



NORTH CAROLINA
Environmental Quality

June 19, 2024

ROY COOPER

Governor

ELIZABETH S. BISER

Secretary

SHADI ESKAF

Director

Ms. Bonnie Therrien, City Manager
City of Southport
1029 N. Howe Street
Southport, NC 28461

Subject: American Rescue Plan Act
Engineering Report Funding Approval
City of Southport
Evaluation and rehabilitation of Wastewater System
DWI Project No(s): CS370714-04 & SRP-W-ARP-0299

Dear Ms. Therrien:

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

Eligible:

Collections System

Rehabilitation of approximately 3,160 LF of 8-inch through 10-inch gravity pipe, and 37 manholes; replacement of 10 manholes; and 40 sewer services.

Park Avenue Pump Station Interconnection

Installation of approximately 8,015 LF of 8-inch FM.

9th Street Pump Station Interconnection

Installation of approximately 50 LF of 6-inch FM.

Force Main 12-inch Betterment Fee

\$384,154.00

Non-Eligible:

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

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



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

Please note that funding is contingent on meeting the schedule provided in your *Letter of Intent to Fund*, or your approved Funding Deadline Extension approval letter (if applicable), as tabulated below:

<u>Milestone</u>	<u>Date</u>
Design-and-Bid Package Submittal	June 30, 2024
Design-and-Bid Package Approval	October 30, 2024
Advertise Project, Receive Bids, Submit Bid Information, <u>and</u> Receive Authority to Award	November 30, 2024
Execute Construction Contract(s)	December 18, 2024
Receive Final Disbursement – Statutory (ARPA only)	December 31, 2026

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@deq.nc.gov. Copies of the necessary LGC forms are available at the following URL: <https://www.deq.nc.gov/about/divisions/water-infrastructure/i-have-funding/construction-disbursement-funds#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.

All costs incurred prior to March 3, 2021, are not eligible for ARPA funds, and all ARPA funds must be expended prior to December 31, 2026. The Division will make no disbursement of ARPA funds after December 31, 2026.

Ms. Bonnie Therrien, City Manager
City of Southport
June 19, 2024
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Please submit Plans and Specifications via the new Online Supporting Documentation Submittal Form located at <https://edocs.deq.nc.gov/Forms/DW-Document-Upload-Form>. The link to the online submittal form and a list of frequently asked questions can also be accessed from the Division's "I Have Funding" page, <https://www.deq.nc.gov/about/divisions/water-infrastructure/i-have-funding>.

If you have any questions, please contact Adrian Eaton either by telephone at 919.707.9178 or by e-mail at adrian.eaton@deq.nc.gov.

Sincerely,

Antonio V. Evans

Antonio V. Evans, P.E., Supervisor
Wastewater and Stormwater Projects Unit

Attachments: Categorical Exclusion

cc: Carter Hubbard, PE, WK Dickson & Co., Tchubard@wkdickson.com
Antonio V. Evans, P.E. (DWI, via e-mail)
Adrian Eaton (DWI, via e-mail)
Mark Hubbard, P.E. (DWI, via e-mail)
Jeff Poupart (DWI, via e-mail)
Susan Kubacki (DWI, via e-mail)
DWI Agreement ID 2000067136 (**ER/EID – ERAL**)

Categorical Exclusion

North Carolina Division of Water Infrastructure

Project Applicant: City of Southport
Date: June 19, 2024
Project Name: Evaluation and rehabilitation of Wastewater System
Project Numbers: CS370714-04 & SRP-W-ARP-0299
Estimated Project Cost: \$10,005,886.00
Estimated Funding Amount: \$9,835,000.00 [\$8,544,320.00 (SRF) + \$1,290,680.00 (ARPA)]

Project Description:

Collections System

Rehabilitation of approximately 3,160 LF of 8-inch through 10-inch gravity pipe, and 37 manholes; replacement of 10 manholes; and 40 sewer services.

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The above-named applicant will receive funding assistance from the State Revolving Fund. The North Carolina Department of Environmental Quality, 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 15A NCAC 01C .0408; 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 Division, and is available for public scrutiny upon request.

Comments concerning this decision may be addressed in writing to Ms. Stephanie Suter, Deputy Director, Division of Water Infrastructure, North Carolina Department of Environmental Quality, 1633 Mail Service Center, Raleigh, North Carolina 27699. Alternatively, she can be reached via telephone at 919.707.9044 or via e-mail at stephanie.suter@deq.nc.gov.

Sincerely,

Antonio V. Evans

Antonio V. Evans, P.E., Supervisor
Wastewater & Stormwater Projects Unit
Division of Water Infrastructure