



## REQUEST FOR BOARD ACTION

ITEM NO. 13

**DATE OF MEETING:** January 4, 2016

**REQUESTED BY:** Michael G. Mack, Utilities Director

**SHORT TITLE:** Resolution Approving Submittal of a Revised Clean Water State Revolving Fund (CWSRF) Loan Application to the North Carolina Department of Environment and Natural Resources for Additional Loan Funding Based on the Lowest Bid on the Wastewater Treatment Facility Upgrades at the Pender County Solid Waste Transfer Station.

**BACKGROUND:** In response to a request by Pender County Utilities for renewal of permit to operate the existing wastewater treatment facility at the Pender County Solid Waste Transfer Station, the North Carolina Department of Health and Human Services is requiring several upgrades and improvements to the existing system before a new permit will be considered for the facility.

In March, 2014, PCU applied for a CWSRF loan to fund the estimated engineering and construction costs to complete the improvements. At the time of the application, the estimated total project costs were \$479,706 with \$342,500 being for the actual construction of the improvements. The 2014 loan application was accepted for CWSRF funding and the LGC approved the loan on August 4, 2015. On September 28, 2015, the Board formally approved the acceptance of the NCDENR-CWSRF loan offer in the amount of \$479,706.

On November 19, 2015, PCU opened bids for the construction of the project. The lowest responsive bid received was \$541,920. This amount is \$199,420 above the estimated construction cost in the CWSRF loan agreement. Staff has communicated with NCDENR-CWSRF and they are able and willing to increase the loan amount pending LGC approval on February 2, 2016. This action will increase the loan amount from \$479,706 to \$669,720 (\$190,014 increase) for the project in order for Pender County to award the construction contract. If approved, the annual debt service payment from the Pender Solid Waste Enterprise Fund will increase from approximately \$29,953 to \$41,800 (an \$11,847 increase) for this project and Pender Solid Waste will be required to pay the applicable \$13,394 loan closing cost.

**SPECIFIC ACTION REQUESTED:** Adopt a resolution approving submittal of a "Revised" CWSRF grant/loan application for a \$190,014 loan increase from the NCDENR-CWSRF for the Solid Waste Transfer Station WWTP upgrade project.

**RESOLUTION**

**NOW, THEREFORE BE IT RESOLVED** by the Pender County Board of Commissioners that:

the attached resolution is adopted in support of submittal of a "Revised" CWSRF Grant/Loan Application for a \$190,014 loan increase.

The Chairman/County Manager is authorized to execute any document necessary to implement this resolution.

**AMENDMENTS:**

MOVED \_\_\_\_\_ SECONDED \_\_\_\_\_

APPROVED \_\_\_\_\_ DENIED \_\_\_\_\_ UNANIMOUS

YEA VOTES: Brown \_\_\_ McCoy \_\_\_ Keith \_\_\_ Piepmeyer \_\_\_ Williams \_\_\_

\_\_\_\_\_  
George R. Brown, Chairman      01/04/16  
Date

\_\_\_\_\_  
ATTEST      01/04/16  
Date

## RESOLUTION BY GOVERNING BODY OF APPLICANT

- WHEREAS, The Federal Clean Water Act Amendments of 1987 and the North Carolina the Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of (state whether a wastewater treatment works, wastewater collection system, stream restoration, stormwater treatment, drinking water treatment works, and/or drinking water distribution system or other "green" project), and
- WHEREAS, Pender County has need for and intends to construct modifications to the existing Solid Waste Transfer Station wastewater treatment facility project described as a conversion from a Low Pressure Pipe System to a Closed Loop Recycle System, and
- WHEREAS, Pender County intends to request state grant/loan assistance for the project,

### NOW THEREFORE BE IT RESOLVED, BY THE BOARD OF COMMISSIONERS OF PENDER COUNTY:

Pender County, the **Applicant**, will arrange financing for all remaining costs of the project, if approved for a State loan or grant award.

That the **Applicant** will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the governing body of the **Applicant** agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of Pender County to make scheduled repayment of the loan, to withhold from Pender County any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

That the **Applicant** will provide for efficient operation and maintenance of the project on completion of construction thereof.

That Randell Woodruff, County Manager, the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a loan to aid in the construction of the project described above.

