

State Water Infrastructure Authority
North Carolina Department of Environmental Quality
April 9-10, 2019
Meeting Minutes

APRIL 9, 2019

State Water Infrastructure Authority Members Attending Meeting

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

Division of Water Infrastructure Staff Attending Meeting

- Kavitha Ambikadevi, Drinking Water Unit Engineer
- Cathy Akroyd, Public Information Officer
- Julie Haigler Cubeta, Community Block Development Grant – Infrastructure Unit Supervisor
- Francine Durso, Special/Technical Issues Senior Program Manager
- Jennifer Haynie, Environmental and Special Projects Unit Supervisor
- Jessica Leggett, Environmental and Special Projects Unit Project Manager
- Amy Simes, Senior Program Manager
- Anita Robertson, SRF Wastewater Unit Supervisor
- Vincent Tomaino, Acting State Revolving Fund Section Chief and SRF Drinking Water Unit Supervisor

Department of Justice Staff Attending Meeting

- Jill Weese, NC Department of Justice; Assistant Attorney General, Environmental Division

Item A. Call to Order

Chair Colson opened the meeting and reminded the members of the State Water Infrastructure Authority (SWIA) of General Statute 163A 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.

Item B. Approval of Meeting Minutes

Chair Colson presented the draft meeting minutes from the March 13, 2019 Authority meeting for approval.

Action Item B:

- Mr. Vines made a motion to approve the March 13, 2019 Authority meeting minutes. Mr. Stiles seconded the motion. The motion passed unanimously.

Item C. Attorney General's Office Report

Ms. Weese stated the Attorney General's office reached a settlement with a company who had been price gouging related to Hurricane Florence. The settlement was for \$274,000 which will provide full restitution for 23 homeowners. As part of the settlement, the company is banned from working from NC in the future.

Item D. Chair's Remarks

Chair Colson recognized Julie Wiggins, the Executive Director of the High Country Council of Government.

Chair Colson stated that the deadline for applications for the Spring 2019 funding round is April 30, 2019 for the DWSRF and CWSRF programs. The Division held "How to Apply" trainings in Hickory, Research Triangle Park and Mount Olive on March 22, 25, and 28, respectively, attended by 75 people.

Ms. Leggett reminded all Authority members that the Statement of Economic Interest filing deadline is Monday, April 15. Any questions should be directed to the Ethics Commission.

Item E. Presentations by Local Governments & Utility Organizations

Presentations were made by the following representatives:

- Winston-Salem/Forsyth County Utilities – Courtney Driver, PE, Utilities Director
- High Country Council of Government – Phillip Trew, Planning & Development Director
- Yadkin Valley Sewer Authority – Nicole Johnston, Executive Director

Authority members expressed great appreciation for all the speakers and were very interested in hearing about the entities' local issues and how they have approached solutions in different ways. The Authority thanked each speaker for traveling to and presenting at the meeting.

Ms. Courtney Driver, Utilities Director of Winston-Salem/Forsyth County Utilities presented the history and operations of the 130,000-customer Utility which provides both water and sewer services. A 1976 merger of the City and County systems created the Utility. A 10-member appointed utility commission, comprised of 5 City Council members and 5 County Commissioners, sets rates and establishes policies. The Utility's operations budget is approximately \$100 million/year.

Over the years, the Utility has merged in the smaller systems of Kernersville, Rural Hall, Clemmons, Walkertown and Lewisville. There have been different rate structures for each town based on the debt service taken on by the Utility to make needed repairs to the town's individual systems. Since most of the debts have been paid off, the Utility can now move toward a uniform rate structure. The Utility also provides wholesale water to Greensboro, Stokesville, Yadkin County, Stokes County and Davidson Water, Inc., and provides wholesale sewer service to King, Davie County and Davidson County.

The average inside the Utility combined bill for both water and sewer is approximately \$45/month (billed at \$90 every other month) and the average usage is around 600 cubic feet (4,500 gallons). The wholesale rates are established at the actual cost of service.

