the project is to achieve at least 20% reduction in energy use			5
	<b>Maximum Points for Category 2 – Project Benefits</b>		35	35
	<b>Subtotal claimed for Category 2 – Project Benefits</b>			
<b>Line Item #</b>	<b>Category 3 – System Management</b>	<b>Claimed Yes/No</b>	<b>SWWR Pts</b>	<b>CWSRF Pts</b>
<b>3.A</b>	Applicant has a current Capital Improvement Plan (CIP) that spans at least 10-years and proposed project is included in the plan <b>OR</b>		2	2
<b>3.B</b>	Applicant has implemented an Asset Management Plan as of the date of application		10	10
<b>3.C</b>	System Operating Ratio is greater than or equal to 1.00 based on a current audit, or is less than 1.00 and unit cost is greater than 2.5%		5	5
<b>3.D – 3.F</b>	Reserved for Other Programs			
	<b>Maximum Points for Category 3 – System Management</b>		15	15
	<b>Subtotal claimed for Category 3 – System Management</b>			
<b>Line Item #</b>	<b>Category 4 – Affordability</b>	<b>Claimed Yes/No</b>	<b>SWWR Pts</b>	<b>CWSRF Pts</b>
<b>4.A</b>	Residential Connections			
<del>4.A.1</del>	<del>Less than 20,000 residential connections <b>OR</b></del>		<del>2</del>	
<u>4.A.1</u>	Less than 10,000 residential connections <b>OR</b>		<del>4</del> 2	2
<u>4.A.2</u>	Less than 5,000 residential connections <b>OR</b>		<del>6</del> 4	4
<u>4.A.3</u>	Less than 1,000 residential connections		<del>10</del> 8	8
<b>4.B</b>	Current Monthly Utility Rates at 5,000 gallons Usage			
<del>4.B.1</del>	<del>Greater than \$26 <b>OR</b></del>		<del>2</del>	<del>2</del>
<u>4.B.1</u>	Greater than \$33 <b>OR</b>		4	4
<u>4.B.2</u>	Greater than \$40 <b>OR</b>		6	6
<u>4.B.3</u>	Greater than \$47		8	8
<u>4.B.4</u>	Greater than \$58		<del>12</del> 10	<del>12</del> 10
<b>4.C</b>	Local Government Unit (LGU) Indicators			

4.C.1	<del>2 out of 5 LGU indicators worse than state benchmark</del> <b>OR</b>		<del>2</del>	<del>2</del>
4.C.1	3 out of 5 LGU indicators worse than state benchmark <b>OR</b>		4 3	4 3
4.C.2	4 out of 5 LGU indicators worse than state benchmark <b>OR</b>		6 5	6 5
4.C.3	5 out of 5 LGU indicators worse than state benchmark		8 7	8 7
4.D	Reserved for the CDBG Program			
4.E	Reserved for the CDBG Program			
	<b>Maximum Points for Category 4 – Affordability</b>		<del>30</del> 25	<del>20</del> 25
	<b>Subtotal claimed for Category 4 – Affordability</b>			
	<b>Total of Points for All Categories</b>			

## CDBG PRIORITY RATING SYSTEM - For All CDBG Projects

CDBG PRIORITY RATING SYSTEM - For All CDBG Projects			
	Category 1 – Project Purpose	Points	Points Claimed
1.A	Project will eliminate, by merger or dissolution, a failing public water supply system	15	
1.B	Project will resolve failed infrastructure issues	5	
1.C	Project will rehabilitate or replace infrastructure	10	
1.C.1	Treatment units, pumps and/or pump stations to be rehabilitated or replaced are greater than 20 years old, <b>OR</b> lines, storage tanks, drinking water wells or intake structures to be rehabilitated or replaced are greater than 40 years old	5	
1.D	Reserved for the CWSRF and DWSRF Programs		
1.D.1	Reserved for the CWSRF and DWSRF Programs		
1.E	Project will extend service for the following specific reasons:		
1.E.1	Extend water and/or sewer service to new low-income housing, or to an area where existing LMI homes are being rehabilitated	15	
1.E.2	Connect existing LMI homes to water and/or sewer service	10	
1.F	Reserved for the CWSRF Program		
1.F.1	Reserved for the CWSRF Program		
1.F.2	Reserved for the CWSRF Program		
1.G	Reserved for the CWSRF Program		
1.G.1	Reserved for the CWSRF Program		
1.H	Reserved for the CWSRF Program		
	<b>Subtotal for Category 1 – Project Purpose (max = 15)</b>		
	Category 2 – Project Benefits	Points	Points Claimed
2.A	Project provides a specific environmental or public health benefit by replacement, repair, or merger; includes replacing failing septic tanks, replacing dry wells, addressing contamination of a drinking water source by replacing or additional treatment	15	
2.A.1	In the project area, 20% or greater of individual septic tanks are failing, or water sources are contaminated, or wells are dry	5	

