

State Water Infrastructure Authority

Meeting Date: December 9, 2020

Agenda Item F

Applications for Viable Utility Reserve Grants for Units Identified as Distressed by Authority and Local Government Commission

Division of Water Infrastructure Staff Report

Background

At the November 18, 2020 meeting, the Authority took steps to implement the Viable Utility Program. In particular, the Authority took the following actions to mirror actions taken by the Local Government Commission on November 10, 2020:

- Designated the Town of Eureka, the Cliffside Sanitary District, the Town of Bethel, and the Town of Kingstown as Distressed Units.
- Approved the initial evaluation criterion for grants from the Viable Utility Reserve, and
- Approved the allocation of Viable Utility Reserve funds for rate studies, asset inventories and assessments, alternatives analyses, and merger and regionalization studies.

As a result of these action, The Town of Bethel has submitted a grant application for the allocated funds, and the Local Government Commission has submitted grant applications as financial manager for the Cliffside Sanitary District and the Town of Kingstown. The grant applications are attached to this staff report.

Recommendations

Staff recommends that the Authority approves the following VUR grants

Unit: Cliffside Sanitary District		
Regional opportunities with other nearby units: No		Other units need evaluation: No
Service Provided	Initial Work Tasks	Estimated Cost
Sewer only	Sewer Asset Assessment	\$150,000
	Alternatives Analysis	\$150,000
	Rate Study	\$100,000
Total		\$400,000

Unit: Town of Bethel		
Regional opportunity with other nearby units: Yes		Other units need evaluation: No
Service Provided	Initial Work Tasks	Estimated Cost
Water and Sewer	Preliminary Rates Analysis	\$50,000
	Merger Agreement Review	\$50,000
Total		\$100,000

Unit: Town of Kingstown		
Regional opportunities with other nearby units: Yes		Other units need evaluation: Yes at a later date
Service Provided	Initial Work Tasks	Estimated Cost
Sewer only	Sewer Asset Assessment	\$150,000
	Rate Study	\$100,000
Total		\$250,000

Attachment A

VUR Grant Applications

North Carolina Department of Environmental Quality

Division of Water Infrastructure

Application for Viable Utility Reserve Grant



(Last updated: November 2020)

1. General Information		
Applicant Name	County	DUNS Number
Cliffside Sanitary District	Rutherford	004379960
Project Name	Federal Tax ID #	PWSID # (if applicable)
Sewer Asset Assessment, Alternatives Analysis, & Rate Study	56-129-3786	
Fiscal Year(s) for which Assistance is Being Requested		Total Funding Requested
2020-2021		\$400,000
Applicant Type		
<input type="checkbox"/> Municipality	<input type="checkbox"/> Sanitary District	
<input type="checkbox"/> County	<input type="checkbox"/> Metropolitan Sewerage or Metropolitan Water District	
<input type="checkbox"/> Water and Sewer Authority	<input checked="" type="checkbox"/> Local Government Commission (on behalf of a distressed unit)	
<input type="checkbox"/> Water and Sewer District	<input type="checkbox"/> Council of Governments	
Funding Type(s) Requested		
<input checked="" type="checkbox"/> Viable Utility Reserve		
<input type="checkbox"/> Drinking Water Utility		
<input type="checkbox"/> Wastewater Utility		
<input type="checkbox"/> Joint Drinking Water and Wastewater Utility		
2. System Parameters		
Residential Sewer Connections	Residential Water Connections	
76		
Non-Residential Sewer Connections	Non-Residential Water Connections	
3		
Sewer Bill per 5,000 gallons	Water Bill per 5,000 gallons	
55.05		
3. Authorized Representative Information		
Authorized Representative Name: Sharon Edmundson		
Title: Secretary, Local Government Commission		
Mailing Address Line 1: 3200 Atlantic Ave		
Mailing Address Line 2:		
City: Raleigh	State: NC	Zip Code: 27604
Phone Number: 919-814-4300	E-Mail Address: sharon.edmundson@nctreasurer.com	
4. Application Contact Information (if different than Authorized Representative)		
Contact Name: David Erwin		
Title: Finance Officer		
Mailing Address Line 1: 3200 Atlantic Avenue		
Mailing Address Line 2:		

City: Raleigh

State: NC

Zip Code: 27604

Phone Number: 919-814-4300

E-Mail Address:

david.erwin@nctreasurer.com

5. Project Description

Cliffside Sanitary District has been designated as distressed. The project will use Viable Utility Reserve funds to conduct an assessment of sewer assets, a rate study, and an analysis of alternatives as preliminary steps toward identifying long-term solutions for the sanitary district.