- Q: Are there areas in the region where a decentralized service approach would work? A: Several areas in the county are served by private utilities. Areas in northwest Guilford County have approached them about water service but there are limitations to how far they can extend their service area due to the distance which creates drinking water quality issues at some point.
- Q: What were the driving factors for entities to merge with your system? A: Several did not want to be in the utility business and some had contaminated water wells. Q: Could you provide more than just wholesale services such as meter reading? A: This would be a challenge as those communities might want commission representation without being part of the system.
- Q: How do you develop a CIP for the merged systems? A: The Utility has increased sewer cleaning and inspections to understand the condition of the assets in more detail along with implementing a Collection System Improvement Plan. Since water pipes are more difficult to assess, they replace water lines wherever they replace sewer lines.
- Q: What role do you see for larger utilities in helping smaller utilities become viable? A: The key is to work out solutions that have benefits for both sides and keep up communication through regional groups within the basin.

- Q: Tell us about your collection rate and if you have an aggressive cutoff policy. A: The Utility has not had the kind of issues that would lead to a change in policy; current policy is a customer has 28 days before they send a termination letter, and then an additional 10 to 15 days before cutting off service.

Mr. Phillip Trew, Planning & Development Director of the High County Council of Government talked about the COG area which is 75% rural with a population of 200,000. Approximately 50,000 residents are served by centralized systems and the remainder are served by decentralized systems. Only 6 towns have utility directors although 19 towns operate water systems and 18 operate sewer systems. Collection and distribution systems are in varying degrees of condition. Most towns are members of the NC Rural Water Association for technical assistance. Towns rarely raise rates and have not built up adequate reserves. Larger towns do capital planning during budgeting but there is very little planning in the smaller towns.

Infrastructure in small town downtowns is a big issue because the downtowns are becoming a critical anchor to attract tourists with shops, restaurants and breweries. In fact, tourism is the industry in the area, but it is difficult to find funds to replace downtown systems.

Local governments are beginning to understand the Authority's changes in funding priorities and some have raised rates to increase their scores. Monthly utility bills range from \$24 to \$93 with a median of \$58. Some smaller towns wouldn't be able to effectively utilize a full Asset Management Plan for which they could receive priority points; in fact, a CIP with a Professional Engineer's seal is more beneficial to them but this does not receive points. Physically interconnecting systems to achieve regionalization is difficult due to the terrain. It would be helpful if work from a Division's funding application could also be used by the USDA.

- Q: Economic development efforts taking place on a regional basis leads to looking at water resources on a regional basis; what is the need in this area? A: Economic development has coalesced in the region but in terms of recruiting new industry, there has been little discussion of water capacity. Water resources are scarce because this region is the headwaters for 5 river basins, but workforce capacity is also low which is a restricting element in recruiting industry. Industry is located near the larger systems.
- Q: Are there other economic development initiatives that aren't focused on industry? A: Many county and regional plans place strong emphasis on tourism which relies on good water quality; there is a focus on stream restoration efforts. Other specialties include growing Christmas trees, skiing and gem mines.
- Mr. Vines stated that the chance of an industry locating in the region is difficult due to population decline and lack of workforce. Most of the workforce was in industries that are now gone, and it is difficult for young people to stay in the area. Schools and hospitals are the largest employers.
- Mr. Stiles stated that in the Southwestern Commission region, there are many second homes which form a large part of their economy. There are four manufacturing facilities in the area, but he would rather have 10 businesses each employing 10 people because one facility with 100 employees is more vulnerable to economic changes.

Ms. Nicole Johnston, Executive Director of the Yadkin Valley Sewer Authority (YVSA) presented on the formation of the YVSA in 2006, which is comprised of the utilities of three towns in three different counties: Elkin, Jonesville and Ronda. The towns were losing money on their utilities and decided to consolidate wastewater treatment at one plant which is operated and maintained by Suez, Inc. As an Authority, there is one board of directors and the executive director who are solely focused on the sewer system and not the many other responsibilities of local government. There is only one source of revenue – user charges – and there is no general fund from which to borrow. YVSA's annual operating budget is \$2.4 million.

The collection systems of Elkin and Jonesville were in very poor condition and hadn't been replaced since it was installed in 1958. No infrastructure assessments were conducted before YVSA was formed and the task of getting the combined system reliable and in compliance has been daunting. The equipment conveyed from the towns was not sufficient or reliable. YVSA inherited about \$3 million in outstanding sewer infrastructure

debt from the towns and startup was very challenging due to the small amount of cash and needed expenditures, putting more pressure on user rates. Utility rates are increased annually by a small amount. Because YVSA does not provide water services, each town is responsible for reading its town water meters. Each town does its own bill collection and in turn pays YVSA for the sewer service which is based on water meter readings.