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the 4<sup>th</sup> day of January, 2016 at the Pender County Public Assembly Room, North Carolina.

---

George R. Brown

---

Chairman

**CERTIFICATION BY RECORDING OFFICER**

The undersigned duly qualified and acting Clerk to the Board of Pender County Board of Commissioners does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the Pender County Board of Commissioners duly held on the 4th day of January, 2016; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

\_\_\_\_\_  
Melissa Pederson

\_\_\_\_\_  
(Title of Recording Officer)

# North Carolina Water/Wastewater Common Application Form

For use by ARC, CWMTF, DENR, DOC, and Rural Center applicants.

Agency Use Only

In an effort to streamline the application process, North Carolina funding agencies created this common application form for applicants to utilize when requesting water/wastewater grant/loan funds. Additional material required by each funding agency can be found in the appendices.

## Guidelines:

- Fully complete each section of this application form
  - Be sure to include all additional information requested by involved funders (found in appendices)
- Please refer to appendices for the number of copies required by each agency.
  - If a project is requesting CWMTF and Rural Center funds, the fully executed common application form should be sent to both CWMTF and the Rural Center. In addition to the common application form, each agency should receive its additional requested material only. See individual agency guidelines for other material needed for each application.

**Descriptive Project Title:** Pender County Solid Waste Transfer Station Modifications to existing WWTP to convert to a Closed Loop Recycle System  
(Title should stay consistent with each agency request.)

## Indicate the status of this application:

- NEW APPLICATION  
 REVISION - Additional Funding Request Based on Lowest Bid Amount  
 RESUBMITTAL
- Former project title: \_\_\_\_\_

## Select organization(s) involved in this request (check all that apply)

- ARC [Appalachian Regional Commission](#)  
Date submitted \_\_\_\_\_
- CWMTF [Clean Water Management Trust Fund](#)  
Date submitted \_\_\_\_\_
- DENR-CW [NC Dept. of Environment and Natural Resources \(Clean Water\)](#)  
Date submitted \_\_\_\_\_
- DENR-DW [NC Dept. of Environment and Natural Resources \(Drinking Water\)](#)  
Date submitted \_\_\_\_\_
- DOC [NC Dept. of Commerce](#)  
Date submitted \_\_\_\_\_
- [CDBG \(DCA\)](#)  
 [CDBG-ED \(CFC\)](#)  
 [IDF \(CFC\)](#)
- NCREDC [NC Rural Economic Development Center](#)  
Date submitted \_\_\_\_\_

# North Carolina Water/Wastewater Common Application Form

For use by ARC, CWMTF, DENR, DOC, and Rural Center applicants.

## GENERAL INFORMATION

**Legal Name of Applicant / Unit:** Pender Solid Waste County: Pender

Name of Chief Elected Official: George R. Brown Title: Chairman, Board of County Commissioners

Name of Authorized Representative (if different from above): Michael Mack  
 Title: Director, Pender County Solid Waste

Mailing Address: PO Box 995 Street Address: 605 E. Fremont St.

City: Burgaw State: NC Zip: 28425

Primary Telephone(s): 910-259-1570 Fax: 910-259-1579

Email: [mmack@pendercountync.gov](mailto:mmack@pendercountync.gov) Federal Tax ID #: 56-6000329

**Type of Applicant (check those that apply):**

- |   |   |  |
|---|---|--|
| <input type="checkbox"/> Municipality                 | <input type="checkbox"/> Water / Sewer District       | <input type="checkbox"/> Joint Agency Pursuant to G.S. 160A-20 |
| <input checked="" type="checkbox"/> County            | <input type="checkbox"/> Metro Water / Sewer District | <input type="checkbox"/> Joint Agency Pursuant to G.S. 63-56   |
| <input type="checkbox"/> Non Profit Water Corporation | <input type="checkbox"/> Water / Sewer Authority      | <input type="checkbox"/> Sanitary District                     |
| <input type="checkbox"/> Other (be specific): _____   |   |  |

**Application Prepared by:**

Name: Bryan McCabe Title: County Engineer

Primary Telephone: 910-259-0212 Fax: 910-259-1579

Email: [bmccabe@pendercountync.gov](mailto:bmccabe@pendercountync.gov)

**Name of Engineering Firm:** McKim & Creed

Name of Engineer: Tony Boehn

Mailing Address (if other than above): 243 North Front St.