6. Additional Information for Consideration

7. Project Budget

Planned Work	Estimated Cost
Sewer Asset Assessment	\$150,000
Alternatives Analysis	\$150,000
Rate Study	\$100,000
TOTAL PROJECT COST:	\$400,000

Application Signature

Note that by signing the application, the Authorized Representative acknowledges that the Department and the Local Government Commission may impose specific performance measures or conditions on any grant awarded from the Viable Utility Reserve. Performance measures may include, but are not limited to, specific financial, operation and maintenance, and capital improvement planning measure for utilities that do not merge with a currently viable utility. The Department may also specifically require the administration of the grant by the Division if it is determined the unit does not have the capacity to properly execute contractual services.



SIGNATURE OF AUTHORIZED REPRESENTATIVE

Sharon Edmundson
TYPED NAME

Secretary, LGC
TYPED TITLE

12/2/2020
DATE

North Carolina Department of Environmental Quality

Division of Water Infrastructure

Application for Viable Utility Reserve Grant



(Last updated: November 2020)

1. General Information		
Applicant Name	County	DUNS Number
Town of Kingstown	Cleveland	842180072
Project Name	Federal Tax ID #	PWSID # (if applicable)
Sewer Asset Assessment & Rate Study	56-1850669	
Fiscal Year(s) for which Assistance is Being Requested		Total Funding Requested
2020-2021		\$250,000
Applicant Type		
<input type="checkbox"/> Municipality	<input type="checkbox"/> Sanitary District	
<input type="checkbox"/> County	<input type="checkbox"/> Metropolitan Sewerage or Metropolitan Water District	
<input type="checkbox"/> Water and Sewer Authority	<input checked="" type="checkbox"/> Local Government Commission (on behalf of a distressed unit)	
<input type="checkbox"/> Water and Sewer District	<input type="checkbox"/> Council of Governments	
Funding Type(s) Requested		
<input checked="" type="checkbox"/> Viable Utility Reserve		
<input type="checkbox"/> Drinking Water Utility		
<input type="checkbox"/> Wastewater Utility		
<input type="checkbox"/> Joint Drinking Water and Wastewater Utility		
2. System Parameters		
Residential Sewer Connections	Residential Water Connections	
272		
Non-Residential Sewer Connections	Non-Residential Water Connections	
Sewer Bill per 5,000 gallons	Water Bill per 5,000 gallons	
\$74		
3. Authorized Representative Information		
Authorized Representative Name: Sharon Edmundson		
Title: Secretary Local Government Commission		
Mailing Address Line 1: 3200 Atlantic Ave		
Mailing Address Line 2:		
City:	Raleigh	State: NC Zip Code: 27604
Phone Number:	919-814-4300	E-Mail Address: sharon.edmundson@nctreasurer.com
4. Application Contact Information (if different than Authorized Representative)		
Contact Name: Ann Cutler		
Title: Finance Officer		
Mailing Address Line 1: 3200 Atlantic Ave		
Mailing Address Line 2:		

City: Raleigh

State: NC

Zip Code: 27604

Phone Number: 919-268-0395

E-Mail Address: ann.cutler@nctreasurer.com

5. Project Description

The Town has been designated as distressed. The project will use Viable Utility Reserve funds to conduct an assessment of sewer assets and a rate study as preliminary steps toward identifying long-term solutions for the Town.