- Q: Are there collection issues because YVSA only provides sewer service? A: The interlocal agreement is very detailed and stipulates that when customers pay the towns, the money is first put toward the sewer bill owed to YVSA. As a result, they have been fortunate to not have this issue.
- Q: Does YVSA have a good idea of its current capital needs? A: Sources of inflow and infiltration are still being found and the amount of money needed for this work is not known at this time.
- Q: Have there been any discussions with the Towns about becoming a combined water and sewer authority? A: There have been some discussions and YVSA would be more financially sound if it included water services as well. As far as infrastructure condition, Elkin has rehabilitated its water system and Jonesville needs to rehabilitate its system.

Item F. North Carolina's Pilot Water Loss Control Technical Assistance Program

The Division has initiated a pilot water loss control technical assistance program to verify the magnitude of the water loss problem in the state and to assess the real value of water loss control. The Division has collaborated on this effort with the Division of Water Resources and the Division of Environmental Assistance & Customer Service and contracted with Cavanaugh Solutions and the NC Water Resources Research Institute (WRRRI) for this work. The goal of the pilot is to demonstrate the use of the American Water Works Association's methodology (M36) for cost-effective water loss management with ten water systems that are participating in the pilot study: Burnsville, Banner Elk, Bakersville, Blowing Rock, Boone, Ramseur, Mebane, Benson, Clinton, and Elizabethtown.

Mr. Steve Cavanaugh, President of Cavanaugh Solutions and the Chair of the AWWA Water Loss Control Outreach Committee stated that every gallon of water lost or wasted due to system inefficiencies is a costly expense for towns providing water services. Water loss control is a valuable water management and revenue management tool that can improve the efficiency of water production and delivery. He explained the process for towns to evaluate the volume of non-revenue water, the money that is being lost due to water loss, and the validity of the data being evaluated. An emerging way to think about water loss is as gallons of leakage/customer/day. As a regional approach, water loss could be considered by river basin and compared to the basin's water supply capacity. The pilot program uses the Free Water Audit Software provided by AWWA.

Mr. Vines stated that lost water equals lost money. Many times, it is not the water meters that are the problem, but the leaks in the system that cause the well pumps to run longer and wear out sooner. Pulling together Bakersville's data needed for the analysis was very helpful and demonstrated the need to stay on top of the numbers, have confidence in the data, track the water and know what is happening and when. The Authority discussed these issues:

- Chair Colson asked Mr. Vines if this study is a necessity for small utilities even though it can be difficult due to staff limitations. Mr. Vines stated that it is a staff limitation issue, but a town can make it work and it would be best to have a dedicated person to run water department and make use of the data. The approach has a lot of merit and will be beneficial if all systems enter their data into the system.
- Chair Colson asked these questions of the Authority: should water loss be considered in the priority rating systems; should it be a performance measure for viable utilities; should a water loss control study be a grant condition requirement; should it be a grant requirement that every water user in a town's system be billed? Mr. Vines stated that water loss control is key to the work of the Authority.

Item G. Informal Comments from the Public

Chair Colson stated that public comments could be made at this time with the reminder that in accordance with the Authority's Internal Operating Procedures, comments must be limited to the subject of business falling within the jurisdiction of the Authority and should not be project specific. There were no informal comments from the public.

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

Authority members expressed great appreciation for all the speakers and were very interested in hearing about the entities' local issues and how they have approached solutions in different ways. The Authority thanked each speaker for traveling to and presenting at the meeting.

Item I. Adjourn – The meeting was adjourned for April 9, 2019 and will resume at 9 AM on April 10, 2019.

APRIL 10, 2019

State Water Infrastructure Authority Members Attending Meeting

- Kim Colson, Chair; Director, Division of Water Infrastructure
- Melody Adams, Director, Rural Grants/Programs, Rural Development Division, NC Dept. of Commerce
- Greg Gaskins, Deputy Treasurer, State & Local Finance Division; Secretary, Local Government Commission
- Leila Goodwin, Water Resources Engineer
- Maria Hunnicutt, Manager, Broad River Water Authority
- Dr. Bernadette Pelissier
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- Kavitha Ambikadevi, Drinking Water Unit Engineer
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- Anita Robertson, SRF Wastewater Unit Supervisor
- Vincent Tomaino, Acting State Revolving Fund Section Chief and SRF Drinking Water Unit Supervisor

Department of Justice Staff Attending Meeting

- Jill Weese, NC Department of Justice; Assistant Attorney General, Environmental Division

Item J. Call to Order

Chair Colson opened the meeting and reminded the members of the State Water Infrastructure Authority (SWIA) of General Statute 163A 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.