City: Wilmington State: NC Zip: 28401

Primary Telephone: 910-343-1048 Fax: 910-251-8282

Email: [tboahn@mckimcreed.com](mailto:tboahn@mckimcreed.com) Federal Tax ID #: 56-2136769

**PROJECT TYPE**

Check all that apply:

- DRINKING WATER**
- Drinking Water Source
  - Drinking Water Treatment
  - Drinking Water Transmission/Distribution
  - Drinking Water Storage
  - Other: explain in project description (Including green projects)

- WASTEWATER**
- Wastewater Treatment
  - Wastewater Collection
  - Water Reclamation or Land Application facilities
  - Sewer System Rehab
  - Other: explain in project description (Including green projects)

**Projected Construction START Date:** March 2016 **County(s) Served:** Pender

**# of NEW customers (connections) TO BE SERVED by project**

	Water	Wastewater
Residential	NA	NA
Business	NA	NA
<b>Total(s)</b>	NA	NA

**# of customers (connections) CURRENTLY served**

	Water	Wastewater
Residential	NA	NA
Business	NA	NA
<b>Total(s)</b>	NA	NA

# North Carolina Water/Wastewater Common Application Form

For use by ARC, CWMTF, DENR, DOC, and Rural Center applicants.

Please provide a description of the project specifically addressing the details of each major activity (i.e. who, what, where, why and how). Indicate if this will be a phased construction project.

Rationale: (1 paragraph max)

- Problems and/or compliance issues that project will alleviate
- Local, regional and/or state need for project
- Critical circumstances or emergency situations that compel project to be funded

Benefits: (1 paragraph max)

- Results and accomplishments to be derived from project
- Other non-quantifiable benefits (e.g. partnership, improved standard of living, etc.)

Performance Measurement:

- Outputs (i.e. 1,000 LF of 8-inch PVC pipe)
- Outcomes (i.e. fully functioning line)
- Number of jobs created (see agency guidelines)

(Detail all quantifiable measures, including leveraged private investment resulting from the project.)

**Project Overview:** Pender County Solid Waste operates a Solid Waste Transfer Station in Hampstead, NC. Solid Waste is hauled to the Solid Waste Transfer Station from sites across the County where the public may drop off solid waste from their business and/or residence. Solid Waste is then combined into larger loads and hauled from the Transfer Station to a permitted landfill facility in Sampson County. The Transfer Station Process involves consolidation and compression of solid waste. These processes, along with accompanying wash-down requirements create a wastewater stream known as "leachate." This wastewater stream must be treated along with a small amount of on-site domestic wastewater. This is currently handled by a wastewater treatment process and subsurface disposal system.

**Rationale:** The NCDHHS will not recommend re-permitting of this wastewater facility in its current state (concerns over the process, repeated effluent and groundwater violations, and additional repairs required; Ref: Attachment EB-1), and has recommended process improvements that this proposed project implements. Improvements are required to continue operation of both the WWTP and Solid Waste Facility, which is a critical component of the Pender Solid Waste overall operations.

**Benefits:** Via this project, the WWTP domestic and process wastewater streams will be segregated, stormwater infiltration into the system will be removed, and the existing wastewater process will be converted from a Subsurface Disposal System to a Closed Loop Recycle System for the process waste. The new system WILL NOT increase the current permitted capacity of the WWTP and will ultimately decrease the required treatment volume. The process

# North Carolina Water/Wastewater Common Application Form

*For use by ARC, CWMTF, DENR, DOC, and Rural Center applicants.*

wastewater will be treated and reused to wash the facility down. Additionally, more efficient equipment (aeration basin, clarifier, and pumps) will be installed to replace existing equipment that was installed in 1990 (Ref: Attachment PB-1) ultimately reducing energy consumption by 46.70% (Ref: Attachment PB-2) for the process. Energy reduction was a primary project purpose and the process equipment upgrades allowed for removal of an intermediate pump station. Equally beneficial the existing subsurface disposal system will no longer be utilized for disposal of process wastewater. This will directly reduce potential impacts to adjacent groundwater. Groundwater flow from the subsurface disposal system is in the direction of Old Topsail Creek, an impaired stream, consequently water quality impacts to Old Topsail Creek will also be reduced.

