



NORTH CAROLINA  
Environmental Quality

June 22, 2026

JOSH STEIN  
Governor  
D. REID WILSON  
Secretary  
SHADI ESKAF  
Director

The Honorable Dannie Flanary, Mayor  
Town of Hobgood  
PO Box 217  
Hobgood, NC 27843

Subject: Engineering Report Funding Approval  
Town of Hobgood  
DW Dist System Replace and Improvements  
DWI Project No.: SRF-D-2077

Dear Mayor Flanary:

The Division of Water Infrastructure (Division) has completed its review of the engineering report for the subject project received on June 15, 2026. Based upon the review, the Division has determined that the above-referenced project is eligible for funding as follows:

Eligible:

Replacement of approximately 23,250 linear feet of existing water main with new PVC pipe of equal diameter (7,250 LF of 2-inch galvanized water main replaced with 6-inch PVC; 15,280 LF of 6-inch asbestos cement water main replaced with 6-inch PVC; and 720 LF of 8-inch asbestos cement water main replaced with 8-inch PVC). Installation of approximately 2,550 LF of new 6-inch PVC water main to create distribution system loop to eliminate existing dead-end lines (less than 10% threshold for looping).

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.

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:



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

The Honorable Dannie Flanary, Mayor  
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Page 2 of 2

<u>Milestone</u>	<u>Date</u>
Design-and-Bid Package Submittal	12/01/2026
Design-and-Bid Package Approval	04/01/2027
Advertise Project, Receive Bids, Submit Bid Information, <u>and</u> Receive Authority to Award	08/02/2027
Execute Construction Contract(s)	09/02/2027

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 Suraiya Akter, PhD, either by telephone at 919.707.9243 or by e-mail [suraiya.akter@deq.nc.gov](mailto:suraiya.akter@deq.nc.gov)

Sincerely,

*Renee Parkman*

Renee Parkman, P.E., Supervisor  
Drinking Water Projects Unit

Attachments: Categorical Exclusion

EC: Dannie Flanary, Town of Hobgood, [thomasellis@embarqmail](mailto:thomasellis@embarqmail)  
Mike Tolson, P.E. Mack Gay Associates , PA, [mike@mackgaypa.com](mailto:mike@mackgaypa.com)  
Renee Parkman, P.E. (DWI, via e-mail)  
Suraiya Akter, PhD (DWI, via e-mail)  
Mark Hubbard, P.E. (DWI, via e-mail)  
Keith Krzywicki, P.E. (DWI, via e-mail)  
Michelle McKay (DWI, via e-mail)  
Shane Beeson, REHS (DWI, via e-mail)  
Susan Wallace (DWI, via e-mail)  
DWI Agreement ID 2000084730(ER/EID – ERAL)

## Categorical Exclusion

### North Carolina Division of Water Infrastructure

Project Applicant: *Town of Hobgood*  
Date: *June 22, 2026*  
Project Name: *DW Dist System Replace and Improvements*  
Project Number: *SRF-D-2077*  
Estimated Project Cost: *\$3,523,425*  
Estimated Funding Amount: *\$3,523,425*

Project Description: *Replacement of approximately 23,250 linear feet of existing water main with new PVC pipe of equal diameter (7,250 LF of 2-inch galvanized water main replaced with 6-inch PVC; 15,280 LF of 6-inch asbestos cement water main replaced with 6-inch PVC; and 720 LF of 8-inch asbestos cement water main replaced with 8-inch PVC) and installation of approximately 2,550 LF of new 6-inch PVC water main to create distribution system loop to eliminate existing dead-end lines (less than the 10% threshold).*

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](mailto:stephanie.suter@deq.nc.gov).

Sincerely,

*Renee Parkman*

Renee Parkman, P.E., Supervisor  
Drinking Water Projects Unit  
Division of Water Infrastructure