Item K. Chair's Remarks

Chair Colson stated there were good discussions generated from yesterday's presentations.

Item L. Presentations by Local Governments & Utility Organizations

Mr. Radford Thomas, Director of Public Utilities for the City of Lenoir discussed the utility's CIP process, rate setting and partnering. The utility develops a 20-year CIP with projects detailed for the first 10 years, providing the Council with information about both upcoming and longer-term needs. Based on the recent Asset Inventory & Assessment grant, the City has made changes to the CIP to more quickly address items identified as critical. Utility rates are increased annually by a small amount. The operations budget is \$8.5 million per year and the utility has 48 employees.

Lenoir is a wholesale water provider to many smaller utilities. Regarding partnering, Lenoir is willing to partner and manage systems; they may soon offer services to replace and read meters for a small wholesale water customer which is much more cost effective. They are discussing system interconnections and see the opportunity for regionalization as costs for the smaller utilities continue to rise.

- Q: What does succession planning look like with your upcoming retirement? A: Succession planning is key for any utility and the City has many 30-plus year employees. The utility is preparing staff to have the ability to step in and some are filling in, in different spots to gain experience.
- Q: Do you have issues with workforce retention? A: Utilities don't compete in the same way that fire and law enforcement do. The primary challenge is providing competitive wages. They emphasize personnel development with certifications, which can help financially. One of the biggest challenges is finding new employees who want to work in water and wastewater field.
- Q: How often does the utility increase rates? A: Rate increases are a part of the utility's financial planning and having small annual increases puts the utility in a stronger financial position.
- Q: What has prompted the City's proactive thoughts about consolidation? A: A wholesale customer with 150 connections recognized that its water meters were at best only 85% accurate and may be at a point where they must do something differently. The City talks with these systems from a practical standpoint and they will start a conversation soon about the City managing and/or consolidating geographically and organizationally. It's not a power grab; it is good business.

Authority members stated that the City's 20-year CIP will help in succession planning and commended Mr. Thomas for having it available for his successor. Authority members expressed appreciation and thanked Mr. Thomas for his presentation and for traveling to the meeting.

Item M. Communications Update

Ms. Akroyd, the Division's Public Information Officer, presented an update about the Division's activities including meetings, presentations, events and outreach, noting that Secretary Regan may attend an upcoming ribbon cutting at the Town of Spindale's Wastewater Treatment Plant. Ms. Goodwin and Ms. Karen Brashear of Compass Services LLC will be the keynote speakers at the upcoming NC Rural Water Association Annual Conference, speaking on "What You're Doing Right: Approaches to Enhancing Water and Wastewater Utility Viability."

Item N. Priority System Modifications for the 2019 Intended Use Plans (IUPs) for DWSRF and CWSRF Programs

The proposed DWSRF and CWSRF IUPs were presented with the following recommended modifications:

1. Add a new line item for projects that address emerging compounds in drinking water
2. Revise Line Item 1.A to more broadly address consolidation of nonviable drinking water or wastewater utilities
3. Renumber several line items in both the drinking water and clean water (wastewater) Priority Rating Systems to clarify the relationships between them

The Authority discussed the following:

- Has “nonviable” been defined? Chair Colson stated that the term “viable” will need to be defined for the Viable Utility Reserve legislation; the intent is to encourage proactive behavior instead of waiting until a system is failing.
- Ms. Goodwin suggested a future consideration for systems that are “not quite nonviable that could receive fewer points.

Action Item N:

- Mr. Vines made a motion for the Division to present the proposed DWSRF and CWSRF Priority Rating Systems modifications for public review. Mr. Gaskins seconded the motion. The motion passed unanimously.