<b>2.B</b>	Reserved for the DWSRF Program		
<b>2.C</b>	Reserved for the CWSRF Program		
<b>2.D</b>	Project addresses promulgated but not yet effective regulations	3	
<b>2.E</b>	Project directly addresses enforcement documents		
<b>2.E.1</b>	Project directly addresses an EPA Administrative Order for a local government applicant located in a Tier 1 county, or addresses an existing or pending SOC, or a DEQ Administrative Order <b>OR</b>	5	
<b>2.E.2</b>	Project directly resolves a Notice of Violation or Notice of Deficiency	3	
<b>2.F</b>	Project includes system merger	10	
<b>2.G</b>	Project addresses low pressure in a public water supply system	5	
<b>2.H</b>	Project addresses acute contamination of a water supply source	15	
<b>2.I</b>	Project addresses contamination of a water supply source other than acute	10	
<b>2.J</b>	Reserved for the CWSRF and DWSRF Programs		
<b>2.K</b>	Water loss in system to be rehabilitated or replaced is 30% or greater	10	
<b>2.L</b>	Project provides a public water system interconnection		
<b>2.L.1</b>	Project creates a new interconnection between systems not previously interconnected <b>OR</b>	5	
<b>2.L.2</b>	Project creates an additional or larger interconnection between two systems already interconnected which allows one system's public health water needs to be met during an emergency <b>OR</b>	3	
<b>2.L.3</b>	Reserved for the DWSRF Program		
<b>2.M</b>	Project directly addresses a moratorium on a local government unit system	7	
<b>2.N</b>	Water and sewer project is located within the same footprint	5	
<b>2.O</b>	Reserved for the DWSRF Program		
<b>2.P</b>	Reserved for the CWSRF Program		
<b>2.Q</b>	Reserved for the CWSRF Program		
<b>2.R</b>	Reserved for the CWSRF Program		
<b>2.S</b>	Reserved for the CWSRF Program		

<b>2.T</b>	<u>Project provides site work and new water and/or wastewater infrastructure, including house or apartment connections, to new low-to-moderate income housing</u>	<u>5</u>	
	<b>Subtotal for Category 2 – Project Benefits (max = 20)</b>		
	<b>Category 3 – System Management</b>	<b>Points</b>	<b>Points Claimed</b>
<b>3.A</b>	Applicant has a current Capital Improvement Plan (CIP) that spans at least 10-years and proposed project is included in the plan <b>OR</b>	3	
<b>3.B</b>	Applicant has implemented an Asset Management Plan as of the date of application	10	
<b>3.C</b>	System Operating Ratio is greater than or equal to 1.00 based on a current audit, or is less than 1.00 and unit cost is greater than 2.5%	5	
<b>3.D</b>	Applicant has an approved Source Water Protection Plan and/or a Wellhead Protection Plan	5	
<b>3.E</b>	Applicant has implemented a water loss reduction program	5	
<b>3.F</b>	Reserved for the DWSRF Program		
	<b>Subtotal for Category 3 – System Management (max = 15)</b>		
	<b>Category 4 – Financial Situation</b>	<b>Points</b>	<b>Points Claimed</b>
<b>4.A</b>	Reserved for the CWSRF and DWSRF Programs		
<b>4.B</b>	Reserved for the CWSRF Program		
<b>4.C</b>	Reserved for the DWSRF Program		
<b>4.D</b>	Reserved for the CWSRF Program		
<b>4.E</b>	Reserved for the CWSRF Program		
<b>4.F</b>	Poverty rate	Calculation; cap = 15	
<b>4.G</b>	<del>Utility rates/MHI</del> <u>Current Monthly Residential Single Utility Rates at 5,000 Gallons Usage</u>	<del>Calculation;</del> <del>cap = 15</del>	
<b>4.G.1</b>	<u>Greater than \$33</u>	<u>6</u>	
<b>4.G.2</b>	<u>Greater than \$40</u>	<u>9</u>	
<b>4.G.3</b>	<u>Greater than \$47</u>	<u>12</u>	
<b>4.G.4</b>	<u>Greater than \$58</u>	<u>15</u>	
<b>4.H</b>	Low to Moderate Income	Calculation; cap = 20	
	<b>Subtotal for Category 4 – Financial Situation (max = 50)</b>		
<b>Total of Points for All Categories:</b>			

## **Attachment B**

### **Modifications to Eligibility for the Asset Inventory and Assessment Grant Program**

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1. Eligibility – Limit eligibility for the AIA grant program to those systems with 10,000 residential accounts or less.
2. Eligibility Exception – If small systems applying are considering consolidation with larger, ineligible, systems (> 10,000 residential connections), the applicant can utilize the system management of the larger system (must pass resolutions for both systems).

