MINUTES
City Council Public Works & Utilities Committee

Wednesday, September 3, 2025 – 3:30pm
City Council Chambers

Members Present:	Mac Morrow, Chair, Council Member Lauren Wise, Vice-Chair, Council Member Owen Carson, Citizen Member Mayor Copelof, Ex-Officio Member
Staff Present:	David Todd, Assistant City Manager Wesley Shook, Public Works Director Dennis Richardson, Water Treatment Plant Supervisor Aaron Winans, Wastewater Treatment Plant Superintendent Dean Luebbe, Finance Director Denise Hodsdon, City Clerk

A. Welcome and Call to Order

Committee Chair Mac Morrow called the meeting to order at 3:31pm.

B. Certification of Quorum

City Clerk Denise Hodsdon certified that a quorum was present.

C. Approval of Agenda

Mr. Morrow asked to add an agenda item, "Storm Drain Program" to the agenda. Mr. Carson made a motion to approve the agenda. This was seconded by Mr. Wise. All in favor.

D. Approval of Minutes – August 6, 2025

Mr. Wise made a motion to approve the minutes, which was seconded by Mr. Carson. All in favor.

E. KCI Wastewater Treatment Plant Funding Discussion

Mr. Todd introduced KCI representatives Kyle Seaman, David DePratter, Matthew Broderick, and Thomas Vollmar to present information regarding funding choices for the wastewater treatment plant.

KCI shared that there is roughly $4.5 million in a shortfall for phase I of the construction and design of phase I if the project is built the preferable way.

KCI summarized the methods in which they thought were best for funding the project.

[See attachment for presentation]

KCI summarized that, based on the current funding available, and additional funding being required for the Phase 1 and 2 improvements to the WWTP, they are recommending the city pursue additional funding for the construction of the Phase 1 improvements through the NCDEQ SRF Helene funding program. For the Phase 2 design, KCI recommended pursuing funding through the FEMA HMGP Advance Assistance program. With the City's approval, KCI will submit applications to both programs this fall. Funding for the construction of Phase 2 will likely require multiple sources and will be pursued in 2026.

F. Storm Drainage Program

Mr. Morrow shared about the "Adopt a Storm Drain" program through River Link. He shared that the committee would need to approve that program and allow River Link to apply for a grant to assist the city's storm drain program. Ms. Copelof also shared information with the committee and noted that River Link would do most of the work and would require very little city staff time. It was noted that the Sustainably Council would be involved. The committee members had a positive conversation about this possibility.

Mr. Carson made a motion to recommend that city council approve a letter of endorsement to River Link to pursue grant funding to start an Adopt a Storm Drain program in the city. Mr. Wise seconded the motion. All voted in favor.

G. Public Comment

No public comment.

H. Set Next Meeting

The next regular meeting of the committee will be October 1, 2025 at 3:30pm.

I. Adjourn

Mr. Morrow made a motion to adjourn, which was seconded by Mr. Carson. All voted in favor and the meeting was adjourned at 5:05pm.

Minutes Approved: October 1, 2025

Mac Morrow, Chair, Council Member
Lauren Wise, Vice Chair, Council Member

Selena D. Coffey
Assistant to the City Manager

BREVARD WWTP PHASE 1 AND PHASE 2 FUNDING DISCUSSION

CITY OF BREVARD

SEPTEMBER 3, 2025

KCI



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Agenda

- Current Funding Available/Budget Shortfall
- Phase 1 Construction Funding
- Phase 2 Design Funding
- Phase 2 Construction Funding
- Funding Schedule
- Closing/Next Steps

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Current Funding and Budgetary Shortfall

➢ Current Available Funding

State Appropriation Summary	
Appropriated Funds	$12,805,000
WWTP KCI Engineering PER	-$352,000
WWTP KCI Engineering Phase I Design-Construction	-$878,000
WTP Project Funds	-$3,000,000
Remaining Unallocated	$8,575,000

➢ Budget Shortfall

	Phase 1 Design through Const	Phase 1 Const. + Phase II Design
Remaining Unallocated	$8,575,000	$8,575,000
Phase I Construction Budget Estimate	-$13,000,000	-$13,000,000
Phase II Est. Design Budget up to Bidding	$ -	-$2,500,000
Budget Shortfall	$(4,425,000)	$(6,925,000)