Agenda Item O. Priority System Modifications for CDBG-I Program

The following proposed changes to the CDBG-I Priority Rating System were presented with the following recommended modifications:

1. Revise Line Item 1.A to more broadly address consolidation of nonviable drinking water or wastewater utilities
2. Add new Line Item 2.T to provide priority for projects that extend water and sewer infrastructure to new low-to-moderate income housing to support housing projects that are a core part of the CDBG program.
3. Delete existing Line Item 4.G and replace with new line Item 4.G as follows, which will mirror this line item in the priority rating system for other loan and grant programs:

4.G Current Monthly Residential Single Utility Rates at 5,000 Gallons Usage		
4.G.1	Greater than \$33	6 points
4.G.2	Greater than \$40	9 points
4.G.3	Greater than \$47	12 points
4.G.4	Greater than \$58	15 points
	Maximum Total for 4.G	15 points

4. To address the desire to move utilities toward viability by financing projects (i.e., not relying on grants) and to facilitate a path to viability, staff suggested adding bonus points as a new Line Item 4.G.5 for a utility that has financed a project within the last two years in an amount equal to or greater than the amount of CDBG-I grant funds that are being sought. The reasoning behind this is to encourage units not to rely on grants as the preferred way to fund infrastructure projects.

The Authority discussed the following related to the potential bonus points: How would the bonus points affect those not able to take on loans? Would a local government unit be penalized if it carries no debt but is well-run? Because federal statutes define the qualifications to be eligible for CDBG-I grants, the Authority does not believe that bonus points are needed.

Action Item O:

- Ms. Goodwin made a motion to approve the revision of Line Item 1.A, the addition of Line Item 2.T, the modification of Line Item 4.G, and not to approve the Line Item 4.G.5 bonus points. Mr. Stiles seconded the motion. The motion passed unanimously.

Agenda Item P. Fair Bluff/Fairmont Initiative Update

Representatives of the five towns (Boardman, Fair Bluff, Cerro Gordo, Fairmont and Proctorville) recently met to discuss next steps and requested another meeting with the Division about a new utility authority.

Some of the key issues that face the towns were presented: assets are in an advanced state of deterioration in a much shorter timeframe than the asset's expected useful life; needs for renewal and replacement must be the focus of financial planning; and the towns' current utility rates and funding levels are inadequate to sustain operational needs. The towns ranked economic development as the most important non-financial factor in their decision-making, followed by protection of public health and the environment, future viability, public acceptance and finally, community resiliency support. The Authority discussed the following:

- Since current rates do not generate enough revenue, could they have reasonable rates as an authority and would an authority be viable? Chair Colson stated that the towns could have high, but reasonable rates if some of the infrastructure could be reset with grant dollars. They cannot reset on their own because they cannot take on the needed debt and keep rates reasonable.
- With a new authority the rates would be well over \$100/month. Merging with Lumberton would mean less expensive rates but there is a strong desire by the towns to keep decision-making at the local level.
- Mr. Gaskins expressed concern that even though the towns may say they will pay higher rates, they likely will not be able to do so, when considering their customer bases. He cited Love Valley and Eureka as examples, stating that Eureka is essentially bankrupt. The LGC is concerned about towns attempting to do something that, in reality, they cannot do. Towns may need to make the hard choice to merge with another system if they want to remain a town at all. The Authority should consider putting funds into those units that are ready to change and maybe give up a little "identity." The primary issue is to become viable and to choose the solution that is the best fit for a situation.
- Ms. Adams asked if the Division could provide positive examples to the towns to help them understand their future path. Chair Colson stated that the Division is working with the UNC Environmental Finance Center to develop guidance to highlight the strategic items that must be addressed in interlocal agreements to avoid situations are not thought of ahead of time but that will likely arise.

Agenda Item Q. Ensuring Viable Utilities Work Session

Chair Colson described the outcome of the Legislative Committee to Study Rates and Transfers/Public Enterprises. Senate Bill 536 and House Bill 570 were filed in early April entitled "An Act to Improve Viability of the Water and Wastewater Systems of Certain Units of Local Government..." The legislation defines a "distressed unit" as "A public water or wastewater system operated by a local government unit exhibiting signs of failure to identify or address...financial or operating needs." Other keys are creating a Viable Utility Reserve, the ability of DEQ and LGC to impose specific performance measures on grant recipients, and the LGC would approve award and terms of a grant. Chair Colson discussed the limits of the Viable Utility Reserve, the criteria for being "distressed" that needs to be developed by the Authority and LGC, and the actions to be required of a utility receiving these funds. The Authority discussed the following:

- Mr. Gaskins stated that there will be pressure on the Authority, the Division and the LGC to ensure that these projects are successful and resolve the issue of nonviability for any grant recipients. He believes the Authority and LGC can work with this legislation; the difficulty will be in making the right decisions with the limited amount of money provided in the bills. The key issue will be the true status and strength of a utility and how viable they are. He predicted nonviable units would fail before this money is deployed.
- Mr. Stiles asked the percentage of local governments that are on the Unit Assistance List due to their water and wastewater utilities. Mr. Gaskins stated that the units have similar economic factors and that the cause is most often due to the economic changes in those communities. These changes happened over the long-term and ultimately affected the ability of the community to be viable.
- How much funding is needed on an annual basis? Chair Colson stated that the UNC EFC previously estimated that in the ballpark of approximately \$50 million/year is needed.

