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**Plan promises little relief for SGWASA**

BY PENNY CARPENTER

Representatives from the North Carolina Division of Environmental Quality presented components of the statewide water and wastewater infrastructure master plan at the Kerr-Tar Regional Council of Government meeting on June 28.

"The Road to Viability" is the state's road map for viable wastewater and water utilities that protect the environment, safeguard public health, encourage economic development and support vibrant

# SGWASA

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communities.

Federal grants are not going up, but state and more local money is needed to address the issues facing water utility systems due to aging infrastructure.

All the discussion links to the current poor operational conditions for the South Granville Water and Sewer Authority, which is struggling to provide clean water to its customers on a debt-ridden budget.

Overall, some water lines throughout the state were installed more than 70 years ago, and water line breaks have risen 27 percent in the last six years.

Components of the plan are infrastructure management, organizational management and financial management.

Jennifer Haynie of NCDEQ said it is important for systems to be proactive versus reactive when it comes to replacing infrastructure.

She used an example of two air conditioner units at her home. One had to be replaced and she and her husband had to come up with a way to pay for it. This taught a valuable lesson.

Since they knew the other unit would have to be eventually replaced, they began to set aside money for when that happens, so they will be prepared.

She stressed how imperative it is for systems to continue to set aside money for inevitable things that will occur.

Currently the state has more than \$26-billion

in needs and a total of \$30 million in grants for hundreds of systems - a significant shortfall.

The majority of the programs offered are low interest loans, a few at zero percent and other half at the market rate for terms of 20 to 30 years.

Determining factors for qualification included median household income, poverty rate, property evaluation and unemployment. Generally, at least three of the criteria has to be met.

Those factors are the ones that in the past have disqualified SGWASA from being eligible.

Recently though, SGWASA was awarded one of the asset inventory grants presented for developing an inventory of assets and their condition and other components of an asset management program.

With the massive \$53-million of debt SGWASA is unable to borrow any more money for a system deemed to be below standard, which has resulted in repeated noncompliance citations from the state and penalties.

## SGWASA?

After the meeting Kim Colson of NC DEQ answered questions regarding the financial situation of SGWASA and ideas that have been presented as options.

There is no grant money or programs available for debt forgiveness so SGWASA is on the hook until all of the loans are paid.

Point-of-use water filtration devices can only be covered by grant funds in the instances of providing water to

homes that maybe had wells that have been contaminated or other extreme circumstances to meet compliance issues. In most cases it is a very limited number — not to all customers in a system.

Compliance has to be met at the source and not at each individual home.

Class action law suits would result in an increase in rates because

the funds would have to come from somewhere, she said, and more than likely, in SGWASA's case, it would be the customers.

SGWASA critic John Mayo of Butner has told the SGWASA board that its continual lack of leadership and its inaction to improve water quality leaves it as a target for a lawsuit — one

he said he would spearhead.

The Local Government Commission could come in and take over the system, she said. If that were to happen all local control over rates would be gone. The rates would be adjusted to balance the budget whatever that came out to be.

Mayo and a group of SGWASA customers

have advocated for the LGC to intervene.

In a booklet handed out there is a section for recognizing a "troubled" system.

Based on the guidelines listed SGWASA would not meet the necessary criteria.

To see more information about the master plan, visit <https://deq.nc.gov/wi>