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Recommended Phase 1 Additional Funding for Construction

Phase 1 Construction Funding:

- NC DEQ State Revolving Fund (SRF) Helene (SA-HMW) Loans (I Need Funding | NC DEQ)
  - Timing – Applications are accepted on a rolling basis
    November 3, 2025 for December 10, 2025 awards
    January 9, 2026 for February 18, 2026 awards
    March 2, 2026 for April 15-16, 2026 awards
  - CWSRF SA-HMW funding available = $253.7 million (minus 6% for administration)
    30% reserved for systems with 10,000 or less people
  - No interest loans, with possible principal forgiveness
  - 20-year loan terms (can potentially be extended to 30 year)
    - 0% interest rate
    - Applicants with <20,000 residential connections and 2 or more LGU indicators first $5M 100% PF, then remainder at 75% PF and 25% loan.
    - Loan fee of 2%
  - Current Cap of $5 million for wastewater projects
    - Capped awards may receive an increase after April 2026 based upon availability

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Recommended Phase 2 Design Funding

Phase 2 Design Funding:

- FEMA HMGP Advance Assistance funding could be used for expanding usable land at the existing WWTP site by armoring (flood wall) existing property within the 100-year and 500-year flood plain, improvements to the chlorine contact chamber to allow for continuous discharge during flood events and possibly the replacement of the RBCs. (Disaster Hazard Mitigation Grants | NC DPS)
  - Timing – the state is accepting Advance Assistance applications now
  - Advance Assistance funding can only be used for **design** activities
  - NC has $2.5 Billion in HMGP construction funding. Window is closed for applications currently but could reopen in 2026.
  - Funds have to be spent within 36 months of award, but can be extended up to 24 additional months

- The second avenue KCI will explore for funding the design of Phase 2 will the NCDEQ SRF Helene funding in January 2026. Since this program limits the funding to $5 million per applicant, this will only be pursued if the Phase 1 application is unsuccessful.

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Recommended Phase 2 Design and Construction Funding

Phase 2 Design and Construction Funding:

- NC State Direct Appropriations for Water and Wastewater Projects (2023 Appropriations Act Directed Projects | NC DEQ)
  - Funding for 2023-2025 budget appears to be closed

- WIFIA Loan ($5 million minimum project size, max 49% of project funded through the loan, ~4 - 5% interest rate, up to 35-year term, with 5 years of deferred payments) (WIFIA Available Funding | US EPA)
  - Timing – Once we have defined the project in the development of the PER, an application can be developed. Applications can be submitted anytime.
  - Pre-Loan costs could be included in loan application
  - No maximum dollar amount for loans
  - Could be combined with CWSRF loans

- NC DEQ State Revolving Fund/State Reserve Program (SRF/SRP) (I Need Funding | NC DEQ)
  - Timing
    - Spring (April) Not yet published, Previous Cycle April 30th.
    - Funding results published mid July 2026
  - Caps
    - $35 M per applicant
    - $200M total per recipient
  - Low interest loans (½ of market interest rates)
  - Brevard may be eligible for 50% grant (Available grant funding per cycle limited, only $13M in PF in Fall 2025 cycle)

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BREVARD WWTP - ESTIMATED FUNDING SCHEDULE

KCI TECHNOLOGIES

ITEM #	DESCRIPTION	Funding Review / Award Duration	Maximum Budget	2025 Aug	Sept	Oct.	Nov.	Dec.	2026 Jan.	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
	Proposed Schedule																			
1	NC State Direct Appropriation	State Budget Cycle	No Cap	★							★					★				
2	NC DEQ State Revolving Fund (SRF) Helene (SA-HMW) Loans	2 Mon (3 App Periods)	$ 5,000,000				★	☆			★	☆								
3	NC DEQ State Revolving Fund/State Reserve Program (SRF/SRP)	2 Mon (2 App Periods)	$ 35,000,000								★				☆					
4	FEMA HMGP Advanced Assistance	2 Mon	No Cap					☆												
5	WIFIA	Rolling submittal, 4 Mon	$ 39,000,000																	

★ Application

☆ Award

FUNDING SCHEDULE

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Closing

Next Steps

- Meeting Summary
- Funding Documentation RFI
- Resolution for Council Approval
- Funding Documents for Signature

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