- Can the Authority attach conditions to existing grants? Chair Colson stated that the statutes provide for specific conditions to be placed on loans but is silent on attaching grant conditions. Due to the unclear nature of the statute, the Division has been hesitant to require grant conditions.
- Mr. Gaskins stated that if the legislation does not pass, the State Auditor has put forward legislation regarding strict requirements for a local government unit's Chief Financial Officer (CFO), including required training, capabilities, and certification. This is needed for CFOs for the same reason that qualified utility directors are needed.
- Mr. Stiles asked if the proposed fee is considered a tax. Ms. Goodwin added she has gotten feedback that it is unclear why the proposed fee would be applied only to centralized sewer accounts when the grant might be used for failing septic systems. Chair Colson stated it is because the Division already offers 100% grants to eliminate failing wells and septic systems under other funding programs.
- Mr. Gaskins stated that the Study Committee recognized that these are statewide problems that must be taken care of by the state, and that to make any progress on nonviable systems, the proposed fee is a way to generate the level of funding needed. He has been impressed by the number of people who believe this is a necessary solution. Chair Colson added there is agreement that it is an expensive issue, that costs will only continue to rise if work is delayed, and that this is an important start.
- Dr. Pelissier asked if there are other states dealing with the issue of developing grant conditions? Chair Colson stated that he is not aware of other states looking at this issue at this time, however the AWWA provides a document "Benchmarking Performance Indicators for Water and Wastewater Utilities" that contains metrics to gage how a utility is performing particularly in organizational development and business operations.
- Mr. Gaskins added that Kentucky consolidated 1,300 water systems into 300 systems and the cost of \$800 million over 5 years. In California, the state can take over a failing utility system.
- Ms. Adams stated that of the five systems in the Fair Bluff/Fairmont Initiative thinking of forming an authority, none of the entities appear to have a track record of success or the capacity to guide a new authority. It is key that some entity that has the capability to operate viably be involved. Chair Colson stated that this is a reason that the grant conditions are critically important. The Authority will need to consider how to address types of situations, and would the Authority award a grant for a solution when there is a better alternative to what the entity wishes to do?
- What if a community does not meet the grant conditions? Chair Colson stated this is a key item of discussion for the Authority. Potentially the state may need to run systems or privatize a system.
- Mr. Vines added Bakersville or Spruce Pine could be used as a pilot.

Chair Colson stated that by the time of the July Authority meeting, the budget may have been passed. The Authority will consider process issues in-depth at its July 10 meeting; he requested that the members send ideas at this time, even if they are not fully formed.

Agenda Item R. Master Plan Outreach Update

Division staff continue to meet individually with the Councils of Government across the state and have spoken with nearly 300 representatives of local government units. In-depth workshops were also held with the Southwestern Commission and Isothermal Commission for further discussions with over 40 managers and public utility directors. The Division has been invited to return to the Mid-East Commission and the Albemarle Commission for workshops. The Division has been invited to speak at the Delegates Forum of the NC Association of Regional Councils of Government on August 2, 2019. The Southeastern Economic Development Commission has invited the Division to participate in a regional roundtable to be conducted on August 6, 2019.

Item S. Informal Comments from the Public

Chair Colson stated that public comments could be made at this time with the reminder that in accordance with the Authority's Internal Operating Procedures, comments must be limited to the subject of business falling within the jurisdiction of the Authority and should not be project specific.

Mr. W.T. Sorrell with the engineering firm Withers Ravenel thanked each Authority member for their dedication and stated that the work of the Authority has made the delivery of state funds for addressing water and sewer needs much clearer.

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

Authority members expressed great appreciation for all the speakers and were very interested in hearing about the entities' local issues and how they have approached solutions in different ways.

Mr. Gaskins offered that the LGC could present information about the Unit Assistance List and how it is used; the Authority agreed they are interested in this presentation.

The next Authority meeting will be held on July 10, 2019, in Raleigh, NC.

Item U. Adjourn – The meeting was adjourned.
