

State Water Infrastructure Authority
North Carolina Department of Environmental Quality
August 23, 2017
Meeting Minutes

State Water Infrastructure Authority Members Attending Meeting via Conference Call

- Kim Colson, Chair; Director, Division of Water Infrastructure
- Melody Adams, Director, Rural Grants/Programs, Rural Development Division, NC Dept. of Commerce
- Johnnie Carswell, Burke County Commissioner
- Greg Gaskins, Deputy Treasurer, State & Local Finance Division; Secretary, Local Government Commission
- Maria Hunnicutt, Manager, Broad River Water Authority
- Cal Stiles, Cherokee County Commissioner
- Charles Vines, Mayor of Bakersville

Division of Water Infrastructure Staff Attending Meeting

- Julie Haigler Cubeta, Community Development Block Grant – Infrastructure Unit Supervisor
- Jennifer Haynie, Environmental and Special Projects Unit Supervisor
- Jessica Leggett, Project Manager, Environmental and Special Projects Unit

Department of Justice Staff Attending Meeting via Conference Call

- Phillip Reynolds, North Carolina Department of Justice; Assistant Attorney General, Environmental Division

Item A. Call to Order

Mr. Colson opened the meeting and reminded the members of the State Water Infrastructure Authority (SWIA) of General Statute 138A-15, which states that 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. There were no known conflicts.

Item B. Attorney General's Office Report

Mr. Reynolds had nothing to report.

Item C. Chair's Remarks

Mr. Colson appreciated everyone being available for this special called meeting on short notice and had nothing further to report.

Item D. CDBG-I Hurricane Relief Consideration

Mr. Colson discussed the staff report that was sent to the Authority. The proposed request, made from the Governor's office, is to provide \$10 million in CDBG-I funds to the 46 lesser impacted counties which do not include Cumberland, Edgecombe, Wayne and Robeson Counties. The request came a few weeks ago.

In order to provide applicants with this information in a timely manner, the Division requested no change in the priority system. The Division is proposing the applicant include applicable information in the Additional Information for Special Consideration section (Section 7) of the existing common application. Applicable information includes:

- The project will replace / rehabilitate water infrastructure directly damaged by Hurricane Matthew but FEMA has indicated the project is ineligible for federal funding (full or partial).
- The project will replace / rehabilitate water infrastructure in a floodplain making the water infrastructure more resilient to future flooding events.
- The applicant's enterprise fund was impacted by Hurricane Matthew.
- The project will make the utility more financially or physically resilient to future flooding events.

One thing that was not included in the staff report was running water or sewer projects to housing related to being outside the floodplain. It is uncertain if this would be a current need.

Mr. Colson also stated the Division may need to extend the application deadline to October 29th for these specific projects. This would not affect the Division presenting these applications, along with all other projects received this funding round, at the February 2018 Authority meeting.

Since this meeting took place via conference call Mr. Colon asked each Authority member if there were any questions or comments. The following questions/statements posed by the Authority were discussed:

- Question: Do you have any indication of the number or cost of unmet needs? Answer: Mr. Colson stated there were some very general projected unmet needs eight to nine months ago. The list did include a lot of resiliency-type projects. It is unclear of the cost of unmet needs.
- Statement: Ms. Adams did look at a projected needs list last week. There were not a tremendous number of projects that fit into repair and replacement of damaged infrastructure project type. GoldenLEAF has been doing this with \$40 million and Commerce received \$20 million from the Disaster Recovery 2016. We will probably see more resiliency-related projects. Ms. Adams also recommended we contact Casey with GoldenLEAF. Response: Mr. Colson thanked Ms. Adams for her comments and informed the Authority we have been communicating with Casey and GoldenLEAF and will continue to do so.
- Statement: Mr. Gaskins stated the Authority and Division would need to make sure the purpose of disaster recovery will be accomplished and with this new development extending the application deadline would give applicants a time to catch up and make the deadline. Response: Mr. Colson stated applicants will also have the ability to use Census data if the project will serve the system. If surveys are conducted the LMI would potentially increase, but applicants will be aware of the special considerations. With the special consideration, applicants may be able to complete the application without the survey and using Census data.
- Statement: Mr. Stiles stated the Governor should have appropriated \$10 million separately than our allocation. The Authority is strapped and the demand is already high for our funding.

Action Item D:

- Ms. Adams made a motion to approve the use of the "Additional Information for Consideration" to specifically allow the prioritization of \$10 million of the CDBG-I funds available this fall for the 46 lesser-impacted disaster counties associated with Hurricane Matthew. Mr. Vines seconded the motion. The motion passed five to one.

Item E. Informal Comments from the Public

Mr. Colson stated that public comments could be made at this time with the reminder that in accordance with the Authority's Internal Operating Procedures.

No informal comments from the public.

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

There were no concluding remarks from Authority members.

Item G. Adjourn – The meeting was adjourned.