

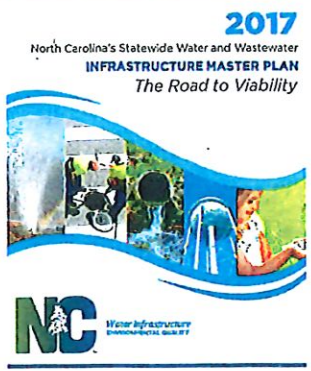
## Definition of Viability from Master Plan

### 2017 State Water Infrastructure Authority Master Plan

A viable system is one that:

- functions as a long-term, self-sufficient business enterprise,
- **establishes organizational excellence, and**
- provides appropriate levels of infrastructure maintenance, operation, and reinvestment that allow the utility to provide reliable water services now and, in the future

*A viable system takes a long-term view.*

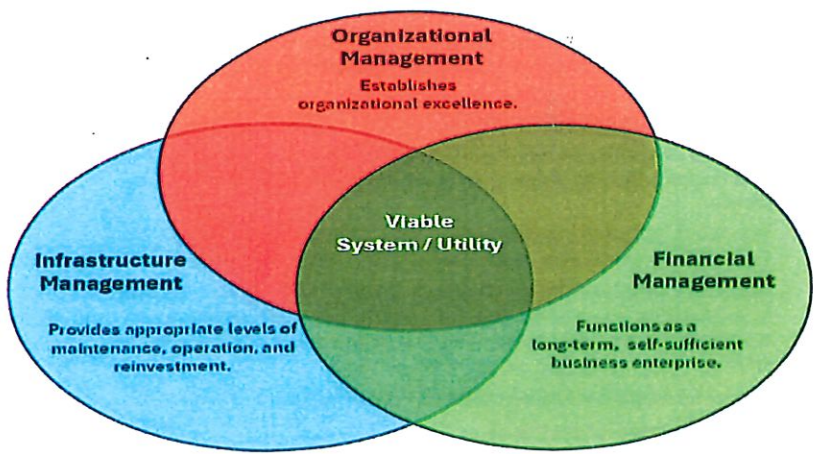


<https://www.deq.nc.gov/about/divisions/water-infrastructure/viable-utilities>



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## Utilities need capacity in three distinct areas



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## *Viable Utility Program (VUP) Elements*

The Viable Utility Program was signed into law on July 1, 2020 (*Reform of Water and Wastewater Public Enterprises, S.L. 2020-79*).

The program fosters the viability of utility operations across the state by:

1. Identify and designate distressed local government units (LGUs). (*Assessment criteria were created to identify those LGUs most likely in need of assistance in achieving or maintaining viability.*)
- 2. Providing a process to assist in the development of capacities that promote utility viability.** (*Driven by NCGS § 159-45 requirements for Distressed Systems.*)
3. Administer the Viable Utility Reserve (VUR).



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## *VU Process: Assessment, training, planning*

### ***Distressed LGU Requirements derived from NCGS § 159-45G(b)***

- Conduct an **Asset Assessment and Rate Study**, as directed and approved by the Authority and the Local Government Commission.
- Participate in **initial training**, an educational program approved by the Authority and the Local Government Commission for distressed unit.
- Develop / implement a **short-term action plan (STAP)** to address initial and ongoing training, assessments, planning and utility management needs.
- Develop a **long-term action plan (LTAP)** for sustainable management, operation, maintenance, repair / replacement of infrastructure. \*
- Develop a **long-term financial plan** to ensure the utility will generate sufficient revenue to adequately appropriate levels of operation, maintenance, and reinvestment that facilitate reliable service in the long-term. \*
- Any other matters identified by the SWIA or the LGC.

\* **Guidance under development.**



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## *Funding Opportunities for Distressed Units*

### Asset Inventory and Assessment Grant (AIA) & Rate Study

- Assessment and rate study required for Distressed Utilities
- Goal: Asset Management Plan and Capital Improvement Plan

### Merger/Regionalization Feasibility Study (MRF)

- Required for some Distressed Utilities
- Goal: Investigate partnerships for viability

### Construction Project Grants

- Linkage to short-term and long-term action plans (demonstrate project vital to move toward viability)



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## *Viable Utility Program Objectives*

### Assist Distressed utilities

- Establish clear expectation to satisfy statute (realize purpose more than completing tasks)
- Encourage local leaders to be engaged, committed, and accountable for utility management
- Support utility condition assessment and capital improvement planning
- Assist in developing short-term and long-term plans for viability

### Support efforts and projects to improve viability

- Coordinate with other funding programs to develop partnerships and share prioritization
- **Coordinate and strengthen relationship with other resource agencies**
- Develop a program that supports all utilities



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## Technical Support and Assistance

### Resource Agency Partners for Water and Wastewater Utilities (RAPWU)

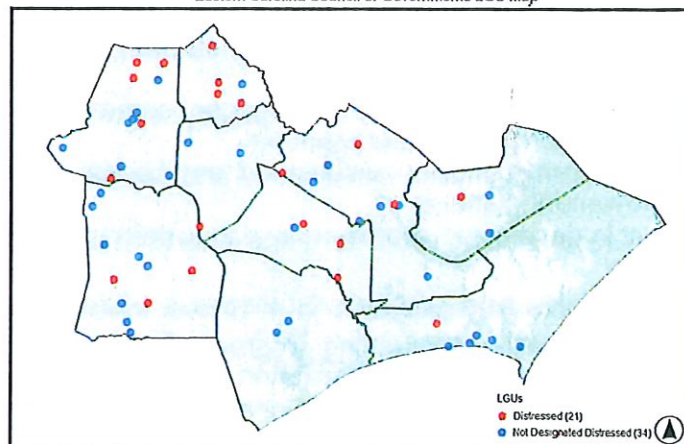
- Have well-established relationships with LGUs
- Provide technical and managerial expertise to LGUs
- Are often seen as neutral arbiters for partnerships (e.g., COGs)
- Share information and collaborate on many Viable Utilities elements



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## Distressed Utilities in ECCOG region

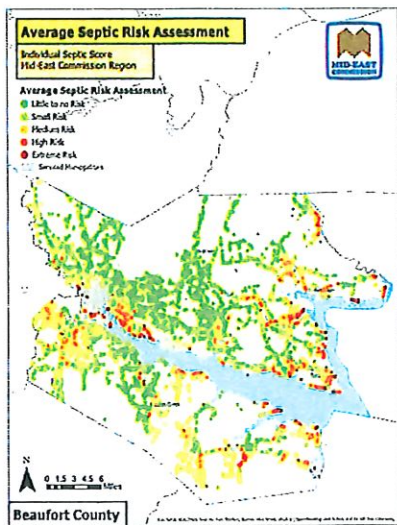
Eastern Carolina Council of Governments LGU Map



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*Other VU initiatives in the ECCOG region*



**Regional Partnerships**

**Workforce Development**

Closing America's Wastewater Access Gap and Coastal Plain On-Site Wastewater Steering Committee



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*Overlapping Priorities in ECCOG region*

- From the 2023-2027 Comprehensive Economic Development Strategy:

PRIORITIES	
Priority Area 1	Cultivate and champion regional collaboration and partnership
Priority Area 2	Develop critical infrastructure to grow economic opportunities and support disaster resiliency
Priority Area 3	Grow and support skilled workforce and enhance educational attainment
Priority Area 4	Create healthy and connected communities and improve quality of life



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