



DESIGNATION OF DISTRESS UNDER THE VIABLE UTILITY PROGRAM

RESOLUTION 25 – 01

WHEREAS, Session Law 2020-79 was signed into law on July 1, 2020 to improve viability of the water and wastewater systems of certain units of local government; the Viable Utility Reserve was established in the Water Infrastructure fund to be used for grants to include the study of rates, asset inventory and assessment and/or merger and regionalization options as well as construction projects which may include rehabilitation of existing utility assets, interconnections/extensions to provide regional service, decentralize an existing system, and/or other options deemed feasible to support financial, organizational, and operational viability; and

WHEREAS, The State Water Infrastructure Authority (SWIA) and the Local Government Commission (LGC) have developed criteria to assess local government units and identify distressed units, and

WHEREAS, The City of Trinity has been identified through the process approved by SWIA and the LGC as being potentially distressed, based on the financial, managerial, and technical challenges faced by the City of Trinity and which affect the long-term sustainability of the utility, as supported by the most recent assessment score which is above the designation threshold for the first time, and

WHEREAS, The City of Trinity has need for state grant assistance for study and/or construction project(s), training and education, and other related assistance in support of becoming a viable utility.

NOW THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF TRINITY:

That City of Trinity, if designated as distressed, will complete the viable utility requirements in §159G-45(b) by:

1. Conducting an asset assessment and rate study. (Recently completed asset assessment or rate studies may be sufficient to meet this requirement.)
2. Participate in a training and educational program.
3. Develop a short-term and long-term action plan considering all of the following:
 - a. Infrastructure repair, maintenance, and management.
 - b. Continuing education of the governing board and system operating staff.
 - c. Long-term financial management plan.

That the City of Trinity acknowledges that the State Water Infrastructure Authority and Local Government Commission can impose specific conditions on grants from the Viable Utility Reserve.

That the City of Trinity will provide adequate access to staff, documents, equipment, and other resources pertinent to complete any future Viable Utility Reserve projects, and upon completion of the projects provide good faith effort to implement their short-term and long-term plans to achieve system viability.

That City Manager, the Authorized Official, and successors so titled, is hereby authorized to execute and file these materials for consideration on behalf of the City of Trinity with the State of North Carolina for a distressed designation to aid in the completion of projects in support of system viability.

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 process: to make the assurances as contained above; and to execute such other documents as may be required in connection with the designation process.



That the City of Trinity 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 pertaining thereto.

Adopted this the 12th, of August 2024

CERTIFICATION BY RECORDING OFFICER

The undersigned duly qualified and acting City Manager of the City of Trinity 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 City Council duly held on the 12th day of August 2024; 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 12th day of August 2024.

Richard McNabb, Mayor

SEAL

Darien Comer, City Clerk