Performance Measurement: Upgrading the equipment and recycling the process wastewater for use as process rinse in a closed loop recycle system will reduce the existing subsurface disposal system treatment volume from 665 GPD to 75 GPD and reduce annual energy usage from 8628.35 Kwh to 4030.49 Kwh.

# North Carolina Water/Wastewater Common Application Form

## PROJECT BUDGET

For use by ARC, CWMTF, DENR, DOC, and Rural Center applicants.

Complete the project budget addressing the categories provided in the table below (insert rows/columns as needed).  
NOTE: Engineering costs shall be held to the USDA or EPA fee curve, depending on the funding partner.

Cost Description	ARC	CWMTF	DENR	DOC	Rural Center	Local	Other	Total Cost Amount
Mobilization		18,920.00						\$18,920.00
Demolition & Sitework		170,000.00						\$170,000.00
Sanitary Sewer Modifications		35,000.00						\$35,000.00
Equipment Modifications		110,000.00						\$110,000.00
New Equipment		88,000.00						\$88,000.00
Electrical		120,000						\$120,000.00
Construction Sub -Total	\$0.00	\$541,920.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$541,920.00
Contingency		52,500.00						\$52,500.00
Engineering Design		40,900.00						\$40,900.00
Permitting		7,700.00						\$7,700.00
Land Surveying Costs		3,200.00						\$3,200.00
Easement Preparation		0						\$0.00
Closing Fee (if applicable)						13,394.00		\$13,394.00
Construction Administration/Observation		23,500.00						\$23,500.00
Grant and/or Loan Administration		0						\$0.00
Legal Costs		0						\$0.00
Other (specify)								\$0.00
Administration Sub-Total	\$0.00	\$127,800.00	\$0.00	\$0.00	\$0.00	\$13,394.00	\$0.00	\$141,194.00
<b>TOTAL PROJECT COST</b>	<b>\$0.00</b>	<b>\$669,720.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$13,394.00</b>	<b>\$0.00</b>	<b>\$683,114.00</b>
<b>Status of Funding</b> (pending or secured)								

# North Carolina Water/Wastewater Common Application Form

For use by ARC, CWMTF, DENR, DOC, and Rural Center applicants.

## CERTIFICATION BY CHIEF ELECTED OFFICIAL/AUTHORIZED REPRESENTATIVE

The attached statements and exhibits are hereby made part of this application and the undersigned representative of the applicant certifies that the information in this application and the attached statements and exhibits is true, correct, and complete to the best of his/her knowledge and belief. He/She further certifies that:

- 1 as Authorized Representative, he/she has been authorized to file this application by formal action of the governing body;
- 2 the governing body agrees that if a grant and/or loan is awarded, the applicant will provide proper and timely submittal of all documentation requested by the Grantor Agency;
- 3 the governing body agrees to provide for proper maintenance and operation of the approved project after its completion;
- 4 the applicant has substantially complied with or will comply with all federal, state and local laws, rules and regulations and ordinances as applicable to this project;
- 5 the applicant will adopt and place into effect on or before the completion of the project a schedule of fees and charges which will provide for the adequate and proper operation, maintenance, administration and repayment of all principle and interest on loans of the project;
6. the applicant has followed proper accounting and fiscal reporting procedures, as evidenced by the applicant's most recent audit report, and that the applicant is in substantial compliance with provision of the general fiscal control laws of the State;
7. the project budget provided on page 4 of this North Carolina Water/Wastewater Common Application Form includes all funding requested from all sources of funding proposed for this project; and
8. the (Town or County), North Carolina is organized and chartered under the laws of North Carolina. All officials and employees are aware of, and in full compliance with NCGS 14-234, "Director of public trust contracting for his own benefit, participation in business transaction involving public funds; exemptions." (For units of local governments only.)

---

SIGNATURE OF CHIEF ELECTED OFFICIAL/AUTHORIZED REPRESENTATIVE

Michael Mack

Director

1/04/16

---

TYPED NAME

TYPED TITLE

DATE

**Please note: ORIGINAL signatures are required for each agency application.**