6. Additional Information for Consideration

7. Project Budget

Planned Work	Estimated Cost
Sewer Asset Assessment	\$150,000
Rate Study	\$100,000
TOTAL PROJECT COST:	\$250,000

Application Signature

Note that by signing the application, the Authorized Representative acknowledges that the Department and the Local Government Commission may impose specific performance measures or conditions on any grant awarded from the Viable Utility Reserve. Performance measures may include, but are not limited to, specific financial, operation and maintenance, and capital improvement planning measure for utilities that do not merge with a currently viable utility. The Department may also specifically require the administration of the grant by the Division if it is determined the unit does not have the capacity to properly execute contractual services.



SIGNATURE OF AUTHORIZED REPRESENTATIVE

Sharon Edmundson
TYPED NAME

Secretary LGC
TYPED TITLE

12/2/2020
DATE

North Carolina Department of Environmental Quality

Division of Water Infrastructure

Application for Viable Utility Reserve Grant



(Last updated: November 2020)

1. General Information

Applicant Name	County	DUNS Number
Town of Bethel	Pitt	004029005
Project Name	Federal Tax ID #	PWSID # (if applicable)
Merger Agreement Review and Rate Analysis		NC0474030
Fiscal Year(s) for which Assistance is Being Requested		Total Funding Requested
2020-2021		\$100,000
Applicant Type		
Municipality	Sanitary District	
County	Metropolitan Sewerage or Metropolitan Water District	
Water and Sewer Authority	Local Government Commission (on behalf of a distressed unit)	
Water and Sewer District	Council of Governments	

Funding Type(s) Requested

- Viable Utility Reserve
- Drinking Water Utility
- Wastewater Utility
- Joint Drinking Water and Wastewater Utility

2. System Parameters

Residential Sewer Connections	Residential Water Connections
847	749
Non-Residential Sewer Connections	Non-Residential Water Connections
3	57
Sewer Bill per 5,000 gallons	Water Bill per 5,000 gallons
73.10	61.20

3. Authorized Representative Information

Authorized Representative Name: Gloristine Brown	
Title: Mayor	
Mailing Address Line 1: PO Box 337	
Mailing Address Line 2: 7439 Main Street	
City: Bethel	State: NC Zip Code: 27812
Phone Number: (252) 818-0891	E-Mail Address: Bethelmayor62@suddenlinkmail.com

4. Application Contact Information (if different than Authorized Representative)

Contact Name: Tom Asbell	
Title: Town Manager	
Mailing Address Line 1: PO Box 337	
Mailing Address Line 2: 7439 Main Street	
City: Bethel	State: NC Zip Code: 27812

Section 6 – Additional Information for Consideration

In this section, provide any additional information that might helpful and is not captured elsewhere in the application.

Section 7 – Project Budget

Complete the project budget for specific items described in the project description.

Submittal Information

Submit one (1) original application.

Submittal Information	
Send complete Application package to:	
<u>Mailing Address (US Postal Service only)</u>	<u>Physical Address (FedEx, UPS)</u>
Division of Water Infrastructure 1633 Mail Service Center Raleigh, NC 27699-1633	Division of Water Infrastructure 8 th Floor, Archdale Building 512 North Salisbury Street Raleigh, NC 27604
Main Telephone Number: 919.707.9160	

Phone Number: (252) 818-0891

E-Mail Address:

betheltownmanager@suddenlinkmail.com

5. Project Description

The Town is in the process of relinquishing ownership of its water and wastewater system through a merger with Greenville Utilities Commission. The proposed project will include reviewing GUC's proposed merger agreement and a preliminary rate analysis for the Town.

6. Additional Information for Consideration

7. Project Budget

Planned Work	Estimated Cost
Preliminary Rates Analysis	\$50,000
Merger Agreement Review	\$50,000
TOTAL PROJECT COST:	\$100,000


Application Signature

Note that by signing the application, the Authorized Representative acknowledges that the Department and the Local Government Commission may impose specific performance measures or conditions on any grant awarded from the Viable Utility Reserve. Performance measures may include, but are not limited to, specific financial, operation and maintenance, and capital improvement planning measure for utilities that do not merge with a currently viable utility. The Department may also specifically require the administration of the grant by the Division if it is determined the unit does not have the capacity to properly execute contractual services.

SIGNATURE OF AUTHORIZED REPRESENTATIVE


Gloristina Brown


Mayor


December 1, 2020