**Attachment C**  
**Modifications for Affordability Criteria**

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**Affordability Criteria**

- For x-axis, utilize project cost per connection using aggregate boundaries.

Current Monthly Utility Bill for 5,000 Gallons	Lower-than-Median Project Cost per Connection		Higher-than-Median Project Cost per Connection				Higher-than-Median Current Monthly Utility Bill for 5,000 Gallons Usage
	≤ \$1,150	> \$1,150 to ≤ \$2,400	> \$2,400 to ≤ \$4,750	> \$4,750 to ≤ \$8,550	> \$8,550	Project Cost per Connection	
>\$58	100%	100%	100%	100%	100%	Higher-than-Median Current Monthly Utility Bill for 5,000 Gallons Usage	
> \$47 to ≤ 58	75%	75%	75%	100%	100%	Higher-than-Median Current Monthly Utility Bill for 5,000 Gallons Usage	
> \$40 to ≤ \$47	50%	50%	50%	75%	75%	Higher-than-Median Current Monthly Utility Bill for 5,000 Gallons Usage	
> \$33 to ≤ 40	25%	25%	25%	50%	50%	Higher-than-Median Current Monthly Utility Bill for 5,000 Gallons Usage	
≤ \$33	0%	25%	25%	25%	25%	Lower-than-Median Current Monthly Utility Bill for 5,000 Gallons Usage	

**Community Development Block Grant – Infrastructure**

- Apply the last two steps of the affordability criteria with an adjustment to the grant percentage by adding 25% to the grant percentages in the matrix, not to exceed 100%.
- Continue to allow 100% grant for projects that extend lines to existing homes with failing wells and septic systems.
- Continue to allow 100% grant for projects that extend lines to new low-to-moderate income housing projects.

Current Monthly Utility Bill for 5,000 Gallons	Lower-than-Median Project Cost per Connection		Higher-than-Median Project Cost per Connection				Higher-than-Median Current Monthly Utility Bill for 5,000 Gallons Usage
	≤ \$1,150	> \$1,150 to ≤ \$2,400	> \$2,400 to ≤ \$4,750	> \$4,750 to ≤ \$8,550	> \$8,550	Project Cost per Connection	
>\$47	100%	100%	100%	100%	100%	Higher-than-Median Current Monthly Utility Bill for 5,000 Gallons Usage	
> \$40 to ≤ \$47	75%	75%	75%	100%	100%	Higher-than-Median Current Monthly Utility Bill for 5,000 Gallons Usage	
> \$33 to ≤ 40	50%	50%	50%	75%	75%	Higher-than-Median Current Monthly Utility Bill for 5,000 Gallons Usage	
≤ \$33	25%	50%	50%	50%	50%	Lower-than-Median Current Monthly Utility Bill for 5,000 Gallons Usage	



**State Water Infrastructure Authority**  
**Meeting Date: July 18, 2018**  
**Agenda Item M – Draft 2019 Authority Meeting Schedule**

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**Division of Water Infrastructure Staff Report**

**Background**

Under the Internal Operating Procedures for the North Carolina State Water Infrastructure Authority, adopted by the Authority on February 20, 2014, Article III, Section 2 provides that prior to the first meeting of each calendar year the Authority shall approve a schedule of regular meetings for the subsequent calendar year (regular meetings).

Note, however, that after the year’s schedule has been approved, the Chair is authorized under Article III, Section 2 to make changes to the meeting dates if required with at least 7 calendar days’ notice.

The Authority is required to meet at least four times per year according to NCGS 159G-70.(e).

**Planning for 2019 Meetings**

Staff suggests that the Authority approve the following schedule of regular meetings for the calendar year 2019:

<b>Proposed Dates of Regular Meetings in 2019</b>	
February 20	3rd Wed
April 16 – 17 OR April 17 – 18	3rd Tues & Wed OR 3rd Wed & Thurs
July 17	3rd Wed
September 18 – 19	3rd Wed & Thurs
October 16	3rd Wed
December 11	<u>2nd</u> Wed